WSX04 – A summary of our customer research

Business plan 2025-2030

Wessex Water
YTL GROUP

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WSX04 - A summary of our customer research

CONTENTS

This supporting document is part of Wessex Water's business plan for 2025-2030.

Please see 'WSX00 – Navigation document' for where this document sits within our business plan submission.

More information can be found at wessexwater.co.uk

Supporting Documents:

WSX05 – Affordability and acceptability testing
WSX06 – Customer research triangulation
WSX65 – Continuous customer feedback and insight

All individual customer research reports are published on our customer research documents webpage

Executive summary

This document provides a summary of each research project and insight sources we have drawn upon to develop our business plan. It also summarises the outputs of the triangulation process that has brought together the multiple sources of information into useful key insights by outcome and the line of sight from these insights into actions and investments in our business plan.

Copies of all research materials (including reports, discussion guides, surveys, and stimulus) for each project are published on our customer research documents webpage.

Our approach to the triangulation of customers' views and preferences identified by our research strategy is fully described in our main business plan and a copy of the full triangulation carried out by Sia Partners can be found in document WSX06 (Customer research triangulation) and on our website.

All our research meets Ofwat's principles for high quality research, challenge, and assurance and this is documented in chapter 10 of our main business plan.

All research and engagement are overseen by our independent Customer Challenge Group and we have sought additional independent assurance for any appropriate elements of our research programme.

The CCG has provided a PR24 report and challenge diary as part of the Board assurance and independent challenge required which is provided in document WSX64 Wessex Water Customer Challenge Group Report and published on their own website.

The CCG have ensured we have complied with national prescribed guidance published by Ofwat and CCW for research such as the affordability and acceptability testing and the Your Water Your Say event. We have actively engaged in the development of the national research programme, been constructive in the questions we have asked, proposed evidence-based changes to the guidance e.g. post cognitive testing and responded quickly to any changes to the guidance in our research projects.

1. Customer research overview

1.1. Introduction

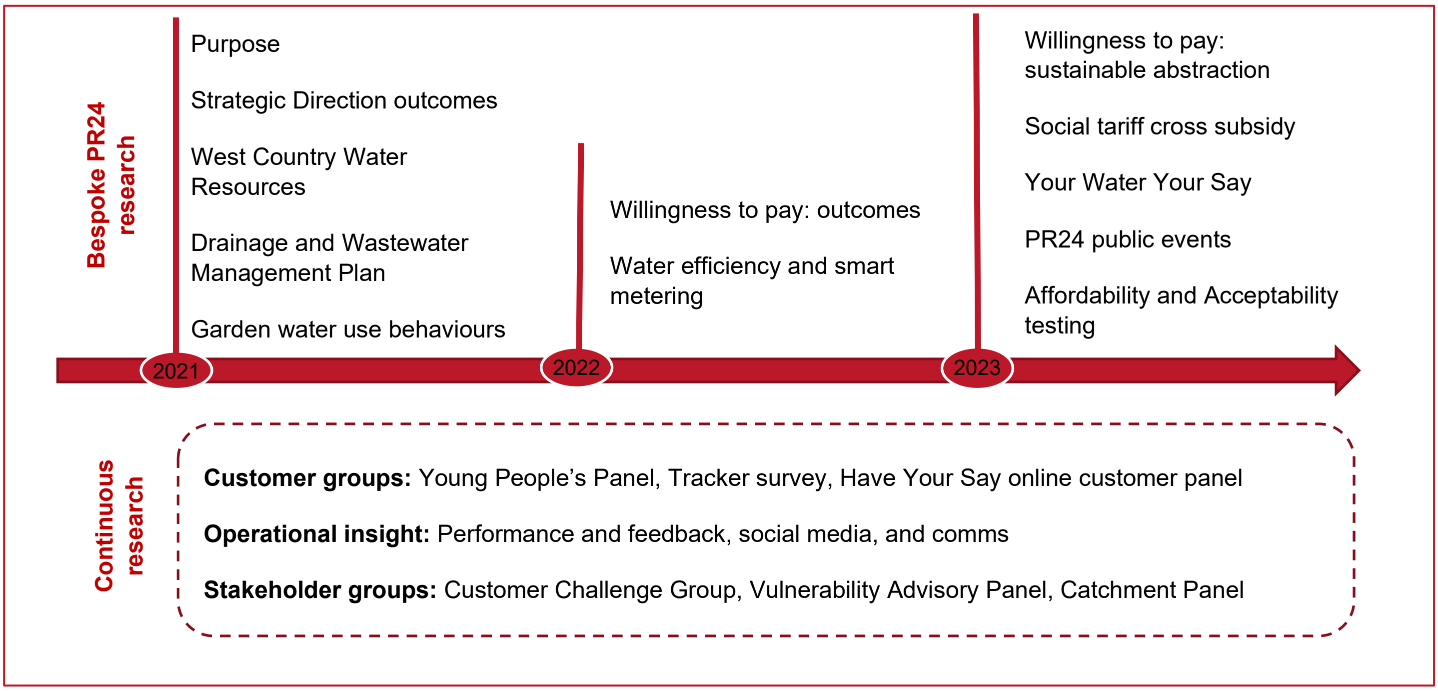
Our customer research strategy has been developed and delivered to be aligned with:

- CCW's framework report: Framework for water company research published in November 2020
- Ofwat's customer engagement policy: PR24 and beyond: Customer engagement policy - a position paper published in February 2022
- CCW's research triangulation guidance: Triangulation: A review of its use at PR19 and good practice Published in May 2021.

More detail on how we have developed and delivered our customer research strategy and its alignment with our complementary customer engagement strategy is provided in chapter 12 of our main business plan.

Figure 1 shows the timeline of research we've undertaken as we've developed our plan. The top half of the figure identifies the 12 bespoke research projects we've undertaken in the last 3 years and the lower half of the figure indicates the three strands of our continuous insight sources.

Figure 1: Timeline of research projects that have shaped our Business Plan



Section 2 of this document provides a summary of each of these insight sources.

The findings from individual insight projects have been considered and triangulated alongside other sources of related customer insight. Section 3 of this document provides a summary of the key insights developed from the triangulation for each outcome. Importantly, it also maps the line of sight from the key insights to the actions and investments in our business plan for each outcome.

2. Summary of research projects and insight sources

This section describes each of the research projects and sources of continuous insight used to develop our PR24 business plan. For each bespoke project (section 2.1) or continuous insight source (section 2.2) a summary is provided of:

- the purpose
- the approach, methodology and how these meet the principles of high quality research
- key findings and how these have shaped our plan.

How our engagement programme as a whole meets Ofwat's principles for high quality research, challenge and assurance are set out in chapter 12 of the main plan.

All reports and associated research materials such as proposals, recruitment screeners, discussion guides, surveys, and stimulus materials are published on our customer research documents webpage.

2.1. Bespoke research projects for PR24

2.1.1. Social purpose

Purpose of this research
As we began work to review our long-term strategic direction as a company in late 2020, we were keen to explore views on our purpose. We commissioned Blue Marble Research to bring together insight from three perspectives: current customers, future customers, and our internal colleagues to be considered alongside other influential factors in a refresh of our company purpose.

Overview of the approach, methods and how these meet the principles of high quality research
Customers and colleagues' views were captured in a mixture of qualitative and quantitative methods to be inclusive of a range of views:

- **Future customers:** Young People's Panel Sept - Nov 2020 – discussion groups with 22 young people and a schools' survey that achieved 555 completions.
- **Current customers:** Wessex Water's Have Your Say online panel March - April 2021 – 10-minute survey with 1050 completions.
- **Colleagues:** 3 group discussions involving 15 colleagues including a mixture of managers and non-managers and from a range of departments.

For transparency we have published Blue Marble's combined report on our customer research documents webpage and the reports for the Young People's Panel and the Have Your Say online panel are also accessible from that page.

Key findings and how these have influenced our plan
There was widespread support for Wessex Water's social purpose, and everyone found aspects that they particularly supported. In general terms, the audiences evaluated the social purpose slightly differently depending on their starting point. For example:

- Customers on the Have Your Say online panel are well informed about Wessex Water as they have completed a number of online surveys over time. As well as environmental elements, they prioritised areas that were less expected e.g., bringing economic and community benefits.

- Future customers with very limited prior expectations of a water company, identified more strongly with issues they could relate to e.g., affordability, employment opportunities and inclusion.
- Colleagues identified areas relating to the core business, knowing the expertise and complexity that these entail.

However, whilst the different audiences evaluated the social purpose statement from different viewpoints, there were relatively few gaps or conflicts within or between groups.

Environmental aspects of social purpose had immediate appeal, fitting with Wessex Water's core business, though this was less clear cut for future customers.

When considered, future customers thought Wessex Water supporting people through employment opportunities and bill discounts were more relevant and lower income 'Struggling' customers agreed with them.

Current and future customers aligned more closely on initiatives that were beyond what they expected which therefore conveyed an authenticity about Wessex Water's motives. The effort and commitment to supporting local economies, running 'poo' buses and using local suppliers; or the financial commitment of offering grants and incentives is more impactful.

These findings were used iteratively alongside the customer research on our strategic direction to refresh our purpose statements and long-term priorities. Our purpose statements are published on our website: Our purpose and values.

2.1.2. Strategic direction – long term priorities

Purpose of this research
We commissioned Accent Market Research to provide us with an understanding of customers' priorities and expectations for Wessex Water for the next 25 years to refresh our 25-year Strategic Direction Statement, or long term vision.

The research approach enabled customers and stakeholders to generate priorities that were focused on the outcome, or end benefit, to the customer and wider environment.

Overview of the approach, methods and how these meet the principles of high quality research
A complementary mixture of qualitative and quantitative methods were used. Fieldwork was undertaken between July and September 2021.

The qualitative elements of the research involved:

- Expert co-creation workshop with 11 external industry experts alongside 'emerging thinkers' from within Wessex Water.
- Intergenerational family group in-home immersion sessions – different generations within the same family discussed broad priorities and different motivations.
- Focus groups and depth interviews with 92 participants. These sessions were tailored to a range of customer and stakeholder audiences – including industry stakeholders, retailers, businesses, colleagues, and customers including some who need extra help. Recruitment screening was used to ensure a representative sample of customers were selected for each element of the research. This ensured participants were from a range of socio-economic statuses, household or business sizes and geographical areas.

The quantitative elements of the research involved:

- Online, face-to-face and telephone surveys with uninformed household customers, citizens and businesses plus informed household customers and colleagues. In total this involved 1,379 household customers, 113 colleagues and 135 businesses.

The research project was undertaken by an expert research agency and designed to be inclusive at capturing customers' and citizens' views from a wide and representative sample of the people we serve.

For transparency we have published the reports and all associated research materials on our customer research documents webpage.

The summary of how this research meets requirements and expectations for high quality research is provided on page 55 of the main project report.

Key findings and how these have influenced our plan

This research was integral to developing our updated 25-year strategic vision for Wessex Water. The qualitative phase spontaneously generated a list of 11 potential outcomes which were grouped into three categories: 'serving every customer', 'protecting and enhancing the environment' and 'serving communities' as shown in Table 1.

Table 1: Outcomes generated by the first part of the strategic direction research

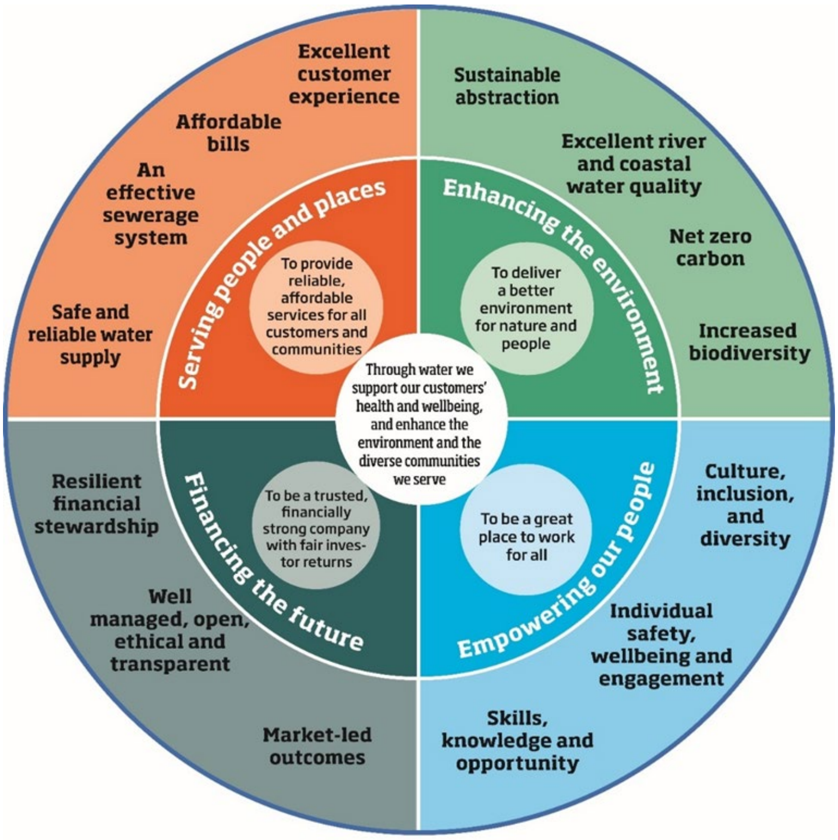
Serving every customer	Protecting and enhancing the environment	Serving communities
Delivering safe, quality drinking water Providing a continued, reliable water supply Providing high quality customer service so that any customer can easily access their services and support Ensuring bills are fair and affordable for all Keeping the sewage service working	Reducing the amount of water taken from local habitats Improving ecosystems and increasing biodiversity Reaching net zero by 2040 Protecting and improving river and beach water quality	Improving the impact on local communities for example volunteering to support community schemes Improving customers' perceptions of the value of water

The subsequent quantitative stage sought respondents' top two priorities and tested whether any of the outcomes should be excluded and whether there was anything missing. The survey found that 87% of all participants thought the list of outcomes for each area was comprehensive and 87% - 93% would not exclude any of the outcomes listed (variance in score depending on which of the three categories was being considered).

These co-created outcomes underwent further development internally into our strategic direction illustrated in Figure 2. The nine outcomes in the first two columns of Table 1 map directly to the eight outcomes on the top half of the 'wheel'.

The two items in the third 'community' box of Table 1 are not included directly, as whilst clearly important, they are not true outcomes. However, they are key enablers to delivering our outcomes and feature in our community and communications strategies.

Figure 2: Wessex Water's 25-year strategic vision – eight outcomes (top half) and six enablers (bottom half)



2.1.3. Water resources in the South West: customer research for the West Country Water Resources Group

Purpose of this research

Eftec (Economics for the Environment) and ICS Consulting were commissioned to undertake research into customers' priorities and preferences for the West Country Water Resources Regional Plan. This work was undertaken collaboratively between Wessex Water, South West Water (now Pennon) and Bristol Water. The overall purpose of the project was to support the West Country Water Resources Group in formulating the best value regional plan for the South West.

Overview of the approach, methods and how these meet the principles of high quality research

Many themes were explored with customers including drought resilience, environmental ambition, trade-offs between different options and solutions, timing of investment, option types, inter-company water transfers and overall support for the emerging Regional Plan for water resources.

A complementary mixture of qualitative and quantitative methods was used. Fieldwork was undertaken between June 2021 and March 2022.

The qualitative elements of the research involved:

- Deliberative approach with 66 customers in 8 groups that met twice in June and July 2021. Groups were differentiated by socio-economic group, age, and current vs future bill payers. Participants were given some reading as a pre-task.
- A single deliberative session was also run with business customers from a range of sectors including hospitality, service industry, tourism, developers, agriculture, and public services.

The quantitative elements of the research involved:

- Online survey in February - March 2022 with regionally representative samples of 1,504 household customers and 304 businesses.

The research project was undertaken by expert research agencies and was designed to be inclusive at capturing customer and stakeholder views from a wide and representative sample of the people we serve. Respondents for the main survey were recruited via online panel providers. The sampling quotas for the main survey were designed to ensure results were representative of customers in South West England; quota criteria were gender, age and socio-economic status based on OND population estimates (mid-2020) and ONS Census (2011). The research was useful and contextualised within the wider framework of the West Country Water Resources Group's planning activities and was fit for purpose because it drew upon an appropriate selection of research methods, used high quality and engaging materials, and approaches to elucidate customer and stakeholder views. For transparency we have published the reports and all associated research materials on our customer research documents webpage.

Key findings and how these have influenced our plan

Overall feedback from customers participating in the research was positive. There was a high level of interest in the topic area and findings from both the qualitative and quantitative components of the research showed a good level of support for the outcomes and targets that the regional plan is aiming to achieve:

- **Drought resilience**. Customers were aware of the future water supply challenges in the South West, although had limited understanding about the impacts of extreme drought. Severe water use restrictions like rota cuts were perceived as difficult to cope with and generally unacceptable.
- **Environmental ambition**. Customers see water in the environment as a precious resource and there was a strong preference for the plan to go beyond the minimum requirements for environmental protection to provide even greater benefit for nature and wildlife.
- **Trade-offs**. The majority of customers supported a higher frequency of less severe restrictions such as hosepipe bans and the potential inconvenience it would cause if this would contribute to keeping more water in the environment and protecting sensitive habitats.
- **Timing of investment**. Customers favoured earlier investment in new supply options, even if this had increased risk that they may not be needed, or they could be the wrong size. For customers the benefits of acting early and being prepared outweighed the potential benefit of waiting for more certainty in the future before acting.
- **Option types**. No supply and demand options for the plan were unacceptable to customers. However, supply options were seen as more reliable, because of the uncertainties associated with demand reductions and the reliance on sustained behaviour change by customers. Support was highest for reducing leakage, closely followed by new or extended reservoirs.
- **Transfers**. Customers were supportive of sharing water at both national and regional levels, particularly if this helped to better protect the environment in water scarce areas. However, the support was not unconditional – with maintaining aesthetic quality of water for “donors” along with leakage and water saving levels in “recipient” areas being critical considerations.

The findings from this research project were considered as we developed our Water Resources Management Plan and investment plans to maintain our supply demand balance which have then been included in our business plan.

Customer support, identified by this research, for greater environmental protection is congruent with our plans for a significant demand management programme involving smart metering roll out, water efficiency and leakage reduction. Customer support for supply options is also being met with the inclusion of supply-side schemes and strategic resource options in collaboration with the West Country Water Resources Group in our 2025-30 plan.

For more information on how this research has been triangulated with other insight under our sustainable abstraction outcome, see Section 3.5.

2.1.4. Drainage and wastewater management plan

Purpose of this research

To support the development of our Drainage and Wastewater Management Plan we commissioned Accent and PJM Economics to explore customers' views on issues relating to sewer flooding and storm overflows. The project explored trade-offs between different types of sewer flooding and customers' willingness to support and pay for alternative 'generic options' that can be used to address drainage and wastewater issues, plus views on the impact on bills of alternative options and levels of service and how views differ between generations.

Overview of the approach, methods and how these meet the principles of high quality research

The research project ran in 2021 across three main phases of insight collection that iteratively built on each other. The first stage involved co-creation and discussion with a stakeholder panel. This was followed by a qualitative discovery phase to explore customer perceptions of wastewater and drainage issues for five customer groups to cover a range of views and experiences – tailored engagement channels were used for each group to meet their needs:

- Online household customer focus groups – 4 reconvened groups recruited around four towns (Bournemouth, Bristol, Taunton, and Salisbury), split by future customers, customers aged 25-55 and those over 55.
- Telephone depth interviews with 6 customers that need extra help to cover vulnerabilities such as literacy issues, long term health situations, over 75 years old, learning difficulties or unemployment.
- Online retailer depth interviews
- Online business customer focus groups
- Online depth interviews with 5 household customers that have previously experienced sewer flooding.

The reconvened groups completed 'homework' exercises using the online LiveMinds engagement platform.

A quantitative phase followed involving online or face-to-face surveys with household and non-household customers using two interlinked surveys – firstly the acceptability of impact and support for generic options and then willingness to pay for the generic options, the impact of options on bills and timings for investment.

For transparency we have published the reports and all associated research materials on our customer research documents webpage. The summary of how this research meets requirements and expectations for high quality research is provided on page 189 of the compiled document of project reports.

Key findings and how these have influenced our plan

The starting knowledge and understanding of drainage and wastewater is generally low among those with no experience of issues.

- There is limited understanding of the terminology 'surface water', 'groundwater', 'combined sewage' etc. Most admit to not having considered what happens to surface water and there had been little prior thought to the sewage treatment process.
    - "I had no idea that the rain and surface run-off goes in with all the sewage, but I suppose that makes sense now I think about it" Bristol, age 25-55.
- Initially wastewater feels detached from their household water usage and no links are made with customer behaviour.
    - "I must admit I have never thought about how all this stuff works before. I feel a bit stupid because I don't really know much about it at all and this all feels quite technical" Bournemouth, age 55+.
- On prompting, some recalled stories around sewer blockages from fatbergs, wet wipes etc on news, social media
    - "I've seen some stuff about fatbergs and not flushing things down the toilet, like wipes" Taunton, Future customer.

These findings were used to shape the quantitative survey stage. As challenges around drainage and wastewater are not top of mind for most customers a detailed explanation of processes, terminology, the nature and causes of issues and links with customer behaviour were explained and presented in stimulus materials.

The quantitative survey involved a series of choice exercises. The total sample size was 2,181 weighted in subgroups – household (1,854), future customers (47) and non-household (279). Recruitment was via a mixture of online (panel, Wessex Water sample, Youthsite and Respondi) and face-to-face. Responses were collected from our dual supply area (1,691) and waste only areas covering Bristol (236) and Bournemouth (253) for full representation across our region.

Assessments of survey validity indicated robustness in the results as there were very few instances of participants always choosing the same alternative throughout the exercise. There was also positive participant feedback that the choices were easy to understand, and people were able to make comparisons between the options presented to them.

Key findings from the quantitative survey included:

- Mean willingness to pay for avoiding foul/combined sewer flooding was much higher than for avoiding rainwater only sewer flooding; and, for both types of flooding, values are the highest when flooding is closer to customers' homes.
- Customers preferred that Wessex Water should invest in the immediate period (2025-2030) rather than spread investment over a longer period.
- With regard to views on the potential generic options themselves, "Customer Education" was found to be most acceptable, while "Live with flooding" was least acceptable, see full ranking below:
    - Customer education (74% acceptable)
    - Smart systems (56%)
    - Pre-treatment initiatives and permitting (56%)
    - Increase network capacity (55%)
    - Making sewers watertight (52%)
    - Sustainable drainage and wetland to treat excess combined flows (45%)
    - Separation of surface water from foul water sewers (40%)
    - Sustainably preventing rainfall entering sewers (39%)
    - Increase treatment capacity (36%)
    - Live with flooding (26%).

These views were incorporated into the development of our Drainage and wastewater Management Plan and PR24 investment plan. Our investments for 2025-30 include a portfolio of measures including an expansion of our customer education programme and further roll out of our smart network monitoring. Our plans will see a reduction in sewer flooding incidents over time meaning fewer customers will live with the risk of flooding. See section 3.6 on how wider insight on our effective sewerage system outcome has been considered.

2.1.5. Garden water use

Purpose of this research

In the summer of 2021, we explored customer garden water use behaviours. Our aim was to increase our understanding of what specific behaviours underpin the sometimes 25% uplift in household water usage that occurs during hot and sunny summer conditions and to understand behavioural shifts that may have occurred as a result of the Covid-19 pandemic. The study was inspired by CCW's 'Sink Sense' project in that it applied an innovative methodology using stop-motion cameras installed near garden taps to observe how customers were using water outdoors. We aimed to uncover actual water use behaviours, to reduce reliance on self-reported behaviours, with the ambition of using the insights to shape water efficiency engagement, communications, and future services.

Overview of the approach, methods and how these meet the principles of high quality research

We initiated the research as a collaborative project with four other water companies (Anglian Water, Northumbrian Water, South East Water and Southern water) and commissioned Blue Marble Research to undertake the work. 15 households across five water company areas were recruited to participate in the longitudinal ethnographic study. The small sample size of households involved means that the findings are applicable as case studies of behaviour for customers with particular characteristics, and not as generalisations of the whole customer base. Households were recruited to a specification to provide a mixture of household composition and life stage, socio economic group, working status, homeowners and renters, urban and rural and spread across the participating company areas so that there were three households per company area. All participating households had a garden with an outdoor tap and self-identified as moderate or high water users.

The methodology involved an initial online interview to get to know participants and ensure cameras were set up appropriately in their gardens. Then followed a 6-week garden observation period that recorded garden water activities using motion sensitive cameras. The weather conditions during this period were broadly dry and warm but also fairly overcast, it did not contain any heatwave type weather. In week 4, participants were given a water logger to fit on their outside taps and they were asked to carry out a typical garden water behaviour and record the water volume used. Participants also completed a short questionnaire at week 4 and at the end of the 6 weeks an online depth interview was undertaken and recalled vs. actual (videoed) behaviours were discussed.

For transparency we have published the project proposal, final report and all associated research materials (interview discussion guides and fieldwork task instructions for participants etc) on our customer research documents webpage.

The summary of how this research meets requirements and expectations for high quality research is provided on page 43 of the main project report.

Key findings and how these have influenced our plan

Key findings from the project included:

- Having a garden is considered a privilege, even those that aren't keen gardeners like to create a nice outdoor space and garden activities are considered 'wholesome' and good for mental wellbeing – this in turn affects perceptions of water use in the garden.
- Water that doesn't disappear down a plughole e.g., it's used for feeding plants and sinks into soil, is not considered 'wasted'. Water from the outside tap seems to hold a different value to water indoors. Subconsciously water from the outside tap is considered less precious, perhaps as it isn't seen directly as drinking water. Tending to a garden is deemed an important and worthwhile use of water, especially when linked to nurturing plants/nature.
- Many people developed a greater appreciation for their garden space during the pandemic, but they reported that they do gardening activities about the same amount as before the pandemic.
- All of our participants were environmentally conscious to some extent, but 3 typologies were identified:
    - Busy Basics – the bulk of the sample, do day-to-day basic environmental actions (e.g., recycling), but life is busy for them and being environmental is not top of mind.
    - Waste Warriors – brought up to not be wasteful from a young age, behaviours linked to frugality and saving money and are applied across a range of things in the home (e.g., food, electricity, and water)
    - Eco Enthusiasts – being environmentally friendly is a high priority for them, they work hard to shape their behaviours.
- Water usage wasn't something the participants had thought much about. Conserving water wasn't totally unfamiliar but there was a lack of awareness of water stresses and risks of future shortages.
    - "Subconsciously you hear it in the media about water shortage and drought, it's in your mind etc. But when you think about how much rain we get - contradicts itself a lot… it's just not a major concern."

- Not only do people need to be educated on water resources but there is work to be done to reframe the dialogue around water use to ensure that it is valued. Waste Warriors are most likely to observe water saving behaviours as they like to avoid any kind of waste, but for Busy Basics and even some Eco Enthusiasts, there is room to educate on why we need to preserve water and how best to do it.
- Numerous factors make educating the public on this topic challenging including that people are sick of being berated for their behaviours and don't want water to be another one on the list of things they need to worry about. People feel they're constantly being told to use less of everything, and it can feel tiresome. People seek more positivity – praise for good behaviour, support, education and help to make changes.
- Respondents found it tricky to remember exactly how many times they used water in the garden over the 6-week period. This was especially true for watering the garden, where most over-estimated the frequency and claimed to have a more strict and regular watering routine than they carried out in reality. Few actually followed a strict routine and watering the garden was a sporadic behaviour during the fieldwork period.
- Estimating household water usage proved difficult for respondents. When asked for overall usage (inside and outside) responses ranged from 3 to 200 litres.
    - "I found this difficult to answer as I have no idea how much water my household uses per day."
    - "It's difficult to know how much water we use as we're not able to see it."
- When participants measured water volumes used for typical outdoor activities such as watering plants, washing a car or cleaning a fence they were surprised with how much water they had used for the activity. However, because garden activities are regarded by most as 'wholesome', water usage in these spaces was considered necessary and 'guilt free'. Some activities were considered more 'indulgent' such as paddling pools or hot tubs, but they remain guilt free as they're associated with fun, relaxation, or wellbeing.
- Once informed about water use volumes there was interest and curiosity in understanding more but behaviour change to use less was unlikely to take place without help or future information.
- The project concluded with recommendations for action based around the COM-B model for behavioural change:
    - Explain the need for change – to increase awareness of water resource challenges
    - Raise the urgency and alarm for change – that changes need to take place now
    - Provide simple suggestions that are easy for customers to adopt – simple behavioural tips, prioritising changes that are easy to adopt and highlight the impact for them (financially) and for society / the environment.

The findings from this research project have been considered and used since its publication to shape our customer campaigns and promotions seeking to change water use habits. The findings have also been used in our preparation of PR24 plans for water efficiency engagement strategies and the roll out of smart metering from 2025. Please also see details of the wider triangulation of these findings alongside other sources of related customer insight in Section 3.5 (Sustainable Abstraction) of this report.

2.1.6. Water efficiency and smart metering

Purpose of this research

In a follow up project to the garden water use study we again commissioned Blue Marble Research, although this time by ourselves, to run a longitudinal project with a group of Wessex Water customers to explore their appetite for and experiences of water efficiency practices and attitudes towards smart metering. We aimed to uncover insights to shape our water efficiency engagement, communications and the future roll out of smart metering.

Overview of the approach, methods and how these meet the principles of high quality research

This project ran from February to October 2022 and involved four elements:

- Rapid evidence literature review to identify knowledge gaps to inform following stages
- Qualitative ethnographic behaviour change trial – with a group of 20 households for 2 months (March-April) that included depth interviews (2 x 45-60 mins with each participant), series of water use reduction behavioural tasks with supporting devices to trial in-between interviews, 90-minute workshop discussions with Wessex Water staff with 10 participants.
- Quantitative 12-min survey using our online Have your Say panel – 824 respondents.
- Qualitative ethnographic behaviour change trial extension of 3 months (May-August) – eight households were invited to continue during the summer period to explore how new water behaviours are maintained over time. During this period, it was possible to explore topical questions and 'in the moment' views and behaviours during hot and dry spells and in relation to relevant news stories using WhatsApp.

The small sample size of households involved in the qualitative elements means that the findings are applicable as case studies of behaviour for customers with particular characteristics, and not as generalisations of the whole customer base – although these findings were analysed alongside the quantitative survey information to bring greater insight. For the qualitative element, households were recruited to a specification to provide a mixture of household composition and life stage e.g., one-person households, couples without children, families, and students/ shared houses. Quotas were used for other factors across the sample that might influence water use behaviours including socio economic group, gender, metering status, ethnicity and non-UK religious/cultural lifestyle, homeowners and renters, households with a long-term health/disability situation and a spread of households in our own customer segmentation model of six typologies.

For transparency we have published the project proposal, final report and all associated research materials (interview discussion guides and fieldwork task instructions for participants etc) on our customer research documents webpage.

The summary of how this research meets requirements and expectations for high quality research is provided on page 112 of the main project report.

Key findings and how these have influenced our plan

The project generated useful insights including:

- A large proportion of the panel (4 in 10) didn't really know or have a firm view about the water resources situation in the Wessex Water region. Of those who gave a view, the balance was towards thinking water is a plentiful resource. Similarly, the qualitative respondents didn't make spontaneous references to resource availability/scarcity during the trial and although they appreciated general challenges around population growth and climate change few linked that to their personal water use behaviours.
- Many people (48%) felt that that other households make less effort to save water than they do, and this belief was held across all demographic categories of social grade, household occupancy etc.
- Most people (71% of the panel) claimed to already make either 'a great deal' or 'a fair amount' of effort to save water (which is identical to the proportion that make this claim in the 2021-22 customer tracker survey). This suggests most don't feel there is much more they could do to reduce their usage.

- Current motivations for water saving are typically identified as to save money or because of environmental concerns / resource scarcity.
- The cost-of-living crisis is leading to people changing habits to save money, but these are generally being focussed on energy, fuel and food and few people have water use in mind in this context. This finding reflects the Ofwat report – Cost of living: Water customers' experiences (May 2022) which reported that 20% of bill payers are concerned about the cost of water compared to 58% concerned about electricity costs and 61% concerned about gas/heating costs. Qualitative discussion around water behaviours and cost cutting with respondents identified that the day-to-day financial savings of changing water behaviours can be underwhelming but combining them with energy saving information and culminating them over the year can be more motivational.
- There is a reluctance to change behaviours that may curb the benefits of water use to relaxation and wellbeing – e.g., showers. For some (19%), they reported finding fitting water saving devices such as water butts to be difficult.
- Education around water volumes used by certain activities has potential to encourage people to reassess their water usage behaviours. Learning that a 10-minute shower uses 148 litres (vs. 80 litres for a full bath) was impactful in encouraging behaviour change and valuing each minute of time in the shower.
- We asked participants to reduce the amount of water they use washing themselves – either by reducing time spent washing or number of washes. Showers are habitual, so this felt like a sacrifice and big change for some. This required an ongoing effort – need to keep remembering to do it and easy to slip back to old ways. In practice many felt it would be harder/more effort than it actually was for them.
- We asked participants to try and collect water that would normally get wasted (e.g., when waiting for tap to get hot/cold or from their tumble dryer) and reuse it elsewhere. The success of this for participants was mixed. There were barriers to overcome for some with how to store the saved water and what to do with it.
- We asked participants to reduce the number of times they flushed the toilet – "If it's yellow let it mellow, if it's brown flush it down". This was a divisive behaviour among participants – a few were on board, but many were reluctant. There were concerns around hygiene, the 'yuck factor' and social acceptability with children in the house or guests visiting. But it was quite a revelation for some – once they were doing it, wasn't as bad as they thought. Understanding how the water savings added up was motivational and it also made some people stricter on using the small flush on dual flush toilets.
- Uninformed interest in smart water meters was reasonable amongst the panel – 4 in 10 were interested. There was more enthusiasm amongst those keen to save on utility bills, the environmentally conscious, and younger customers. However, half of those who do not already have a meter were not interested in a smart meter – indicating a potential resistance to be overcome. Of those interested in a smart water meter, aside from the functional benefit of being able to monitor water use, the main themes mentioned were to reduce use / waste, save money, and (for a smaller minority) to identify leaks. Those less interested often felt it would bring no benefit in water saving, or that they simply would not use a smart meter.
- In the qualitative workshops, customers were shocked with potential savings they could make on their energy and water bills over the course of a year if they were to change their behaviours. Seeing the potential cost saving that could be made by making relatively small changes was met with surprise and shock. Statistics that highlight how quickly cost savings add up are successful in motivating and encouraging small but impactful behaviour change.

The findings from this research project have been considered and used since its publication to shape our customer campaigns and promotions seeking to change water use habits. The findings have also been used in our preparation of PR24 plans for water efficiency engagement strategies and the roll out of smart metering from 2025. Please also see details of the wider triangulation of these findings alongside other sources of related customer insight in Section 3.5 (Sustainable Abstraction) of this report.

2.1.7. Willingness to pay: outcomes

Purpose of this research

We commissioned NERA Economic Consulting and Qa Research to estimate customers' willingness to pay for improvements to services. The survey design used a novel approach that gave a much better user experience than more traditional willingness to pay surveys.

The research was undertaken in two phases. Firstly, we explored willingness to pay for the priority outcomes defined by the Strategic Direction research (section 2.1.2) and then in phase two we looked specifically at the willingness to pay for alternative measures to achieve the sustainable abstraction outcome.

Overview of the approach, methods and how these meet the principles of high quality research

Phase 1 of the project used a complementary mixture of quantitative and qualitative methods in early 2022. A quantitative stated preference survey used innovative valuation techniques to explore customers' preferences for a combination of bill adjustments and service levels for ten attributes for 2025-2030.

Due to Nera's 'big data' computing capabilities, the survey instrument was significantly simplified compared to traditional methods of assessing willingness to pay. Respondents were allowed to choose service levels one attribute at a time, while still enabling robust econometric modelling for WTP estimation. At the end of the survey, to sense-check the results and test the acceptability of the whole package, respondents were shown the impact of all the choices they had made on their bill and given the option to adjust their choices enabling a more robust WTP estimation.

Five of the attributes tested related to service outcomes and five to environmental outcomes:

A. Reducing lengthy water supply interruptions
B. Improving water quality
C. Reducing internal and external sewer flooding
D. Helping customers experiencing financial difficulty
E. Improving customer service
F. Taking water out of rivers and streams
G. Reducing wastewater pollution incidents
H. Improving river and coastal water quality
I. Achieving net zero carbon emissions
J. Supporting nature and wildlife.

The project involved significant testing of attribute wording and customer comprehension to refine and design the survey, followed by cognitive interview testing, piloting and analysis and refinement prior to the main survey launch.

Fieldwork was undertaken between February and April 2022 with online and face-to-face surveys with water and wastewater, water only and wastewater only customers. 5,850 survey responses were collected, arising from a higher-than-expected response rate of 6.8% from email invitations.

A qualitative phase followed the quantitative survey, to explore the findings in more depth with eight online focus groups and 12 one-to one in-depth interviews with a selection of household customers. Participants were selected for the groups based on selecting 'status quo' for the majority of the survey questions in a section of the survey. The participants were then grouped based on solely answering 'status quo', socio-economic status and life stage.

For transparency we have published the project proposal, final report and all associated research materials (interview discussion guides and fieldwork task instructions for participants etc) on our customer research documents webpage.

The summary of how this research meets requirements and expectations for high quality research is provided on page 36 of the main project report.

Owing to the novel approach that was used, the work was peer reviewed by Professor Cherchi of Newcastle University. The peer review states that "*the methodology proposed is appropriate for the objective of estimating WTP for improvements in services, in line with Ofwat standards".* The full peer review report is published on our customer research documents webpage.

Key findings and how these have influenced our plan
Key findings for this research were:

- Customers attach a statistically significant additional value to retaining the status quo option and avoiding deteriorations in service. This was seen across all attributes of service.
- There is much more limited evidence that customers were willing to pay for improvements in service, again because customers seemed to prefer the status quo to improvement options. The main exception is the willingness to pay customers had for environmental attributes. We found that customers did have some willingness to pay for improvements to those.
- There was evidence of variation in willingness to pay across customer sub-groups. It was found that relatively "advantaged" customer groups (e.g., with higher levels of education, not on a social tariff, or who do not report struggling to pay their bills, among others) were willing to pay for improvements in environmental attributes other than attribute J "supporting nature and wildlife". On the other hand, relatively "disadvantaged" customer groups (those interviewed through the vulnerable customer survey and those who report struggling to pay their bill) were not willing to pay for improvements in any attribute.

This research was triangulated with other sources of customer insight for each outcome and specifically in relation to our plans to maintain service levels (unless directed to increase by Government) but enhance performance in environmental outcomes within the constraints of bill affordability issues.

2.1.8. Willingness to pay: sustainable abstraction

Phase 2 – sustainable abstraction

Purpose of this research
Building on the Phase 1 Willingness to Pay study, Phase 2 aimed to identify customers' preferences and associated willingness to pay for investments in activities that could help reduce abstraction from the most environmentally sensitive sources – i.e., improve sustainable abstraction – towards anticipated targets set by regulators.

Overview of the approach, methods and how these meet the principles of high quality research
This research was undertaken in early 2023 by NERA Economic Consulting and Qa Research as a follow on to the Phase 1 willingness to pay research.

A complementary mixture of quantitative and qualitative research methods were used and a four step approach followed to explore customers' views and willingness to pay for investment activities that could contribute to improved levels of sustainable abstraction. The potential activities included in this study included: leakage reduction, smart metering, household water efficiency, non-household water efficiency, government-led water use appliance labelling and building a new reservoir. Each activity had different pros and cons, for example, cost effectiveness, impact on bill and carbon impact.

The four steps were:

1. Qualitative research to explore customers' awareness of the issue of sustainable abstraction. QA Research conducted a series of deliberative focus groups (eight groups involving 53 customers) and depth interviews (12 x 60-minute interviews) with customers to test their knowledge of the topic and

understanding of stimulus materials. Participants were selected based on a range of socio-economic statuses, ages, vulnerabilities and from different geographical areas to ensure a range of views were considered.

2. Survey design. A survey was developed containing five stated preference exercises appearing in a logical sequence. The exercises presented different target water volumes to deliver through the activities with different randomly generated bill impacts (linked to true costs and scaled by the customer's current bill).
3. Quantitative pilot testing of the survey and review and feedback from the CCG. The pilot survey was sent out to a random sample of 4,976 Wessex Water customers. 190 surveys were completed, giving a response rate of 3.8%. Changes were made to enhance clarity of the introductory text, increase the range of unit prices shown for each investment activity, balance the pros and cons on the show cards, and change the options that customers could select to explain the rationale for their choices.
4. Main survey implementation and analysis. A random sample of 44,801 household customers were invited to respond to the survey through an email invitation. The survey ran from 23 March to 17 April 2023, yielding 2,555 responses (a response rate of 5.7%) from across the full range of each demographic and billing characteristic. The information collected was used to estimate how customers' chosen amount of any given activity changes as it becomes more expensive, and thus their willingness to pay.

For transparency we have published the project proposal, final report and all associated research materials (interview discussion guides and fieldwork task instructions for participants etc) on our customer research documents webpage.

The summary of how this research meets requirements and expectations for high quality research is provided on page 29 of the main project report.

Key findings and how these have influenced our plan

The key findings from this project were:

- For the five demand management options, customer choices were not sensitive to the bill impacts they would face. There was no evidence that willingness to pay diminished over the feasible range tested.
- For the reservoir option, willingness to pay was found to diminish as each unit of water generated by this activity became more expensive and had a bigger impact on their bill.
- There was evidence that customers would be willing to pay to support improvements to abstraction of greater than the 10 Ml/d assumed target.
- Customers tended to place most value on leakage reduction and reservoir construction. The evidence did not suggest that customers want Wessex Water to choose the least expensive approach. In general customers would like to achieve sustainable abstraction through leakage reduction, which is typically the most expensive method offered.
- It was not possible to determine a single willingness to pay value for sustainable abstraction, because it is not possible to disentangle willingness to pay and the value that customers place on the other attributes of each alternative approach to achieving it (i.e., to allow individual values to be combined).
- Once customers were more informed about each option from the pros and cons on show cards, they were slightly more likely to increase their preference for the less expensive activities to achieve the same impact on abstraction for the same overall bill impact.
- Customers typically did not opt to implement only one or two activities; the majority preferred investing in four or more activities.

The findings from this research project were considered as we finalised our Water Resources Management Plan and investment plans to maintain our supply demand balance which have then been included in our business plan.

Customer support identified by this research, for greater environmental protection, leakage reduction and reservoir construction, is congruent with our plans for a significant demand management programme, including a leakage reduction programme, and reservoir development planning which is being taken forward as a strategic resource option in collaboration with the West Country Water Resources Group.

For more information on how this research has been triangulated with other insight under our sustainable abstraction outcome, please see Section 3.5.

2.1.9. Social tariff cross-subsidy

Purpose of this research
Under the current social tariff guidance, we must seek customer support for the cross subsidy applied to customers' bills to fund social tariffs. Although we are currently within the cross-subsidy levels previously agreed with customers, we will exceed them based on the growth we're predicting in the number of customers on social tariffs by 2030 to eradicate water poverty. This research was to understand the additional cross subsidy that customers would support over and above what they pay now.

Overview of the approach, methods and how these meet the principles of high quality research
Given the overlap of our area with Bristol Water and Bournemouth Water, we worked collaboratively with Pennon and commissioned DJS Research to undertake the project across the mutual area. We also invited CCW to help steer the project as a key statutory consultee. Their affordability lead reviewed the research proposals and agreed all research materials such as questionnaires, discussion guides and stimulus materials.

DJS Research carried out three robust contingent valuation exercises (detailed in the research report) to determine the additional cross subsidy in the Bristol Water/Wessex Water, Bournemouth Water/Wessex Water and the Wessex Water supply areas and combined them into an overall report for the Wessex Water region. The research also explored views on household finances and financial confidence, awareness of support schemes and acceptability of the principle of social tariffs and each companies proposed changes to 2030. 680 of these were done online and 127 face to face with customers who had limited or no internet access.

Qualitative follow up in depth interviews were done with 20 participants to explore their reasons for their willingness or unwillingness to contribute more. The interviews were split by the amount they were willing to contribute, ranging from £0 to more than £2 per month.

For transparency we have published the project proposal, final report and all associated research materials (interview discussion guides and fieldwork task instructions for participants etc) on our customer research documents webpage.

The summary of how this research meets requirements and expectations for high quality research is provided on page 140 of the main project report.

Key findings and how these have influenced our plan
The research showed that almost three quarters of customers are willing to contribute towards additional cross subsidy for social tariffs for the period 2025-2030, but customers did express concerns around the cost of living and bill affordability both now and in the future. Over half of customers in each of the three areas would be willing to contribute at least an additional £1.00 per month to fund growth in social tariffs.

Around two thirds (67%) felt confident they would be able to afford their water bills over the next 12 months, broadly in line with affordability of council tax and broadband but lower than mobile phone. Energy bills are where customers are least confident they will be able to afford their bills.

Over two thirds said they had heard of Priority Services and around three in five (59%) were aware of financial support for customers who are struggling to pay.

Half (50%) agreed with the principle of contributing to support customers who are struggling to pay and just over a quarter (27%) disagreed. After being told of the proposed increases in the support on offer between 2025-2030, 47% found the changes acceptable and 32% unacceptable mainly because they suggest companies should cut profits to fund social tariffs or it's not affordable for them to pay more or bills are already high.

We plan to eradicate water poverty by 2030. We have modelled the number of customers that we believe will need to be in receipt of social tariffs over the period 2025-20 to achieve that. We have agreed with CCW to use the median amount of £1 a month additional cross subsidy giving us a total of £20 a month to fund this growth.

More information on our plans to tackle affordability in the round and our proposed support for those on low incomes is set out detail in chapter 8 (Affordable Bills) of the main plan.

2.1.10. Public consultation events

Purpose of this research

As we entered 2023 and the later stages of developing our business plan, we were keen to take a sense check and hear what customers thought of our proposed plans at that point. We wanted to reach customers across our region in face-to-face community settings that were convenient to them. We were also keen to hear from stakeholders so held an online event to capture their views. We asked for their feedback on our proposals both to 2030 and to 2050.

Overview of the approach, methods and how these meet the principles of high quality research

We arranged ten in-person public events across our region held in community spaces such as libraries and museums in February and March 2023. Our plan was displayed as a series of exhibition boards, one per outcome.

At each event, a selection of senior company colleagues and technical leads were on hand to answer any questions that came up on our plans or discuss any other matters important to customers. Blue Marble Research worked alongside us at the events to facilitate customer engagement and encourage people to complete a feedback survey.

149 people completed the survey having attended one of the events. An estimated further 75 people attended but did not complete the survey, often because they had spoken at length with Blue Marble or Wessex Water staff and felt they didn't have more to say, or because they attended with another person who completed the survey.

The sample was self-selecting but there was a good spread of demographics including a range of ages, people whose first language was not English and those experiencing financial difficulties. The profile was somewhat location-dependent; as a university city, Bristol had a lot of younger attendees for its daytime event, whereas in Yeovil those who engaged tended to be older or unemployed. Most attendees were customers, but small numbers of stakeholders and retired staff also attended. Attendees were often politically engaged and there was attendance from environmental organisations such as XR in multiple locations. The consultation participants were not therefore a representative sample of the public nor the customer base and this was born in mind when interpreting findings.

We have published the final report and all associated research materials on our customer research documents webpage.

This engagement did not attempt to fulfil all the requirements to be considered high quality research. It is recognised that the customer sample was not representative of the customer base but it did serve as a useful 'check in' with a selection of customers in the context of our wider research and engagement activities. The engagement boards and survey were designed to provide context to respondents and were neutrally designed by the very experienced Blue Marble team to ensure questions were balanced and without bias. Events were held at a good spread of geographical locations in easy to access public locations and at different times of days to make participation as inclusive as possible.

Our online stakeholder event was held on 23 February 2023. Our plan was presented, and attendees assigned to breakout rooms to make sure that everyone's views and challenges could be heard. Seven stakeholders completed the feedback survey and six took part in follow up interviews with Blue Marble to discuss their views in more detail.

Key findings and how these have influenced our plan
Insights from this project included:

- The act of face-to-face consultation was positively received by customers. The events allowed a range of people to learn about our future plans and share their views. Attendees included those that were highly engaged and examined plans in detail, those that came with a desire to raise a specific issue that mattered to them, plus those that had stumbled across the events sometimes staying a while and sometimes reading information quickly and leaving without completing the survey. Many were impressed that senior Wessex Water staff were present, including directors - it felt like they were talking with key decision makers. Many face to face attendees commented that the boards looked attractive and were well laid out. Respondents felt the information was comprehensive and gave a good overview of the range of activities carried out by Wessex and how they interlink. In particular, the sessions left attendees with the impression that Wessex Water care about their work and are committed to solving the issues covered. For some there was too much information for them to digest, but they were satisfied by briefer explanations by staff or the Blue Marble team.
- The customer survey indicated that customers tended to deliver a superficial assessment of goals due to lack of specialist knowledge. The plan appeared to be reasonable to a layperson resulting in a high score (83%) for focusing on the right things. But many customers did not feel qualified to judge if goals were ambitious or achievable – they felt Wessex Water, as experts, must deliver what is best. Customers awarding lower scores tended to have deep specialist knowledge and were able to make an informed assessment of the goals. Most wanted more ambitious plans with shorter timescales.
- With their in-depth specialist knowledge and role representing the interests of customers, local communities or the environment, stakeholders tended to be more critical of the plan. Stakeholders agreed with the focus of the plan but considered that the outcome areas covered common ground for the whole sector, and they would not have expected any not to be featured. Many were frustrated by not having all the detail to assess the plan properly, some wanted to see a full comparison of companies, and some felt the numbers and investment figures looked impressive but didn't have enough context. Some questioned whether it would be possible to achieve the goals by 2030 given the scale of the issues and with the amount of money promised.
- Negativity towards the privatised water industry was an issue for some respondents, with beliefs around historical underinvestment, suspicion over foreign ownership and tensions between shareholder returns and investments emerging during discussions.
- Affordability was a highly emotive topic that elicited strong views across the sample. Whilst most believed that they could afford the price increase proposed, conversation was overshadowed by a larger debate around whether customers should have to pay for improvements. Projected price increases shocked many – but this was tempered by the realisation that inflation is a key driver. Almost half thought the price increases reasonable as investment is needed to maintain an essential service. However, a third did not agree that the increases were reasonable – in particular, stakeholders and those with greater knowledge of the water industry.
- Safe and Reliable water, Effective Sewerage System, Excellent River and Coastal Water Quality and Affordable Bills were consistently voted the most important and urgent outcome areas, with scores significantly higher than the other four outcome areas. Those with a greater depth of knowledge believed that the linked Outcome Areas for Sewerage and Water Quality are the top priority and require urgent attention.

The findings from this research project have been considered and triangulated alongside other sources of related customer insight to shape our plan – see Section 3 of this report.

2.1.11. Your water, your say

Purpose of this research

We held a further online consultation event on 28 April 2023 to present an overview of our developing plan and give customers and stakeholders another opportunity to challenge and ask questions about it.

Overview of the approach, methods and how these meet the principles of high quality research

We complied fully with Ofwat's prescribed guidance for this event including promotion, registration, information provision, meeting structure and reporting. It was a 90-minute session held online on 28 April and independently chaired. Following a presentation of our planned investments for 2025-30 questions from customers and stakeholders were posed to a senior panel framed around the themes of service, environmental impact, and bills.

Around 100 self-selected customers and stakeholders attended the event including members of our independent CCG, CCW and Ofwat.

Copies of the presentation we gave at the session and a transcript of customer and stakeholder questions asked before, during and after the event along with our responses are available on our website: Business plan 2025-2030.

Key findings and how these have influenced our plan

A statement, 'You Said, We Did', setting out how we have used feedback from this event to shape our business plan is also published on our website and provided as a supporting document (WSX07) to our PR24 submission.

On 14th November we'll be holding our second Your Water Your Say event again following the latest prescribed guidance from Ofwat.

2.1.12. Affordability and acceptability testing

Purpose of this research

Our strategic customer research programme culminated with acceptability and affordability testing of our plan in spring/summer 2023. In collaboration with Pennon, we jointly commissioned Blue Marble Research to undertake the affordability and acceptability testing across the full Wessex Water region which includes the Bristol Water and Bournemouth Water supply areas. It is important that we develop a plan that customers support and can afford.

Overview of the approach, methods and how these meet the principles of high quality research

In a change to previous business plans, and with the aim of increasing comparability between company research for PR24, this research was defined and prescribed by Ofwat and CCW in their guidance document first published on 13 December 2022: Guidance for water companies: testing customers' views of the acceptability and affordability of PR24 business plans. We have not made any deviations from the prescribed sampling and method in both the qualitative and quantitative stages. We were also able to accommodate all changes in the guidance as we progressed through the project. We made some minor changes that were largely requested by our CCG:

- Included one reminder to customers for the quantitative survey – CCG recommendation to better achieve the required random probability sample – applied across the three company areas to ensure consistency – acknowledged as good practice by Ofwat.
- Included age bands in questions – CCG recommendation – agreed with Ofwat.
- Question labelling where the prescribed method did not include this detail.
- Small (functional) edits to avoid ambiguity especially relevant to clarify which company given the combined nature of the research undertaken.
- Printed/paper version of the survey needed additional signposting to aid routing.

The stimulus setting out our plan underwent cognitive testing following a recommendation from our CCG. This led to changes to the stimulus that were agreed with Ofwat and further cognitive testing by other companies led to additional industry-wide guidance amendments – all of which we accommodated.

The quality control and analysis of survey responses was undertaken in accordance with the guidance for example to remove online survey 'speeders' (those that may have clicked through too quickly without considering their responses).

For transparency we have published the project proposal, final report and all associated research materials (interview discussion guides and fieldwork task instructions for participants etc) on our customer research documents webpage.

Summaries of how this research meets requirements and expectations for high quality research are provided on pages 47 (qualitative element) and 132 (quantitative element) of the main project report.

Key findings and how these have influenced our plan

- During the qualitative discussions customers challenged some of the more discretionary areas of the plan and we made changes as a result, for example reprofiling the speed of our smart metering roll out programme and scaling back investments in reducing nutrient loads in rivers.
- We subsequently quantitatively tested what we believed to be our proposed plan during late July and August 2023 (prior to further changes to government guidance). The plan that was tested included investments to meet statutory obligations relating to storm overflows, nutrient removal, pollution reductions, demand reduction, and increasing affordability support which would have a combined impact to increase average bills by around 45% by 2030.
- When we tested the plan quantitatively, we found that 62% of customers thought the proposals in the plan were acceptable. Acceptability with non-household customers was higher at 73% and slightly lower with household customers at 58%. These levels of acceptability are lower than we've seen in previous price reviews – the wider context of industry trust and reputation combined with the cost-of-living crisis and financial uncertainty for households has undoubtedly had an impact.
- Of those that found our proposals unacceptable, the most commonly cited reasons related to company profits being too high, that company profits should pay for service improvements or that bill increases are too expensive. Of those that found the plan acceptable, the most commonly cited reasons were that they support what we're trying to achieve over the long term, that the plan focusses on the right services, that they trust us to do what's right for customers and that we provide a good service now.
- The affordability testing of the plan found that 29% of all household customers have struggled to pay at least one of their household bills in the last year and that 41% of households expect to see their financial situation get worse in the future. These results are the backdrop for also finding that a significant minority (46%) of household customers said they expected to find it difficult to pay the water and sewerage bills proposed for 2025-30.
- Those reporting they would expect to find it difficult to afford the proposed bill was higher in lower income groups (rising to 63% for those with household incomes of less than £15,600 per annum) but not universal to them; just over a third of those with an annual household income of over £52,000 also said it would be difficult to afford. These results are indicative of wider cost of living issues impacting households and a number of customers told us that their answer was related to an unwillingness to pay rather than an affordability constraint owing to reputational issues of the water industry at this present time.
- Views on the phasing of bill increases were mixed with 43% of household customers indicating they didn't know enough to give a view. Of those that did express an opinion on bill phasing, 44% preferred an increase starting sooner to spread increases across different generations of bill-payers, and 13% preferred to delay bill increases to put more increases onto younger and future bill-payers. Non-household customers had a slightly stronger preference (50%) to start sooner but still nearly a quarter of respondents (23%) didn't feel they knew enough to comment.

After testing, we made further changes to our plan in response to amended guidance from Government and regulators as well as customer feedback. This resulted in a smaller investment programme and a smaller bill increase for 2025-30 (of 29%) but also a plan that would still see us achieve the same goals/outcomes over the long term and was financeable and deliverable.

Based on what customers have told us, this would have resulted in an improvement in both the acceptability and affordability ratings.

2.2. Continuous insight

2.2.1. Young People's Panel

Purpose of this research

We have been running an annual Young People's Panel (YPP) since 2016 with Blue Marble Research to bring the views of future customers into our day-to day operations and help steer service development and shape our business plans.

Overview of the approach, methods and how these meet the principles of high quality research

Our YPP brings together a new group of around 20 to 30 future bill payers each autumn to work on a real business challenge. The panel are selected for us by Blue Marble via a competitive application process. They aim to select students from a range of public and private schools across our geographical region, and to achieve a mix of gender and academic subject mixture. We immerse the group of 16 to 18-year-olds with senior managers from a variety of departments and then set them a group task to work on in teams. Around eight weeks later the teams present their ideas and solutions to a judging panel of senior executives. They are told that the very best ideas, concepts and solutions that they propose will be implemented by our business. In addition to the core task the young people participate in focus groups and other activities on pertinent topics to our business. An online quantitative survey is also run and distributed via email to the sixth-forms or colleges that the panel participants attend. This allows us to reach a wider sample of around 500 future customers from across the region each year.

For transparency we have published the annual reports and associated research materials (e.g. discussion guides etc) on our customer research documents webpage.

The summary of how this research meets requirements and expectations for high quality research is provided on page 40 of the 2022 report.

Key findings and how these have influenced our plan

Now in its eighth year our YPP has generated a number of ideas that have gone on to be implemented including our Money Back Guarantee to encourage customers to opt for a meter, our digital job tracker and campaign materials that have been fed into our social media communications strategy for reducing sewer blockages.

In the last couple of years our YPP has tackled the following business challenges relevant to our PR24 business plan:

- In 2021 the core task considered the customer journey for onboarding to a smart meter. Panellists were asked to design the customer experience for a smart meter launch and subsequent customer engagement. Teams were expected to conduct their own research to understand what customers would want from Wessex Water as part of the smart meter journey, with consideration to lessons learnt from experiences with energy smart meters and views on communication channels and Apps more generally. This insight is useful as we develop our plans to start our smart meter roll out from 2025.
- For 2022's YPP we welcomed The Consumer Council for Water (CWW) to help steer the project in support of their People and Environment engagement programme. The Panel were set the task of developing a behavioural change campaign that would stimulate customer engagement and action on water saving akin to the 'Blue Planet Moment' that instigated consumer action to reduce the use of single use plastics.

Further details can be found on our young people's panel website.

2.2.2. Tracker

Purpose of this research

We have run a continuous customer tracker survey to measure and monitor household customer views in relation to overall service, value for money and satisfaction since the 1990s. The survey also helps identify and monitor customer priorities, awareness of our outbound communications and a 'flexi-section' of questions allows us to switch in and out a suite of questions to explore 'hot topics' such as attitudes to water saving, smart metering and storm overflows.

Overview of the approach, methods and how these meet the principles of high quality research

Blue Marble Research administer, analyse and provide supporting insight from our tracker survey. 1,000 survey responses are collected continuously throughout the year, with 250 surveys conducted in each quarter. The results are analysed in quarterly blocks and at year-end. Demographic quotas are applied across the sample each quarter and each year to ensure we have a representative mix of customer types and demographics. In 2021 we redesigned the methodology and switched from an entirely telephone-based survey to collecting 50% of customer responses online – this was due to challenges in achieving the representative sample against various demographic and socio-economic quota by telephone alone. Analysis was undertaken to understand the impacts on trend analysis of moving a portion of the sample online.

For transparency we have published the annual and recent quarterly reports and associated research materials (e.g. questionnaires) on our customer research documents webpage.

The summary of how this research meets requirements and expectations for high quality research is provided on page 65 of the 2022-23 report.

Key findings and how these have influenced our plan

Our tracker findings are reviewed and acted upon each quarter. Recent findings relating to customer water use behaviours were one of the insight sources used to shape water efficiency communications in 2022 relating to water and energy use savings.

Our tracker also helps us to monitor movement in customer priorities and identify changing reputational matters such as customer views on storm overflows and river water quality.

The survey also allows us to track how customers are feeling about their finances now and in the future and any concerns about affordability of water bills.

Satisfaction and value for money information from the tracker also informs the continuous improvement of customer service and helps drive our community strategy.

2.2.3. Online customer panel – "Have Your Say"

Purpose of this research

Our online customer panel was developed and launched in 2013 to provide us with a regular engagement route with a cohort of existing customers. Over 3,000 Wessex Water customers are signed up to be members of the panel which is self-selected. Although not representative of our customer base, it gives us a good indication of customers' views, and particularly those who have become more informed over time through their membership of the panel.

Overview of the approach, methods and how these meet the principles of high quality research

The online panel is run by Future Focus Research on our behalf. Recruitment for the panel is continually open. Surveys are sent via email with a link for online completion of typically 10-15 questions on a topic, sometimes in association with another research project. There is a prize draw to incentivise completion and we typically receive 800-1300 survey completions. Since the panel was established 27 surveys have been completed.

A newsletter summarising the results is sent to all panellists along with information on what Wessex Water will do with the insight. For transparency we also publish the newsletters on our customer panel website where there are also details on how to sign up to join our panel.

This element of our research programme meets the criteria for being high quality research. For example, the panel approach provides a continual engagement platform with a cohort of customers. It is useful and contextualised given that it provides a route to acquire customer views on hot topics to contribute to continuous service improvement and longer-term business planning objectives. Future Focus are an experienced research provider who ensure questions are not leading and answer options are unbiased and free text responses are included when the context requires.

Key findings and how these have influenced our plan
Recent surveys have included:

- May 2019 – Community involvement: explored views on whether Wessex Water should become more involved in the community.
- November 2019 – Water metering: explored views on reasons for choosing / not choosing to have a meter installed, whether customers have saved money and attitudes towards smart meters.
- April 2020 – Welcome information for new customers: to understand what information customers would like from Wessex Water when they move home, and how this should be provided.
- July 2020 – Water supplies: to gather views on how we manage our water supplies and how we can meet customer needs in the future.
- April 2021 – Environment and community benefit: to understand the issues that are important to customers relating to society and the environment to help us shape our priorities in these areas as part of our social purpose research – see also section 2.1.1.
- November 2021 – Future Plans: explored views on service priorities as part of our strategic direction research – see also section 2.1.2.
- March 2022 – Water Efficiency and Smart Metering: explored customer appetite for and experiences of water efficiency practices and attitudes towards smart metering as part of a wider research project – see also section 2.1.6.
- April 2023 – Social tariff research: this was part of the wider research project looking at customer appetite to support increased contributions to help customers that are struggling to pay their bills – see also section 2.1.9.

The findings from these surveys have been considered and triangulated alongside other sources of related customer insight to shape our plan – see Section 3 of this report.

Some of the surveys were more related to our day-to-day service. For example, the survey seeking views on the information customers would find useful when they move home has been used in the design of our latest welcome pack.

2.2.4. Performance data and service feedback

We continually seek feedback from our customers through various internal channels. We also collect feedback through Trust Pilot, Ofwat's C-MeX survey and insight from surveys conducted by the Institute of Customer Service.

We monitor and review all this customer feedback data and insight to continually improve the service we offer our customers. This might be through improvements to processes, policies, training, or systems. The continuous improvement programme is overseen by our senior Customer Experience Group. Feedback from these channels is also used to identify priority areas for future investment.

Examples of data collected from internal and external survey sources can be found in document WSX65 – Continuous customer feedback and insight.

2.2.5. Social media and comms

Engagement with customers through social media channels is one element of our extensive communications strategy (see Chapter 10 of our main business plan for further details). As well as being a channel through which we can inform and advise customers, it is also a feedback mechanism for customers and allows us to monitor customer sentiment and measure the impact of communication activities to help us continually refine our engagement approaches.

2.2.6. Stakeholder groups

Talking, listening, collaborating, and supporting stakeholders and partners is a core element of our engagement strategy. Our approach seeks to both identify emerging issues of importance to our stakeholders and also work to achieve our common goals and organisational aims.

We work with stakeholders with a variety of common interests. Our Catchment Panel brings together many of our environmental stakeholders and our Vulnerability Advisory Panel and PartnerHub facilitate our engagement with stakeholders concerned with customer needs and especially those that may require extra help.

Our Vulnerability Advisory Panel consists of stakeholder experts representing consumer bodies, government departments and CCW. The VAP is chaired by two of the CCG's members. The Panel supports, advises, and challenges our vulnerability strategy to make sure we are fulfilling our commitment to reach all our customers who need extra help (see Chapter 7 of the main business plan for further information). We have recently refreshed our vulnerability strategy which is a key component of our Excellent Customer Experience and Affordable Bills outcomes. Our engagement with our VAP in the development of our vulnerability strategy was a key piece of stakeholder insight/evidence that was included in the triangulation of customer insight undertaken by Sia Partners for this plan (Section 3 of this document). The inclusion of this was at the particular request of our CCG as they recognised the importance to our strategy of taking on board customer views via the stakeholder bodies that represent them.

For more information on our work with stakeholders see our main business plan document.

3. Insight outcome summaries and the line of sight to our plan

3.1. Introduction

Our comprehensive research and engagement strategies mean we have a variety of sources of insight from customers and stakeholders. We have 'triangulated' these, i.e. brought them together whilst taking account of the robustness of individual sources and the potential divergence of views etc. to maximise the strength of the information used to inform our plan. Our approach to triangulation has followed CCW's guidance for triangulation good practice.

This section presents the outcome summaries of triangulated customer insight developed by Sia Partners who have supported our triangulation process – their full report is available as document WSX06.

The outcome summaries include information on:

- Relative priority ranking – the triangulation of all the sources where ranking was provided
- Numbers of customers that have provided views and the numbers of evidence sources reviewed in the triangulation sources
- An assessment of the 'robustness of evidence', 'divergence of views' and any 'regional differences' – see below for further explanation.
- An overall description of the triangulation findings and any key points to call out.
- Key insight topics – supported by examples of evidence that have led to the inclusion of the point as a 'key insight'.

Robustness of evidence (Low/ Medium/ High): Each engagement source was assigned a robustness score, which assessed the quality of the engagement based on a number of criteria. Sia Partners developed and applied the 0-3 scoring system based on the HM Treasury's Magenta Book which sets out best practice guidance for evaluation and effective decision-making. Each source was reviewed to assess the methodology of the engagement, the rigor of the data collection approach, as well as how transparently the views of customers and stakeholders have been presented and if there is any potential for bias.

Divergence of views (Low/ Medium / High): A score was given based on whether the findings from the research identified little, some or clear and significant differences between the views of different customer segments.

Regional differences: A score was given based on whether the findings from the research identified little, some or clear and significant differences between the varying regions of the customer base.

For each outcome you'll also find a table that shows how the key insights identified in the outcome summaries map to the actions and investments in our business plan – also sometimes described as 'the light of sight'.

For more details of our approach to triangulation please see chapter 12 of our main business plan and Sia's full report and the customer insight triangulation database can be found alongside all research reports on our customer research documents webpage.

3.2. Affordable bills

Table 2 below has been extracted from Sia's triangulation of insight relevant to the affordable bills outcome.

Table 2: Triangulation and insight summary for the affordable bills water outcome

<table>
<tr><th colspan="3">Affordable bills – insight summary from Sia Partners' Triangulation Report, September 2023</th></tr>
<tr><td colspan="3">Relative priority ranking: 2nd
Total number of Wessex Water customers engaged: 22,367
Total number of sources reviewed: 21</td></tr>
<tr><td>Robustness of evidence</td><td>High</td><td rowspan="2">Key sources of insight
E001 Reviewing Strategic Direction and Social Purpose, Oct 2021
E002 Wessex Water Annual Image Tracker 21-22, May 2022
E004 2022 Young People's Panel, Nov 22
E018 Wessex Water Annual Image Tracker 22-23, May 23
E019 Social tariff research: Wessex Water Panel, May 23
E020 Social tariff research: Wessex, Bristol and Bournemouth Water, May 23
E022 Water Affordability Scheme Funding – Opinion research, Mar-22
E023 Affordability and Acceptability Testing Interim report on Qualitative research, May 23
E034 Vulnerability Summit 2023, Jul 23
E035 Wessex Water Tracker Q1_2023 Report, Jul 23
E036 CCW Research Report Water Matters 2022 Summary of Research Findings for Wessex Water, Jan 22
E042 Ofwat Cost of living Wave 3 report, May 23
E048 Water Matters 2022, May 23
E061 Making ends meet insights from clients StepChange advice clients, Oct 22
E062 Tracking the impact of the high cost of living on UK households Jun 23
E063 Living on Empty: a policy report from Citizens Advice Jul 23</td></tr>
<tr><td>Divergence of views</td><td>Medium</td></tr>
<tr><td>Regional differences</td><td>Low</td><td>Stakeholder insight
Alongside the engagement with vulnerable customers through specific research, Wessex Water works with key stakeholders who represent customers with different vulnerability needs to understand how to better design services that support their specific client group within the Priority Services register, as well as their financial support schemes. Sources such as the minutes from the Stakeholder Vulnerability Advisory Panel (VAP) were reviewed alongside customer research. Please refer to the dedicated section in the full report: WSX06 – Customer research triangulation.</td></tr>
<tr><td colspan="3"></td></tr>
<tr><th colspan="3">Long-term insights</th></tr>
<tr><td colspan="3">Please see 'long term delivery strategy insights' section (3.10) for summary of evidence informing our understanding of customers' views on this topic to inform our long term delivery strategy.</td></tr>
<tr><td colspan="3"></td></tr>
<tr><th colspan="3">Triangulation comments</th></tr>
<tr><td colspan="3">With a high number of customers representative of Wessex Water's customer base engaged across a range of high-quality engagement sources, the robustness assessment of evidence underpinning this outcome area is strong. In terms of the divergence of views, there have been no significant tensions identified, however there are some examples of divergence in view. For example, business customers are significantly less likely to feel they receive value for money and younger customers are more likely to trust their water company to provide value for money. No specific regional differences have been identified and therefore the assessment has been found to be low.</td></tr>
<tr><td colspan="3"></td></tr>
</table>

Key insight	Examples of supporting evidence
The perception of the value for money received by customers as part of their service from Wessex Water is a key driver of satisfaction. Whilst water bills are generally felt to be lower and less of a struggle to pay than other bills, customers are losing trust in their water companies to provide value for money.	• Sentiment is, as we might expect, strongly related to value for money amongst bill payers. [E002] • So far Wessex have remained 'insulated' from any significant negative perceptions resulting from rising prices elsewhere [E002] • In the latest period, during which annual bills were issued, perceptions of Wessex Water's value for money declined. [E035] • The economic situation is sitting heavily with customers. Most say they are 'just getting by' or 'struggling'- with widespread pessimism that the situation is worsening. In terms of domestic finances, the squeeze is not necessarily hitting the water bill yet with most saying they find it neither easy nor difficult to pay. [E023] • Four in ten bill payers (40%) reported trusting their water company to provide good value for money, with just under three in ten (28%) reporting that they distrust their water company to do this. [E042]
An increasing number of Wessex Water customers are facing financial difficulties as a result of the cost-of-living crisis.	• Bill anxiety may be starting to rise in the first part of 2022 [E002] • Future customers are showing an increased pessimism related to the cost of living and a poor economic outlook. [E004] • Worry about affording the water bill became progressively more widespread through the first 3 Quarters of 2022 amidst the cost-of-living crisis and high inflation. [E018] • There has been a rise over the year in the proportion of bill payers who report currently struggling with their water bill in 2023– 23%, up from 15% in March 2022. [E042] • The number of customers agreeing that their charges were affordable remained at 76%. However, the number who feel that their charges are unaffordable increased (12% in 2022 vs 10% in 2021). [E048] • In 2022, 53% said their household finances had worsened over the last year, which was an increase from 2021 (34%). Only 36% felt their finances were unchanged, which was fewer than last year (58%). [E048] • 3.7 million more people are behind on household bills in June 2023, compared to the previous year. [E062] • The proportion of customers who agree their bill is affordable is directionally lower than in previous waves, with signs that the minority who cannot afford their bill is growing again - perhaps in response to recent announcement of higher bills. [E035] • It also identified that 46% of all household customers expected to find it difficult to pay the water and sewerage bills proposed for 2025-30, and only 16% reported that they would find their bill easy to afford. [E068] • Just over 4 in 10 foresee they will struggle with the future bill increases NHH customers more confident that they can afford the future water and sewerage bills than household customers [E068] • While 4 in 10 NHH customers think it will be 'easy' to afford the bill profile to 2029/30, few household customers have this sentiment even those who are comfortable financially [E068]
People have highlighted the wider negative impacts of struggling with their household finances and paying bills.	• Living with a negative budget can cause anxiety, stress and health problems….which made it difficult to cope with their financial situation and access help and support. Poorly designed support sometimes discouraged those who reached out for help. This pattern led to extended experiences of financial difficulty and contributed to avoidable harms. [E061] • One in two (50%) said money worries were negatively impacting on their health, and the proportion who said they had gone without heating,

	electricity or water in the last three months was 1.7 times higher than the population as a whole (31% compared to 18% of UK adults). [E062] • Polling shows that, in the last 6 months, nearly 7 million people have had to go without heating, hot water and electricity. This includes 2.2 million disabled people and 1.25 million children. [E063] • 40% said that their financial situation is making their physical health worse and 45% said that their financial situation is making their mental health worse. [E034]
There may be variations in the extent to which demographic groups are struggling financially.	• Women were significantly more likely to report struggling to pay bills (68%) than men (46%). [E042] • Almost eight in ten (78%) of those aged 18-35 struggled, compared to 36% of those aged 55 or over. [E042] • Ethnic minority bill payers were also more likely to struggle, with 74% of Black respondents reporting this and 63% of Asian respondents. [E042]
There is support amongst customers for the provision of financial support for low-income households, and many are willing to contribute towards a social tariff to help those struggling to pay their bills. However, some are concerned about having to shoulder the burden of extra costs to support this.	• Customers and stakeholders expect policies and practices from companies like Wessex Water that support the most vulnerable in the communities they serve and ones that acknowledge the growing wealth gap. [E001] • Around half of customers agree to the principle of paying a contribution towards supporting customers who are struggling to pay their bills. [E020] • Amongst the WW panel customers almost two-thirds are willing to contribute at all, and just under half (45%) are willing to contribute £1. The average (mean) WtC is £1.20 per month, the median WtC amount is £0.60, meaning a majority (50.1%) are willing to contribute up to • that amount. [E019] • Three quarters agree that low-income households that struggle to afford water bills should be able to get a reduced bill. [E022] • Customers most commonly supported delaying investment to reach and support 100k customers in water poverty by 2040 rather than 2035 or 2030 due to the slower associated bill increases. [E023]
Not everyone is aware of the support available to them if they find themselves struggling to pay their bills but react positively once informed.	• Customers who are in receipt of benefits are significantly more likely to be aware (at any level) than those who are not (76% cf. 62%) [E019] • Almost three in five (58%) are aware of support for customers who are struggling to pay [E020] • Customers being aware of support appears to boost value for money perceptions. [E002] • The proportion of bill payers who were aware of water companies providing financial support has continued to hover around three in ten. 29% reported awareness of this, compared to 28% in wave two and 31% in wave one. [E042] • The majority are not aware if their water company offers help of this kind or not (76%). The 35-54 age group are most likely to be aware. [E022] • A third of people are aware of water companies offering financial support for those struggling to pay bills. This rises to four in ten (39%) for those struggling to pay all or most of the time. About a third (34%) of people struggling to pay bills all of the time report receiving financial help from water companies over the last year. Overall, 4% of bill payers report receiving this type of help. [E035] • 37% are aware of other schemes offered which provide lower charges to help customers who struggle to afford their bills. [E036]

Table 3 below shows how the key insights generated by the triangulation of multiple sources of customer research and insight map to the actions and investments in our business plan.

Table 3: The line of sight from customer insights on affordable bills to the actions and investments in our plan

<table>
<tr><th>Key customer insight</th><th>How our plan addresses the insight</th></tr>
<tr><td>The perception of the value for money received by customers as part of their service from Wessex Water is a key driver of satisfaction. Whilst water bills are generally felt to be lower and less of a struggle to pay than other bills, customers are losing trust in their water companies to provide value for money.</td><td>We are proactive in our communication with customers around bill rises and the reasons for them. We understand that bill rises are always unwelcome and so clearly set out the range of affordability support available for customers who are struggling to afford to pay. Our future plans will see us continue to raise awareness and increase uptake of affordability (and wider vulnerability support) through delivery of the four workstreams of our vulnerability strategy: Every Customer Matters.</td></tr>
<tr><td>An increasing number of Wessex Water customers are facing financial difficulties as a result of the cost-of-living crisis.</td><td rowspan="3">We have worked with our expert Vulnerability Advisory Panel and wider partners to provide extra support to customers through the Covid pandemic and the cost-of-living crisis, to make it as easy as possible for customers to access bill discounts.

We have been very mindful of the impact of price rises on customers when developing this business plan and are committed to eradicating water poverty. The plan is based on what customers have said they want and is designed to be affordable for all. It sets out a significant increase in the protection given to those on lower incomes, who are likely to find the necessary bill rises more difficult, through social tariffs and other affordability measures.

The package of support we offer to each customer will continue to be tailored to meet their own financial circumstances. We will continue to deliver the four workstreams of our vulnerability strategy, Every Customer Matters, to raise awareness and increase uptake of affordability support through the delivery of a variety of projects, many working with partners across sectors.</td></tr>
<tr><td>People have highlighted the wider negative impacts of struggling with their household finances and paying bills.</td></tr>
<tr><td>There may be variations in the extent to which demographic groups are struggling financially.</td></tr>
<tr><td>There is support amongst customers for the provision of financial support for low-income households, and many are willing to contribute towards a social tariff to help those struggling to pay their bills. However, some are concerned about having to shoulder the burden of extra costs to support this.</td><td>Wessex Water is committed to eradicating water poverty. The plan sets out a significant increase in the protection given to those on lower incomes, who are likely to find the necessary bill rises more difficult, through social tariffs and other affordability measures.

We undertook bespoke research with customers on what is considered to be an acceptable level of cross subsidy to fund the growth in social tariff provision – the outputs from this project have helped to shape our plan.</td></tr>
<tr><td>Not everyone is aware of the support available to them if they find themselves struggling to pay their bills but react positively once informed.</td><td>The delivery of our vulnerability strategy, Every Customer Matters, will raise awareness and increase uptake of support. There is a multitude of initiatives in each of the four workstreams of the strategy including:
• Auto-enrolment on schemes to fast-track discounts.</td></tr>
</table>

	• Easier digital access to our support schemes. • More partners to help spread the word and promote our schemes. • Data sharing with partners e.g., Councils, the DWP and fire service. • Continuing to fund the debt advice sector and other referral partners and making the referral process for holistic debt advice easier. • Funding an array of community-based projects.

For more detail on how our plan will meet customer and statutory requirements relating to affordable bills please see Chapter 8 in our main business plan and supporting document WSX63: Vulnerability strategy – Every customer matters.

3.3. Excellent customer experience

Table 4 below has been extracted from Sia's triangulation of insight relevant to the excellent customer experience outcome.

Table 4: Triangulation and insight summary for the excellent customer experience water outcome

<table>
<tr><th colspan="3">Excellent customer experience – insight summary from Sia Partners' Triangulation Report, September 2023</th></tr>
<tr><td colspan="3">Relative priority ranking: 5th
Total number of Wessex Water customers engage: 94,005
Total number of sources reviewed: 40</td></tr>
<tr><td>Robustness of evidence</td><td>High</td><td rowspan="2">Key sources of insight
E001 Reviewing Strategic Direction and Social Purpose, October 21
E002 Wessex Water Annual Image Tracker 21-22, May 22
E004 2022 Young People's Panel, Nov-22
E005 Wessex Water Social Purpose, Apr 21
E013 2022-23 Water Tracker Q4, Apr 23
E018 Wessex Water Annual Image Tracker 22-23, May 23
E021 Customer spotlight People's views and experiences of water, Apr 22
E022 Water Affordability Scheme Funding – Opinion research Mar 22
E024 Continuous insight- Customer Feedback graphs Jun 23
E041 MMH Time to act Feb, 22
E043 Ofwat Customer Licence Condition research, May 23
E048 Water Matters 2022, May 23
E049 Ofwat CCW Research on customer preferences, Apr 22
E050 Ofwat CCW Business customer insight survey 2022 , Oct 22
E053 Online Panel Survey Oct 21: Have your say newsletter survey 25 future plans No25, Nov 21
E054 Online Panel Survey Apr 21: Have your say newsletter survey 25 future plans No 24 , Apr 21</td></tr>
<tr><td>Divergence of views</td><td>Low</td></tr>
<tr><td>Regional differences</td><td>Low</td><td>Stakeholder insight
Alongside the engagement with vulnerable customers through specific research, Wessex Water works with key stakeholders who represent customers with different vulnerability needs to understand how to better design services that support their specific client group within the Priority Services register, as well as their financial support schemes. Sources such as the minutes from the Stakeholder Vulnerability Advisory Panel (VAP) were reviewed alongside customer research. Please refer to the dedicated section in the full report: WSX06 – Customer research triangulation.</td></tr>
<tr><th colspan="3">Triangulation comments</th></tr>
<tr><td colspan="3">There are high number of sources and a high number of customers engaged on this outcome, and there is a good breadth and depth of engagement on specific topics relating to most areas. A current gap relates to engagement with vulnerable customers on their specific needs and priorities, as well as the provisions and services they want to see from Wessex Water, however we recognise that significant engagement is carried out with key stakeholders to better understand the needs of vulnerable customers and even co-create services, which is why the robustness of evidence is high. There are no significant divergences in views across customer groups and only minor regional differences, in that Bristol and Bournemouth Water customers report slightly lower levels of customer satisfaction compared with Wessex Water customers.</td></tr>
</table>

Key insight	Examples of supporting evidence
The vast majority of customers are satisfied with the service they receive when interacting with Wessex Water.	• Customers (all) gave an average score of 81% for Wessex Water's customer experience and scored the importance of providing this 8.8/10 (HH, Future, Vulnerable) [E001] • Satisfaction is reasonably consistent across demographic groups [E002] • Customers (all) expect leading customer service across touchpoints (digital, telephone), brand expertise and influence, continual innovation. [E001]

	• 89% of customers were at least satisfied with the overall service provided by Wessex Water. [E053] • There has been no significant change in overall satisfaction with customer services of water companies, although the number dropped from 78% in 2021 to 77% in 2022. This relates to frequency and content of bills, meter reading and payments. [E048]
Examples of the key drivers of satisfaction with customer service relate to good, proactive communication and speed of response.	• The time taken to resolve problems affects customer satisfaction. [E021] • Top customer complaint reasons for April 2022 include poor communication. [E024] • Business customers (UK-wide) commonly cite the cause of the satisfaction to be related to billing and customer service. These are two of the most important aspects of the water and wastewater service to business customers. [E050] • People report being more tolerant of service interruptions where warning is given. People want to know how they will be affected, how long for, and the water company response time. Strong communication and advance warning help mitigate service interruptions. [E049]
There are some areas which are negatively impacting perceptions of Wessex Water, however, the majority of people don't know enough about the business to inform perceptions.	• Satisfaction with Wessex Water (HH) has reduced slightly over the course of 2022-3. This coincides with the noticeable increase in awareness of releases from storm overflows and a very significant negative shift in attitudes to the operation of storm overflows. [E013] • Suspicion over ownership by a foreign company, with the belief that foreign owners and investors are not interested in local issues. [E014] • Wessex Water is not seen as being untrustworthy but the brand is invisible. [E001] • 58% of WW customers (HH, Future, Vulnerable) feel like they know a little or nothing at all about the company. [E002] • There are signs that customers (HH, Future, Vulnerable) are becoming less engaged with Wessex Water, with fewer feeling they know enough to comment on the brand's values, and more ambivalence about it (rather than active negativity…so far). [E018]
There is a desire for Wessex Water to further demonstrate that it is a responsible company which gives back to the communities it serves	• 82% of customers (all) scored 7/10 or above for the match between what Wessex Water stands for (including creating value for the people they serve) and their actions. [E001] • Customers (all) are looking for companies like Wessex Water to be responsible and look after colleagues. [E001] • Colleagues indicate they want an ambitious social purpose and want to see the company do more e.g. Increase schools' education activities and include elements that relate to the local economy e.g. apprenticeships; local supply chains. [E005] • Many feel funding should provide support for people in the same water company area to increase the sense of community [E022] • 39% of customers think that Wessex Water do lot or a fair amount to support people and communities in the region and a further 28% think that Wessex Water do a little. [E054]
Customers in vulnerable circumstances, such as those with certain physical or mental health conditions have specific needs relating to their water service and dealing with their water company.	• Customers in vulnerable circumstances including those with physical and mental health conditions, carers of terminally ill family members, parents of severely disabled children and single, elderly people suffering recent bereavement, had additional needs from their water companies. [E043] • Just one in nine people with mental health problems (11%) have ever told a water company about their mental health problems. [E041] • Tools that automate or offer support with complex aspects of money management: Water providers could provide tools that help customers monitor their consumption and forecast costs. [E041]

<table>
<tr>
<td>It is an expectation that Wessex Water makes provisions and provides support for customers in vulnerable situations, however, there is room for improvement in terms of awareness of available support.</td>
<td>

Customers (all) and stakeholders expect policies and practices from companies like Wessex Water that support the most vulnerable in the communities they serve and ones that acknowledge the growing wealth gap. [E001]
There is an increasing number of customers in vulnerable situations, and more severe vulnerable situations, leading to a need to support the elderly, large families, low-income households and those with mental health issues. [E001]
Low engagement is also a cause for concern. It may mean that customers in need of financial or priority services support are not aware that support is available for them. [E021]
Awareness of the extra help offered to people in vulnerable circumstances through water companies' Priority Services Registers has fallen, from 49% in 2021 to 47% in 2022. [E048]

</td>
</tr>
</table>

Table 5 below shows how the key insights generated by the triangulation of multiple sources of customer research and insight map to the actions and investments in our business plan.

Table 5: The line of sight from customer insights on excellent customer experience to the actions and investments in our plan

<table>
<tr>
<th>Key customer insight</th>
<th>How our plan addresses the insight</th>
</tr>
<tr>
<td>The vast majority of customers are satisfied with the service they receive when interacting with Wessex Water.</td>
<td rowspan="2">We aim to be at the top, or at least upper quartile, of C-MeX, D-MeX and BR-MeX and hold a number of external customer service accreditations. Through our 'going the extra mile' approach and continuously listening to customers we drive continuous improvement to our services.

Our plan for 2025-30 includes a vast array of initiatives to ensure we maintain and improve satisfaction focussing on the issues that customers have told us could be improved such as communication, response times, digital experience, and support for those that need extra help.</td>
</tr>
<tr>
<td>Examples of the key drivers of satisfaction with customer service relate to good, proactive communication and speed of response.</td>
</tr>
<tr>
<td>There are some areas which are negatively impacting perceptions of Wessex Water, however, the majority of people don't know enough about the business to inform perceptions.</td>
<td rowspan="2">We have mature communications and community engagement strategies designed to improve trust and reputation in our brand and improve customer knowledge of our services.

For example, our community engagement strategy includes an extensive education service in schools and colleges across our region, volunteering of our teams in the local community, recreational opportunities in our many green spaces, and community events. We also fund a variety of local community and environmental projects through the Wessex Water Foundation. Furthermore, we are increasingly working in a connected way with communities to identify common aims around addressing issues relating to climate change and the cost of living crisis, reducing water use, reducing sewer misuse and improving the environment for nature and local people.

One of the key areas negatively impacting customer perception of the whole water industry is issues relating to the operation of storm overflows. Our investments for 2025-30 detailed under our 'an effective sewerage system outcome' document how our performance in this area will be improved. These investments will be partnered with a communications plan to inform customers of our work in this area.</td>
</tr>
<tr>
<td>There is a desire for Wessex Water to further demonstrate that it is a responsible company which gives back to the communities it serves</td>
</tr>
</table>

<table>
<tr><td>Customers in vulnerable circumstances, such as those with certain physical or mental health conditions have specific needs relating to their water service and dealing with their water company.</td><td rowspan="2">Our vulnerability strategy, Every Customer Matters, sets out the support we offer customers who need extra help, our performance in these areas and the four workstreams to raise awareness and increase uptake of our support.

These four workstreams include a variety of initiatives that will be delivered either by ourselves or in partnership with others. The strategy is overseen and endorsed by our expert Vulnerability Advisory Panel (VAP).</td></tr>
<tr><td>It is an expectation that Wessex Water makes provisions and provides support for customers in vulnerable situations, however, there is room for improvement in terms of awareness of available support.</td></tr>
</table>

For more detail on how our plan will meet customer and statutory requirements relating to excellent customer experience please see Chapter 7 in our main business plan.

3.4. Safe and reliable water

Table 6 below has been extracted from Sia's triangulation of insight relevant to the safe and reliable water outcome.

Table 6: Triangulation and insight summary for the safe and reliable water outcome

<table>
<tr><th colspan="3">Safe and reliable water – insight summary from Sia Partners' Triangulation Report, September 2023</th></tr>
<tr><td colspan="3">Relative priority ranking: 1st
Total number of Wessex Water customers engaged: 12,840
Total number of sources reviewed: 12</td></tr>
<tr><td>Robustness of evidence</td><td>High</td><td rowspan="3">Key sources of insight
E001 Reviewing Strategic Direction and Social Purpose, Oct 21
E002 Wessex Water Annual Image Tracker 21-22, May 22
E008 Estimating Customers' Willingness to Pay for Changes in Service at PR24, Sep 22
E009 West Country Water Resources customer research (Qual), May 22
E010 West Country Water Resources customer research (Quant), Jun 22
E011 West Country Water Resources customer research (Summary report), Jun 22
E018 Wessex Water Annual Image Tracker 22-23, May 23
E021 Customer spotlight People's views and experiences of water, Apr 22
E023 Affordability and Acceptability Testing Interim report on Qualitative research, May 23
E042 Ofwat Cost of living Wave 3 report, May 23
E045 CCW Customer views on guaranteed standards scheme, Jul- 23</td></tr>
<tr><td>Divergence of views</td><td>Low</td></tr>
<tr><td>Regional differences</td><td>Low</td></tr>
<tr><td colspan="3">Long-term insights</td></tr>
<tr><td colspan="3">Please see 'long term delivery strategy insights' section (3.10) for summary of evidence informing our understanding of customers' views on this topic to inform our long term delivery strategy.</td></tr>
<tr><td colspan="3">Triangulation comments</td></tr>
<tr><td colspan="3">A broad range of high-quality sources, including both internal and wider industry research, has contributed towards the strong evidence base for this Outcome. The analysis has not uncovered any insight tensions or any significant divergence of views across customer groups or across regions, and therefore these scores have been found to be low.</td></tr>
<tr><td colspan="2">Key insight</td><td>Examples of supporting evidence</td></tr>
<tr><td colspan="2">Customers place a high priority on ensuring the high quality and safety of drinking water is maintained, and therefore is a lower priority for improvement.</td><td>• All recognise that clean water is an enabler to Public Health and that Wessex Water has a role in this [E001]
• '…the core purpose (strategic direction and social purpose) must include continual provision of clean, good tasting water…' [E001]
• People score providing clean, safe drinking water as the top priority. 87% of people give this a score of between 8-10 out of 10. For two thirds (64%), it scored 10 out of 10 for importance. It's the core of what companies do. The message from customers is to get the basics right first. [E021]
• Over four fifths (87%) of customers want companies to focus on providing clean, safe drinking water. [E021]
• When asked what the two most important factors would be if they could pick which water and sewerage company they used, 'Good quality drinking water' was chosen by around six in ten bill payers (58%) [E042]
• Supply resilience was ranked highest priority on average for household customers. [E009]
• Customers agree that water quality is a low priority area for improvement as current performance is fine. They accept the relatively low bill impact. [E023]</td></tr>
</table>

Similarly, customer satisfaction with the reliability of their water supply is high and therefore the expectation is that this is maintained, rather than being a priority for improvement.	• Reliability (an important driver for satisfaction) remains widely endorsed, although declines slightly. [E018] • Along with the pre-requisite needs to feel satisfied with the value offered by Wessex Water, reliability of services is critical for satisfaction. [E002] • Out of 1,000 customers, the average score given to the importance of a reliable water supply is the highest with 9.3/10 [E002] • The main service expectation customers have of water companies is to consistently provide water. [E045] • Customers expect appropriate fresh water provision in event of not having running water, and fixing supply issues quickly. [E045] • Customers agree that water quality is a low priority area for improvement. [E023]
Affordability is a key consideration for customers when considering investment in options to improve supply resilience	• When probed specifically regarding potential costs, some recognised that their support for supply resilience or environmental protection may decrease if costs were considered too high, or if it impacted affordability for lower income households. [E009] • Participants agreed that affordability should be taken into account when developing regional plans, even though they recognised the need for investment. The key reason was their view that water is a necessity not a luxury. [E009] • Some did not see a need for improvement, often because they had never experienced a supply interruption. Others were unwilling to pay more for what they viewed as marginal improvements; they expected marginal improvements to be covered by reinvestment of profits. [E008]
Customers expressed a preference for reducing the risks of severe drought and water use restrictions	• Severe water use restrictions like rota cuts were perceived as difficult to cope with and generally unacceptable. [E011] • The majority of respondents had some awareness of the impact that severe water restrictions could have on daily activities. The greatest concern was limiting the availability of water to 2-4 hours per day. [E010] • Participants strongly support investment in regional water resources being progressed in order to reduce the risk of water restrictions, even if there was an associated risk of incorrect assets being built and wasted investment. [E009]

Table 7 below shows how the key insights generated by the triangulation of multiple sources of customer research and insight map to the actions and investments in our business plan.

Table 7: The line of sight from customer insights on safe and reliable water to the actions and investments in our plan

Key customer insight	How our plan addresses the insight
Customers place a high priority on ensuring the high quality and safety of drinking water is maintained, and therefore is a lower priority for improvement.	Our plan for 2025-30 seeks to achieve exactly what customers have expressed they want: we plan to maintain an industry leading Compliance Risk Index) score considering emerging challenges in this area. Investments will include disinfection process upgrades at a number of sites and further enhancements of our catchment management activities to reduce raw water quality risks at source before they become problematic.

Similarly, customer satisfaction with the reliability of their water supply is high and therefore the expectation is that this is maintained, rather than being a priority for improvement.	Our plan for 2025-30 seeks to maintain our industry leading performance on supply interruptions and further reduce customer contacts about the appearance, taste and odour of water at customers taps. We will achieve this through investment to further upgrade our smart network monitoring to allow more sophisticated root cause analysis of reliability issues.
Affordability is a key consideration for customers when considering investment in options to improve supply resilience	Customer affordability linked to expenditure for supply options were carefully considered using our investment planning tool and only options deemed as best value have been taken forward into our investment proposals. Investments and actions included under our sustainable abstraction outcome, that seeks to maintain a balance between supply and demand, follows an adaptive planning approach that ensures investments are triggered and made only in the planning horizon when necessary. Those included in our 2025-30 investment plan are carefully selected ‘low regret’ investments that avoid unnecessary affordability impacts.
Customers expressed a preference for reducing the risks of severe drought and water use restrictions	Our plan has been designed to make the risk of restrictions to water supply lower than in the past. Our Water Resources Management Plan considers options required to maintain supplies during a severe drought with a 1 in 500-year return period. This represents an increase in the level of service currently offered to customers so that we have plans in place to maintain supplies to our customers under the most extreme foreseeable conditions.

For more detail on how our plan will meet customer and statutory requirements relating to safe and reliable water please see Chapter 1 our main business plan and supporting documents WSX12 – Water resources strategy and investment and WSX14 – Water networks plus strategy and investment.

3.5. Sustainable abstraction

Table 8 below has been extracted from Sia's triangulation of insight relevant to the sustainable abstraction outcome.

Table 8: Triangulation and insight summary for the sustainable abstraction outcome

<table>
<tr><th colspan="3">Sustainable abstraction – insight summary from Sia Partners' Triangulation Report, September 2023</th></tr>
<tr><td colspan="3">Relative priority ranking: 8th
Total number of Wessex Water customers engaged: 18,979
Total number of sources reviewed: 27</td></tr>
<tr><td>Robustness of evidence</td><td>High</td><td rowspan="3">Key sources of insight
E001 Reviewing Strategic Direction and Social Purpose, Oct 21
E003 2021 Young People's Panel, Dec 21
E004 2022 Young People's Panel, Nov 22
E006 Garden Water Use, Nov 21
E007 Customer motivations: water saving & smart meters, May 22
E009 West Country Water Resources customer research: Best Value SW Water Resource Plan (qual research), May 22
E010 West Country Water Resources customer research: Best Value SW Water Resource Plan (quant research), Jun 22
E016 Estimating customers' WtP for Sustainable abstraction, May 23
E023 Affordability and Acceptability Testing Interim report on Qualitative research, May 23
E051 CCW Smart Thinking – Metering for Business Customers, Mar 23
E052 CCW Testing the Waters 2022, Jan 23
E053 Online Panel Survey Oct 21: Have your say newsletter survey 25 future plans, Oct 21
E055 Online Panel Survey Apr 22: Have your say newsletter survey 25 future plans No 27
E056 Lifting the lid: the secrets of our water habits Jan 23
E059 Bridging the gap: Awareness and Understanding of Water Issues Nov 22
E060 Water Awareness Survey May 22</td></tr>
<tr><td>Divergence of views</td><td>Medium</td></tr>
<tr><td>Regional differences</td><td>Low</td></tr>
<tr><th colspan="3">Long-term insights</th></tr>
<tr><td colspan="3">Please see 'long term delivery strategy insights' section (3.10) for summary of evidence informing our understanding of customers' views on this topic to inform long term delivery strategy.</td></tr>
<tr><th colspan="3">Triangulation comments</th></tr>
<tr><td colspan="3">With a high number of sources used, the analysis includes the views of all customer segments and stakeholders resulting in the robustness of evidence score to be high. No significant and recurring divergence of views have been found, however, insight tensions have been identified regarding leakage; this topic is often of secondary importance to customers, however, stakeholders have stated that they thought of leakage as a top concern. As for the difference between customer segments, household customers favoured increasing the investment in leakage reduction to achieve Wessex Water's 2050 goal, whereas non-household customers did not want to change the current level of investment. Non-household customers express much higher levels of support for the roll-out of smart meters compared with household customers. As for the regional differences, no significant variations have been identified.</td></tr>
</table>

Key insight	Examples of supporting evidence
Customers are aware that their personal water use has an impact on the environment, however, many have not yet taken action to reduce their consumption.	• The majority of customers are just not engaged enough with the water conversation to commit to water conservation. [E001] • The need to preserve water is not totally unfamiliar territory but people are generally unaware that water stress is an urgent problem and feel they haven't been educated on the topic. [E006] • Attitudes towards waste don't necessarily ring true when it comes to water behaviour. [E007] • 91% of people said they were aware that personal water use has an effect on the environment, however, 62% of people said they had not done anything to use less water in the last six months. [E060]

Customers either underestimate their water usage or don't pay attention to it at all.	• Customers revealed that many regularly carry out seemingly 'wasteful' water usage behaviours without thinking about how much they're wasting. [E007] • 2/3 of customers stated that they are not very water conscious [E001] • Most customers were shocked to hear how much they used each day and said that it seemed like a lot of water. However, customers were still unsure how their usage might compare to average usage; even though it sounds like a lot they're unsure if it's more or less than other people [E007] • Most struggled to even make an estimation as people don't really consider what volume of water they might be using day to day. [E006] • Across all businesses, 39% have engaged in some form of water-saving activity. This is significantly lower than in 2020/21 (46%). [E052]
There is some desire amongst customers to reduce their water consumption.	• 63% of people felt they could be more water-efficient. [E056] • Just over three quarters (76%) agreed that they would be willing to change habits to reduce water usage and 57% think that more should be done to save water. [E053] • 60% of customers agree that they try to think about their impact on the environment when they have a shower or bath. [E055] • Many customers are keen to do more to save water, and recognise the role individuals can play in this. [E021]
There is a large proportion of household customers who are not interested in installing a smart meter and would prefer them not to be compulsory.	• Uninformed interest in smart water meters is reasonable amongst the panel – 4 in 10 are interested. [E007] • 43% of customers agreed to some extent that would be interested in having a smart meter. [E055] • Customers' least preferred option (to reduce demand) was smart metering [E016] • Customers expressed low levels of support for the roll-out of smart meters by 2030 for a number of reasons, including concerns/lack of clarity of the cost impacts of their water habits and what the benefits to customer will be. It was seen as a lower priority compared with other areas of the plan and many questioned why they were being asked to pay for this. [E023]
Household customers are interested in the perceived benefits of smart metering, namely more control over their consumption as well as more accurate bills and potentially lower bills.	• Of those interested in a smart water meter, aside from the functional benefit of being able to monitor water use, the main themes mentioned were to reduce use / waste, save money, and (for a smaller minority) to identify leaks. [E007] • A high proportion of customers with a meter (7 in 10) claim to want to reduce their bill by using less water. [E002] • Customers are very interested to know more about how much water they're using. [E007] • Attitudes to water use and metering: Over half agree with a new statement that they would be interested in more frequent updates on water use and cost. This is a much higher level than were interested in having a smart meter; it is the benefits of smart metering that need to be promoted, rather than the smart meter itself. . **Question wording changed in Q1 2023-24 from "I'd be interested in having a smart water meter" [E035]
Non-household customers are more positive about smart metering and their perceived benefits.	• In principle, around 4 in 5 businesses would be supportive of new water meter technologies being rolled out across the water system. [E051] • The most appealing benefit of having a smart water meter is accurate billing. [E051] • 9 in 10 of those who claim to have a smart water meter find that it provides useful information for their business. [E051]
High levels of leakage drive negative perceptions of the water sector, and	• Leakage is one of the most emotive topics – and one that exacerbates most others. Consumers feel very strongly that leaks are with the control

are the responsibility of water companies to address.	of water companies and that they are a fundamental responsibility in terms of the day to day running of a water company. [E059] • Two thirds (67%) felt hearing about water leaks had a negative effect on the perceptions of their water company. [E059] • 87% of consumers believe the service providers/water companies/sewerage companies should be responsible for water leaks. [E059] • Customers are surprised by current levels of leakage and is seen as a high priority issue for Wessex Water to address; many customers questioned the ambition of the proposed target and wanted to see Wessex Water go further. [E023]
Leakage is commonly a preferred solution for reducing demand and reliance on abstraction, and not addressing this can negatively impact efforts to reduce demand.	• Reducing leakage and using education and awareness campaigns to encourage reductions in water usage were the most supported demand options. [E009] • Regarding the relative preferences expressed by customers between these alternative options, the evidence suggests that customers tend to place most value on leakage reduction and reservoir construction [E016] • There is a causal link made between leaks and hosepipe bans. The amount of leakage frustrates consumers and it undermines any calls to action from water companies to play their part by reducing water use and observing hosepipe bans. [E059]
Customers expressed strong support for reducing reliance on abstraction from vulnerable sources, even beyond the proposed targets for reduction, and to pursue a combination of alternative supply and demand options.	• There was a positive view on measures to protect and improve the environment by reducing the dependency of water supply on surface and groundwater abstractions. [E010] • Participants' preference for supply options was reinforced by a c.60:40 split between supply and demand options…customers recognise the need for multiple approaches for water resource planning, rather than rely on a single approach or solution. [E009] • Customers are willing to pay for improvements in these areas and expressed a desire to see Wessex Water going beyond the reduction target of 10ML/d. [E016] • Whilst cost was a secondary consideration for many, customers are more willing to choose a combination of less expensive methods in order to achieve more improvement in sustainable abstraction for the same overall bill impact. [E016]

Table 9 below shows how the key insights generated by the triangulation of multiple sources of customer research and insight map to the actions and investments in our business plan.

Table 9: The line of sight from customer insights on sustainable abstraction to the actions and investments in our plan

Key customer insight	How our plan addresses the insight
Customers are aware that their personal water use has an impact on the environment, however, many have not yet taken action to reduce their consumption.	Our demand management strategy will help raise awareness of the value of water and importance of water conservation – we're keen to support customers to see themselves and their home as an important part of their local water system and environment. Our investment proposals include: • The installation of smart meters to 40% of **households and non-households** by 2030 with the aim of reaching
Customers either underestimate their water usage or don't pay attention to it at all.	
There is some desire amongst customers to reduce their water consumption.	

<table>
<tr><td>There is a large proportion of household customers who are not interested in installing a smart meter and would prefer them not to be compulsory.</td><td rowspan="3">95% by 2035. Our programme will focus in the Hampshire Avon catchment initially to deliver the demand reduction savings in the area where the greatest environmental benefits will be realised.
• An expansion of our water efficiency programme to support over 60,000 households and over 800 non-households by 2030 to increase customer awareness of their consumption, help them to reduce water use and wastage (i.e. internal leaks), manage their bills and help protect the environment.

The combination of smart metering and an expanded water efficiency programme will meet customer expectations for helping them to reduce their water usage and manage their bills.</td></tr>
<tr><td>Household customers are interested in the perceived benefits of smart metering, namely more control over their consumption as well as more accurate bills and potentially lower bills.</td></tr>
<tr><td>Non-household customers are more positive about smart metering and their perceived benefits.</td></tr>
<tr><td>High levels of leakage drive negative perceptions of the water sector, and are the responsibility of water companies to address.</td><td rowspan="2">Leakage reduction is an important part of our demand management strategy, and we recognise its importance to customers – we need to demonstrate our continued efforts to reduce leakage if we are to ask customers to participate in their own water saving measures as part of our water efficiency and smart metering proposals.

Our leakage reduction strategy will deliver 3.5 Ml/d of water savings between 2025 and 2030. This will be achieved through a combination of faster detection of supply pipe leaks arising from smart metering, an expansion of our acoustic logging capabilities and by delivering efficiencies in the ‘find and fix’ backbone of our leakage management operation. We are committed to halving leakage by 2050.</td></tr>
<tr><td>Leakage is commonly a preferred solution for reducing demand and reliance on abstraction, and not addressing this can negatively impact efforts to reduce demand.</td></tr>
<tr><td>Customers expressed strong support for reducing reliance on abstraction from vulnerable sources, even beyond the proposed targets for reduction, and to pursue a combination of alternative supply and demand options.</td><td>Our plan is committed to reducing abstraction from the most environmentally sensitive sources. Our investment proposals contain a combination of demand-side and supply-side measures which will focus in areas that bring the greatest environmental benefits and will help meet the EA’s proposed abstraction licence reductions in 2035.

As part of our adaptive plan, we are also taking forward some Strategic Resource Options in collaboration with the West Country Water Resources Group, to ensure we are appropriately prepared if these are needed to meet long-term resource needs.</td></tr>
</table>

For more detail on our investment proposals under the sustainable abstraction outcome please see Chapter 2 in our main business plan and supporting document WSX12 – Water resources strategy and investment.

3.6. An effective sewerage system

Table 10 below has been extracted from Sia's triangulation of insight relevant to the effective sewerage system outcome.

Table 10: Triangulation and insight summary for the effective sewerage system outcome

<table>
<tr><th colspan="3">An effective sewerage system – insight summary from Sia Partners' Triangulation Report, September 2023</th></tr>
<tr><td colspan="3">Relative priority ranking: 3rd
Total number of Wessex Water customers engaged: 14,994
Total number of sources reviewed: 24</td></tr>
<tr><td>Robustness of evidence</td><td>High</td><td rowspan="3">Key sources of insight
E001 Reviewing Strategic Direction and Social Purpose, Oct 21
E002 Wessex Water Annual Image Tracker, May 22
E003 2021 Young People's Panel. Dec 21
E004 2022 Young People's Panel, Nov 22
E011 West Country Water Resources customer research (Summary report), Jun 22
E012 Drainage and Wastewater Management Plan (Qual research), Sep 21
E013 2022-3 Water Tracker Q4
E014 Your Say Your Future, Apr 23
E015 Drainage and Wastewater Management Plan (Quant research), Nov-21
E023 Affordability and Acceptability Testing Interim report on Qualitative research, May 23
E035 Wessex Water Tracker Q1_2023 Report, Jul 23
E036 CCW Research Report Water Matters 2022 Summary of Research Findings for Wessex Water, Jan 22
E044 CCW Ofwat Customer experiences of sewer flooding, May 22
E045 CCW Customer views on guaranteed standards scheme, Jul 23
E046 Ofwat Trust and perceptions: People's views on the water sector, Feb 23
E048 Water Matters 2022 May 23
E057 River Water Quality Report, Jul 22
E058 Awareness and perceptions of river water quality, Apr 22
E060 Water Awareness Survey, May 22</td></tr>
<tr><td>Divergence of views</td><td>Low</td></tr>
<tr><td>Regional differences</td><td>Low</td></tr>
<tr><th colspan="3">Long-term insights</th></tr>
<tr><td colspan="3">Please see 'long term delivery strategy insights' section (3.10) for summary of evidence informing our understanding of customers' views on this topic to inform long term delivery strategy.</td></tr>
<tr><th colspan="3">Triangulation comments</th></tr>
<tr><td colspan="3">There is a strong evidence base supporting the insight on this topic, drawing on a range of insight sources. Sewer flooding, both internal and external, and storm overflows are key issues which customers and stakeholders agree should be addressed. There is little divergence in views around the need for investment in solutions which address issues relating to the wastewater system. Cost is a common concern amongst customers, however, future customers are also particularly concerned about the environmental impact of some solutions e.g. increasing treatment capacity. No significant regional differences have been identified.</td></tr>
<tr><th>Key insight</th><th colspan="2">Examples of supporting evidence</th></tr>
<tr><td>Customers perceive the effective functioning of the sewage system as a core aspect of Wessex Water's wastewater service. However, the majority of customers are satisfied with the reliability of the sewerage system.</td><td colspan="2">• All recognise that an effective sewage system is an enabler to Public Health and that Wessex Water has a role in this [E001]
• The core purpose (strategic direction and social purpose) must include safe removal of wastewater [E001]
• Overall satisfaction with sewerage services was 79% in 2022. [E035]
• Around three quarters of customers are satisfied with company actions to reduce smells from sewerage treatment works and with maintenance of sewerage pipes & treatment works. [E036]</td></tr>
<tr><td>Increasing sewage and treatment capacity is generally viewed as the favoured solution to improving the</td><td colspan="2">• Increasing treatment capacity was seen to have a high certainty in reduction of incidents, reduced impact on rivers. Disruption and cost seen as acceptable for longer-term gain [E012]</td></tr>
</table>

reliability and resilience of the wastewater system, despite concerns around disruption and environmental impact.	• Future customers prioritised increasing treatment capacity and favour its perceived reliability [E004]
Customers are generally aware of the impact of their behaviours relating to drainage and wastewater, however, there is still value in education and engagement to improve current drainage behaviours.	• 91% of people said they were aware that what is disposed of down toilets or rinsed down the sink has an effect on the environment. [E060] • 15% of respondents said they had flushed items other than human waste and toilet paper down the loo and 14% said they did not know how else to dispose of fats, oils and greases other than down the sink. [E060] • Customers felt there was a high certainty of reducing blockages at low cost through education using 'real-life' examples [E011] • Future customers favour the reliability of educating people on 'good' flushing behaviours [E004] • Education is expected to have a longer-term impact on influencing social norms – if unlikely to change behaviour in the short term [E004]
Customers recognise the sometimes severe impacts that sewer flooding can have, particularly when it occurs in peoples' homes.	• Customers preferred flooding away from their houses, rainwater sewer flooding to foul/combined sewer flooding and less frequent flooding [E015] • The impact of sewer flooding was worst when inside the home. Next worst was when flooding was outside the customers' home but within the property boundary [E015] • The research found that any type of sewer flooding has a significant negative impact on customers regardless of severity. Even incidents that may seem 'low severity' can cause a lot of inconvenience and stress, while 'high severity' events can lead to significant emotional trauma. [E044]
Customers expect to see action from their water company to both reduce incidence of sewer flooding and improve the service and response for customers when it does occur.	• There has been a decrease in customer satisfaction with Wessex Water's efforts to minimise sewer flooding (64% in 2021 vs 61% in 2022). [E048] • Participants, unsurprisingly, reported that they wanted the cause of the sewer flooding to be fixed permanently. This was a key priority. But across the research, fewer than a quarter of participants felt that their wastewater company had given them a satisfactory resolution. [E044] • While for many participants, fixing and preventing sewer flooding from taking place is key, there was also concern about the financial costs of these incidents to individual customers - most participants said they did not receive compensation from companies. [E044] • Wastewater companies need to do more to improve the service for customers when sewer flooding takes place. Companies can begin this process immediately – by reviewing their processes for support for customers. [E044] • Despite recognising how rare events are and how relatively few customers are affected, customers support the proposed target to reduce internal and external sewer flooding. Some are, however, concerned about the associated bill impact. [E023]
Customers are increasingly aware of and concerned about the impacts of untreated sewage being discharged into rivers.	• Customers expect their water company to cause minimal negative environmental damage, including not dumping waste into rivers and seas as this is perceived to be directly related to water supply/quality and Fines etc. Customers hear about this in the news, which strengthens expectations that this will be a standard water companies have to meet. [E045] • Nearly 6 in 10 people placed 'untreated sewage from water companies' in their top 3 things which they perceived to have the most negative impact on the water quality of rivers in England and Wales. More than a quarter ranked it top. [E057] • 35% of people in England and Wales now see untreated sewage as the biggest cause of river pollution. [E058]

	• Environment-related issues are increasingly salient for customers. In the latest Quarter, as headlines focus on sewage spills, spontaneous mentions of 'no/less sewage in rivers / sea' has risen to 2 in 10 – a very substantial minority now have this top of mind as the issue Wessex Water should address. [E035]
Storm overflows are front of mind for an increasing number of customers who want action to be taken. In some cases, is having a negative impact on perceptions of Wessex Water and the water sector.	• Once informed about CSOs, future customers view this as an urgent issue that requires action [E003] • Across the latest year overall, 'ensuring a reliable water supply' continues to top the list of priorities, with 'preventing sewage entering rivers and the environment' an enduring priority in second place. [E013] • For "reducing wastewater pollution incidents", customers are willing to pay for incremental improvements. [E008] • There has been a sizeable and sustained shift in the opinion of storm overflows…there is now a very clear balance of opinion towards finding storm overflows unacceptable. [E013] • Almost two fifths don't trust that their water company will prevent sewage from entering rivers. [E046] • 57% are satisfied with company's cleaning of waste water before releasing it back into the environment. [E036] • There were high levels of acceptance and support for the legally required investment in reducing storm overflows due to awareness of the need for action and concern for current water quality. Some feel this should be financed through company profits, rather than bill increases. However, enhanced investment is not affordable for many customers. [E023]

Table 11 below shows how the key insights generated by the triangulation of multiple sources of customer research and insight map to the actions and investments in our business plan.

Table 11: The line of sight from customer insights on an effective sewerage system to the actions and investments in our plan

Key customer insight	How our plan addresses the insight
Customers perceive the effective functioning of the sewage system as a core aspect of Wessex Water's wastewater service. However, the majority of customers are satisfied with the reliability of the sewerage system.	Our plans for 2025-30 ensure there will be no reduction in service relating to our wastewater system. Indeed, our plans seek to enhance reliability of the sewerage system through a range of investments to reduce blockages and pollution incidents including: • The roll out of innovative 'smart sewer' technology that can inform us in real time as issues in the sewer network start to develop. This means we can take action before our customers, or the environment are impacted. • Increasing sewage treatment capacity at 41 water recycling centres. • The development of 36 new or improved wetland areas as 'nature-based solutions'. • Engaging with customers to support them in behavioural changes towards 'sewer friendly behaviours' that will see a reduction in wet wipe and household-fat related blockages. • Rainwater separation activities in a number of sites/areas to remove rainwater from combined sewers.
Increasing sewage and treatment capacity is generally viewed as the favoured solution to improving the reliability and resilience of the wastewater system, despite concerns	Increasing sewerage capacity (which includes underground attenuation storage tanks) is a low-cost solution, but not perhaps the most sustainable or resilient for the long term. Our plans for 2025-30 includes investment in increasing capacity at 41 water recycling centres. As part

around disruption and environmental impact.	of our portfolio of measures for meeting our statutory obligations though we also plan to deliver more sustainable or nature-based-solutions such as reedbed attenuation ponds which is congruent with wider customer views around the importance of reducing carbon and improving biodiversity.
Customers are generally aware of the impact of their behaviours relating to drainage and wastewater, however, there is still value in education and engagement to improve current drainage behaviours.	Engaging with customers to support them to only undertake ‘sewer friendly behaviours’ is core to our overall strategy of blockage reduction. Our plans for 2025-30 will see us expand this area of work from current levels to reach more customers through an insight and data driven targeting approach. We'll target engagement in ‘blockage hotspot’ areas and shape our communication approaches to reach specific customer segments to increase the effectiveness of our impact.
Customers recognise the sometimes severe impacts that sewer flooding can have, particularly when it occurs in peoples' homes.	We recognise the misery for customers that sewer flooding can cause. Our plans for 2025-30 will continue to prioritise actions to reduce flooding inside people's homes and businesses (internal flooding) although will also see action to address external sewer flooding (gardens, roads and fields) too. Investments to underpin these plans include the enhancement of our smart sewer monitoring network plus asset rehab and customer behavioural campaigns.
Customers expect to see action from their water company to both reduce incidence of sewer flooding and improve the service and response for customers when it does occur.	
Customers are increasingly aware of and concerned about the impacts of untreated sewage being discharged into rivers.	We recognise customer concerns regarding storm overflows and that this is a key reputational issue for us. In 2025-30 we'll be spending £400m to reduce spills from storm overflows to achieve the minimum standards set out in the Government's Storm Overflow Discharge Reduction Plan. We'll deliver this through engineering solutions and where possible, wetland treatment and rainwater separation.
Storm overflows are front of mind for an increasing number of customers who want action to be taken. In some cases, is having a negative impact on perceptions of Wessex Water and the water sector.	

For more detail on how our plan will meet customer and statutory requirements relating to an effective sewerage system please see Chapter 3 in our main business plan and supporting document WSX16 – Wastewater networks plus strategy and investment.

3.7. Excellent river and coastal water quality

Table 12 below has been extracted from Sia's triangulation of insight relevant to the excellent river and coastal water quality outcome.

Table 12: Triangulation and insight summary for the excellent river and coastal water quality outcome

Excellent river and coastal water quality – insight summary from Sia Partners' Triangulation Report, September 2023		
Relative priority ranking: 4th Total number of Wessex Water customers engaged: 14,658 Total number of sources reviewed: 16		
Robustness of evidence	High	Key sources of insight E001 Reviewing Strategic Direction and Social Purpose, Oct 21 E002 Wessex Water Annual Image Tracker, May 22 E003 2021 Young People's Panel, Dec 21 E015 Drainage and Wastewater Management Plan Research: Quantitative findings, Nov 21 E018 Wessex Water Annual Image Tracker, May 23 E023 Affordability and Acceptability Testing Interim report on Qualitative research, May 23 E046 Ofwat Trust and perceptions: People's views on the water sector, Feb 23 E057 River Water Quality Report, Jul 22 E059 Bridging the gap: Awareness and Understanding of Water Issues, Nov 22
Divergence of views	Medium	
Regional differences	Low	

Triangulation comments
The majority of the sources included in the analysis of 'excellent river and coastal water quality' outcome are focused on domestic customers more generally. There are a broad range of sources which contribute evidence to support the insight on this topic. As for the divergence of views, household customers are concerned about the quality of river and coastal water and see this as more important to address, compared with non-household customers. Lastly, there were not any significant regional differences found.

Key insight	Examples of supporting evidence
Customers are increasingly aware, and therefore concerned, about the water quality of rivers and the sea.	• Only 46% of customers believe their river or sea quality is Good. [E002] • Rivers play a large part in the lives of future customers but most think river pollution is a problem and so they doubt the safety of local rivers [E003] • Three in ten respondents (29%) ranked water pollution of rivers and seas among the top three things having a negative impact on the environment [E057]
Customers attribute untreated sewage as the main cause of poor river water quality.	• People (57%) believe that untreated sewage from water companies has the most negative impact on rivers. [E046] • Three in ten respondents (29%) ranked water pollution of rivers and seas among the top three things having a negative impact on the environment. [E057] • Without prompting, most identify pollution and "dumping" of sewage into waterways, rivers and oceans (48%) as the reason for their views becoming negative. [E059] • Increasing treatment capacity was seen to have a high certainty in reduction of incidents, reduced impact on rivers. Disruption and cost seen as acceptable for longer-term again [E012]
Customers want to see efforts from Wessex Water to improve on river and coastal water and there are generally high levels of support for investment when customers are informed.	• Customers' willingness to pay for river improvement increased with an increase in the improvement rate. [E015] • When customers are asked how to invest to reduce or resolve wastewater issues, the highest percentage of customers wanted to increase

	investment now to 2030 rather than increase slowly between now and 2040 or 2050 for example. [E015] • There is evidence that significant proportions of customers are willing to pay increased bills to support investments that reduce the operation of storm overflows and improve river and coastal water quality. [E017] • Sewage in rivers and the sea has become increasingly top of mind in customers' agenda for what Wessex Water should improve on. [E018] • Respondents were presented with a choice between improving the quality of rivers or keeping bills low. Almost six in ten (59%) wanted their water company to prioritise improving the quality and cleanliness of rivers in England and Wales, even if this were to increase the price of their water bills. [E057] • There is lower acceptance for investment in nutrient removal, as customers are less aware of the causes and impacts of nutrient pollution and therefore find it hard to justify the large bill impact. [E023]

Table 13 below shows how the key insights generated by the triangulation of multiple sources of customer research and insight map to the actions and investments in our business plan.

Table 13: The line of sight from customer insights on excellent river and coastal water quality to the actions and investments in our plan

<table>
<tr><th>Key customer insight</th><th>How our plan addresses the insight</th></tr>
<tr><td>Customers are increasingly aware, and therefore concerned, about the water quality of rivers and the sea.</td><td rowspan="3">We recognise customer concerns about the water quality of rivers and the sea and that this is a key reputational issue for us.

Our plans to improve river and coastal water quality from 2025-30 include:
• Spending £900m on reducing nutrients (chiefly phosphorus) in treated wastewater discharges. Excess nutrients can result in high algal growth, which can deprive the waterways of oxygen, destroy habitats and kill wildlife. Legislation requires us to use traditional treatment solutions for the most part, but we will incorporate catchment and nature-based solutions such as reedbeds and wetlands wherever possible which is congruent with customer views on wider customer views around the importance of reducing carbon and improving biodiversity.
• Spending £400m to reduce spills from storm overflows from engineering solutions and where possible, wetland treatment and rainwater separation.</td></tr>
<tr><td>Customers attribute untreated sewage as the main cause of poor river water quality.</td></tr>
<tr><td>Customers want to see efforts from Wessex Water to improve on river and coastal water and there are generally high levels of support for investment when customers are informed.</td></tr>
</table>

For more detail on how our plan will meet customer and statutory requirements relating to excellent river and coastal water quality please see Chapter 4 in our main business plan and supporting document WSX16 – Wastewater networks plus strategy and investment.

3.8. Increased biodiversity

Table 14 below has been extracted from Sia's triangulation of insight relevant to the biodiversity improvement outcome.

Table 14: Triangulation and insight summary for the biodiversity improvement outcome

<table>
<tr><th colspan="3">Biodiversity – insight summary from Sia Partners' Triangulation Report, September 2023</th></tr>
<tr><td colspan="3">Relative priority ranking: 6th
Total number of Wessex Water customers engaged: 13,641
Total number of sources reviewed: 12</td></tr>
<tr><td>Robustness of evidence</td><td>High</td><td rowspan="3">Key sources of insight
E002 Wessex Water Annual Image Tracker, May 22
E005 Wessex Water Social Purpose, Apr 21
E008 Estimating Customers' WtP for Changes in Services at PR24, Sep 22
E014 Your Say Your Future
E023 Affordability and Acceptability Testing Interim report on Qualitative research, May 23
E054 Online Panel Survey Apr 21: Have your say newsletter survey 25 future plans, Apr 21
E058 Awareness and perceptions of river water quality, Apr 22</td></tr>
<tr><td>Divergence of views</td><td>High</td></tr>
<tr><td>Regional differences</td><td>Low</td></tr>
<tr><th colspan="3">Long-term insights</th></tr>
<tr><td colspan="3">Please see 'long term delivery strategy insights' section (3.10) for summary of evidence informing our understanding of customers' views on this topic to inform our long term delivery strategy.</td></tr>
<tr><th colspan="3">Triangulation comments</th></tr>
<tr><td colspan="3">As the sources used for this outcome were both high in number and presented high individual robustness scores, the robustness of evidence score for biodiversity improvement has been found to be strong. As for the divergence of views, the biggest discrepancy relates to vulnerable customers, who are on average less willing to pay or not willing to pay at all for environmental developments, whereas non-vulnerable customers were willing to pay for advancements in excess of improving nature/wildlife. A tension was also identified between household and non-household customers where the former preferred environmental improvements to be spread across all catchments, whereas non-household customers preferred concentrating larger improvements on a smaller number of catchments. Lastly, future customers have been found to be more concerned about the loss of biodiversity compared to the rest of the population. As for the regional differences, only minor difference have been identified relating to a higher importance being placed on improving biodiversity by customers living in rural areas.</td></tr>
</table>

Key insight	Examples of supporting evidence
There is a desire amongst customers for Wessex Water to demonstrate improvements in its efforts to improve nature and wildlife.	• The principle of 'Improving the natural environment' is the number one for positive impact, but for most people is expected [E005] • Customers expressed a willingness to pay more for large improvements in supporting nature and wildlife. [E008] • 'Environment' is the most widespread area that consumers spontaneously mention Wessex could improve on. [E002] • Crucial to maintain Wessex reliability; the areas with greatest scope to improve are 'well regarded in the community' and 'care about environment'. [E002] • When customers were asked to choose the top five issues which they were most concerned about, 58% chose loss of biodiversity and natural resources. [E054]

	• The majority of customers want improvements to storm overflows to help ensure the river is a healthy habitat for wildlife. This was particularly high amongst older customers and those living in rural areas (70%) [E058]
Customers are interested to know how Wessex Water is doing this.	• ‘How Wessex Water is protecting the environment’ is one of the main topics that customers would like to know more about [E002] • Customers reveal a need for more certainty around sludge treatment to remove micro-pollutants in order to be able to make an informed decision on investment in this area. [E023]

Table 15 below shows how the key insights generated by the triangulation of multiple sources of customer research and insight map to the actions and investments in our business plan.

Table 15: The line of sight from customer insights on increased biodiversity to the actions and investments in our plan

Key customer insight	How our plan addresses the insight
There is a desire amongst customers for Wessex Water to demonstrate improvements in its efforts to improve nature and wildlife. Customers are interested to know how Wessex Water is doing this.	There are six key areas where Wessex Water will be improving biodiversity across our region: • WINEP implementation schemes to create and restore habitats and investigations • Improving biodiversity as part of our wider catchment management work in drinking water supply areas • Ongoing work with partners via our Biodiversity Action Plan Partners Programme • Our tree planting commitment • Delivering actions to achieve a further 1,000 biodiversity units (at maturity) each AMP until 2050 • Delivery of improvements via the AMP8 Biodiversity Performance Commitment More detail is provided in our Biodiversity Action Plan which also includes details of how we plan to monitor, communicate and engage with customers on our progress.

For more detail on how our plan will meet customer and statutory requirements relating to increased biodiversity please see Chapter 5 in our main business plan and supporting document WSX25 – Improving biodiversity.

3.9. Net zero carbon

Table 16 below has been extracted from Sia's triangulation of insight relevant to the net zero carbon outcome.

Table 16: Triangulation and insight summary for the net zero carbon outcome

<table>
<tr><th colspan="3">Net zero carbon – insight summary from Sia Partners' Triangulation Report, September 2023</th></tr>
<tr><td colspan="3">Relative priority ranking: 7th
Total number of Wessex Water customers engaged:11,665
Total number of sources reviewed: 10</td></tr>
<tr><td>Robustness of evidence</td><td>Medium*</td><td rowspan="3">Key sources of insight
E001 Reviewing Strategic Direction and Social Purpose, Oct 21
E003 2021 Young People's Panel, Dec 21
E004 2022 Young People's Panel, Nov 22
E008 Estimating customers' WTP for changes in service, Sep 22
E010 Best Value SW Water Resource Plan (Quant research), Jun 22
E023 Affordability and Acceptability Testing Interim report on Qualitative research, May 23
E054 Online Panel Survey Apr 21: Have your say newsletter survey 25 future plans, Apr 21</td></tr>
<tr><td>Divergence of views</td><td>High</td></tr>
<tr><td>Regional differences</td><td>Low</td></tr>
<tr><td colspan="3">*There is a relatively low volume of insight on this Outcome</td></tr>
<tr><th colspan="3">Long-term insights</th></tr>
<tr><td colspan="3">Please see 'long term delivery strategy insights' section (3.10) for summary of evidence informing our understanding of customers' views on this topic to inform our long term delivery strategy.</td></tr>
<tr><th colspan="3">Triangulation comments</th></tr>
<tr><td colspan="3">Due to the relatively low quantity of insights that refers directly to this outcome, a relatively lower breadth and depth score has been given compared to other areas. Divergence of views is high as there are differing views on the extent of the importance of achieving net zero across several sources. For example, while some customers feel that the timescales were too long, others have shown little ambition to achieve net zero before the target of 2050. There are insight tensions present specifically between future customers and household customers where future customers express a significant amount of concern regarding future impacts of climate change whereas household customers find this to be a lower priority compared with core service areas. No significant regional differences have been found.</td></tr>
</table>

Key insight	Examples of supporting evidence
Customer awareness and concern around the impacts of climate change is growing, particularly amongst future customers	• Everyone is now conscious of "climate change" and environmental issues although levels of understanding vary across customers. [E001] • Climate change weighs heavily on the minds of our future customers, with most worrying about it 'from time to time' and some worrying 'everyday'. [E003] • 47% think about impact on the environment and try to make a difference without spending too much time or money. [E004] • When customers were asked to choose the top five issues which they were most concerned about, customers most commonly chose climate change (65%) [E054]
Customers want to see efforts from Wessex Water and other companies to reduce their emissions, however, this is perceived by many to be of less importance compared to other areas	• Customers did not express a willingness to pay for incremental improvements in "achieving net zero carbon emissions" [E008] • Targets for net zero carbon and increased effort to reduce leakage tended to be secondary factors for customers. [E010] • Overall, respondents placed minimal additional weight on achieving net zero earlier in 2040 (versus 2050). [E010] • Whilst there was a good level of support from both household and non-household customers for companies' ambition to achieve net zero across

	operations by 2050, there was no over-riding preference for achieving emissions reductions earlier. [E010] • Customers were asked to imagine to choose from three different water companies, all exactly the same other than the way they seek to benefit society. The biggest proportion of customers (42%) would choose a water company that supports the environment, e.g. committing to becoming carbon neutral [E054] • Customers view net zero and tackling climate change as an important issue and many feel this shouldn't be an 'optional extra'. However, customer question the proposed approach and the costs. Many do not accept that they should have to contribute financially towards Wessex Water's efforts to decarbonise its operations. [E023]

Table 17 below shows how the key insights generated by the triangulation of multiple sources of customer research and insight map to the actions and investments in our business plan.

Table 17: The line of sight from customer insights on net zero carbon to the actions and investments in our plan

Key customer insight	How our plan addresses the insight
Customer awareness and concern around the impacts of climate change is growing, particularly amongst future customers	We have clear goals to reduce our carbon footprint, and this topic is central to our strategic direction. We are also increasing our understanding of physical climate change risks, and investing accordingly. We propose a number of measures within the submission to address emissions from energy, transport and sewage and sludge treatment processes. These will be delivered through a combination of base maintenance and enhancement investment.
Customers want to see efforts from Wessex Water and other companies to reduce their emissions, however, this is perceived by many to be of less importance compared to other areas	

For more detail on how our plan will meet customer and statutory requirements relating to net zero carbon please see Chapter 6 of our main business plan and supporting document WSX23- Our route to net zero.

3.10. Long term delivery strategy insights

This section summarises the evidence from customers and stakeholders on customers' views on a range of topics for the long term which has been used to inform our long-term delivery strategy in the context of customers' needs and priorities in the long-term.

Table 18: Long term insights triangulated by Sia Partners, September 2023.

Outcome 1: Affordable bills
<u>Future customers' economic outlook</u> • There's a sense that future customers will be burdened with the costs of Covid-19 through rising inflation, increased taxation and property costs. It's important that future customers are adequately represented in future willingness to pay/investment studies. [E001] • Future customers are showing an increased pessimism related to the cost of living and a poor economic outlook. Specifically they appear more conscious of the pressure on bills and feel ill-prepared for what this will mean for them. [E004] <u>Long-term affordability of bills</u> • The second priority for 22% of customers for Wessex Water to focus on over the next 25 years was affordable and fair bills for everyone (22%). [E054] • Biggest concern is the cost of living crisis: all appreciate they will be affected by this in the near future. Specifically worry they will be unable to pay bills in the future. [E004] • Customers most commonly supported delaying investment to reach and support 100k customers in water poverty by 2040 rather than 2035 or 2030 due to the slower associated bill increases. [E023]
Outcome 2: Excellent customer experience
<u>Wessex Water makes providing support for customers in vulnerable situations</u> • Customers (all) and stakeholders expect policies and practices from companies like Wessex Water that support the most vulnerable in the communities they serve and ones that acknowledge the growing wealth gap. [E001] <u>Digital Futures</u> • Customers expect leading customer service across touchpoints (digital, telephone), brand expertise and influence, continual innovation. [E001] • Customer and stakeholder expectations in the use of technology are significantly higher than the current state of play in the water sector and this gap has been identified as a significant challenge for Wessex Water. [E001]
Outcome 3: Safe and reliable water
<u>Water quality</u> • The top priority for a third of customers (33%) for Wessex Water to focus on over the next 25 years was safe quality drinking water. [E053] <u>Investment in infrastructure and resilience</u> • Supply resilience was ranked highest priority on average for household customers, with little difference between the next two factors – improving the environment and reducing the demand for water. [E009] • Drought resilience - Customers were aware of the future water supply challenges in the South West, although had limited understanding about the impacts of extreme drought. Severe water use restrictions like rota cuts were perceived as difficult to cope with and generally unacceptable. [E011] • Customers supported investment now that would benefit future generations. They typically expected the cost to be spread out over the period to limit the bill impact, and some customers flagged their support was conditional on the size of the bill impact. [E009]

Outcome 4: An effective sewerage system
<u>Investment in infrastructure</u> • When customers are asked how to invest to reduce or resolve wastewater pollution incidents, the highest percentage of customers wanted to increase investment now to 2030 rather than increase slowly between now and 2040 or 2050 for example. [E015] • There were high levels of acceptance and support for the legally required investment in reducing storm overflows. However, enhanced investment is not affordable for many customers. [E023] • The phrase <u>Views of future customers on storm overflows and wastewater pollution</u> • River pollution from sewage is a significant concern with over a quarter of future customers and over a third of adults putting it in their top 3 concerns. [E003] • Once informed about CSOs, future customers view as an urgent issue that requires action. [E003] • Future customers believe solutions for CSOs should be multi-faceted with short term measures such as building awareness and education but also longer-term infrastructure projects. [E003] • Micro plastics are of high concern to young people/future customers. [E003] <u>Views of future customers on upgrade/maintenance of the wastewater system</u> • Future customers conclude that the drainage system needs overhauling e.g. water storage on a large scale; pipe separation. Customers are aware this is long-term and expensive though think it must be done. [E003] • Education is expected to have a longer-term impact on influencing social norms (relating to drainage and wastewater) - if unlikely to change behaviour in the short term. [E004] • Future customers prioritise increased treatment capacity as a solution. [E004] • Future customers felt the need to spread their risk and invest in several options rather than focus on a few • When money is no object, future customers favour the reliability of increasing treatment capacity and educating people on ‘good’ flushing behaviours • Future customers tended to prioritise other solutions above rainwater management. [E004]
Outcome 5: Biodiversity improvement
• Services which do or might impact people directly are seen as most important. Similarly, service aspects with immediate impact or consequences are a higher priority than those with consequences in a more distant future. For example, the appearance and taste of water is seen to be more important than biodiversity. [E049] • In contrast to the adult population, future customers appear more concerned about loss of habitats and biodiversity – but a little less concerned about river pollution. This might be a stronger messaging idea for younger audiences. [E003] • Both current customers on the Wessex Water panel and future customers across the region are initially more impressed with the idea of a water company supporting the environment than supporting communities or the local economy. This reflects both stated priorities and what they think Wessex Water currently focuses on. [E004] • For future customers, people & community based initiatives e.g. promoting local projects, social mobility and the local economy appear to have more impact than purely environmental options. [E004]
Outcome 6: Excellent river and coastal water quality
<u>Investment in infrastructure</u> • Increasing treatment capacity was seen to have a high certainty in reduction of incidents, reduced impact on rivers. Disruption and cost seen as acceptable for longer-term again [E012] • Future customers prioritised increasing treatment capacity and favour its perceived reliability [E004] • When customers are asked how to invest to reduce or resolve wastewater pollution incidents, the highest percentage of customers wanted to increase investment now to 2030 rather than increase slowly between now and 2040 or 2050 for example. [E015] • Customers expect their water company to cause minimal negative environmental damage, including not dumping waste into rivers and seas as this is perceived to be directly related to water supply/quality and Fines etc. Customers hear about this in the news, which strengthens expectations that this will be a standard water companies have to meet. [E045]

Views of future customers on storm overflows and wastewater pollution

- River pollution from sewage is a significant concern with over a quarter of future customers and over a third of adults putting it in their top 3 concerns. [E003]
- Micro plastics are of high concern to young people/future customers. [E003]

Outcome 7: Net zero carbon

Views of future customers on net zero and climate change

- Young people are entirely removed from the world of water and waste services: the YPP experience is revelatory for them. Once they understand the impacts of climate change on a water company they are more engaged. [E002]
- Climate change weighs heavily on the minds of our future customers, with most worrying about it ‘from time to time’ and some worrying ‘everyday’. [E003]
- Future customers believe the government is primarily responsible for tackling climate change with companies a close second. Companies engage in behaviours most detrimental to the climate and therefore shoulder more responsibility for addressing the problem. [E003]
- Future customers have concerns about the environmental impact of heatwaves. [E004]
- Future customers believe that becoming carbon neutral by 2030 by a continuation of activities including energy efficiency practices and investment in renewable energy goes above and beyond legal requirements.[E005]
- Leading the improvement of the natural environment of our region through our work to adapt to and mitigate climate change, reduce pollution, conserve water, promote sustainable agriculture and eliminate single use plastic - is seen as a priority by future customers. [E004]

Attitudes towards net zero of our wider customer base

- Everyone is now conscious of “climate change” and environmental issues although levels of understanding vary across customers. Customers need to feel that Wessex Water is committed to environmental change, they want to see ambitious and specific outputs. [E001]
- When customers were asked to choose the top five issues which they were most concerned about, customers most commonly chose climate change (65%). [E054]
- Whilst there was a good level of support from both household and non-household customers for companies’ ambition to achieve net zero across operations by 2050, there was no over-riding preference for achieving emissions reductions earlier. [E010]
- Customers view net zero and tackling climate change as an important issue and many feel this shouldn’t be an ‘optional extra’. However, generally do not accept that they should have to contribute financially towards Wessex Water’s efforts to decarbonise its operations. [E023]

Outcome 8: Sustainable abstraction

Smart meters

- Although environmental benefits [of smart meters] are not top of mind, they are valuable to businesses looking to the future. [E051]
- Customers expressed low levels of support for the roll-out of smart meters by 2030 for a number of reasons, including concerns/lack of clarity of the cost impacts of their water habits and what the benefits to customer will be. It was seen as a lower priority compared with other areas of the plan and many questioned why they were being asked to pay for this. [E023]

Reducing demand

- Future customers believe that there is the need for people to be more conscious about water consumption. [E003]
- Future customers want to exercise behaviours to consume less water to both save up on money and help the environment but they feel like there are barriers preventing from achieving changed behaviour, primarily lack of clear information to define actions and minimal savings. [E004]
- We see evidence of behaviour change during the heatwave – both using more water and saving water. However Future customers lack the (financial) motivation to be more water-conscious. Behaviour change needs to be driven by a better understanding of the impact and consequences of climate change on water resources. [E004]

Maintaining supplies

- Timing of investment - Customers favoured earlier investment in new supply options, even if this had increased risk that they may not be needed, or they could be wrong size. For customers the benefits or acting early and being prepared outweighed the potential benefit of waiting for more certainty in the future before acting. [E011]

4. Meeting expectations for quality and challenge

In PR24 and beyond: Customer engagement policy - a position paper Ofwat set out their expectations for high quality research, customer challenge, assurance and principles of engagement. All our research projects have been designed to comply with these expectations.

Details of how our overall research programme complies with the expectations of high-quality research, customer challenge, assurance and principles of engagement is provided in the main business plan. Below is a summary of each.

4.1. High-quality research

The research agencies that we have worked with have included a summary in the project reports that sets out the specifics of how each of the eight criteria for assessing high-quality research were considered in the design, delivery and reporting of the project. The project reports are published on our customer research documents webpage. Below we outline how we meet Ofwat's expectations.

1. **Useful and contextualised**: All research has been carried out by expert market research agencies. The bespoke research projects we've undertaken have a practical relevance to our plan, and we have only commissioned projects that were needed. Research proposals included the driver behind the research and what it would be used for. As well as bespoke research projects, we have used continuous data such as customer feedback, contacts, and complaints to inform our plan to ensure we are driving value from the information we collect on a day-to-day basis. Sia Partners have carried out the independent triangulation of our insight sources (bespoke, continuous and external publications) to identify the key insights that has steered the development of this plan within the context of customer views. They followed CCW's best practice guidance for triangulation and their report is available as an supporting document to our plan (WSX06 – Customer research triangulation). Their insight summaries by outcome have been included in each chapter along with a table showing how the key insights translate across to our investments and actions i.e., the 'line of sight'.
2. **Neutral designed**: Wessex Water's research is neutral and free from bias. All research has been carried out by expert market research agencies. Each agency has provided a statement of how the project they have undertaken meets the standards for high quality research. The CCG has members with many years of experience in customer engagement and research. They have reviewed and challenged all our research and engagement and provided a statement to confirm it meets the high-quality standards. Sia Partners have carried out the independent triangulation of our insight sources to identify the key insights that has steered the development of this plan within the context of customer views. In line with CCW's best practice guidance for triangulation they have assessed and weighted insight source appropriately to ensure unbiased key insights were developed and divergence in views between customer groups was identified. See also WSX06 – Customer research triangulation.
3. **Fit for purpose**: Wessex Water's research is fit for purpose. Recruitment and sampling approaches and research methods were chosen to reflect the objectives of each study. Cognitive testing of stimulus materials has been used to enhance participant understanding to give confidence in findings and pilots of surveys undertaken where necessary. A new novel approach was used to determine willingness to pay – this was subject to peer review to give assurance that the method was fit for purpose. Stimulus material and attribute descriptions for that project were also developed with customers in the qualitative phase to enhance clarity of information presented during the quantitative survey phase.

4. **Inclusive**: Wessex Water's research programme is inclusive. All research has been carried out by expert market research agencies. Overall, the research programme has captured views on a wide array of topics from a wide variety of audiences and customer segments. Within individual projects we have sought to explore the views of a variety of customer segments and have incorporated a range of research methods into the design of projects to ensure views are captured from all segments appropriately – i.e. often different methods were used to capture views from customers that may need extra help. If research findings identified variances in views these have been clearly identified and, in some cases, weighting has been used to appropriately account for this and is clearly explained. The research has used mix-method approaches suitable for each project. Larger projects have had a qualitative and quantitative phase.
5. **Continual**: Continuous research and engagement are integral elements of our overall research strategy as illustrated in Figure 1. Our customer insight tracker, young people's panel of future customers and online Have Your Say panel are examples of our continuous research streams. We also make use of our continuous day-to-day service customer feedback, carry out root cause analysis of contacts and complaints and use customer journey mapping to identify immediate improvements in our policies, processes, training, and systems as well as identify customers' longer-term priorities. This data has been used in the triangulation by Sia Partners.
6. **Independently assured**: The CCG have reviewed all of our customer engagement and made sure it has met the standards for high quality research. They have also made sure we followed the prescribed guidance for national research published by Ofwat and CCW. The CCG includes members with specialist knowledge of customer engagement with many years of expertise. All research projects have been carried out by expert market research agencies. All research has been carried out by expert market research agencies. Each agency has provided a statement of how the project they have undertaken meets the standards for high quality research. Sia Partners have carried out the independent triangulation of our insight sources to identify the key insights that has steered the development of this plan – they followed CCW's best practice guidance for triangulation. See also WSX06 – Customer research triangulation. We engaged a third party subject matter expert at Newcastle University, Professor Cherchi, to peer review the novel methodology that was used to collect customer preferences and measure the willingness to pay. The peer review states that "*the methodology proposed is appropriate for the objective of estimating WTP for improvements in services, in line with Ofwat standards*".
7. **Shared in full with others**: Copies of all research reports and associated materials (e.g. recruitment screeners, discussion guides, surveys and stimulus) are published on our customer insight webpage and accompanying customer research documents webpage. The methodologies and analyses that have been used by each project to develop findings are fully described in each research report. We also produce follow up newsletters for our online panel and publish broader articles on our engagement in our customer magazine.
8. **Ethical**: All research has been carried out by expert market research agencies. All of these agencies are members of the Market Research Society and conduct their research in line with their ethical standards.

4.2. Customer challenge

Ofwat sets eight standards for the challenge of customer research – we outline below how we meet these:

1. **Independence**: We have a fully arm's length and independent CCG that hold us to account for delivery of our current business plan and has scrutinised all elements of our customer engagement, the interpretation and triangulation of the findings and their use in the development of this plan for 2025-30 i.e., the line of sight. They record all challenges in a 'challenge diary' (supporting document WSX64). They have full access to the Wessex Water Board and their independent report and challenge diary have been submitted alongside our plan and published on their website.

2. **Board accountability**: Tim Gardam, non-executive member of the Wessex Water Board is the liaison point between the CCG and the Board. He attends CCG meetings and has 1-2-1 meetings with the Chair and Report Writer when required. The Chair and Report Writer of the CCG attend the Audit Committee of the Board and the full Board if required.
3. **Ongoing**: The CCG (previously known as the Wessex Water Partnership) has been in place since 2016. It holds us to account for delivery of our current business plan as well as development of the plan for 2025-30. All challenges on our current performance or service as well as our future plan are detailed in the challenge diary. The CCG writes and publishes an annual report on Wessex Water's performance on their CCG website.
4. **Informed**: The CCG have access to all data and evidence relating to Wessex Water that they need. We also provide any comparative data as requested and the CCG are aware of other sources of information such as Ofwat and CCW websites and reports and Discover Water. Members are experienced professionals in their field and the make up of the group provides expertise across all required disciplines. Comparative information has been provided in all research projects where required. We are open and honest in our publications.
5. **Transparent:** All challenges by the CCG are recorded in a challenge diary maintained by their Report Writer. We respond in a timely manner to all challenges and have made changes to our approach as a result. The diary identifies any areas of disagreement. The challenge diary has been published alongside the CCG's PR24 report (supporting document WSX64). We have set out how we have used customers' views to inform the development of this plan and all other decision making and we have published materials for each individual research project on our website. We also share the findings of research by for example publishing newsletters to share results of surveys with our online panel. We include articles on our website and in our customer magazine on our plans and items raised by customers. We use public forums such as Trust Pilot to gather customers' views on our day-to-day service.
6. **Representative:** Our CCG has members from a broad range of organisations and expertise in all required areas including technical expertise on customer research. Our research and engagement for this plan has included a full range of customers and citizens including householders, future customers, customers that need extra help, businesses, retailers, developers, and stakeholders. We have held our own face-to-face and online customer and stakeholder events during development of the plan enabling attendees to challenge. We also held an online Your Water Your Say event attended by customers and stakeholders. Our Vulnerability Advisory Panel (VAP) has agreed our vulnerability strategy published alongside this plan as supporting document WSX63.
7. **Comprehensive:** Challenge has been on all our outcome areas spanning the full range of services alongside performance levels and bill impacts. We have been very clear on what is statutory investment and what is more discretionary. We have made changes to our plan as a result of challenge.
8. **Timely:** Our research and engagement framework and strategies have ensured timely opportunities for customers to input and challenge through the development of this plan. We have commented on or addressed challenges in real time or provided a follow up such as the transcript produced after the Your Water Your Say session, or the newsletters to our online panel. The CCGs has been involved in all areas of development of the plan particularly through detailed discussion at its subgroups. We have shared information promptly and members have been given sufficient time to comment on information and provide their views/challenge on items such as customer research proposals and research materials. The CCG's challenge diary is a live document that is updated once challenges are addressed. The resulting action is made clear in the document.

4.3. Assurance

Ofwat set out five standards for assurance of customer engagement – we outline below how we meet these:

1. **Independent:** The CCG have assured the quality of our customer engagement and made sure it has met the standards for high quality research. They have also made sure we followed the prescribed guidance for national research published by Ofwat and CCW. Each research agency has also detailed how the project they have carried out meets the standards for high quality research. All research has been carried out by expert market research agencies who are members of the Market Research Society and conduct their research in line with their ethical standards. Sia Partners carried out the independent triangulation of all research to identify the key insights for the plan. They followed CCW's best practice guidance for triangulation. Their summaries by outcome have been included in each chapter along with a table showing how each item of insight has informed the plan i.e., the line of sight. We engaged a third party subject matter expert at Newcastle University, Professor Cherchi, to review the novel methodology used in our willingness to pay research.

2. **Transparent:** All customer engagement and research materials have been published on our customer research documents webpage and made available to all parties involved in the assurance of the plan. The CCG have had full access to and commented on all research projects including proposals, reports, surveys, discussion guides and stimulus and met with research providers. The CCG and all other external parties involved in the assurance have full access to data about Wessex Water including ongoing performance information from day-to-day operations. Sia Partners carried out the independent triangulation of research to identify the key insights for the plan following CCW's best practice guidance. Their summaries by outcome have been included in each chapter along with a table showing how each item of insight has informed the plan i.e., the line of sight.

3. **Expert**: Our CCG has members from a broad range of organisations and expertise in all required areas including technical expertise on customer research.

4. **Comprehensive**: The CCG have assured the quality of our customer engagement and made sure it has met the standards for high quality research. They have also made sure we followed the prescribed guidance for national research published by Ofwat and CCW. Each research agency has also detailed how the project they have carried out on behalf of Wessex Water meets the standards for high quality research. All research has been carried out by expert market research agencies. Sia Partners have carried out the independent triangulation of research to identify the key insights for the plan. Their report is published with the plan. Their summaries by outcome have been included in each chapter along with a table showing how each item of insight has informed the plan i.e., the line of sight.

5. **Board ownership**: Our Board and the PR24 Board committee has seen and reviewed the evidence from customer engagement and research. They have taken the views of the CCG, Sia Partners, peer reviews and any other parties involved in the assurance and are confident that Wessex Water's decisions take account of customers' views, preferences and experiences and the business plan and long-term delivery strategy are based on high quality research and engagement. The Board assurance statement is included as supporting document WSX44 – Our assurance strategy and assurance statements, and clearly states that Wessex Water's engagement and research meets the standards for high-quality research and any other relevant statements of best practice.

4.4. Principles of engagement

Ofwat has 8 principles of customer engagement: PR24-customer-engagement-policy.pdf (ofwat.gov.uk) – we outline below how we meet these:

1. **The right outcomes at the right price.** Our strategic direction research set the outcomes that are important to customers. Proposals within each outcome have been steered by the various elements of our customer research strategy that are outlined in Section 2 of this document and the triangulation of these findings (Section 3). Our plans have also been steered by the Government and the environmental requirements set out by the WINEP and Environment Act. Our plan has been tested for acceptability and affordability (Section 2.2.12). Where possible we have sought to smooth the delivery of schemes to manage impacts on bills in the near future. A full summary of our research is given in our main business plan.

2. **Two-way and ongoing engagement: listening and talking**. The complementary nature of our research and engagement strategies ensure we both talk and listen to the views of both customers and stakeholders. See Chapter 10 of our main business plan for more detail.

3. **Meaningful and high-quality engagement**. Our research projects have been designed to meet Ofwat's standards for high quality research (see section 4.1 and Chapter 10 of the main business plan). Research topics were selected for research where customer views could have a meaningful impact on the design of future services and actions. The triangulation of multiple sources of information has ensured views have been synthesised following the best practice approach. Our wider customer engagement strategy is outlined in Chapter 10 of the main business plan. This documents how we regularly use a segmented approach to engagement to reach a wide and representative selection of customer groups.

4. **Customise and provide context**. The research techniques we've used in the variety of projects we've run have been tailored to meet the objectives of the project which includes appropriately engaging with particular customer groups to ensure findings are free from bias and fit for purpose. Where appropriate we've used comparative information in stimulus materials, and subject this to cognitive testing to ensure customers understand the context that we are seeking their views on. Methods are summarised in each of the project summaries in Section 2 and further details are found in the individual reports published on our website.

5. **Use of multiple sources of customer data**. Our customer research strategy is wide ranging in its approach, methods and customer segments engaged – individual insights have been robustly triangulated following CCWs best practice guidelines – see sections 2 and 3 and Chapter 10 of our main business plan.

6. **Understanding current and future customers**. Our research programme has engaged with a variety of current and future customers. This includes our annual Young People's Panel with future customers (see section 2.2.1). The triangulation approach ensured that any divergence in views between current and future customers was captured and documented in the insight summaries (Section 3).

7. **Consistency and comparability**. Our affordability and acceptability research closely followed the prescribed methodology defined by Ofwat and CCW to increase consistency in method across the industry for PR24.

8. **Protecting customers interests**. Our customer challenge group has scrutinised and challenged our engagement and how we have used the findings to inform this plan (see section 4.2). Customers have had the opportunity to comment on our plan through our multi-channel engagement programme.