

**WSX64 –
Wessex Water
Customer
Challenge Group
report**

Business plan
2025-2030



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**WESSEX WATER
CUSTOMER CHALLENGE GROUP**

**Report on the
Wessex Water 2025–2030
Draft Business Plan**
October 2023

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CHAIR'S EXECUTIVE SUMMARY

The Wessex Water Customer Challenge Group is an independent panel, made up of people with expertise in different aspects of what the company does. Our role is to question the company and to review its performance. The company produces a Business Plan, setting out its aims for the next five year period. This Plan is then submitted to the water industry financial regulator Ofwat. We have scrutinised the research the company has carried out into customers' views and examined how those views have been taken into account in the company's Plan. This Report sets out our findings.

The company has shared its thinking with us and given us advance notice of their research plans. Sometimes we would have liked more time to respond. We are pleased that the company has taken on board some of our recommendations and replied in detail to our requests for clarification.

The new Business Plan is being submitted at a time of rising costs. This has made customers more concerned about all the bills they are required to pay. At the same time, the public has become increasingly concerned about the causes of environmental pollution and the system of water company financing. The Government and regulators are instructing companies to go further in preventing pollution and in reducing the amount of water they take from nature.

Companies will need to invest in new solutions to these problems. The next period of investment (to be known as AMP8) will see much more money spent than ever before.

The need to undertake this work must be set against the costs for customers. The company also has to set out how it will help customers who might find it difficult to pay their water bill.

In order to understand the views of their customers, Wessex Water learns from complaints and contacts. It also undertakes regular tracking surveys. As part of the business planning process, it undertakes special research – this work is listed in our Report.

In all, we are satisfied that the research was carried out in line with the expectations of Ofwat. However, we feel that Ofwat's instructions on how research had to be carried out was not always in line with best practice. The research was generally of good quality.

The company has built its Plan and altered it in line with the views it has heard from customers. However, the biggest areas of spending are those dictated by the regulators and so the areas in which customer opinion has guided the content of the Plan are limited.

Again, we are satisfied that the company has taken account of customer priorities where the regulatory framework allows them leeway to do so.

Our colleagues who specialise in issues of affordability and vulnerability have reviewed the measures the company has put in place for vulnerable customers. The company has done well in this area of work in the past and we are happy that their policies will help. However, we will hold this under review as the tough economic situation continues.

As the company embarks on its biggest ever programme of works, and requires more of bill payers in order to do that, we have challenged the company to go further in sharing information. Customers need to know where and how effectively their bill money is being spent, and so the company should do more in keeping customers updated.

As Chair, I would like to thank the company for the way in which it has allowed us to carry out our role and to my fellow Group members for the considerable time and knowledge they have invested in the work. I also thank our Report writer for his efforts in producing this and all our other Reports and minutes.



Dan Rogerson
Chair – Wessex Water Customer Challenge Group



1. INTRODUCTION

The independent Customer Challenge Group (CCG) for Wessex Water (WW) is known as the Wessex Water Customer Challenge Group (the Group). It is regarded by Ofwat (the economic regulator for the water industry and England and Wales) as the Independent Challenge Group (ICG) for Wessex Water.

The Group is independently chaired, and its membership includes representatives from various customer and stakeholder groups including charities, academic specialists in customer research, engagement and social policy, the Consumer Council for Water (CCW) and the Environment Agency (EA).

The purpose of this Report is to provide the WW Board and its customers and stakeholders with the Group's opinion of the

company's customer engagement undertaken for its Price Review 2024 (PR24, 2025 – 2030) Business Plan. It also reports on how this engagement has fed into the Business Plan and how well the Plan reflects customers' priorities and needs, including affordability and vulnerability.

A glossary of terms used in this report is provided in Appendix 1.

The EA, as a member of the Group, supports the views expressed in this Report. However, these views will not necessarily influence any subsequent position the EA takes as part of its ongoing statutory and regulatory duties associated with WW's environmental obligations.



2. ABOUT THE GROUP AND ITS WORK

2.1 The Group's objectives

The Group was established in January 2016 as the Wessex Water Partnership with an independent chair and diverse membership representing various customer and stakeholder groups. The name Wessex Water Customer Challenge Group was adopted in April 2020.

The Group's general roles are to:

- › Monitor and report on WW's delivery of all aspects of the final PR19 regulatory settlement from the perspective of its customers, including scrutiny and assessment of delivery against its outcomes and measures of success
- › Provide advice and challenge to WW on any proposal to share outperformance with customers over and above the requirements of the regulatory settlement
- › Provide advice to and challenge the company on policy areas such as customer engagement, customer service, affordability, vulnerability and tariffs
- › Provide advice and challenge to the company on its preparation for the next Price Review and its business plan for 2025-2030, particularly to ensure customers' views from the company's engagement feed into the business plan and to review and assess the company's approach to affordability and vulnerability.

The Group agreed with the company that its specific objectives for the PR24 Business Plan were to report on whether:

- › The customer research was high quality and was carried out in line with Ofwat/CCW guidance (including following Ofwat's guidance to ICGs for the review and challenge of WW's acceptability and affordability testing)
- › The Business Plan was challenged, including with regard to affordability and value for money for customers
- › The customer engagement and research informed the Plan and Long-Term Delivery Strategy.

The Group's Report would form part of the company's wider assurance in relation to Ofwat's Quality and Ambition Assessment (QAA) of company plans.

Information on the economic regulation of the water industry in England and Wales, including the setting of prices, is available on the regulator's website www.wessexwaterccg.co.uk.

Ofwat has progressively developed its guidelines for consistent high-quality research, best practice for triangulation of research findings, minimum standards for independent customer challenge, and the independent assurance of companies' customer engagement.

Ofwat expectations for independent customer challenge are that it is:

- › Independent
- › Ongoing
- › Informed
- › Transparent
- › Representative
- › Comprehensive
- › Timely
- › Has Board accountability.

The Group has assessed its working methods and the skill set of its members, and considers it meets Ofwat's requirements for independent customer challenge. Its assessment is included in Appendix 4 of this Report.

2.2 Membership and Governance

A list of the current Group members is provided in Appendix 2.

The Group is chaired by Dan Rogerson. He was also the Group’s Chair during Ofwat’s PR14 Price Review so has provided leadership and continuity since then.

Several members of the Group have been involved in the independent challenge of water company business plans and company

performance against regulatory obligations for many years and have been through several Price Reviews. Members have been recruited specifically for their knowledge of research methods, in view of the large body of research that would be commissioned by the company.

The areas of focus and challenge of the current Group member organisations are as follows:

ORGANISATION	AREA OF FOCUS AND CHALLENGE
CCW	Interests of all water customers
Environment Agency	Environmental regulation and compliance
Wiltshire Citizens Advice	Customer vulnerability, affordability and social welfare
Age UK Wiltshire	Interests of customers in later life
Wessex Water Catchment Panel	Environmental priorities and outcomes
University of Bristol	Specialist knowledge on consumer behaviour, research and engagement
NatCen Social Research	Specialist knowledge on customer research and engagement

The Group periodically reviews its membership to ensure it has adequate and appropriate representation to best fulfil its role on behalf of customers and to satisfy Ofwat’s expectations for independent customer challenge.

A WW Independent Non-Executive Director acts as the liaison point with the WW Board and has attended several meetings of the Group.

2.3 Sub-Groups

The Group established two sub-groups to enable it to review and scrutinise certain aspects of the WW Business Plan.

The Customer Research Sub-Group (CRSG) has assisted and supported the Group in its review and challenge of WW’s customer engagement and research (both routine and for the PR24 Business Plan) and in the Group’s reporting on this.

The Group’s Performance Commitment and Investment Sub-Group (PCISG) reviewed the company’s performance against Ofwat’s PR24 methodology, the company’s Long Term Delivery Strategy (LTDS), the development of its Water Industry National Environment Programme (WINEP), its wider investment plan for PR24 (including AMP8 transition expenditure), its asset management strategies and processes, and the development of its bespoke Performance Commitments (PCs) for PR24.

The chairmanship of the company’s long-standing Vulnerability Advisory Panel (VAP) is shared by two members of the Group, both previously sitting on the Panel. This created a direct link between

the Group and the VAP and enabled the Group to be informed and assured of WW’s performance on affordability, vulnerability, both financial and non-financial, and its plans in these areas for the next five years. The VAP, chaired by the Group members, reports the outcomes of its meetings at the subsequent Group meetings.

The independent Chair of WW’s Catchment Panel (CP) is also a member of the Group. The Group looked to the CP Chair and the EA to inform and advise on WW’s performance against its regulatory environmental commitments and on its environmental outcomes and investment plans for PR24.

The Group’s Chair is an active participant in the independent Challenge Co-ordination Group (COG), facilitated by CCW and is intended to provide comparative performance data, both on companies and Independent Challenge Groups (ICGs). The COG reviewed the Group and its processes during the year as part of a cross-ICG assessment. There were no significant outcomes from this for the Group’s work although it did strengthen an aspect of its governance arrangements concerning declarations of Group members’ interests.

2.4 Meetings

The Group commenced its review and challenge of the company’s PR24 Business Plan in earnest in Summer 2022 when the Ofwat draft PR24 methodology became available.

The Group and its Sub-Groups set the agenda for each of its meetings and produced the minutes and notes of each.

The meetings held during the period and the topics discussed at each are given in Appendix 3.

In total there have been:

- › Six Group meetings
- › Nine CRSG meetings
- › Eight PCISG meetings.

The Group meetings were held in a hybrid format (with most members attending in person) and the Sub-Group meetings were online.

In-camera sessions were held before and after each Group meeting enabling the discussion without the company being present.

Executive Directors, along with other senior company staff, attended the Group meetings as presenters and/or observers. A Non-Executive Director of WW also attended several of the Group’s meetings.

All meetings were fully documented with the minutes of the Group’s main meetings published on its website.

There were also a number of ad hoc conference calls to discuss specific issues as and when the need arose.

2.5 Challenge process and documentation

The Group used its Challenge Diary process, first established in 2016, to document the challenges, key questions and information requests made to WW and the company’s responses to these. The Group regards its Challenge Diary as strong evidence of its independence and the extent of its challenge.

Both the Group and the company considered the challenge process to have been constructive and effective.

The Group’s Challenge Diary is reproduced in Appendix 7.

Around 260 challenges and key questions were logged between June 2020 and September 2023, the period over which issues relevant to performance and long term planning were discussed.

The company’s responses to the challenges and key questions were considered by the Group.

The vast majority of issues raised were addressed to the Group’s satisfaction. Some 55 issues resulted in the company amending its engagement materials or plans. No issues remain outstanding at the time of publication of this report. All challenges were dealt with to the Group’s satisfaction.

The challenges and key questions raised were as follows:

CHALLENGE AREA	NUMBER OF CHALLENGES	CHALLENGE AREA	NUMBER OF CHALLENGES
PR19 PC performance	14	Per capita consumption	1
23/24 charges	4	Pension Credit Discount	1
Affordability	6	Pollution incidents & other environmental performance	10
Business Plan	4	PR24 investment programme	4
C-Mex	1	PR24 methodology	1
Cost adjustment claims	1	PR24 PCs	2
Covid 19	15	Price Control Deliverables	1

CHALLENGE AREA	NUMBER OF CHALLENGES	CHALLENGE AREA	NUMBER OF CHALLENGES
Customer engagement and research	128	Sewer collapses	2
Deliverability	5	Sewer flooding	1
Drainage and Wastewater Management Plan	1	Smart meters	3
DWP data sharing	1	Social tariffs	4
Education	4	Tariffs	1
Environmental investment	5	Transition expenditure	1
Environmental quality	3	Trym Tunnel	1
Financing	2	Value for money	1
Incentive sharing	1	Vulnerability	9
Leakage	4	Water quality	3
Long Term Delivery Strategy	1	Water resources	3
Net zero and climate change	4	WINEP	3
ODIs	2		

2.6 Assurance

The company informed the Group that it received third party assurance on the following aspects of its Business Plan relevant to the CCG’s work:

- › Technical audit on the PR24 submission and all PR24 data tables
- › Long term delivery strategies
- › Final WRMP
- › Final DWMP
- › Other technical components of the PR24 investment programme
- › Price Control Deliverables
- › Affordability review
- › Willingness to pay.

The company provided the Group with the associated assurance reports.

The company’s assurance regime is described in Section WSX44 of its Business Plan and the assurance reports in Section WSX45.

The Chair and the Report Writer liaised with the company’s Non-Executive Director assigned to the Group over the Group’s PR24 Report contents and findings.

3. CUSTOMER AND COMMUNITY ENGAGEMENT FOR THE BUSINESS PLAN

3.1 The Group's review and challenge

The Group's review and challenge of WW's customer engagement and research activities and results included:

Routine engagement

- › The Wessex Water Image Tracking Survey
- › Young People's Panel
- › Unitary authority engagement
- › Home Check
- › Have Your Say Panel (online).

PR24 engagement

- › Willingness to pay research
- › Water efficiency and smart metering research
- › Acceptability and affordability research
- › Sustainable abstraction research
- › Social tariffs research
- › Public consultation on the PR24 Business Plan.

In December 2022, Ofwat and CCW issued guidance for water companies on the testing of customers' views of the acceptability and affordability of PR24 business plans. This included a requirement for ICGs to play a key role in the assurance process for affordability and acceptability (A&A) testing. The Group has followed this guidance in its review and challenge of WW's acceptability and affordability testing of its PR24 Business Plan. Its detailed findings against the individual areas of this guidance are given in Appendix 6.

The Group agreed with WW the scope for its reporting on and assurance of the quality of the customer research used for the PR24 Business Plan.

The Group also monitored the development of, and outcomes from, Ofwat's national research including marginal benefits rates for ODI setting.

WW shared its PR24 Engagement Strategy and framework with the Group in December 2021. The Group welcomed this, as it enabled it to understand how the Strategy fitted with the key regulatory milestones for PR24.

The Group received regular updates from the company on the implementation of its PR24 engagement framework. The Group reviewed and challenged the research methodologies and materials for the individual elements of the engagement framework and discussed these with the company. This was done within meetings with the company and remotely with feedback from members provided by email. The Group members with research expertise, in particular, provided detailed scrutiny of the research.

The company responded to all the Group's challenges and made changes to research methodologies and materials in many cases.

The Group considered that it was contributing to the research in a challenging but collaborative way.

Members of the Group also attended several engagement events as observers and fed back their experiences to the company.

The Group reviewed the results from the research and the company's interpretation of them and their use in the Business Plan.

The following sections of this Report describe the Group's review and challenge of the PR24 engagement methodologies and its opinions on them.

3.2 Routine research

The routine customer research undertaken by WW during 2022/23 included its Image Tracking Survey, the Young People's Panel, the online 'Have your Say' Panel, Home Check and research engagement with unitary authorities.

The company presented its research methodologies and results to the Group at regular intervals during the year. The Group reviewed and challenged these.

The Group welcomed the company's engagement with local authorities in its area, particularly with Bath and North East Somerset (BANES). It is aware that local authorities are progressively more engaged with the climate and ecological emergencies and noted

the good work by Wessex Water to achieve this. There are four major environmental proposals being promoted in the Bristol Avon catchment. All the local authorities, the West of England Combined Authority (WECA) and the West of England Nature Partnership are involved with these. Promotion has also been happening in other parts of the Wessex region.

Members of the Group found the outcomes from the Young People's Panel interesting, particularly the ideas about the waste water campaign and 'one drop at a time'. It noted that the company has taken some of these on board.

Overall, the Group was content with the company's routine engagement activities undertaken during the year.

The Group was mindful that Ofwat expects companies to make better use of sources of ongoing data available to them, such as contacts, complaints and feedback, in order to reveal customer preferences. It challenged the company to show how these data sources were

utilised and triangulated with the results from the company's research for the PR24 Business Plan. The Group's findings are given in Section 3.10 of this Report.

3.3 Customer willingness to pay for outcomes

The company's approach to its research into customers' willingness to pay (WTP) was developed in early 2022 and was undertaken during the rest of that year.

The research explored willingness to pay through a mixture of qualitative and quantitative means for the ten priority outcomes (five service and five environmental) defined by the company's earlier Strategic Direction research. The work was peer reviewed by Professor Cherchi of Newcastle University and confirmed to be in line with Ofwat's standards for high quality research.

Through its work, the Group was reassured that WW was using experienced consultants to undertake its WTP research. Its detailed findings on the proposed research methodology were reported in its Annual Report 2022.

Overall, the Group considered that the proposed WTP research methodology was fit for purpose and a significant improvement over that used at the last Price Review.

The company shared the Stage 1 qualitative research materials and the results from the research with the Group in late summer 2022. The Group scrutinised these and was comfortable that the materials used were sound.

The Group reviewed and commented on the results of the Stage 1 willingness to pay research in the company's PR24 Business Plan and its triangulation with information from the company's other sources of research.

The Group also reviewed and commented on the quantitative element of the company's research into intergenerational fairness. It felt that the research material would be an overload on people and wondered how meaningful the results would be. The company agreed and paused the study. It later included it within the Ofwat/CCW prescribed Affordability and Acceptability testing of Business Plans. It also formed part of the wider public consultation by Wessex Water on its Business Plan (see Sections 3.8 and 3.9 of this Report).

As mentioned above, the Stage 2 element of the company's willingness to pay research drilled down into preferences to deliver the company's sustainable abstraction outcome for PR24. The company sought comments from the Group on its proposed research methodology for the Stage 2 sustainable abstraction research. The Group's views on this are described in Section 3.4 of this Report below.

3.4 Willingness to pay for Sustainable Abstraction

The company's research covered willingness to pay for delivering the company's sustainable abstraction outcome for PR24 and linked with the associated Ofwat common PR24 Performance Commitments. These preferences included leakage reduction, per capita consumption (PCC) and non-household water efficiency.

A pilot study was used with the learning from this incorporated into the main research exercise.

The Group reviewed and commented on the company's proposed research methodology for the sustainable abstraction willingness to pay research.

It asked how the outcomes from the research would be determined and if the parameters had been set correctly. The company said

that the definitions/scope of the options to reach the sustainable abstraction outcome were developed for the draft WRMP. They would be simplified for customers involved in this research, which is essentially a theoretical exercise to explore how customers would address the issues.

The Group considered that the research would have usefully fed into the draft Water Resources Management Plan (dWRMP) and so could have been undertaken earlier. It was pleased to hear that some of the qualitative sustainable abstraction research would inform the final WRMP.

The Group expressed concerns about the 'don't knows' from the pilot survey and that 25% of respondents found it a difficult exercise. NERA felt that the pilot ran well and that sensible answers were obtained from participants. It pointed out that the sample used wasn't representative, simply a pilot for the main survey.

The Group noted the relatively high numbers of respondents to the pilot survey who said they regularly struggled to pay their bills. The Group was reassured that the company would be monitoring this further in the main research and comparing it to the findings of its WW Tracker Survey.

The results from the main survey were presented to the Group and were included in the triangulation of all its PR24 research results for use in its Business Plan. The Group reviewed and challenged

these results. It found that customers have a low awareness of the importance of water conservation and don't know or underestimate their water usage. They generally prefer leakage reduction as a means of reducing water taken from the environment and would like to see vulnerable water sources protected. Customers also recognise the benefits of smart meters as a way to save water and money.

3.5 Social Tariff Cross Subsidy research

WW undertook joint research with Pennon (Bristol Water and Bournemouth Water) to understand customer acceptability for cross-subsidies. The research did not cover tariff design. The driver for the research is that companies must seek customer acceptability for the cross subsidy they will need moving into AMP8 in order to fund the growth in social tariff customers.

The research included online and face to face quantitative studies and follow up qualitative interviews to further investigate responses and attitudes.

The Group reviewed and challenged the proposed research methodology and the results from it.

The Group did not raise any material concerns on the proposed research methodology. However, it was interested to know if the research included how social tariffs are used and who benefits

from them. The company advised that participants would be told about current schemes and who gets them and then asked if they would like to pay for more support. They will not be asked about the individual tariffs or about eligibility for them.

The research showed some willingness to pay for more cross-subsidy.

The Group monitored the evolution of a possible Single Social Tariff (SST) for the industry and was very keen to understand how this might compare with the company's current social tariff offerings. The SST development has now stalled, however.

3.6 Outcome Delivery Incentive rates

The Group broadly supported Ofwat's proposed goals for customer engagement for future price reviews. These include the principles to use nationwide research for ODI marginal benefit rates and the acceptability/affordability testing of company plans, and for consistent methodologies to be used for local engagement.

The Group considered there was a risk that some voices would be excluded by national research. It strongly urged WW to undertake more deliberative or qualitative research of its own to help ensure that results overall are informed and reflect local customers' views. The Group was pleased that the company did this.

The Group relied on the company for information on the methodologies used for the national research and the results coming from it.

Ofwat, working with CCW, undertook national collaborative research into Outcome Delivery Incentive (ODI) rates at a company-specific level for 26 common Performance Commitments (PCs) for PR24. Ofwat stipulated that companies must use these indicative rates in their business plans or provide compelling evidence to support alternatives.

3.7 Your Water, Your Say

In spring 2023 Ofwat and CCW required each company to hold a “Your Water, Your Say” (YWYS) meeting to allow customers and stakeholders to question them and challenge their future plans. The associated guidance from Ofwat and CCW prescribed that companies provide a 15-minute presentation on their business plans and Long-Term Delivery Statements (LTDS). This had to include the issues addressed in these documents, the actions the companies intend to take and their intended outcomes, and the resulting impacts on customer bills.

The presentations had to cover:

- › Customer service priorities
- › Long-term outcomes and how the five-year plan delivers the first part of the LTDS
- › Environmental outcomes, and
- › Bills/affordability.

The events were chaired by an Ofwat/CCW-appointed individual.

The company invited comments from the Group on its presentational material. The Group reviewed this and, apart from suggesting a minor change to some technical wording around nutrients and pollution, considered it to be appropriate and in line with the Ofwat/CCW guidance. The company acted upon the Group’s suggestion.

WW’s YWYS online event took place on 28 April. There were around 100 attendees and members of the Group attended as observers.

The Group observed that the event ran well and positive feedback on it has been received by the company.

The Group noted that some of the participants raised issues concerning budgeting and sewage treatment in rural areas. There was also less challenge on bills than expected, but more on current issues such as environmental pollution. Overall, both the Group and the company felt the session may not have provided much new information to shape the Business Plan.

The company has published a record of the YWYS on its website.

The Group also noted that the publicising of the session had been prescribed by Ofwat. The company promoted the event widely. CCW has gathered information from companies about this in order to compare approaches and look at results and demographics. This information has been used to identify best practice and inform the next YWYS session.

This event is scheduled for November 2023 and the Group has arranged a session with the company to review the materials to be presented before they are finalised for use.

3.8 Affordability and acceptability testing of the draft Business Plan

Ofwat and CCW issued guidance for water companies on the testing of customers’ views of the acceptability and affordability (A&A) of PR24 business plans. This included a requirement for ICGs to play a key role in the assurance process for affordability and acceptability testing. This requirement was discussed with the company and it was agreed that the Group would:

- › Advise on sampling approach for the quantitative, qualitative and deliberative research alongside the research supplier
- › Help determine relevant sample sizes for the quantitative phase i.e. Ofwat’s minimum or beyond
- › Help define the approach for including future bill payers in the research using the options set out in the guidance
- › Agree approach for any qualitative re-testing if required
- › Comment on the company’s proposed approach to recruitment of the household and future bill payer samples
- › Discuss how the company has made the delivery of the pre-read content and taking part in any research as accessible as possible for more vulnerable customers
- › Help decide the best format for the main deliberative discussions, i.e. face to face and/or online with at least one Group member observing the discussions
- › Input into wording used in the research materials where possible within the Ofwat/CCW guidance e.g. describing statutory

programmes, and agree content of any additional or tailored stimulus a company may choose to use to summarise and describe the business plan

- › Consider what piloting and testing is needed in the research, taking account of Ofwat/CCW’s suggestions in the guidance. Review outputs of piloting and agree any subsequent changes to research materials
- › Receive a record of any responses provided by a company representative during the qualitative research as part of the assurance process
- › Attend a debrief of the deliberative research findings.

The Group has followed this guidance in its review and challenge of WW’s acceptability and affordability testing of the PR24 Business Plan.

The company and Blue Marble shared the A&A research methodology and the development of the research materials with the Group at regular intervals. The Group was given the opportunity to challenge these and feedback on its thoughts and opinions.

The Group is pleased to report that its challenge and feedback were carefully considered by the company and Blue Marble and that changes made to the research approach and materials were agreed. Members of the Group also attended several of the deliberative and qualitative engagement events as observers.

CUSTOMER AND COMMUNITY ENGAGEMENT FOR THE BUSINESS PLAN

The Group received a debrief of the qualitative research findings from WW's research consultant (Blue Marble). The Group agreed with the company that a second stage of qualitative research would not yield further meaningful information.

The Group reviewed the testing material for the quantitative stage of the research and recommended some changes which the company adopted.

A briefing of the results from the quantitative research was provided to the Group in mid-September. It noted that acceptability hadn't changed significantly between the qualitative and quantitative stages of this research.

It was noted that acceptability of the proposed business plan at both the qualitative and quantitative stages was similar. Overall, 62% of customers accept the plan in the quantitative research (58% of household customers).

The Group was advised that the lack of acceptance of the PR24 Plan was associated with issues of the cost of the Plan and a feeling that water companies' profits are too high, and that they should be paying for more of the investments.

The Group notes that acceptability was much higher at the last price review, but the company was then proposing a slight decrease in bills. This time bills are going to have a much more serious financial impact and people are also looking at where their money is going more widely. The Group found it interesting that customers are now looking at parts of the plan that really matter to them. Work such as achieving carbon neutrality is seen as business as usual. Customers are making these finer judgments.

The Group suggested the company needed to say more on acknowledging and responding to the lower levels of acceptability but warned against trying to explain away a lower acceptability level. Customers are better informed this time and are feeling very stretched financially. The company's Plan will stretch them further and its social tariffs will be critical to help deal with this. The company took on board the Group's recommendations on articulating acceptability in its Business Plan narratives.

The Group's detailed findings against the Ofwat requirements on ICGs is provided in Appendix 6.

A summary of the main findings is as follows:

- › Ofwat and CCW have prescribed the methodology to be used for the testing of the acceptability and affordability (A&A) of companies' PR24 business plans. The Group is mindful that it has not been required to comment on the prescribed research methodology, but to confirm that the company has followed it and that decisions have been made sensibly. However, the Group had several significant concerns with the methodology, mainly that it was unclear around sampling, that the recommended sample sizes were inconsistent, and the recruitment of some participants groups was going to be challenging. The company raised several of them with Ofwat and CCW and the Group was pleased to see that some aspects of the methodology were

clarified as a result. Overall, the professional researchers in the Group would have preferred a more robust methodology for the A&A testing

- › The Group challenged the sample sizes, segments and recruitment process used for the A&A research and recommended that changes were made in several areas. These included issues with achieving a random probability sample, the recruitment of vulnerable customers, the representation of deprived customers, putting people from different socio-economic groups together, sending reminders to invitees and accepting additional responses once the required sample number had been achieved. The Group was pleased that the company took on board many of its recommendations and made changes to its approach within the scope of the research required by Ofwat and CCW
- › The Group noted that the Ofwat/CCW guidance was very prescriptive in terms of content for pre-reading and stimulus including the way information is displayed. However, it raised several challenges on the proposed testing materials including the volume, clarity and format of information and the need to test if participants had digested and understood the pre-read materials. The Group was pleased with the company's responses to its challenges and considered the final research materials used to be as clear as allowable within the Ofwat/CCW requirements
- › The Group recommended that a pilot session was held or, if time did not allow this, that the first session became a de facto pilot with a pause for reflection and revision before other sessions are held. It welcomed the company's subsequent decision to run a pilot with staff and their friends and families to test the timing and format of the deliberative research materials
- › Group members attended several of the household face to face deliberative events and two of the online session with non-householders. The Group considered that the events were well run and met the objectives set for them
- › The Group discussed with the company whether it should push forward on a second round of qualitative A&A testing because the Business Plan was still evolving and has agreed that this was unlikely to yield further meaningful information
- › A close interest was taken into the qualitative samples, the weightings that had been applied to them and the impact the reminders had on response rates. These were regarded by the Panel as areas of deficiency in the Ofwat methodology. The Group encouraged the company to fully detail these in its Business Plan documents, which it subsequently did
- › The Group reviewed the company's initial interpretation of the qualitative results. It cautioned over breaking down the research results unless there was specific evidence to justify this and making sure any conclusions around customers suffering serious financial strain were soundly based on evidence from the research. The Group worked with the company on this and was happy with the information reported by the company in its Business Plan.

3.9 Public consultation on the Business Plan

WW undertook several public consultation sessions on its emerging PR24 Business Plan. Ten in-person sessions were held across its region and there were 224 attendees.

The Group was informed that there was a good spread of customers by demographics but the profile for each was location dependent.

An online stakeholder event was also held involving in-depth interviews with stakeholders from councils, environmental groups, education facilities and consumer organisations.

An associated survey was advertised in WW's customer magazine and on its intranet. This garnered 21 responses (7 customer, 14 staff).

The Group confirmed that the findings from this research project were considered and triangulated alongside other sources of related customer insight to shape the Business Plan.

3.10 Triangulation and synthesis of research findings

The company developed a methodology to triangulate its various sources of customer engagement information for use in its Business Plan. It shared its approach with the Group and confirmed through its third-party specialists (Sia) that it aligned with the CCW publication on best practice in triangulation. The Group took a keen interest in the triangulation methodology and welcomed and accepted this assurance.

The Group took comfort from the peer review the company undertook on its triangulation methodology used at PR19. It considered that such a peer review would also add value to and strengthen the PR24 methodology and encouraged the company to do this. It was later agreed that this wasn't necessary as the triangulation work was being undertaken by the third party specialists who helped CCW produce its best practice guide.

The company kept the Group updated on its triangulation work as it developed. The Group saw how the work synthesised the insights from research by the company and third parties and provided

a triangulated view of the key insights per outcome. The Sia triangulation and synthesis report was a key information source for the Group's PR24 Report.

The Group raised a number of concerns on the clarity of how information was being summarised, particularly the assessments of customer priority rankings, divergence of views and robustness of views. It was initially unclear how these related to the assessment of the quality of the research methodologies and the results. The company reviewed its narratives as a result and the Group considered that the final versions were much clearer.

The Group welcomed the use of insight from stakeholders in the triangulation and synthesis work. However, it noted that the stakeholders involved were likely self-selecting and certain groups were being consulted more than others. There are probably far more challenging stakeholders who haven't been consulted. The company accepted this challenge from the Group and made sure its Business Plan narrative reflected this.

3.11 Overall quality of research

The Group has reviewed and challenged the company's customer research for its PR24 Business Plan using the approach described in Section 3.1 of this Report.

The Group also assessed the engagement for PR24 as a whole against Ofwat's standards for high quality research, customer challenge and assurance. These requirements state that research should be:

- › Useful and contextualised
- › Neutrally designed
- › Fit for purpose
- › Inclusive
- › Continual

- › Independently assured
- › Shared with others
- › Ethical.

The Group's findings against the individual Ofwat requirements are given in Appendix 5.

As mentioned in Section 3.8 of this report, while the Group was not required to comment on the Ofwat/CCW methodology for the affordability and acceptability (A&A) of the Business Plan, it had significant reservations around it. Because of this, the Group cannot say that the A&A methodology represented industry best practice. However, the Group can confirm that the company followed the prescribed research methodology.

The methodology for the Your Water, Your Say event was also prescribed by Ofwat, and the session was chaired independently. The Group reviewed the research materials and, apart from suggesting a few minor changes which the company addressed, considered them to be appropriate and in line with the Ofwat/CCW guidance. The Group considered the event went well.

The Group welcomed that the company commissioned experienced specialist market research agencies to undertake the research and

to synthesise the results. It was also pleased that its challenges and recommendations were listened to and taken on board.

The Group has concluded from its work that the areas of research it reviewed, other than the A&A testing, met Ofwat's standards for high quality research.

4. THE PR24 INVESTMENT PLAN

4.1 The Group's review and challenge

One of the Group's key objectives is to confirm that customers' priorities and needs have been considered and accounted for in the development of the WW PR24 Business Plan.

The company kept the Group updated on the development and content of its PR24 investment plan. This included the associated strategic submissions (the Water Resources Management Plan (WRMP), the Drainage and Wastewater Management Plan (DWMP), the Water Industry National Environment Programme (WINEP) and the Drinking Water Quality Programme).

The Group notes that the investment programme for PR24 is significantly greater than at PR19 and is being driven primarily by statutory requirements for maintaining and improving drinking water quality, for increasing water supply resilience and for environmental protection and improvements. The WINEP is the largest programme by

value. The overall PR24 investment programme results in significant bill increases and challenges around affordability and deliverability.

Customers support much of the statutory work in principle. However, the scope and timing of this investment is set by the regulatory bodies. The Group notes that customers have been clear about their desire for environmental improvements and for affordable bills. The Group sees that the company has worked hard with regulators and government to find the best way of delivering these improvements. It has had some success in getting government to consider changing the requirements on nutrient neutrality to enable this, based on the feedback from its customers.

The Group reviewed the trade-offs WW made between what customers wanted and what can be delivered affordably. It also assessed the evidence from the customer engagement to support these.

4.2 Key investment drivers

4.2.1 Statutory obligations

Water and sewerage companies in England and Wales are bound by regulatory and statutory obligations for 2025-2030 and beyond to deliver high drinking water quality and environmental protection and improvement. These obligations are found in:

- › The Drinking Water Quality Programme
- › The Draft Water Resources Management Plan (dWRMP)
- › The Drainage Water Management Plan (DWMP)
- › The Water Industry National Environment Programme (WINEP).

Companies have prepared and consulted stakeholders on these programmes in accordance with prescribed methodologies, with the exception of drinking water quality, where formal undertakings are assessed and set by the Drinking Water Inspectorate.

The Group reviewed at high level the investment associated with the company's statutory obligations including the dWRMP, the

DWMP and the WINEP. The company informed the Group of the methods and results of the associated public consultations (where undertaken) and the content of the final strategic plans submitted to the government and the regulators.

The Group received feedback and advice on the water resource and environmental programmes from its members who are specialists in these fields, i.e., the EA and the Chair of the WW Catchment Panel.

The Group received assurance from the company's Technical Auditor that the statutory investment programmes are reflected accurately in the company's PR24 Business Plan and are consistent with government targets and statutory requirements.

The Group notes that the investment associated with statutory obligations has a significant effect on bills.

4.2.2 Customer priorities

The Group confirmed that customers' priorities for services obtained from the company's strategic research were obtained from the company's synthesis of its research. They are listed below and are expressed in priority order (with the company's assessment of the robustness of evidence in brackets).

- › Safe and reliable water supply (medium evidence robustness)
- › Affordable bills (high)

- › An effective sewerage system (medium)
- › Excellent river and coastal water quality (medium)
- › Excellent customer experience (medium)
- › Increased biodiversity (high)
- › Net zero carbon (medium)
- › Sustainable abstraction (high).

The Group was satisfied that WW reflected these in its eight outcomes for its Business Plan.

4.3 The reflection of customer's views and wishes in the draft Business Plan

4.3.1 Customer experience

The Group noted from the research that customers placed an excellent experience as their fifth highest priority.

The company considers that it has mature communications and community engagement strategies and that it will continue to implement these over the next five years. It aims to remain top or upper quartile on the key regulatory customer service metrics C-Mex, D-Mex and BR-Mex.

The Group has confirmed through its scrutiny that WW has been a strong performer on customer service in recent years. It welcomes the company's plans to invest in data and systems to make the customer experience easier and in line with public expectations across the service sector.

The Group notes that WW intends to extend its support to customers in vulnerable circumstances. The Group welcomes this and considers it to be essential particularly because of the current cost-of-living crisis. Further comment from the Group on the company's plans to address customer vulnerability is provided in Section 7 of this report.

The Group is pleased that the company recognises that it has to rebuild trust and reputation from both customers and communities. This follows recent public and political criticism of the industry on environmental performance and dividend payments and some negative WW-specific publicity around environmental pollution. In addition to significant investment to reduce sewage spills, the company intends to increase its community engagement work.

The Group sees that WW is planning to directly invest around £8m for improving customer service in AMP8. There are no statutory drivers for this investment. Investment in improving areas such as sewer flooding will also improve customer service.

From its review, the Group considers that the company has taken on board feedback on customer service and has developed a reasonable plan to address this within the bounds of overall investment needs and considerations of affordability.

4.3.2 Water safety and reliability

The company's research shows that customers regard a safe and reliable water supply as their top priority. The Group notes that customers see it as a core service the company should be providing. Customers would like to see the company reduce the risk of severe drought causing restrictions on water use, but in an affordable manner.

The Group is pleased to see that WW intends to maintain its industry leading Compliance Risk Index (CRI) score, and on supply interruptions performance, as it aligns with customers' priority for a safe and reliable water supply. The company's WRMP also includes measures to ensure supplies are maintained in line with its projections of climate change, customer demand, water efficiency, and leakage. The Group saw that WW considered the affordability of its water supply schemes using its best value approach, but it has not reviewed this work in detail.

4.3.3 Sustainable abstraction

The Group has confirmed that WW's customers placed sustainable abstraction as their eighth highest priority.

It saw that the customer research on sustainable abstraction covered customer water usage, demand management, network leakage and the vulnerability of some water sources. It confirmed that customers generally have low awareness of the importance of water usage and conservation and the benefits of smart metering in helping to improve these. They prefer leakage management as a means of reducing water abstraction from the environment and would like to see reduced reliance on vulnerable water sources.

WW intends that its strategies for demand management, smart meter installation, leakage reduction, in conjunction with increased and more effective engagement on water efficiency and conservation, will reduce

4.3.4 Sewerage

The Group sees that an effective sewage system was placed third in customers' list of priorities. They regard it as "business as usual" for the company in terms of providing safe methods of sewage collection and disposal and for protecting public health. Improvements to treatment works, preventing internal sewage flooding and, particularly, dealing with unsatisfactory storm overflows (preventing sewage from entering streams, rivers and the sea), are all important to customers. Educating customers in the correct use of sewers was also seen as beneficial in reducing operational and pollution incidents.

The company has responded to these customer wishes by including increased investment in reducing blockages and pollution incidents, increasing the capacity of sewers (including more storage tanks),

The Group notes that WW intends to invest £0.24bn in providing safe and reliable water supplies in AMP8. Meeting statutory water resource and drinking water quality obligations accounts for £80m of this. The level of expenditure in AMP8 is broadly similar to the current five-year period.

The Group sought and received reassurance from the company that its water quality investment programme has the support of the Drinking Water Inspectorate (DWI). The Group has not had direct contact with the DWI on this.

From its review and challenges, the Group considers that WW has accommodated the priorities of its customers for water quality and reliability appropriately, given that most of the planned investment is non-statutory.

water consumption, reduce customer bills (for those on meters) and protect the environment. The company will also implement a number of water supply schemes to protect vulnerable sources. The Group considers this to be an appropriate approach.

The company will invest £0.53bn in AMP8 to achieve these. Statutory and regulatory obligations account for £175m of this. Around £0.2bn is being spent on the current five-year period on work related to sustainable abstraction so the Plan reflects a significant increase.

From its review, the Group is satisfied that the company has accommodated the wishes of its customers regarding sustainable abstraction through its plans to meet its statutory obligations through the majority discretionary expenditure in this area.

further reducing the risk and incidence of internal flooding from sewers, and undertaking major expenditure on dealing with unsatisfactory storm overflows. Its plan also includes increasing customer awareness of the issues around flushing wet wipes and putting fat into sewers.

The Group was very concerned to see recent media coverage of the company spilling sewage at one of its overflows during dry weather. The company proactively explained to the Group that this was due to groundwater entering the sewerage network and the effluent spilled had a much higher dilution than normal sewage. The Group recognises that ideally customers do not want to see such publicity regardless of any inaccuracies in media coverage. The Group will continue to scrutinise and challenge the company's performance on pollution incidents.

The Group notes that around 70% of the proposed £0.74bn enhancement and capital maintenance investment in the sewerage network is intended to meet statutory and regulatory obligations set out in the DWMP and the WINEP. The 70% is all enhancement expenditure. Expenditure on the sewerage system in the current five-year period is around £0.4bn so the Plan represents an almost doubling of spend.

4.3.5 River and coastal water quality

Customers regard good river and coastal water quality as their fourth highest priority. There is increased awareness of sewage pollution in rivers and the sea as a result of recent publicity, both national and local. Customers want the company to address the issues and are willing to pay for improvements to achieve this.

The Group is pleased to see that the company recognises that its current performance and future plans carry significant reputational risk.

The Group sees that the company plans to invest £2.0bn in AMP8 to improve river and coastal water quality. Statutory and regulatory obligations account for £1.6bn of this. Around £0.8bn is being spent on the current five-year period on related work so the Plan reflects a significant increase. The Group recognises that this reflects the significantly increased statutory requirements for environmental improvement.

4.3.6 Biodiversity and net zero carbon

The Group has seen that improving nature and wildlife and achieving net zero carbon emissions are ranked sixth and seventh respectively in the list of customer priorities. The Group recognises that concerns about the impact of climate change is growing, especially amongst younger customers. Although lower than other priorities, customers said they want the company to reduce its carbon emissions.

WW has responded to this by including plans to improve biodiversity across its region. It intends to do this through creating and restoring habitats, catchment management, tree planting and working collaboratively with partners and stakeholders. The Group welcomes this but notes that much of this work is part of the company's obligations under the WINEP.

The Group has noted that carbon emissions will be reduced by the company over the next five years through addressing emissions from energy, transport and sewage and sludge treatment processes. These

The Group sees that many of the wishes of customers for an effective sewerage system are to be dealt with through meeting statutory obligations. The scope and phasing of this investment has been agreed with Defra, Natural England and the EA.

The Group notes £900m of the £2.0bn is to be spent on reducing nutrients (chiefly phosphorus) in treated wastewater discharges. The Group notes that the government requirements for this work will be confirmed after the Business Plan is submitted so the actual planned expenditure may be different.

The Group welcomes that £400m will be invested to reduce spills from storm overflows using engineering solutions, and wetland treatment and rainwater separation where possible.

From its review and challenges, the Group considers that WW has accommodated the priorities of its customers for improving river and coastal water quality appropriately, noting that the vast majority of the planned investment is to meet statutory obligations.

will be delivered through a combination of base maintenance and enhancement investment.

The company intends to spend around £40m in AMP8 on increasing biodiversity and reducing carbon emissions. £31m of this is to meet statutory obligations. There is little expenditure in these areas in the current five-year period.

The Group can see that the company had addressed the wishes of its customers regarding biodiversity and net zero through its plans to meet its statutory obligations and through additional discretionary expenditure, all within the affordability constraints of the overall investment plan for AMP8.

4.3.7 Affordable bills

Customers placed affordable bills as their second highest priority behind a safe and reliable water supply.

Through its annual reviews and scrutiny of the company's performance, the Group has seen in recent years that customers are fairly satisfied that the services they receive from WW represent value for money. However, it is also aware through the work of its members in the advice sector and on the company's Vulnerability Action Panel, that, in the current cost-of-living crisis, more customers are struggling financially and becoming increasingly concerned about the cost of utility bills, including water.

The company's response to this, and the Group's comments on it (particularly on WW's affordability and vulnerability strategies) based on

its scrutiny and the review and challenge of the Vulnerability Advisory Panel (VAP) are given in Sections 6 and 7 of this Report.

The investment associated with dealing with affordability and vulnerability is operating rather than capital expenditure. However, the Group accepts that the operating expenditure directly related to administering affordable bills schemes doesn't reflect the actual scale of support. That is captured by the degree of cross-subsidy available to the customer. The company currently has support from customers for a c.£8 cross subsidy per year to help those struggling with their bills. Going forward, it has consulted customers and has gained support to increase this to c.£20. This will enable it to offer a greater level of support over 2025-30 and means that social tariffs will not have to increase in line with average bills.

4.4 Trade-offs and bill impacts

With bills set to rise significantly as a result of the company's plans for 2025 to 2030, the Group requested that the company illustrated proposed level and profile of investment and the impact it had on bills.

The Group was pleased to see that the company had smoothed bill increases as much as possible as this aligns with customer wishes.

The Group was also assured that the company was meeting its statutory investment obligations in doing this.

The Group considers that a reasonable balance has been struck by the company between the profile of investment and the resulting bill impact.

4.5 Environmental ambition

The Group sees that climate change and biodiversity are high on the political agendas – most local authorities have declared both climate and ecological emergencies.

There is ongoing media and public scrutiny over the quality of rivers and the sea, with a strong scrutiny of the water industry. The public want to see an end to storm sewer overflows, no pollution or water leakage and the Government and environmental regulators want nutrients in rivers tackled.

The Group considers that the external expectation of ambition is well beyond both what the industry can deliver, and the public can afford, in the next five years.

Initially the companies were asked to cost everything, but affordability and delivery considerations have seen a steady pulling back of requirements from Government.

In his context the Group finds it difficult to comment on WW's environmental ambition, because the external ambition has been almost overwhelming.

However, the Group considers that WW has shown ambition in trying to push for innovative ways to deliver more at a lower cost, for example catchment permitting and catchment-based solutions. We agree with the company that the latter, if allowed, will enable it to deliver wider environmental benefits than just the primary drivers. We also consider that these approaches are less carbon intensive.

The Environment Agency has informed the Group that it is looking for a balance between ambition and confidence in the company's regulatory compliance. It is about to discuss with the company its draft Water Resources Management Plan and one area it will focus on is whether the reductions in abstraction proposed will go far enough and be adopted soon enough to prevent harm to sensitive catchments such as the Hampshire Avon.

4.6 Deliverability

While not strictly within its remit, the Group's Performance Commitment and Investment Sub-Group (PCISG) wished to hear from the company how it intends to deliver its AMP8 capital investment programme, given the significant increase over the current period, and whether it is gearing up to do this. It wanted to be assured that customers would not be facing additional risks because of the size of the programme.

The Group received a presentation on this from the company and reviewed and challenged its proposals.

The Group was particularly interested to understand if the company was satisfied there is sufficient capacity and appetite in the consulting and contracting market, given that all water companies are ramping up their investment programmes, as are other sectors. It was also keen to hear about the progress the company is making on procuring its supply chain for AMP8.

The company assured the Group that it is in a strong position because of its large internal engineering team. The Group was also assured that WW has been engaging with its prospective partners for some time and the procurement process is progressing well. The company plans to adopt more collaboration with partners and increased risk management to deliver its AMP8 programme.

The Group also asked if the company intends to leverage apprenticeships and use local companies as well as national contractors. It was pleased to hear that the company will do so on the smaller elements of the programme.

The Group also notes Ofwat's intended use of Price Control Deliverables (PCDs) to protect customers from the risk of non-delivery of the large, particularly enhancement programmes, of work expected in AMP8. These are described further in Section 5.4 of this Report.

5. BESPOKE PCS AND PRICE CONTROL DELIVERABLES

5.1 The Group's review and challenge

The company kept the Group's PCISG informed about its work on bespoke Performance Commitments (PCs) and Price Control Deliverables (PCDs) as it was developed. The Group reviewed and challenged this throughout the process.

5.2 Bespoke PCs

The Group recognises that Ofwat uses performance commitments (PCs) to measure the outcomes that water companies deliver for customers and the environment and has defined a suite of common PCs that apply to all companies for the 2025-2030 period.

Ofwat accepts that extra (bespoke) PCs could help to deliver extra benefits for customers. The bespoke PCs would not apply to all

companies but might address issues of specific local importance or to protect customers from specific issues.

Ofwat invited companies to propose bespoke PCs to them in April 2023. WW did not propose any.

5.3 Outcome Delivery Incentives

The company initially informed the Group that it would not be using the marginal benefit rates, derived from Ofwat's research, in its PR24 investment appraisal. It would instead be using the results from its own willingness to pay research, alongside other research (both WW-driven and wider external research), EA metrics stipulated in the WINEP, etc.

The company later told the Group that, while it considered Ofwat's rate setting methodology to have shortcomings, (noting also that the methodology changed significantly during the process), it had decided that the marginal benefit rates were close enough to the company's rates not to challenge them. The company has however informed Ofwat of its reservations with them and the way in which they were derived.

The Group supported the company's decision.

5.4 Price Control Deliverables

The Group notes that Price Control Deliverables (PCDs) have been introduced by Ofwat as part of the PR24 process as an additional mechanism to performance commitments (PCs) to protect customers from the risk of non-delivery of the large, particularly enhancement, programmes of work expected in AMP8.

Ofwat state that PCDs should be used in the following circumstances:

- › For areas of enhancement spend where the financial value is 0.5% or more of the price control totex
- › For the WINEP
- › For areas related to supply demand balance in the WRMP
- › Work related to reducing embedded carbon emissions
- › Smart metering
- › Multi-AMP schemes.

The Group sought clarity on its role in reviewing the PCDs and the possible interaction/interface with the company's Technical Auditor. It

was later confirmed that the Technical Auditor, rather than the Group, would be assuring the company's PCD submission.

The company informed the Group that it believes while PCDs are designed to protect customers, they are likely to drive incentives that might lead to worse outcomes for the environment and for bills. The Group is unable to comment on this at this stage. However, it noted there could be a problem with delivery because of getting partners to commit to long term programmes. Most local authorities and NGOs budget on a short-term basis and so there needs to be some flexibility in the PCDs.

At the time of writing this Report, the Group notes that the company had sought clarification from Ofwat on a number of points, as well as a proposal to defer some of the detailed work, particularly given the uncertainty in the enhancement programme. The Group also notes that further guidance on PCDs has been promised by Ofwat and it understands PCDs will be considered by Ofwat at the Draft Determination stage.

6. AFFORDABILITY

6.1 The Group's involvement

The Group is made directly aware of the impact of the cost-of-living crisis on consumers through its members who work in the advice sector and those who are researching the impact independently from the company. Levels of anxiety around the affordability of basic services have been rising over the last 12 – 18 months, as shown by WW's ongoing tracker survey, and confirmed by the Group's members. However, the Group noted that the company's figures on arrears do not align with the general picture of the cost of living having a big impact on lower-income households, and levels of arrears on other commitments which are rising. Therefore, it may only be a matter of time before arrears on water bills rise as well.

The customer perception that WW's current charges represent value for money, while marginally below the regulatory target set by Ofwat, has been relatively stable in the current five-year period. The Group has seen that payments have held up but isn't sure exactly why, given the continuing adverse national press coverage of the industry's performance on environmental pollution and the ongoing cost of living crisis and rising inflation. The Group is also aware that public trust in the water sector has been falling and that some of WW's data also indicates this.

However, the Group's experts see that customers have been just managing with their household bills and there is a tangible risk that a tipping point will be reached shortly. The Group asked for some management information and welcomed receipt of it. As a result, it was pleased to see that WW has been monitoring this and is not being complacent.

The VAP has endorsed WW's suite of tariffs and changes being made to tackle the crisis. It was pleased to see the company's

communications around bill increases for both metered and non-metered households. It noted some associated innovative work around this but considered the challenge for the company is knowing where these communications are landing. The VAP was most worried about people on Universal Credit and whether overall the communications planned will reach the people affected such as disabled people and lone parents. The company has welcomed the Group's ideas for specific groups and the best communication methods to use.

One of the areas of focus of the Group has been on the company's monitoring and management of customer payment data, particularly the timing of payments, the numbers of missed payments and changes in methods of payment being used. The Group suggested some trends that ought to be monitored closely as they could indicate the start of an up-tick in arrears. The company agreed to look into this.

WW's bills will rise significantly as a result of its investment plans over the next five years.

The Group wished to be assured by the company that it would be doing all it could to ensure bills remain affordable for as many customers as possible. The VAP intends to review and challenge the company's plans on this later this year, including understanding the yardstick against which to assess the company's target for the number of people to be recruited to social tariffs. The VAP has also been encouraging the company to monitor the extent to which people know that a big increase in bills is coming in AMP8.

6.2 Affordability strategies and the Group's opinions

WW plans to enhance the affordability of its services in AMP8 through the following:

- › Reducing the revenue recovered as fast money
- › Setting RCV Run-off rates in relation to CCD indexed by CPIH
- › Making operational efficiency savings
- › Smoothing revenues to create a stable and affordable bill profile
- › Using uncertainty mechanisms to ensure that customers pay the right amount
- › Adopting progressive tariffs
- › Helping customer to save water
- › Helping customers who are financially vulnerable
- › Using social tariff cross subsidies.

The Group does not have sufficient financial expertise to comment on the design or benefits of the first five initiatives but notes many of

them are being developed or are being used in the current five-year period. The Group may have to consider acquiring these skills from a wider membership.

The Group notes that the installation of smart meters is a key enabler of increasing affordability alongside the company's social tariff. However, it also noted limited customer appetite and acceptance of smart metering, possibly due to poor experience with smart electricity meters or a lack of understanding of the full financial and environmental benefits of such technology. The company recognises that such consumption data is key to tariff design and testing and so plans to achieve 40% coverage of smart meters by 2030. The Group supports this.

The Group and the VAP welcomed the nimble way that WW adapted the conditions for access to Assist during the pandemic (delaying

the need for a full financial statement) and its decision to maintain this. It was also pleased to hear that WW intends to assess water and wastewater tariffs that create incentives for customers, such as efficient water usage and separation of surface water from sewers.

The Group is pleased to see that the company's other water efficiency initiatives (audits and visits) are being increased in AMP8. The company has informed the Group that 60,000 new homes will be visited for AMP8 in the plan (86,000 when revisits for leak fixes are included). It is currently averaging 4,500 visits a year in AMP7 plus 750 leak fixes a year.

The Group welcomes the company's ambition to ensure no one is in water poverty by 2030 at the latest. Water poverty is defined by Ofwat as a householder's water bill being no more than 5% of their household disposable income. WW plans to achieve this by increasing the number of customers who receive a reduced bill tailored to meet their individual financial circumstances, through social tariffs, to around 140,000 from the current level of around 55,000.

The Group's review and opinion of the company's Vulnerability Strategy for AMP8 and social tariff cross subsidies is provided in Section 7 of this Report.

The Group has questioned the company on a number of occasions for assurance that it has considered all options for financing the Business Plan have been explored, particularly whether additional shareholder contributions to keep bill increases to a minimum or to contribute to the company's assistance schemes have been considered. The company provided this assurance.

7. VULNERABILITY

7.1 The Group's review and challenge

The Group is fortunate that two of its members independently co-chair the company's Vulnerability Advisory Panel (VAP) and have been involved with the VAP for several years. This has created a direct link between the Group and the VAP and enabled the Group to be informed and assured of WW's performance and policies on financial and non-financial vulnerability.

The VAP meets twice a year and provides a summary of its work and findings at the Group's meetings.

The Group has taken a close interest in the company's current Vulnerability Strategy, (known as "Every Customer Matters"), particularly the take up of WW's various customer assistance schemes (including numbers on the Priority Services Register) and the company's responses to the ongoing cost of living crisis. It has also reviewed how the company plans to evolve this strategy during the period 2025 – 2030.

The Group was informed that its VAP members consulted their colleagues and commented extensively on the first draft of "Every Customer Matters". The Group also understands the VAP made the point that, as the company's document acknowledges, people need to be treated as individuals as vulnerabilities are personal. The bulk of the report refers to the provision to assistance for specific groups of people. The VAP felt that greater clarity was needed over what the 'vulnerable' are actually vulnerable to. The Group welcomes that the VAP and the company will continue to work together on this.

The Group also reviews and challenges the company's tariffs each year.

Both the VAP and the Group have reviewed the evolution of the company's Vulnerability Strategy for 2025 – 2050.

7.2 Vulnerability strategies and the Group's opinions

The company's Vulnerability Strategy for 2025 – 2050 includes:

- › Providing its social tariffs to customers who need them (increasing such support from around 55,000 customers today to 140,000 by 2030)
- › Working with the independent debt advice sector and other partners (including the funding of the former) to raise awareness of the support on offer and to reach customers who need it most
- › Improving the application process for social tariffs to make it as easy and quick as possible to apply for the support on offer
- › Using data to automatically apply bill reductions to customers where possible without the need to complete an application
- › Using the Vulnerability Advisory Panel (VAP) to ensure the affordability support continues to meet the needs of customers. The VAP will also look at the expansion of existing schemes, creation of new tariffs, improvements to the application process and new initiatives to raise awareness and increase uptake
- › Increasing awareness and increase uptake of the affordability support
- › Funding local community projects across the region through the Wessex Water Foundation to improve access to services and build financial capability
- › Working with CCW, Defra and the industry to increase consistency in the affordability support available to customers regardless and to implement any changes required to the current suite of support based on if the legal guidance on social tariff changes
- › Complying with Ofwat's paying fair guidelines or any other relevant guidance around supporting customers to pay their bills, access help and repay debts.

While not a criticism, the Group considers that the focus on water poverty represents a major shift in focus for the company and the existing social tariffs were not designed with this in mind. They have been there to help people who struggle to pay their bills because they have an income shock or have very high expenses on other items and not only because they are poor.

As previously mentioned, the VAP advised the Group that it will be looking for more information on who is judged to be in water poverty, how numerous they are and therefore, how close the company's target comes to meeting the need.

The Group welcomes the company's plans for better communications around bills and bill increases for both metered and non-metered households. There has been some associated innovative work on this undertaken by WW recently, but the challenge will always be where communications are landing. The VAP intends to look at this in future. The Group commends and has supported WW's communications work generally and especially the way that the company is implementing policies to accommodate people with special communication needs, including people who are hearing or sight impaired, people with mental health problems or who are neurodiverse.

If an uptick is coming relating to applications for assistance because of bill increases, then issues such as capacity and payment rates will need close consideration.

The company's recent vulnerability training of its staff has looked to be very positive. Staff will have to monitor closely whether people know that a big increase in bills is coming in AMP8.

VULNERABILITY

The Group has noted that WW is working with local councils on opportunities for data sharing. It enquired about the scope for data sharing on the disabled and those with long term health problems. It was pleased to hear that the company is actively looking at this.

The Group welcomes the company's intention to inject additional funding for the debt advice sector. Its members have noticed a decrease in people paying utility bills by cash. A large proportion of WW's customers pay by direct debit, particularly those on water meters. The Group considers WW may see customers switching away from using direct debit payments and more credit card use. The number of customers using credit cards to pay essential bills is on the rise. Early warnings of missed payments may come from credit card payments.

The Group expressed concern that arrears in other utilities are growing at a worrying rate. Other measures are showing increasing hardship. It has questioned whether WW's suite of assistance measures is adequate going forward and the appropriateness of the communication channels it is using to reach certain groups of customers. It was reassured to see the company is planning for an increase in customer support contact and increasing the promotion of the support on offer to customers across multiple channels. The VAP informed the Group that it will be encouraging the company to stress test the current schemes against the projected increases in water bills.

The Group noted that WW's tracker survey has been showing the level of worry over costs to be growing and that other stakeholders

saying that more middle-income customers are now starting to become concerned. This is a customer group that's unlikely to have sought help before.

The Group is most worried about people receiving state benefits and whether overall the communications planned will reach the people affected such as disabled people and lone parents. The VAP informed the Group that it was consulted on whether there were specific groups that ought to be targeted directly to offer them automatic reductions in water bills in the same way as pensioners. It discussed a number including carers, people with mental health conditions, cancer patients and people with health problems necessitating high levels of water use.

In addition, the Group understands that the company has informed the VAP that it considers that too much of the VAP's attention is on affordability and not on other needs of 'vulnerable people'. The VAP agrees and looks forward to broadening its discussions and reaching an agreement on the kinds of other vulnerabilities it and WW should be concerned about.

The company has welcomed the Group's ideas for specific groups and the best communication methods to use.

8. CONCLUSIONS

8.1 The Group's review and challenge

The Group is independently chaired, and its membership includes representatives from various customer and stakeholder groups including charities, academic specialists in customer engagement and social policy, the Consumer Council for Water (CCW) and the Environment Agency (EA).

The Group's Chair was in post for the last Price Review so has provided leadership and continuity since then. Several members of the Group have been involved in the independent challenge of water company business plans and company performance against regulatory obligations for many years and have been through several Price Reviews. Members have been recruited specifically for their knowledge of research methods, in view of the large body of research that would be commissioned.

Two sub-groups were established by the Group to enable it to review and scrutinise the customer engagement and the PR24 investment programme in detail.

The chairmanship of the company's long-standing Vulnerability Advisory Panel (VAP) is shared by two members of the Group, both previously sitting on the Panel.

Interaction between the Group and the company was mainly through meetings, both on line and face to face. There has been a total of 23 meetings of the Group and its Sub-Group with the company. The Group also reviewed information off line and fed back its findings to the company.

The Group used its Challenge Diary process to document the challenges, key questions and information requests made to WW and the company's responses to these. Around 260 challenges and the company's responses to them were logged. The Group regards its Challenge Diary as strong evidence of its independence and the extent of its challenge.

The Group has received full co-operation from the company throughout the process. Access to personnel from the company and its consultants was good and all information requests have been met.

There are no material areas of challenge outstanding.

8.2 The quality of customer and community engagement

The Group received regular updates from the company on the implementation of its PR24 engagement framework. It reviewed and challenged the research methodologies for the individual elements of the engagement framework and discussed these with the company, both in meetings and off line.

The company responded to all the Group's challenges and made changes to research methodologies and materials in many cases. The Group considered that it was contributing to the research in a challenging but collaborative way.

Members of the Group also attended several engagement events as observers and fed back their experiences to the company.

The Group reviewed the results from the research and the company's interpretation of them and their use in the Business Plan.

Most of the research undertaken for the Business Plan was company commissioned and specified. The affordability and acceptability testing of the Plan and the format and content of the Your Water, Your Say engagement were specified by Ofwat.

The Group has followed the Ofwat and CCW guidance for water companies on the testing of customers' views of the acceptability

and affordability of PR24 business plans. It suggested some amendments to the guidance that were accepted by Ofwat.

It also assessed the engagement for PR24 against Ofwat's standards for high quality research, customer challenge and assurance.

The Group welcomed that the company commissioned, experienced, specialist market research agencies to undertake the research and to synthesise the results. It was also pleased that its challenges and recommendations were listened to and taken on board.

While only required to confirm that the company followed the regulator-prescribed methodology for the affordability and acceptability testing of the Business Plan (which it did), the Group had significant reservations around it. Because of this, the Group cannot say that the methodology represented industry best practice, only that the guidance issued was followed.

The Group has concluded from its work that the areas of research it reviewed, other than the affordability and acceptability testing, met Ofwat's standards for high quality research, customer challenge and assurance.

8.3 The reflection of customers' needs and wishes in the draft Business Plan

The company kept the Group updated on the development and content of its PR24 investment plan. The Group reviewed and challenged the components of the investment plan and their justification for inclusion throughout the process.

The Group notes that the investment programme for PR24 is significantly greater than at PR19 and is being driven primarily by statutory requirements for maintaining and improving drinking water quality, for increasing water supply resilience, and for environmental protection and improvements. The WINEP is the largest programme by value. The Group held extensive discussion on this both when company staff were present and afterwards. It recommended that the company more strongly reflected in its Business Plan narratives the extent to which customer views played a part in shaping the Plan as opposed to regulatory requirements. It was pleased that the company did this.

Customers support much of the statutory work in principle. However, the scope and timing of this investment is set by the regulatory bodies.

Customers' priorities for services were gleaned from the company's PR24 research. The top three priorities are:

- › A safe and reliable water supply
- › Affordable bills
- › An effective sewerage system.

Other priorities include excellent river and coastal water quality, customer experience and other environmental improvements.

The Group considers WW has appropriately reflected these priorities in its eight outcomes for its Business Plan.

Each outcome as reflected in the 2025 – 2030 investment plan was reviewed by the Group in terms of the level of expenditure, the proportion that customers genuinely had a say in and a comparison with the level of similar expenditure in the current five-year period (which in many areas is significantly less than planned in future).

The Group also reviewed the trade-offs WW made between what customers wanted and what can be delivered affordably, and also the evidence from the customer engagement to support these.

Overall, the Group considers that the company has taken on board the feedback from its customers and has developed an investment plan to reflect this within the bounds of overall investment needs, government targets and other statutory obligations, and considerations of affordability.

8.4 The acceptability and affordability of the Plan

The PR24 investment programme results in significant bill increases and challenges around affordability and deliverability.

The Group is concerned with the relatively low acceptability of the Business Plan. Acceptability at both the qualitative and quantitative stages of research was similar. Overall, 62% of both household and non-household customers accepted the Plan in the quantitative research. The figure for household customers was 58%.

The lack of acceptance of the PR24 Plan is associated with issues of the cost of the Plan (and the corresponding bill increases) and a feeling that water companies' profits are too high, and that they should be paying for more of the investments (driven in part by recent adverse publicity). The Group pressed the company for greater clarity on how the costs of the Plan have been distributed between customers and investors and was pleased to see the company did this in its Business Plan narratives.

WW plans to enhance the affordability of its services in AMP8 through better revenue and other financial management, adopting progressive tariffs, helping customers to save water, assisting customers who are financially vulnerable and using social tariff cross subsidies.

The Group welcomes the company's ambition to ensure no one is in water poverty by 2030 at the latest. WW plans to achieve this by increasing the number of customers who receive a reduced bill tailored to meet their individual financial circumstances, through social tariffs, to 140,000 around 55,000 currently. The Group welcomes the aspiration but is unable to comment at this point if the target of 140,000 will be reached. The VAP will be exploring this with the company later in the year and that other customers in need will also be adequately covered.

The Group and the VAP welcome the continued use and further development of the company's Assist social tariff scheme. It is also pleased to hear that WW intends to investigate water and wastewater tariffs that create incentives for customers, such as efficient water usage and separation of surface water from sewers.

The Group (through the VAP) looks forward to working with the company on tariff innovation and challenging its social tariff offering. The Group recognises that the installation of smart meters is a key enabler of affordability, alongside the company's social tariff. However, there is limited customer appetite for and acceptance of smart metering. Despite this the Group supports the company's plans to achieve 40% coverage of smart meters by 2030.

8.5 Addressing customer vulnerability

The VAP made considerable input to the company's Vulnerability Strategy for 2025 – 2050 and provided detailed comment on drafts.

The Group welcomes the Vulnerability Strategy.

The Strategy is founded primarily on the company's social tariffs and the offering of these to a much greater number of customers. WW also plans to increase the awareness of the social tariffs and improve the associated application process.

In addition, the company intends to work more extensively with the debt advice sector and other partners, including increasing funding to the former, in order to identify customers who would benefit from the social tariffs. The Group welcomes this and notes that WW is already working with local councils on opportunities for data sharing.

The company will fund local community projects across the region through the Wessex Water Foundation to improve access to services and build financial capability.

The Group welcomes the company's plans for better communications around bills and bill increases for both metered and non-metered

households. It commends and has supported WW's communications work generally and especially the way that the company is implementing policies to accommodate people with special communication needs. The Group was reassured to see the company is planning for an increase in customer support contacts and increasing the promotion of the support on offer to customers across multiple channels. The company has embraced the Group's ideas for specific groups and the best communication methods to use.

WW will also continue to use the VAP, independently chaired by two of the Group's members, to ensure the affordability support continues to meet the needs of customers. The VAP will also look at the expansion of existing schemes, creation of new tariffs, improvements to the application process and new initiatives to raise awareness and increase uptake.

Both the Group and WW have concerns that VAP has, perhaps, focussed too much on affordability and that going forward it needs to have more of a focus on the wider initiatives from the company.

APPENDICES

APPENDIX 1: Glossary

A&A	Acceptability and affordability
AMP7 and AMP8	Asset Management Plan periods 7 (2020 – 2025) and 8 (2025 – 2030)
CCG	Customer Challenge Group
CCW	The Consumer Council for Water
COG	Company Oversight Group
CSO	Combined Sewer Overflow
DWI	Drinking Water Inspectorate
DWMP	Drainage Water Management Plan
EA	The Environment Agency
FD19	Final Determination (Ofwat December 2019)
ICG	Independent Challenge Group
ODI	Outcome Delivery Incentive. Delivery of each Performance Commitment was assigned a financial or reputational incentive by Ofwat in the Final Determination
Ofwat	Water Services Regulation Authority – the economic regulator of the water sector in England and Wales
PCC	Household per capita consumption
Performance Commitment	Performance measures supporting the Outcomes.
PR19	Price Review 2019
PR24	Price Review 2024
PSR	Priority Services Register
WaSC	Water and Sewerage Company
WINEP	Water Industry National Environment Programme
WRMP	Water Resources Management Plan
WW	Wessex Water

For information on the economic regulation of the water industry in England and Wales, including the setting of prices, the reader is directed to the regulator's website www.ofwat.gov.uk.

APPENDIX 2: List of Group members

Dan Rogerson	Chair
Richard Cresswell	Chair of WW Catchment Panel
Declan Smyth	CCW
Mike Short	CCW
Kevin Ward	Environment Agency
Elaine Kempson	University of Bristol
Joy Mhonda	NatCen Social Research
Sarah Cardy	Age UK Wiltshire
Suzanne Wigmore	Wiltshire Citizens Advice
Jeremy Hawkins (Report Writer)	Creoda Consulting

APPENDIX 3: List of meetings

Customer Challenge Group meetings

Date	Topics discussed
27 June 2022	Feedback from the CRSG, VAP and CP Customer engagement update Regulatory and topical updates PR24 developments 2021/22 PC and ODI performance
5 October 2022	Regulatory and topical updates (PR24 methodology, water resources and leakage) 2023/24 charges Feedback from the CRSG, PCISG, VAP and CP Industry comparative performance 2021/22
7 December 2022	PR24 update Feedback from the VAP and CP Customer engagement update Mid-year 22/23 PC & ODI performance Customer complaints analysis Information Assurance Plan
29 March 2023	Feedback from CP Customer engagement update Affordability update PR24 update Environmental performance deep dive
7 June 2023	22/23 performance review Customer engagement update PR24 update (investment plan, bill impacts and the Group's PR24 Report) The Group's Annual Report 2023
18 September 2023	The WW PR24 Business Plan In camera review and finalisation of the Group's PR24 Report

APPENDIX 3: List of meetings

Customer Research Sub-Group meetings

Date	Topics discussed
7 March 2022	Update on Ofwat/CCW collaborative research plans for PR24 WW PR24 research update Continuous engagement updates
8 June 2022	Willingness to Pay research – NERA and QA Update on Ofwat/CCW national engagement programme WW PR24 research and continuous engagement
23 September 2022	Willingness to Pay research National engagement programme Draft PR24 methodology – customer engagement PR24 research and continuous engagement
11 January 2023	Ofwat/CCW national engagement programme WW PR24 research and continuous engagement
29 March 2023	CCG challenges on A&A testing A&A qualitative pre reading and stimulus materials
24 May 2023	Sustainable abstraction research Triangulation and synthesis Your Water Your Say Update on other engagement Update on Ofwat/CCW national ODI research
14 June 2023	Interim report on A&A qualitative research Additional qualitative testing Quantitative stage
5 July 2023	Triangulation and synthesis Social tariff research
12 September 2023	Quantitative affordability and acceptability results Triangulation and synthesis

APPENDIX 3: List of meetings

Performance Commitment and Investment Sub-Group meetings

Date	Topics discussed
22 July 2022	Comparative performance 21/22 Reflections on AMP7 PCs Review of Ofwat's draft PR24 methodology The role of the PCISG
13 January 2023	Final PR24 methodology overview WINEP Performance commitment summary LTDS overview Transition expenditure Asset management strategy Timelines and future meetings
3 March 2023	Summary plan discussion Full suite of PCs Wider investment programme AMP8 transition and delivery
4 April 2023	CCW affordability questions Summary of cost adjustment claims Bespoke PC review Full set of PCs with customer evidence
10 May 2023	Revised totex plan Performance commitments Asset management overview Assurance requirements
30 June 2023	Revised totex plan including PCs National ODI rates Price Control Deliverables AMP8 deliverability and transition investment CCG PR24 report
25 July 2023	WINEP update and revised totex plan Price Control Deliverables ODI rates update PC targets CCG PR24 report
12 September 2023	The company's revised totex plan ODI rates from Ofwat Price Control Deliverables AMP8 transition and deliverability The CCG's PR24 Report

APPENDIX 4: The Group's assessment of its compliance against Ofwat's independent customer challenge requirements

INDEPENDENCE – people involved in the challenge process and the process of challenge to be independent of the company, public sharing of challenges

All members of the CCG are independent of the company.

The CCG Chair, the Catchment Panel Chair and the Report Writer receive a remuneration from the company for their work, but the extent and timing of this work is not determined by WW.

CCG members, other than from the national regulators/statutory organisations, may receive a donation to their organisations from the company.

The Chair is free to identify the need for and recruit new CCG members as necessary, keeping the company informed.

The agendas for CCG meetings are set by the Group in discussion with the company.

Meeting facilities are provided by the company.

Meetings begin and end with in-camera sessions from which the company is excluded.

Notes and minutes of meetings are produced by the Group.

The CCG's reports are drafted and approved by the Group. WW may provide support in the production of the reports.

BOARD ACCOUNTABILITY – mechanism in place for, and listening to, customer challenge. Demonstrate how plans and decision-making take account of matters important to customers

A company INED attends the meetings of the CCG and contributes to its challenge.

The Chair and Report Writer present the CCG's Annual Report to the Risk and Assurance Committee of the WW Board.

They have also discussed the CCG's findings and report on the PR24 Business Plan with the WW Non-Executive Director Board who acts as the CCG's liaison point with the WW Board.

ONGOING – addresses both development and delivery of plans, welcome and respond to challenges on day-to-day performance as well as development of plans and longer-term strategies

The CCG's Terms of Reference include review and challenge of the company's customer engagement, the use of the engagement results in the PR Business Plan and other long-term strategies, the company's affordability and vulnerability strategies and the company's performance against its current regulatory performance commitments and ODIs.

These are standing items on the CCG meeting agendas and form the basis and content of the CCG's Reports.

INFORMED – informed by high-quality, comparative information and trends. Access to information, data and evidence

The CCG requests and the company provides comparative data and trend data when required.

The CCG Chair also attends the independent Challenge Co-ordination Group (COG) which is facilitated by CCW and is intended to provide comparative performance data, both on companies and CCGs.

TRANSPARENT – transparent about nature of challenges raised, company response and company's relative performance. Explain evaluation of different business plan options, publish evidence of customers view, record of challenges, identification of areas of disagreement

The CCG maintains an independent Challenge Diary which records the key questions and challenges it raises, the company's response to them (including whether the company has changed its approach as a result) and whether the matter has been closed satisfactorily or otherwise.

REPRESENTATIVE – range of customers and open to all relevant local or national stakeholders

The CCG membership currently includes CCW, the EA, Citizens Advice, Age UK, three specialists in customer research, and the independent Chair of the WW Catchment Panel.

The CCG Chair and CCG members are free to identify the need for and recruit further expertise if needed and in discussion with the company.

COMPREHENSIVE – focused on full range of areas where customers can have meaningful views including water and wastewater, customer services, large one-off schemes, performance levels and bill impacts

The CCG's Terms of Reference includes the review and challenge of the company's regulatory and operational performance in water and wastewater, customer services, large one-off schemes (where appropriate) and on bill impacts.

TIMELY – challenge is timely. Company response within a reasonable period of time

The CCG and its sub-groups meet in accordance with a schedule agreed each year with the company.

Meeting minutes and actions are published by the CCG within a week of each meeting.

Meeting actions are generally completed before the next meeting takes place.

The CCG's Challenge Diary and the company's responses to it are updated at least quarterly and a summary of challenges and any outstanding issues is provided in the CCG's Annual Report and its report on the company's PR24 Business Plan.

APPENDIX 5: The Group's assessment of the WW's customer engagement against Ofwat's standards for high quality research

Wessex Water CCG PR24 Customer Engagement Assurance Tracker	
High quality research – minimum standards	
USEFUL AND CONTEXTUALISED	
Ofwat/CCW requirement	Research should have practical relevance. It should be clear why the research has been undertaken, to what it will contribute and how. The research should be designed with quality rather than quantity as a priority (in other words, a better quality of research, rather than a larger quantity of research). As much as possible, research findings should be presented alongside a wider evidence base – including research conducted by others. The analysis should contextualise the findings and explain how they will be used.
Overview of the CCG's approach	<p>The CCG sought confirmation and other evidence from the company and/or its market research partners that each item of PR24 research has had practical relevance. This evidence and justification was found in the reports of each piece of research or through verbal confirmation from the company and/or its market research partners.</p> <p>The CCG assessed this evidence alongside the discussions it's had with the company, its review of the research methodologies, the challenges it has raised and logged and the company's responses to these. The CCG also reviewed the results from each piece of PR24 research and its use by the company in the PR24 Business Plan.</p>
The CCG's findings	<p>The CCG has reviewed, challenged and commented on each research methodology at a high level as it was developed by the company and its research partners. The PR24 specific research were:</p> <p>Strategic Direction, Willingness to Pay, Water Efficiency and Smart Metering, Sustainable Abstraction, Affordability & Acceptability (mandated by Ofwat/CCW), Social Tariff Cross Subsidy, Your Water, Your Say (mandated by Ofwat/CCW), Public consultation on the Business Plan.</p> <p>The methodology for the affordability and acceptability (A&A) testing of the Business Plan was mandated by Ofwat and CCW. The CCG's views on the A&A methodology are reported separately.</p> <p>The company reviewed the CCG's feedback and took it on board where it agreed with it and provided its justification where it didn't. Most of the CCG's feedback was adopted and the CCG had no material residual concerns where it wasn't. Through this approach the CCG became aware of and has understood the purpose of each piece of company research. Apart from the A&A methodology (reported elsewhere) it didn't identify any material issues to date in this respect.</p> <p>The company shared the results of each piece of research with the CCG. The use of the research results by the company in its Business Plan was reviewed at high level by the CCG.</p> <p>The company complied its research reports and set out why each piece of research was undertaken and why and how it contributed to the PR24 Business Plan. The CCG reviewed these reports.</p>
NEUTRALLY DESIGNED	
Ofwat/CCW requirement	Research should be designed and delivered in a way that is neutral and free from bias. The potential for bias and the ways to negate this should be considered at every stage of a project, and evidenced – including set up, question wording, question ordering, stimulus materials, selective use of quotes or data in reporting and interpretation of findings. If there is some inherent bias that is unavoidable or was an unintentional outcome of the research, this should be acknowledged and explained in the research findings.
Overview of the CCG's approach	<p>The CCG sought confirmation or other evidence from the company and/or its market research partners that each item of PR24 research was designed and delivered in a way that was neutral and free from bias. This evidence and justification was found in the reports of each piece of research or through verbal confirmation from the company and/or its market research partners.</p> <p>The CCG assessed this evidence alongside the discussions it had with the company, its review of the research methodologies, the challenges it has raised and logged and the company's responses to these. The CCG also reviewed the results from each piece of PR24 research and its use by the company in the PR24 Business Plan.</p>
The CCG's findings	<p>The CCG reviewed, challenged and commented on each research methodology and the associated research materials as they were developed by the company and its research partners. The CCG's views on the A&A methodology and samples are reported separately.</p> <p>Through this approach the CCG was able to look for issues of neutrality and bias in the company's methodologies and research materials.</p> <p>It challenged the presentation of stimulus that was part of the sustainable abstraction research which presented different options for reducing abstraction in a 'top trumps' style. Changes were made to ensure the options were being fairly presented and 'rated' and to avoid the risk of the stimuli leading customers to agree with a method more preferable for the company.</p> <p>The CCG did not identified any residual material issues with the neutrality of the research materials.</p> <p>The CCG has attended a sample of research events. It did not identify any material issues with neutrality or bias in the research it observed.</p> <p>The company shared the results of the qualitative and quantitative research with the CCG. The use of the research results by the company in its Business Plan was reviewed at high level by the CCG.</p> <p>The company compiled its research reports and set out why each piece of research was undertaken and why and how it contributed to the PR24 Business Plan. The CCG reviewed these reports.</p>

APPENDIX 5: The Group's assessment of the WW's customer engagement against Ofwat's standards for high quality research

Wessex Water CCG PR24 Customer Engagement Assurance Tracker	
High quality research – minimum standards	
Ofwat/CCW requirement	FIT FOR PURPOSE
Ofwat/CCW requirement	<p>The research sample and methodology should be appropriate for the research objectives. Participants should be able to understand the questions they are being asked and surveys should limit the use of forced choice options. A research approach that has previously been challenged should not be repeated unthinkingly. Innovation is welcome if it is likely to lead to meaningful and trusted insight and learning.</p>
Overview of the CCG's approach	<p>The CCG sought confirmation and other evidence from the company and/or its market research partners that the research sample and methodology for each item of PR24 research is appropriate for the research objectives. This evidence and justification was found in the reports of each piece of research or through verbal confirmation from the company and/or its market research partners.</p> <p>The CCG assessed this evidence alongside the discussions it had with the company, its review of the research methodologies, the challenges it has raised and logged and the company's responses to these. The CCG also reviewed the results from each piece of PR24 research and its use by the company in the PR24 Business Plan.</p>
The CCG's findings	<p>The CCG reviewed, challenged and commented on each research methodology and the associated samples used as they were developed by the company and its research partners. The CCG's views on the A&A methodology and samples are reported separately.</p> <p>Through this approach the CCG was able to assess the company's methodologies and samples. It did not identify any material issues other than with the Ofwat affordability and accepting testing methodology.</p> <p>The CCG attended a sample of research events.</p> <p>Robust challenges were made on a number of important aspects, including the testing around sustainable abstraction, the affordability and acceptability of the Plan and the willingness to pay for it. The company considered and addressed these challenges to the Group's satisfaction where it was able to and within the boundaries set by the prescribed Ofwat/CCW methodologies for certain area of research.</p> <p>The Group did not identify any residual material issues on the engagement it reviewed although it expressed significant concerns over the sampling methodology and sample sizes associated with the prescribed Ofwat/CCW A&A testing methodology and the volume, clarity and format of the information provided to participants for this research (both of which the company has little control over).</p> <p>The company shared the results of each piece of research with the CCG. The use of the research results by the company in its Business Plan was reviewed at high level by the CCG.</p> <p>The company complied its research reports and set out why each piece of research was undertaken and why and how it contributed to the PR24 Business Plan. The CCG reviewed these reports.</p>
Ofwat/CCW requirement	INCLUSIVE
Ofwat/CCW requirement	<p>Research should include different audiences and socio-demographics, considering local or regional or national populations, business customers and business retailers. Where possible, research findings should identify and report on variances by socio-demographics and consumer types (for example, bill payers, future customers).</p> <p>Research findings should provide details of those who may have been excluded or under-represented in the research. Where possible, research should use mix-method approaches to provide a more inclusive set of findings. While the range of representation may vary from project to project, the research programme as a whole should be demonstrably inclusive.</p>
Overview of the CCG's approach	<p>The CCG sought confirmation or other evidence from the company and/or its market research partners that different audiences and socio-demographics had been included in each item of PR24 research and that local or regional or national populations, business customers and business retailers have been considered. The CCG also checked that each set of research findings report on variances by socio-demographics and consumer types and provided details of those who may have been excluded or under-represented in the research, and that the research had been demonstrably inclusive.</p> <p>This evidence and justification was found in the reports of each piece of research or through verbal confirmation from the company and/or its market research partners.</p> <p>The CCG assessed this evidence alongside the discussions it's had with the company, its review of the research methodologies, the challenges it has raised and logged and the company's responses to these. The CCG also reviewed the results from each piece of PR24 research and its use by the company in the PR24 Business Plan.</p>
The CCG's findings	<p>The CCG has reviewed, challenged and commented on each research methodology and the associated samples used as they were developed by the company and its research partners.</p> <p>Through this approach the CCG has been able to assess whether different audiences and socio-demographics have been included in each item of PR24 research and that local or regional or national populations, business customers and business retailers have been considered. It has not identified any material issues to date.</p> <p>The CCG has attended a sample of research events. It did not identify any material issues with audience composition or demographics in the research it observed.</p> <p>The company shared the results of each piece of research with the CCG. The use of the research results by the company in its Business Plan was also shared.</p> <p>The company compiled its research reports in which it described the methodology for each piece of research that has been undertaken, the samples used and the basis of these. The CCG reviewed these to check that each set of research findings reports on variances by socio-demographics and consumer types and provides details of those who may have been excluded or under-represented in the research, and that the research has been demonstrably inclusive.</p>

APPENDIX 5:

The Group's assessment of the WW's customer engagement against Ofwat's standards for high quality research

Wessex Water CCG PR24 Customer Engagement Assurance Tracker	
High quality research – minimum standards	
	CONTINUAL
Ofwat/CCW requirement	Companies' research programmes should be continual, enabling day-to-day insight gathering, as well as specific and relevant research for informing business plans and long-term delivery strategies. This will allow areas of concern or change to be more easily identified and acted on.
Overview of the CCG's approach	<p>The company's routine engagement includes:</p> <p>The Wessex Water Image Tracking Survey, Young People's Panel, Unitary authority engagement, Home Check, Have Your Say Panel (online)</p> <p>The CCG reviewed the results at high level from each piece of routine customer research and its use by the company in the PR24 Business Plan.</p>
The CCG's findings	<p>The company presented its routine engagement methodologies and results to the Group at regular intervals during the year. The Group reviewed and challenged these.</p> <p>The Group welcomed the company's engagement with local authorities in its area, particularly with Bath and North East Somerset (BANES).</p> <p>Members of the Group found the outcomes from the Young People's Panel interesting, particularly the ideas about the waste water campaign and 'one drop at a time'. It noted that the company has taken some of these on board.</p> <p>Overall, the Group was content with the company's routine engagement activities undertaken during the year.</p> <p>The Group was mindful that Ofwat expects companies to make better use of sources of ongoing data available to them e.g. from contacts, complaints and feedback, to reveal customer preferences. It challenged the company to show how these data sources have been utilised and triangulated with the results from the company's research being undertaken for the PR24 Business Plan. This was done to the Group's satisfaction.</p>
	INDEPENDENTLY ASSURED
Ofwat/CCW requirement	Whether the research has been reviewed by individuals or groups independent of water companies. Reviewers should have range of relevant skills and experience and confident to challenge.
Overview of the CCG's approach	The CCG is independent of Wessex Water and members have specialist knowledge on consumer behaviour and engagement, customer vulnerability and social welfare, and water industry regulation and consumer rights. Many members have been involved with the CCG for several years and have been through a number of Ofwat Price Reviews.
The CCG's findings	<p>The CCG reviewed and challenged the research methodologies for the individual elements of the PR24 engagement framework and discussed these with the company. The company responded to all the CCG's challenges and made changes to research methodologies and materials in many cases. The Group considered that it was contributing to the research in a challenging but collaborative way.</p> <p>The CCG maintained an independent Challenge Diary which recorded the key questions and challenges it raises, the company's response to them (including whether the company has changed its approach as a result) and whether the matter has been closed satisfactorily or otherwise. Some 260 challenges on the PR24 engagement were logged.</p> <p>Members of the Group also attended several engagement events as observers and fed back its experiences to the company.</p>

APPENDIX 5: The Group's assessment of the WW's customer engagement against Ofwat's standards for high quality research

Wessex Water CCG PR24 Customer Engagement Assurance Tracker	
High quality research – minimum standards	
	SHARED IN FULL WITH OTHERS
Ofwat/CCW requirement	<p>Research findings should be published and shared in full, as early as possible with as wide an audience as possible. This will add value to the evidence base on customers:</p> <ul style="list-style-type: none"> • by allowing research approaches to be understood and improved on; • by building the shared knowledge base about customers' views, preferences and experiences; • by allowing research findings to be considered in a comparative way – meaning water companies can better understand their own customer base, by comparison with the findings from other areas. <p>Research findings should always be accompanied by clear and detailed information on the methodology for the research. This should include, for example, recruitment screeners, questionnaires, discussion guides, and copies of any stimulus materials.</p>
Overview of the CCG's approach	The CCG confirmed that each set of PR24 research findings had been published and shared in full, and had been accompanied by clear and detailed information on the methodology used for the research.
The CCG's findings	The CCG reviewed the company's compilation of its research reports in which it described the methodology for each piece of research that was undertaken. This enabled the CCG to check to its satisfaction that each included clear and detailed information on the methodologies for each piece of research.
	ETHICAL
Ofwat/CCW requirement	Research should be conducted in line with the ethical standards of a widely recognised research body – such as the Market Research Society or the Social Research Association.
Overview of the CCG's approach	<p>The CCG will seek confirmation or other evidence from the company and/or its market research partners that each item of PR24 research has been conducted in line with recognised industry ethical standards. This evidence and justification may be found in the reports of each piece of research or through verbal confirmation from the company and/or its market research partners.</p> <p>The CCG will assess this evidence alongside the discussions it's had with the company, its review of the research methodologies, the challenges it has raised and logged and the company's responses to these. The CCG will also review the results from each piece of PR24 research and its use in by the company in the PR24 Business Plan.</p>
The CCG's findings	The CCG reviewed the company's compilation of its research reports in which it described the methodology for each piece of research that was undertaken. This enabled the CCG to review these to check to its satisfaction that each included a statement that the PR24 research has been conducted in line with recognised industry ethical standards.

APPENDIX 6: Role of ICGs in the acceptability and affordability testing of the business plan – summary of key tasks identified in the Ofwat/CCW guidance and the Group’s findings

Task	The Group’s findings
<p>Advise on sample segments for the qualitative research alongside the research supplier</p>	<p>Ofwat and CCW prescribed the methodology to be used for the testing of the acceptability and affordability (A&A) of companies’ PR24 business plans. The Group was mindful that it was not required to comment on the prescribed research methodology, but to confirm that the company has followed it and that decisions have been made sensibly. However, the Group had several significant concerns with the methodology (see <i>Tasks below</i>). The company raised several of them with Ofwat and CCW and the Group was pleased to see that some aspects of the methodology were clarified as a result. Overall, the professional researchers in the Group would have preferred a more robust methodology for the A&A testing.</p> <p>The CCG noted that the Ofwat/CCW methodology required over-recruitment of vulnerable customers as they are proven to be less likely to volunteer to participate. It accepted this.</p> <p>The CCG challenged the proposed composition of the ‘vulnerable’ group, which was originally to be primarily older people. This was acted on and a wider range of people on lower incomes of all ages attended.</p> <p>The Group had concerns over the representation of deprived customers in the A&A research, but these were not borne out in practice.</p> <p>The Group advised against putting people from different socio-economic groups together but acknowledged that this was the company’s decision. The Group suggested a compromise in ensuring people are confident in speaking in a workshop environment when recruiting and was pleased to see the company adopt this approach.</p> <p>The CCG’s concerns were primarily around ‘working the sample’ to get the maximum number of respondents (of which using reminders is a part). With a random probability sample, the anticipated response rate is estimated and used to determine the number of contacts that need to be drawn from the records and seek to get completed questionnaires from as many of these as possible so that the sample is as representative as possible, using reminders, and stopping the fieldwork when replies have slowed to a trickle rather than when a set number has been reached. The recognised approach for a random probability sample is to maximise response rates and therefore a robust engagement approach is required to ensure that every person sampled has an equal opportunity to participate (i.e. using several reminders to boost response rates). This did not appear to be included in the Ofwat/CCW methodology. A random sample survey without any reminders would result in a very low response rate and therefore require a much larger sample to be issued initially. By maximising response rate, non-response bias would be minimised. When fieldwork is complete, any biases in the sample have to be identified and corrected using weighting. This will have the effect of reducing the ‘effective’ sample size from the number of responses actually achieved. It is clear that Ofwat hasn’t thought any of this through, especially the need for weighting, when it prescribed a random probability sample.</p> <p>The company agreed to add a reminder step as some way towards addressing the issue of obtaining a random probability sample. The Group welcomed this. Ofwat later said that a reminder would be good in all company areas, but they couldn’t prescribe it at this late stage.</p> <p>The CCG recommended that the issue of weighting be explored with Ofwat but accepted that the company had to do what everyone else does. However, it felt it would be highly undesirable if this meant not doing any weighting at all. It will be important that Ofwat co-ordinates the characteristics on which the sample is weighted.</p>
<p>Help define the approach for including future bill payers in the research using the options set out in the guidance</p>	<p>The company’s research consultants defined the proposed approach to engage future bill payers in its A&A methodology.</p> <p>The proposed approach for the first round of qualitative testing included two three-hour face to face deliberative groups each comprising eight participants with a 20-minute pre read. The events were to be held in Bath and Bristol.</p> <p>The Group reviewed the proposed approach and considered it to be appropriate for the purpose and in line with the Ofwat/CCW guidance.</p> <p>The Group received a debrief from the company and its consultant of the results from these sessions.</p> <p>The Group will be reviewing the approach for including future bill payers in the forthcoming quantitative research.</p>
<p>Agree approach for any qualitative retesting if required</p>	<p>The Group discussed with the company whether it should push forward on a second round of qualitative A&A testing because the Business Plan is still evolving and agreed that this would be unlikely to yield further meaningful information.</p>

APPENDIX 6: Role of ICGs in the acceptability and affordability testing of the business plan – summary of key tasks identified in the Ofwat/CCW guidance and the Group’s findings

Task	The Group’s findings
Tailoring of research materials	<p>The research materials describing the plan need to be relevant to the audience in question and fit the methodology being used (whether deliberative discussion or in-depth interview). Companies should consult with their chosen supplier and ICG on the tailoring of research materials.</p> <p>The Group reviewed the testing material for the quantitative stage of the research and recommended some changes which the company adopted.</p>
Comment on the company’s proposed approach to recruitment of the household and future bill payer samples	<p>The Group raised several challenges to the proposed participant recruitment process for the qualitative A&A research (including household and future bill payers). These are reported under ‘determine sample sizes’ below.</p>
Discuss how the company has made the delivery of the pre-read content and taking part in any in-depth interviews as accessible as possible for more vulnerable customers	<p>The Group reviewed the proposed format for the qualitative testing and attended a sample of events. The proposed format included face-to-face deliberative events held at several locations across the company’s supply area. These included household customers, vulnerable customers on low incomes and future bill payers. Separate online deliberative events were held for micro non-households, SMEs and vulnerable customers with health issues (PSR customers).</p> <p>The Group noted that the Ofwat/CCW guidance is very prescriptive in terms of content for pre-reading and stimulus including the way information is displayed. However, it raised several challenges on the proposed testing materials.</p> <p>The Group had real concerns about to volume, clarity and format of the stimulus materials. The company’s research consultants dealt with this on the day, and briefed participants orally and focused on the key points, re-iterating these in the break out discussion groups. The Group observed that some participants turned up on the day and had not registered or received the briefing materials. However it was considered that they were not disadvantaged in any way by not having read the briefing.</p> <p>The Group was pleased with the company’s responses to its challenges, including holding a pilot study for ‘family and friends’ of the company where the research materials were tested.</p> <p>From its review and attendance at a sample of event, the Group considered the final research materials used for the deliberative events to be as clear for all customer groups (including the vulnerable) as allowable within the Ofwat/CCW requirements.</p> <p>The Group reviewed the accessibility for vulnerable customers of any pre-read content and in-depth interviews for the quantitative research stage and found it to be appropriate.</p>
Help decide the best format for the main deliberative discussions i.e. F2F and/or online – at least one CCG member to observe discussions	<p>The Group was happy with the proposed format although, given the required scope of the research and the matecan trial that had to be covered (<i>see below</i>), it felt that the three hours planned for the face-to-face deliberative events would be challenging for participants and possibly not long enough. It was pleased to learn that breaks during the sessions would be included which may help combat information over-load. Group members attended several face-to-face events including the Wessex Water household face to face events in Bath, Salisbury and Taunton and the Wessex Water/Bristol Water event in Bristol.</p> <p>They also attended two of the online session with non-householders.</p> <p>The Group considered that the events were well run and met the objectives set for them.</p>

APPENDIX 6: Role of ICGs in the acceptability and affordability testing of the business plan – summary of key tasks identified in the Ofwat/CCW guidance and the Group’s findings

Task	The Group’s findings
<p>Input into wording used in the research materials where needed e.g. describing statutory programmes, and agree content of any additional or tailored stimulus a company may choose to use to summarise and describe the business plan. Ofwat have provided a film for companies to include to describe the business plan process but the CCG can agree an alternative with the company</p>	<p>The Group noted that the Ofwat/CCW guidance was very prescriptive in terms of content for pre-reading and stimulus including the way information is displayed.</p> <p>The Group reviewed the company’s proposed material for the deliberative and qualitative testing before it was finalised. The Group had real concerns about the volume, clarity and format of the qualitative research information and strongly recommended that it should be piloted before it was used. The Group raised several questions and concerns on the proposed materials including:</p> <ul style="list-style-type: none"> › This was going to be a challenging task for everyone – designers, presenters, moderators and participants. It will be very important to ensure that everyone participates, regardless of how closely they read the documents. › In general, the proposed material contained far more information than the average consumer needs to know. The company was encouraged to work hard to reduce the amount of information given in both the pre-task pack and the workshop slides to the key points, otherwise people will be overwhelmed by the detail and give up › Some information appeared to be overly complicated › Improvements should be made to improve the visual presentation of some information to aid understanding › Graphics should be used where they convey information better than words › Participants need to be able to understand the material and the company needs to know they have read it in advance › There is a risk that few participants will have read the one-page plan beforehand. The pre task slides may also cause people to drop out › Participants should be asked in the session if they have skim read the pre-test material or read it in detail › It was recommended that a pilot session is held or, if time does not allow this, that the first session becomes a de facto pilot with a pause for reflection and revision before other sessions are held. <p>The company and its consultants welcomed the Group’s comments and challenges and reviewed and acted on all of them. The subsequent pilot led to substantial changes in the materials. Many other changes were made as a result of the challenges. The Group was pleased with the company’s response to its challenges and considered the final research materials used in the qualitative sessions to be in line with the Ofwat/CCW requirements and as clear as these would allow. It noted that some materials were further refined in minor terms as the testing progressed.</p> <p>The Group reviewed the materials for the quantitative A&A research stage. It recommended a reminder be sent to participants and that ages of the participants were recorded (in bands) on the survey questionnaire. The Group was pleased that the company adopted these recommendations.</p>
<p>Consider what piloting and testing is needed in the research, taking account of Ofwat’s suggestions in the guidance. Review outputs of piloting and agree any subsequent changes to research materials</p>	<p>The Group strongly recommended that a pilot test of the qualitative research material was undertaken and recommended not screening out everyone that declines to give an age, but first screen them to see if they are over 18 – and so eligible. This was cleared by Ofwat and included.</p> <p>A pilot study was held for ‘family and friends’ of the company where the deliberative research materials were tested. The Group very much welcomed this.</p> <p>The Group reviewed whether piloting and testing is needed for the quantitative research and agreed with the company’s approach not to do so.</p>
<p>Receive a record of any responses provided by a company representative during the qualitative research as part of the assurance process</p>	<p>No responses were provided by company representatives during the qualitative research.</p>

APPENDIX 6: Role of ICGs in the acceptability and affordability testing of the business plan – summary of key tasks identified in the Ofwat/CCW guidance and the Group’s findings

Task	The Group’s findings
Attend a debrief of the deliberative research findings	<p>The de-brief meeting with WW and Blue Marble on the deliberative testing was held on 14th June. A full report was provided to the Group. The Group noted the main outcomes from the qualitative A&A testing (as reported by Blue Marble). A wide range of views had been obtained.</p> <p>The Group noted that it’s very hard to summarise such a wide range of views. At one of the sessions the Group attended there was debate about the acceptability and support for plan elements but also about the rollout speed.</p> <p>The Group understood that the next iteration of the Plan to be used in the quantitative testing would be different, reflecting the feedback received during the qualitative phase.</p>
Help determine relevant sample sizes for the quantitative phase i.e. Ofwat’s minimum or beyond	<p>The Group reviewed the planned sample sizes and the make-up of these with the company. It was happy with them and was pleased to see that the actual samples obtained were in line with the Plan and above the minimum required by Ofwat.</p> <p>The Group took a close interest in the qualitative samples, the weightings that had been applied to them and the impact the reminders had on response rates. These were regarded by the Panel as areas of deficiency in the Ofwat methodology. The Group encouraged the company to fully detail these in its Business Plan documents, which it subsequently did.</p> <p>Overall, the Group was content with the samples and sample sizes used in the quantitative research.</p>
Overall statement of whether the company has followed	<p>See above for the Group’s comments on the Ofwat/CCW guidance, particularly the use of reminders and other means such as weighting to achieve a random probability sample.</p> <p>The Group was satisfied that the company followed the guidance set out by Ofwat/CCW.</p>

APPENDIX 7: Challenge Log

Topic	Issue	Raised by	Challenge, Question or Request	Date Raised	Respondent	Outcome, Comments, Responses	Progress	Date Completed	Follow up action required?
1	COVID-19	Chair	Question	11.06.20	WW	Business use is down by 25% over the last two months. There has been some increase in household use but this may be due to the warm weather in May.	Completed	08.10.20	No
2	COVID-19	Wiltshire Citizens Advice	Question	11.06.20	WW	WW is unaware of any specific discussions on this matter. Home working costs may be more of an issue between employees and employers.	Completed	08.10.20	No
3	COVID-19	EA	Question	11.06.20	WW	WW considers there will be a potential increase in social tariff applicants in the longer term. Changes have been made to fast track some customers onto its Assist tariff.	Completed	11.06.20	No
4	COVID-19	CCW	Question	11.06.20	WW	There were no obvious hotspots and no indication that any additional local asset-based investment is necessary.	Completed	11.06.20	No
5	COVID-19	Chair	Question	11.06.20	WW	The number of failures was in line with recent performance. Three were due to third party actions. Of the two that were within WW's control, improvements have been introduced to avoid further failures.	Completed	11.06.20	No
6	Value for Money	Age UK South Glos	Question	11.06.20	WW	VFM is a measure of customer perception and WW is not able to predict what its VFM score will be.	Completed	11.06.20	No
7	Water use	Catchment Panel Chair	Question	11.06.20	WW	Business use is down by 25% over the last two months. There has been some increase in household use but this may be due to the warm weather in May.	Completed	11.06.20	No
8	Affordability	Wiltshire Citizens Advice	Question	11.06.20	WW	WW is unaware of any specific discussions on this matter. Home working costs may be more of an issue between employees and employers.	Completed	11.06.20	No
9	Affordability	Age UK South Glos	Question	11.06.20	WW	WW considers there will be a potential increase in social tariff applicants in the longer term. Changes have been made to fast track some customers onto its Assist tariff.	Completed	08.10.20	No
10	Water quality	Chair	Question	11.06.20	WW	There were no obvious hotspots and no indication that any additional local asset-based investment is necessary.	Completed	11.06.20	No
11	Environmental quality	Report Writer	Question	11.06.20	WW	The number of failures was in line with recent performance. Three were due to third party actions. Of the two that were within WW's control, improvements have been introduced to avoid further failures.	Completed	11.06.20	No
12	Incentive sharing	Chair	Question	11.06.20	WW	WW said that funding would be provided fairly across all areas of the region rather than being linked to the out-performance of specific performance commitments on sewerage or water supply.	Completed	11.06.20	No
13	COVID-19	Chair	Question	08.10.20	WW	Ofwat and CCW were pleased with WW's initiative. Bristol saw the merits in the approach and also adopted it. Welsh Water has a similar scheme.	Completed	08.10.20	No
14	COVID-19	Advice UK	Question	08.10.20	WW	"WW aims to provide as much support as it can through its debt recovery process and affordability expert advisors. It is not aware that digital exclusion is causing major problems and is fully "warm voice"."	Completed	08.10.20	No

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Topic	Issue	Raised by	Challenge, Question or Request	Date Raised	Respondent	Outcome, Comments, Responses	Progress	Date Completed	Follow up action required?
15	COVID-19	Advice UK	Question	08.10.20	WW	WW has completed full risk assessments for these visits and all of its fieldwork activities to ensure they are Covid-safe.	Completed	08.10.20	No
16	COVID-19	Money Advice Trust	Question	08.10.20	WW	Anyone identified to be in arrears still goes down the normal Assist route and is signposted to debt advice agencies in the usual way. The social tariff is available to everyone who qualifies for it.	Completed	08.10.20	No
17	Pension Credit Discount	Age UK South Glos	Question	08.10.20	WW	The company is keen to increase the take up of its PCD and has added an incentive to the funding of its debt advice partners to apply for the discount on behalf of their clients.	Completed	04.03.21	No
18	Vulnerability	Chair	Challenge	08.10.20	WW	"The initiatives do not follow a standard method for assessing effectiveness. WW will review how to bring the information together for evaluating 2021/22 initiatives."	Completed	04.03.21	No
19	Water quality	Chair	Challenge	04.11.20	WW	WW receives many customer contacts on water hardness. It wants to increase understanding that hardness is a function of the region's geology and is not an issue for water quality.	Completed	04.11.20	No
20	COVID-19	Citizens Advice & Advice UK	Challenge	04.11.20	WW	WW is fast-tracking its Covid Assist scheme. The company's new assistance triage arrangements for financial support will go live on the website by end of the week and will be widely publicised.	Completed	04.11.20	No
21	Mid-year performance	Chair	Challenge	04.11.20	WW	"WW is looking at longer term risks including their effects on the capital programme. Some of the risks are not within the company's control such as frailty in supply chains."	Completed	04.11.20	No
22	Customer engagement	EA	Challenge	25.01.21	WW	WW will be using its large amount of data in a bigger and more structured way rather than a one-off point in time analysis.	Completed	25.01.21	No
23	Customer engagement	Report Writer	Question	25.01.21	WW	WW and BM responded to the challenges and took them on board in the final stimulus materials.	Completed	25.01.21	No
24	Customer engagement	CCW	Question	25.01.21	WW	"WW has to assess if its panel with its informed audience remains fit for purpose or needs to be expanded. WW is also keen to do more longitudinal qualitative work and the use of citizens' assemblies."	Completed	25.01.21	No
25	Trym Tunnel	EA	Question	25.01.21	WW	Any saving will be used to deliver more customer benefit elsewhere or given back through the totex regime.	Completed	25.01.21	No
26	Priority Services Register	Chair	Question	03.03.21	WW	WW considers it to be the best external endorsement of accessibility and inclusivity. Performance against the standard is audited externally each year.	Completed	03.03.21	No
27	Priority Services Register	Wiltshire Citizens Advice	Question	03.03.21	WW	WW has such information. It is also using WW colleagues who are involved with local community groups to repost information on community sites. WW also pays for Facebook advertising.	Completed	03.03.21	No
28	Priority Services Register	Advice UK	Question	03.03.21	WW	T Current performance measured by C-mex and its own feedback surveys is well over 90%. Current satisfaction from SMS feedback is 91% and 94% from phone contacts.	Completed	03.03.21	No
29	COVID-19	Chair	Question	03.03.21	WW	Bristol Water was originally looking to participate but had become wary of not complying with the wording in its charges scheme.	Completed	03.03.21	No

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Topic	Issue	Raised by	Challenge, Question or Request	Date Raised	Respondent	Outcome, Comments, Responses	Progress	Date Completed	Follow up action required?
30	COVID-19	Chair	Challenge	03.03.21	WW	WW believe it was due to government support delaying the need for customers to seek help. WW wants to signpost the right customers to the tariff but MWV said the impact of Covid-19 is becoming less clear now.	Completed	03.03.21	No
31	COVID-19	Citizens Advice, Age UK & Advice UK	Question	03.03.21	WW	The company uses the Standard Financial Statement guidelines. WW also funds two food banks in Bristol. One of these indicated demand is stable, but the other is overwhelmed.	Completed	03.03.21	No
32	COVID-19	Advice UK	Question	03.03.21	WW	WW wants to work with Advice UK and Money Advice Trust as insight from its debt advice partners will be invaluable in managing the peak when it comes.	Completed	03.03.21	No
33	Vulnerability	Age UK South Glos	Question	03.03.21	WW	WW are in the second tranche of companies to go live in the next financial year. A contract has been drafted and is with the DWP. WW confirmed this will be data matching rather than data sharing.	Completed	03.03.21	No
34	Vulnerability	Report Writer, Chair and Age UK	Question	03.03.21	WW	The company continues to develop this but presented an outline of its approach in the slide. For 2021-22 it intends to identify the business-as-usual activities and take these out of its monitoring regime.	Completed	03.03.21	No
35	Vulnerability	Chair	Question	03.03.21	WW	This is worth exploring and WW may consider it for the future. There may be technical or licensing issues, however. May 22 update. WW consider this is not achievable.	Completed	18.05.22	No
36	Education	Wiltshire Citizens Advice	Question	09.03.21	WW	There has been much work going on including talking to schools to ensure pupils can be engaged. WW obtains feedback with teachers but would check if similar feedback is gathered from pupils.	Completed	09.03.21	No
37	Education	Chair	Challenge	09.03.21	WW	Fairs are not considered to be a substitute for school engagement. To ensure trust and confidence, WW suggests removal of the element relating to educational fairs.	Completed	09.03.21	No
38	Education	Catchment Panel Chair	Question	09.03.21	WW	The whole education team have continued to work throughout the period with a focus on online learning and this will continue into the future.	Completed	09.03.21	No
39	Education	Chair	Challenge	09.03.21	WW	WW agreed to include such wording.	Completed	09.03.21	No
40	Leaks fixed within a day	Chair	Challenge	09.03.21	WW	If the definition doesn't change, it has no incentive to fix leaks or attempt to achieve the target.	Completed	09.03.21	No
41	Leaks fixed within a day	Catchment Panel Chair	Challenge	09.03.21	WW	WW agreed and said the company should be careful how it positions this. WW is still doing leak detection and fixing work and that, if the exceptions were in place, it would be meeting its target.	Completed	09.03.21	No
42	Water resources	Report Writer & Chair	Question	09.03.21	WW	The water resource engagement is co-ordinated with the other WCWRG companies. The work is currently out to tender. There is ongoing dialogue particularly on giving water back to the environment.	Completed	09.03.21	No
43	Drainage and wastewater management plans	Chair	Question	09.03.21	WW	WW is looking to extend its 'Coast Watch' service to inland areas.	Completed	09.03.21	No

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Topic		Issue	Raised by	Challenge, Question or Request	Date Raised	Respondent	Outcome, Comments, Responses	Progress	Date Completed	Follow up action required?
44	Climate change	Is there a point at which WW expects more extreme weather to happen more frequently and should the company's underlying assumptions on business as usual be changed?	Chair	Challenge	14.06.21	WW	WW is responding to the new weather patterns through different tactical and operational measures and adopting new asset management assumptions. More strategic issues are also being reviewed.	Completed	14.06.21	No
45	Climate change	All the water companies have had to deal with similar weather challenges and more focus on long term planning and resilience is needed.	EA	Challenge	14.06.21	WW	"WW agreed and will prepare a summary of the industry's performance in 2020/21 once the information is published on 15th July. Update. This data was provided."	Completed	09.02.23	No
46	COVID-19	WW was asked if water quality contacts had risen because more people had been working at home.	Chair	Question	14.06.21	WW	WW replied there is no evidence of this.	Completed	14.06.21	No
47	Pollution incidents	WW was asked if it has information on the environmental impact of pollution incidents caused by extreme rainfall.	Catchment Panel Chair	Question	14.06.21	WW	WW replied that four were category 2 incidents and the remainder category 3. The company hasn't yet seen the benefits from its five-year pollution reduction plan and is looking again at its strategy.	Completed	18.05.22	No
48	PR24 reform	What is preventing WW from including catchment-based approaches to achieving environmental improvement now?	Chair	Question	14.06.21	WW	MG replied that the initiatives to date have only been on a small scale. The current regulatory regime with its short-term focus doesn't allow long term catchment approaches	Completed	14.06.21	No
49	PR24 reform	"Catchment working is complex in that all the players need to play their part. The water industry cannot pay for others. Central government must take the lead."	EA and Catchment Panel Chair	Challenge	14.06.21	WW	WW believe that "The polluter pays" principal is important. WW should pay for its share, undertaking the more efficient solutions first whilst waiting for other players, such as farming, to come onboard.	Completed	14.06.21	No
50	Leakage	How do customers currently view leakage?	Chair	Question	03.11.21	WW	WW's customers are less interested in leakage this time than at PR19 but WW considers leakage is one of the most important levers available to achieve sustainable abstraction.	Completed	03.11.21	No
51	Environmental quality	"Why are bacterial levels not monitored along with phosphorous and nitrates when measuring environmental outcomes?"	Catchment Panel Chair	Challenge	03.11.21	WW	"P&N are the two biggest contributors to good ecological status and are within the company's control. Natural capital is higher level but is not easy to measure and does not have an agreed approach."	Completed	03.11.21	No
52	Supply chain	Are supply chain issues being experienced at local as well as national levels?	Report Writer	Question	03.11.21	WW	They are, but WW can mitigate many of the risks. However, the national and international issues do require government action.	Completed	03.11.21	No
53	Vulnerability	Is the proportion of successful versus unsuccessful applications for financial assistance changed?	Wiltshire Citizens Advice	Question	03.11.21	WW	There had been a drop in applications, but the rejection rate hasn't changed. Very few applications were actually rejected.	Completed	03.11.21	No
54	Customer engagement	WW should undertake more deliberate qualitative as well as quantitative, research to make sure the results overall are informed.	Bristol University	Challenge	03.11.21	WW	WW agreed with this and said CCW is looking at the right blend of qualitative and quantitative research combines with overall sense checking.	Completed	03.11.21	No
55	Customer engagement	There is a risk that some voices will be excluded by national research.	NatCen	Challenge	03.11.21	CCW	The customer groups engaged have to be representative of all different communities and groups within a company's area and it will be fundamental for companies to demonstrate this.	Completed	03.11.21	No
56	Environmental quality	What research is going on into the main contributors to the lack of recovery of the aquatic environment?	Catchment Panel Chair	Question	03.11.21	WW	There is a large amount of research underway.	Completed	03.11.21	No
57	Customer engagement	"Is the company planning to issue any customer communications on how they can help reduce pollutions?"	Bristol University	Question	03.11.21	WW	WW agreed with this. It already publicises sewer misuse and misconnections. However, a challenge is the current media coverage making effective communication and building partnerships difficult.	Completed	03.11.21	No

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58	Customer engagement	Does the WTP research also include 'ability to pay'?	Wiltshire Citizens Advice	Question	08.12.21	WW	The segmentation of participants will cover all customer groups, but the result will be an overall WTP for each outcome as it's not possible to build in differential bills for different customer groups.	Completed	08.12.21	No
59	Customer engagement	"Does WW have the capacity to do another round of WTP research after 2022 if considered necessary?"	Wiltshire Citizens Advice	Question	08.12.21	WW	Once the Plan is finalised it is fixed for five years but it may be appropriate to revisit and potentially repeat some elements of the PR24 research as the submission of the Plan nears.	Completed	08.12.21	No
60	Customer engagement	How much WTP will be informed by the Strategic Direction research?	Chair	Question	08.12.21	WW	The outcomes of the strategic research will be built into the WTP research so there is a golden thread from the Purpose to the Outcomes to the WTP survey.	Completed	08.12.21	No
61	Customer engagement	"It is important that both willingness and ability to pay for improvements are both picked up on."	Catchment Panel Chair & CCW	Challenge	08.12.21	WW	This is a good challenge and WW will confirm ability to pay is included appropriately in the research. This was confirmed in May 2022.	Completed	18.05.22	No
62	Customer engagement	Customers pay a cross subsidy to support those who cannot afford their bills and they may be prepared to pay more.	Catchment Panel Chair	Question	08.12.21	WW	WW had done customer research in the past to determine acceptable levels of cross subsidy. WW is currently not near its cross-subsidy levels so numbers on the assistance schemes could be increased.	Completed	08.12.21	No
63	Customer engagement	It is frustrating to see that 18% of customers are worried about their bills and that subsidies are offered but not taken up.	Catchment Panel Chair	Challenge	08.12.21	WW	The data matching with the DWP will be invaluable as it will allow direct passporting of support to complement WW's promotion of its schemes. Government will be consulting on national versus regional funding in January.	Completed	08.12.21	No
64	Customer engagement	Are water efficiency assistance schemes targeted with affordability in mind?	Catchment Panel Chair	Question	08.12.21	WW	"Update. Jan 23. There is signposting between water efficiency and affordability support services. WW currently targets Home Check on the basis of usage rather than affordability but is looking to integrate the high consumption process with a referral to Home Check."	Completed	09.02.23	No
65	Customer engagement (strategic direction)	"SD research - Will WW give thought to how far support mechanisms for those who struggle to pay can go?"	Surrey University	Question	08.12.21	WW	Once mandatory obligations have been accommodated, the rest of the business plan has to be a balance of competing demands for investment, including regulatory and political issues.	Completed	08.12.21	No
66	Customer engagement (strategic direction)	Can SD research get underneath what people want CSO investment to achieve?	Catchment Panel Chair	Question	08.12.21	Accent	A few related outcomes were explored in the research.	Completed	08.12.21	No
67	Customer engagement (strategic direction)	Are the generational findings of the SD research to be reflected in the intergenerational research planned for next year?	Chair & Report Writer	Question	08.12.21	WW	WW said they would form part of the intergenerational research together with the issue of short term versus long term investment and who should pay.	Completed	08.12.21	No
68	Customer engagement (strategic direction)	SD research - The young are very aware of their energy consumption. Will WW's research get disaggregated into people on meters and those not?	Surrey University	Question	08.12.21	WW	This is a standard question in most research projects and was used in the Accent research.	Completed	08.12.21	No
69	Customer engagement (strategic direction)	"How will WW deliver the message around demand management to the three different customer segments identified in the SD research?"	Chair	Question	08.12.21	Accent	Different messages are likely to be required with each of the different customer groups to reach/ resonate with them.	Completed	08.12.21	No
70	Customer engagement (WTP)	"How will a potentially lower WTP driven by current cost of living concerns be dealt with in the initial phase of the research?"	Bristol University	Challenge	17.01.22	NERA & QA	The influence of the timing of the research will emerge from the quantitative research. NERA agrees that results can be coloured by short term effects, but these can be dealt with.	Completed	18.05.22	No
71	Customer engagement (WTP)	We should look at how the research is carried out and note the circumstances at the time.	EA and Bristol University	Challenge	17.01.22	NERA & WW	Information on how current circumstances were affecting participants' answers can be gleaned at the end of surveys and also by superimposing data on attitudes to bills obtained from WW's Image Tracker. Ofwat will be also be doing its own surveys.	Completed	18.05.22	No

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72	Customer engagement (WTP)	Bristol University	Challenge	17.01.22	NERA & QA	The proposal is the best it can be within the constraints of three sessions. The research is not trying to get a fully representative sample from this initial phase, rather to test comprehension of the attributes.	Completed	18.05.22	No
73	Customer engagement (WTP)	Report Writer & Bristol University	Challenge	17.01.22	NERA & WW	"NERA and WW agreed this would be appropriate to report this subtlety. Update. Covered in WTP report page 30."	Completed	09.02.23	No
74	Customer engagement (WTP)	Bristol University	Question	17.01.22	NERA & QA	"1. The vulnerable group is likely to be primarily the digitally engaged plus those with long term health and financial difficulties. 2. The sample has still to be agreed. 3. Historically response rates have been in single figures. Tens of thousands of emails will need to be sent out to address this. 4. The option exists to do some weighting, possibly using demographic information plus other data sources."	Completed	18.05.22	No
75	Customer engagement (WTP)	Bristol University	Question	17.01.22	NERA & WW	QA response May 22 - These respondents are included but there's a field within the contact database whereby those on Assist and Pensions Credits can be identified. This means Nera can see if this variable has influenced WTP.	Completed	18.05.22	No
76	Customer engagement (WTP)	Surrey University	Question	28.01.22	WW	"Participants will be selected from a sample WW sends over from its billing system. The sample includes various data fields such as postcode, metering, their tariff etc. WW can't provide all of the data QA need for each customer so some of it will come from asking the respondent questions as part of the survey."	Completed	02.02.22	No
77	Customer engagement (WTP)	Bristol University & NatCen	Challenge	01.02.22	QA	"WW would follow BU's suggestions to look at ONS General Household Survey or the Living Costs and Food Survey to identify bill payers and characteristics of the head of household. BU added that it is important to ensure that the achieved sample looks like the original one to correct for biases as a result of response rate."	Completed	02.22.22	No
78	Customer engagement (WTP)	Bristol University	Question	01.02.22	QA	"WW will merge the 'Top-up' sample with the main online dataset as these respondents are similar to the main sample. For the 'Vulnerable customers boost' it may be necessary to apply weighting to this sample to adjust the proportion of these respondents in the overall combined sample. A decision of this would be made at the analysis stage and in consultation with NERA. Boost survey respondents will not be selected from the Wessex customer database and will be double checked to ensure they have not completed the survey already online."	Completed	02.02.22	No
79	Customer engagement (WTP)	Bristol University & NatCen	Challenge	02.02.22	QA	Bristol Water was originally looking to participate but had become wary of not complying with the wording in its charges scheme.	Completed	02.02.22	No
80	Customer engagement (WTP)	Advice UK	Challenge	09.02.22	QA	Agreed - Therefore, the description of this attribute has been revised so the link between raising bills and helping struggling customers is clearer.	Completed	14.02.22	No

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81	Customer engagement (WTP)	Advice UK	Question	09.02.22	QA	These are included to enable analysis by different sub-groups. It's clear to respondents why we are asking these questions and that they can say 'Prefer not to say' to any they are not happy to answer.	Completed	14.02.22	No
82	Customer engagement (WTP)	Surrey University	Challenge	09.02.22	QA	The reference to changes being permanent has been removed as it was felt that is potentially misleading.	Completed	14.02.22	No
83	Customer engagement (WTP)	Surrey University	Challenge	09.02.22	QA	This reference to OFWAT at this point in the survey has been removed as the cognitive interviews also highlighted that wasn't necessary or helpful.	Completed	14.02.22	No
84	Customer engagement (WTP)	Surrey University	Challenge	09.02.22	QA	All the explanatory pages have been revamped so the information we are required to give to respondents before they start the choice exercise is provided in a more logical and sequential way.	Completed	14.02.22	No
85	Customer engagement (WTP)	Surrey University	Challenge	09.02.22	QA	A clearer reference to this has been included in the revamped explanatory pages.	Completed	14.02.22	No
86	Customer engagement (WTP)	Surrey University	Challenge	09.02.22	QA	Agreed – Therefore, the description of this attribute has been revised so the link between raising bills and helping struggling customers is clearer.	Completed	14.02.22	No
87	Customer engagement (WTP)	Wiltshire Citizens Advice	Challenge	09.02.22	QA	We've added a note in the explanatory pages to explain that they will see a summary after making their choices and they can change them if they wish.	Completed	14.02.22	No
88	Customer engagement (WTP)	Wiltshire Citizens Advice	Challenge	09.02.22	QA	After much debate, we've removed references to 'service' and 'service levels' and now refer to 'responses' as this is a better fit with the broad range of topics we're asking about.	Completed	14.02.22	No
89	Customer engagement (WTP)	Wiltshire Citizens Advice	Challenge	09.02.22	QA	This is Q6 and it only comes up if you give a low score at Q5. We've now added a tick box option for 'Don't know' at Q6 to make it easier to progress without needing to leave a verbatim comment.	Completed	14.02.22	No
90	Customer engagement (WTP)	Catchment Panel Chair	Challenge	09.02.22	QA	All the explanatory pages have been revamped so the information we are required to give to respondents before they start the choice exercise is provided in a more logical and sequential way.	Completed	14.02.22	No
91	Customer engagement (WTP)	Catchment Panel Chair	Challenge	09.02.22	QA	This has been tested in the qualitative, which has established that this is understood well enough by respondents for them to make a choice. It didn't cause a problem in the cognitive testing.	Completed	14.02.22	No
92	Customer engagement (WTP)	Catchment Panel Chair	Challenge	09.02.22	QA	WW agreed that it was not clear enough to respondents that the cumulative impact of all their choices would be shown to them and that they'd be able to amend their choice if they wished. Therefore, a note about this has been added in.	Completed	14.02.22	No

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93	Customer engagement (WTP)	NatCen	Challenge	09.02.22	QA	<p>"1. Prize Draw - There are 2 additional questions at the very end of the survey where respondents can opt-in to the prize draw and leave their contact details.</p> <p>2. Bill increase information - We've opted not to do this, to minimise the amount of numbers shown on screen. It wasn't brought up as a problem in the cognitive testing.</p> <p>3. Sewer flooding information - this was an error that we'd spotted but didn't have time to amend in the test version. It has now been updated.</p> <p>4. Net zero definition - On balance it has been decided not to include this.</p> <p>5. Supply interruption information - In the cognitive this didn't seem to add clarity, so we don't propose to include it.</p> <p>6. Decimalisation of bill information - Agreed - all bill figures will be shown to 2 decimal places throughout the survey."</p>	Completed	14.02.22	No
94	Customer engagement (WTP)	CCW	Challenge	09.02.22	QA	This refers to 'Helping customers experiencing financial difficulty' - the description has been updated to make this link clearer.	Completed	14.02.22	No
95	Customer engagement (WTP)	CCW	Challenge	09.02.22	QA	This refers to 'Reducing lengthy water supply interruptions' - it is felt that the inclusion of lengthy is an important qualifier here.	Completed	14.02.22	No
96	Customer engagement (WTP)	CCW	Challenge	09.02.22	QA	This refers to 'Improving river and coastal water quality' - The levels included in the survey reflect the current situation and what could be achieved in 2025-30. Additional explanation has been included to flag that some chemicals are out of its control.	Completed	14.02.22	No
97	Customer engagement (WTP)	CCW	Challenge	09.02.22	QA	This refers to 'Reducing wastewater pollution incidents' - Agreed. Amended as suggested.	Completed	14.02.22	No
98	Customer engagement (WTP)	CCW	Challenge	09.02.22	QA	This refers to 'Achieving net zero carbon emissions' - we've added units to add more clarity and removed references to 20-35 which were proving confusing.	Completed	14.02.22	No
99	Customer engagement (WTP)	CCW	Challenge	09.02.22	QA	This refers to 'Improving water quality' - It hasn't been possible add any further detail to this. However, the cognitive testing demonstrated that respondents were able to make a choice here without additional detail.	Completed	14.02.22	No
100	Customer engagement (WTP)	CCW	Challenge	09.02.22	QA	This refers to 'Supporting nature & wildlife' - the responses have been amended to now refer to 'wetlands and woodlands'.	Completed	14.02.22	No
101	Customer engagement (WTP)	CCW	Challenge	09.02.22	QA	This refers to 'Reducing Internal & External Sewer flooding' - it has been decided that this amend is not necessary.	Completed	14.02.22	No
102	Customer engagement (WTP)	CCW	Challenge	09.02.22	QA	"N change made after discussion. Decided that knowing where WW currently is and what the current bill buys is really important in customers' decisions on whether to pay more in this area."	Completed	14.02.22	No

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103	Customer engagement (WTP)	CCW	Challenge	09.02.22	QA	This refers to 'Taking water out of rivers & streams' – after significant discussion it's been agreed that this wording is the best fit and most accurately reflects what Wessex can deliver.	Completed	14.02.22	No
104	Customer engagement (WTP)	Chair	Challenge	09.02.22	QA	These responses have been updated to now refer to 'wetlands and woodlands'.	Completed	14.02.22	No
105	Customer engagement (WTP)	CCW	Challenge	09.02.22	QA	Services received from Wessex and other water companies are included as a field on the contact sample which allows us to include some text substitutions at appropriate points. The analysis will reflect differences by services received.	Completed	14.02.22	No
106	Customer engagement (WTP)	CCW	Challenge	09.02.22	QA	We'll know this from a field on the contact sample provided by Wessex, so there's no need to ask it.	Completed	14.02.22	No
107	Customer engagement (WTP)	CCW	Challenge	09.02.22	QA	After considerable debate, these have now been renamed as 'topics'.	Completed	14.02.22	No
108	Customer engagement (WTP)	CCW	Challenge	09.02.22	QA	All the explanatory pages have been revamped so the information we are required to give to respondents before they start the choice exercise is provided in a more logical and sequential way.	Completed	14.02.22	No
109	Customer engagement (WTP)	CCW	Challenge	09.02.22	QA	QA response - The explanatory screens were substantially revamped after these and other comments. There was a debate about the suggestion that any changes would be permanent and it was agreed to drop this reference.	Completed	18.05.22	No
110	Customer engagement (WTP)	CCW	Challenge	09.02.22	QA	We've opted not to do this as the cognitive testing didn't flag this as necessary.	Completed	14.02.22	No
111	Customer engagement (WTP)	CCW	Challenge	09.02.22	QA	The calibration has been discussed in detailed and agreed by Wessex & NERA. The large differential between Option 3 and Option 4 is deliberate.	Completed	14.02.22	No
112	Customer engagement (WTP)	CCW	Challenge	09.02.22	QA	Services received from Wessex and other water companies are included as a field on the contact sample which allows us to include some text substitutions at appropriate points. The analysis will reflect differences by services received.	Completed	14.02.22	No
113	Customer engagement (WTP)	Bristol University	Challenge	09.02.22	QA	The calibration has been discussed in detail and agreed by Wessex & NERA, so there's no appetite to amend it. The large differential between Option 3 and Option 4 is deliberate and required to generate the modelling.	Completed	14.02.22	No

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114	Customer engagement (WTP)	Bristol University	Challenge	09.02.22	QA	Services received from Wessex and other water companies are included as a field on the contact sample which allows us to include some text substitutions at appropriate points. The analysis will reflect differences by services received.	Completed	14.02.22	No
115	Customer engagement (WTP)	Bristol University	Challenge	09.02.22	QA	This has been updated so the choices refer to 'wetlands and woodlands' to better align with the attribute description.	Completed	14.02.22	No
116	Customer engagement (WTP)	Bristol University	Challenge	09.02.22	QA	It has been decided not to include a definition of Net Zero because there is sufficient understanding about carbon emissions for respondents to make a choice here. Removing the reference to 2035 (which caused confusion) and adding units for emissions has made the description easier to understand.	Completed	14.02.22	No
117	Customer engagement (WTP)	Bristol University	Challenge	09.02.22	QA	This was not flagged up as a problem in the cognitive interviews and after discussion regarding this, it has been agreed not to amend the descriptions.	Completed	14.02.22	No
118	Customer engagement (WTP)	Bristol University	Challenge	07.03.22	WW	"WW referred to para (5.1) in the report published by Accent for the Ofwat ODI rates research. WW agreed to provide assurance the sample was representative of its customers. Update: Challenge addressed in WTP report page 29."	Completed	09.02.23	No
119	Customer engagement (WTP)	Catchment Panel Chair	Question	07.03.22	WW	EA and DWI are members of the Steering Group but haven't raised any material points as yet. The current research is designed to set the ODI rates for the common PCs.	Completed	07.03.22	No
120	Customer engagement (WTP)	Bristol University	Challenge	07.03.22	WW	WW fully understands that the overall sample has to match the company's overall customer profile. NERA have reworked the sample profiles where available in response to BU's concerns.	Completed	07.03.22	No
121	Customer engagement (WTP)	Bristol University	Question	07.03.22	WW & QA	"WW confirmed that there will be 100 face to face with more vulnerable customers including the digitally excluded and 100 top ups to fill any gaps in the overall profile. The 1,500 household sample includes both. Update: Question addressed in WTP report pages 29/30."	Completed	09.02.23	No
122	Customer engagement (WTP)	NatGen & Bristol University	Challenge	07.03.22	WW	"WW referred to para (5.1) in the report published by Accent for the Ofwat ODI rates research. Below is the summarised content of a slide they've presented previously at a steering group. WW agreed to provide assurance the sample was representative of its customers. Update: Challenge addressed in WTP report page 29."	Completed	07.03.22	No

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123	Customer engagement (water efficiency and metering)	BU asked who within each household would be participating in the metering/efficiency research.	Bristol University	Challenge	07.03.22	WW	“WW said that anyone can join in but often there is a lead person in a household who might drive behavioural change. WW agreed that more understanding is needed in order to use the right language to target specific customer segments including within households. Update. Research completed successfully, shared with CCG at sub group and published. Expert research agency took this comment on board in their approach.”	Completed	07.03.22	No
124	Customer engagement (water efficiency and metering)	The link between consumption at home and embedded water in other services was mentioned. How is the industry bringing water use in the round into its thinking?	Catchment Panel Chair	Question	07.03.22	WW	WW replied that it wants to bring non-household consumption into its planning and not have a household per capita consumption regulatory target. It is uncertain whether smart metering would in fact help this.	Completed	07.03.22	No
125	Customer engagement (WTP)	It was noted there had been a positive WTP for environmental improvements. This may have been swayed by the recent publicity relative to other service elements (including pollution from CSOs).	Catchment Panel Chair	Question	08.06.22	NERA	It is considered to be representative as respondents had been asked how they had made discussions when choosing options. On wastewater pollution there was no evidence of a particular strength of feeling as compared to other environmental attributes.	Completed	08.06.22	No
126	Customer engagement (WTP)	The CCG’s previous concerns over contacting certain groups, for example the digitally disengaged, and then combining the results with the rest were raised.	Chair	Challenge	08.06.22	QA	“Making the choice exercises self-completion aims to limit the differences between the face to face and online research methodologies. Preliminary analysis of the results shows that, any differences between the vulnerable sample and others, seem likely to be related to vulnerability.”	Completed	08.06.22	No
127	Customer engagement (WTP)	The results from the questions posed to householders show that most customers don’t struggle to pay their bill. Had the vulnerable groups differed on this?	Wiltshire Citizens Advice	Question	08.06.22	QA	There had been some difference in responses from the vulnerable groups, but these were not significantly. The water bill seems to be less problematic than electricity or gas.	Completed	08.06.22	No
128	Customer engagement (WTP)	“Responses to email questions posed to the CCG by NERA & QA. Six participants is too small a number to achieve an adequate demographic mix for the groups to be genuinely “deliberative workshops.” There should be some sort of access to ‘expert’ speakers or evidence for the workshops to be considered deliberative at all. Combining status quo and bill profiling is absolutely fine, as long as the sessions are long enough to allow for covering both.”	NatCen	Challenge	17.06.22	WW	“WW agrees these aren’t deliberative so it’ll rename as focus groups. Originally WW had intended to explore some of the environmental attributes further as part of some stage 2 work and that was deliberative with presentations and members of the team there etc. WW has delayed that until Ofwat publish their PR24 methodology and understands more about the common performance commitments.”	Completed	17.06.22	No
129	DWP data sharing	Has there been progress on direct engagement with DWP over data sharing? How will WW confirm whether a customer is receiving a certain benefit?	Age UK South Glos	Question	27.06.22	WW	Eight water companies (not including WW) are now live having completed a successful pilot exercise. DWP are now engaging with the remaining nine. However, companies will only be able to ask DWP for confirmation of whether a customer is receiving a certain benefit based on their own data. Other companies are getting good success with data matching.	Completed	27.06.22	No
130	Single Social Tariff	Will the plan for a single social tariff (SST) be for a maximum or minimum tariff or harmonisation across all companies.	Bristol University	Question	27.06.22	WW	WW said Defra, CCW and the Welsh Government expect that the SST will replace all local company schemes.	Completed	27.06.22	No
131	Sewage flooding	How have the five WW customers involved had responded. How many customers suffer sewage flooding each year?	Chair	Question	27.06.22	WW	Customers were chiefly concerned about communication around longer-term solutions. Around 200 properties have internal flooding (only 20 of these are due to sewer capacity issues). Typically, some 2,000 external property flooding incidents occur each.	Completed	27.06.22	No

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132	21/22 PC performance	Is WaterUK is assessing the chemical supply risk? Are there competition issues preventing companies working together on chemical production?	Chair	Question	27.06.22	WW	WW confirmed that WaterUK is coordinating the industry response. There may be opportunities for the industry to collaborate on chemical procurement but it's a national and international issue.	Completed	27.06.22	No
133	21/22 PC performance	It was noted that people working from home are using more water there, but less elsewhere.	Wiltshire Citizens Advice	Question	27.06.22	WW	WW agreed and said that overall water into supply is a better measure and has fallen in 21/22 (possibly due to the weather).	Completed	27.06.22	No
134	21/22 PC performance	WW's performance in 21/22 was its best ever but the weather in the year had been generally benign. Where is performance most concerning across the reds and ambers?	Chair	Challenge	27.06.22	WW	External sewage flooding is a particular area where the company is not where it wants to be.	Completed	27.06.22	No
135	21/22 PC performance	Why can't WW increase its school activities to recover the ground lost during the pandemic? It was suggested WW should record the numbers of pupils addressed in assemblies.	Chair/CCW	Challenge	27.06.22	WW	Logistical issues often mean schools don't want to do class sizes of 30. Addressing school assemblies doesn't qualify against this measure. WW has already decided to record the numbers of pupils addressed in assemblies.	Completed	27.06.22	No
136	21/22 PC performance	"There is a staff recruitment and retention crisis in the advice sector which is impacting the number of clients seen. Face to face activities are not recovering post-pandemic."	Wiltshire Citizens Advice & Advice UK	Question	27.06.22	WW	WW is assuming advice agencies' throughput will increase. WW is happy to look at any areas where members feel processes are hindering activity.	Completed	27.06.22	No
137	21/22 PC performance	The slippage in the Value for Money (VFM) PC performance was noted. CCW said WW is about average on VFM, but it has one of the highest bills.	Bristol University	Challenge	27.06.22	WW	The sample size used by Ofwat for this PC is 200 as it comes from the annual CCW tracking survey. The PC survey result is different to WW's own image tracker. CCW publishes national data on Value for Money.	Completed	27.06.22	No
138	21/22 PC performance	"Are pollution incidents in 2021/22 clustered or isolated?"	Chair & Catchment Panel Chair	Question	22.07.22	WW	They were all different with some related to traders' activities, some to isolated bursts on the network for example.	Completed	22.07.22	No
139	21/22 PC performance	Does the two-star EPA rating affects EA's 'favoured status' view of WW's catchment work.	Catchment Panel Chair	Question	22.07.22	EA	The company's serious pollution incident performance won't affect the EA's opinion on WW's good catchment work.	Completed	22.07.22	No
140	PR24 methodology	"How would outcomes be measured in cases where water companies are not the sole contributors? For example, river nutrient quality."	Catchment Panel Chair	Challenge	22.07.22	WW	There is now much more science and modelling in the measurement of nutrients in rivers and identifying the source of them. Determining baselines would come first, then looking at actions taken.	Completed	22.07.22	No
141	Customer engagement (WTP and bill phasing (intergenerational fairness))	"Email response dated 25.08.22 to WW's request for comments on the draft survey and quantitative report. CCW raised nine challenges on the wording of the survey materials."	CCW	Challenges (9)	25.08.22	WW	"WW thanked CCW for its comments on the quantitative element of the research into intergenerational fairness. These were helpful. The study has been paused for now as it is a complicated topic for customers to understand with no understanding of bills and investment, the ongoing media scrutiny on storm overflows, profits and the cost-of-living crisis. WW may decide to launch the survey at a later date or do a broader qualitative exercise where there is the opportunity to properly deliberate the topic and explain to customers how industry investment works. Update. Research did not progress. Included within Ofwat's guidance for Affordability and Acceptability testing of Business Plans. Also to form part of wider public consultation by Wessex Water."	Completed	09.02.23	No
142	Customer engagement (WTP and bill phasing (intergenerational fairness))	BU raised a number of challenges on the qualitative survey including the reliability of the results, participant understanding of the information and recommending a pilot of cognitive interviews to ensure the findings are likely to be meaningful and reliable.	Bristol University	Challenge	26.08.22	WW	"As for 141 above, the study is currently paused. Update. Research did not progress. Included within Ofwat's guidance for Affordability and Acceptability testing of Business Plans. Also to form part of wider public consultation by Wessex Water."	Completed	09.02.23	No

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143	Customer engagement (WTP Stage 2)	Bristol University & NatCen	Challenge (3)	23.09.22	WW	<p>"This needs careful consideration but WW is keen to ensure the research carried out is robust and will be considered by Ofwat.</p> <p>Videos of a minute, perhaps a minute and a half long, with animation are being considered to get the points across in a clear, concise way. Further discussions with the research agency are planned and WW will pass on the CCG's points.</p> <p>A pilot may be worthwhile. It would share the Stage 2 research proposal with the CCG once it's further developed.</p> <p>Update. Research did not progress. Included within Ofwat's guidance for Affordability and Acceptability testing of Business Plans. Also to form part of wider public consultation by Wessex Water."</p>	Completed	09.02.23	No
144	Customer engagement (national engagement)	CCW	Question	23.09.22	WW	<p>Opportunities will be limited as the methodology has been independently peer reviewed and found to be sound for ODI rate setting. It is unclear in the PR24 methodology what Ofwat wants companies to use the ODI rates for compared to their own local research.</p>	Completed	23.09.22	No
145	Customer engagement (national engagement)	Bristol University	Question	23.09.22	WW	<p>It is best to wait until the raw data is received and the modelling code shared. WW has NERA on standby to do analysis if needed.</p>	Completed	23.09.22	No
146	Customer engagement (water efficiency and metering)	NatCen	Question	23.09.22	WW	<p>This sort of insight is fed continuously into the company's BAU engagement and the PR teams. This kind of study is quite intensive and expensive. WW is not sure that it's going to continue with it without trying to apply some of the learning first.</p>	Completed	23.09.22	No
147	Customer engagement (water efficiency and metering)	NatCen	Question	23.09.22	WW	<p>There may be some long-term change such as hot water and showering. WW is now weaving the cost of certain behaviours into more of its messaging.</p>	Completed	23.09.22	No
148	Customer engagement (Image Tracker)	Age UK South Glos	Challenge	23.09.22	WW	<p>The company has the affordability question data going back over time, but the water use question was asked for the first time last quarter. It might be difficult to disaggregate because it is likely to be a combination of the two.</p>	Completed	23.09.22	No
149	Customer engagement (Image Tracker)	Catchment Panel Chair	Challenge	23.09.22	WW	<p>The wording in the Tracker question was considered after a couple more quarters of results at the end of the year when we sometimes make changes. There was evidence that customers had understood the meaning of 'plentiful supplies' because there had been a change in results during the quarter with the driest weather and drought issues in some areas which would be the expectation.</p>	Completed	20.09.23	No
150	Single Social Tariff	Bristol University	Question	05.10.22	WW	<p>It is likely that some of WW's Assist tariff customers may no longer be eligible for help or may get much smaller discounts. CCW and Defra consider that an SST should be stand alone and if there is a need for a local scheme then this should not be funded through a cross subsidy.</p>	Completed	05.10.22	No
151	23/24 charges	Chair	Question	05.10.22	WW	<p>Wages are linked to CPI (which is slightly higher than CPIH). The next wage settlement is currently under negotiation. Power cost increases have been higher than inflation as have chemicals and materials (many of which are linked to energy costs). There have also been increases in debt interest costs.</p>	Completed	05.10.22	No

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152	23/24 charges	Bristol University	Challenge	05.10.22	WW	"WW is planning for an increase in customer contact over the coming months and would welcome BU's ideas for specific groups and the best communication methods to use. Update. Separate meeting held with EK and SW. CCG members generally comfortable with what WW were doing and had some useful suggestions of partners we could also work with. Agreed to further the discussion at the VAP meeting 06.12.22. This was done."	Completed	09.02.23	No
153	23/24 charges	Advice UK	Question	05.10.22	WW	WW noted this.	Completed	05.10.22	No
154	23/24 charges	CCW	Question	05.10.22	WW	The PR24 target was 86,000 by 2025 but this number has been changed in light of the cost-of-living crisis and increases in water bills. The growth in tariffs may mean that the company needs to seek additional cross subsidy support.	Completed	05.10.22	No
155	21/22 PC performance	Report Writer, Bristol University & Chair	Challenge	05.10.22	WW	"WW noted that some targets may have changed over that (five -year) period. WW will bring trend data to the next CCG meeting when the 22/23 mid-year performance will be reviewed. Comparative PCC performance can also be reviewed at this meeting. Update. Information shared at following meeting."	Completed	09.02.23	No
156	Affordability	Bristol University	Challenge	07.12.22	WW	Pelican are contacting customers to explore the reasons why their payments are bouncing. This may lead to those customers changing their payment date or method or additional numbers on social tariffs.	Completed	07.12.23	No
157	PR24 Business Plan	EA	Challenge	07.12.22	WW	WW agreed that such a holistic view is needed and is happening.	Completed	07.12.23	No
158	Tariffs	Age UK South Glos	Question	07.12.22	WW	"WW is concerned that support offered by SST may be insufficient. Defra and CCW have said that local social tariffs will not be allowed. WW is supporting the SST on the assumption it will not be inferior to its current social tariffs. On the second point, WW suggested this could happen when the consultation is published."	Completed	07.12.23	No
159	Vulnerability	Bristol University. Age UK s& Citizens Advice	Challenge	07.12.22	WW	The potential could be large. Councils don't move quickly, however. WW is working well with one council and others are interested.	Completed	07.12.23	No
160	Customer engagement	Chair	Question	07.12.22	WW	SL said the sessions will be in public venues, eg town halls. WW will make them inviting by offering hot drinks. SW suggested the advice sector could host some sessions.	Completed	07.12.23	No
161	Environmental performance	EA	Challenge	07.12.22	WW	The company noted EA's views.	Completed	07.12.23	No

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162	Customer engagement (affordability and acceptability)	NatCen & Chair	Challenge	11.01.23	WW	WW replied that the proposed sampling strategy has been used effectively by Ofwat in the ODI research it has undertaken. It is attempting to achieve a random sample of each water company's customers. WW will have to apply weighting to the results to reflect its customer profile. It may be easier for the CCG to see the detail once Blue Marble's proposal is available.	Completed	11.01.23	No
163	Customer engagement (sustainable abstraction)	Chair	Question	11.01.23	WW	The definitions/scope of the options to reach the sustainable abstraction outcome were developed for the draft WRMP. This will be simplified for customers in this research, which is essentially a theoretical exercise to explore how customers would address the issues.	Completed	11.01.23	No
164	Customer engagement (sustainable abstraction)	Catchment Panel Chair	Challenge	11.01.23	WW	Adaptive planning is the way to address this and WW intends to investigate this in the next AMP. The challenge is translating this into material that customers can understand.	Completed	11.01.23	No
165	Customer engagement (Young People's Panel)	Chair	Challenge	11.01.23	WW	It had been intended to mean 'expect to find' and WW hadn't considered the alternative. WW would review the future use of the term as a result. The company is running another YPP at the moment and when it looks at the wording for the survey, which will run in November 2023, it'll consider this feedback at that time.	Completed	20.09.23	No
166	Customer engagement (Young People's Panel)	Catchment Panel Chair	Challenge	11.01.23	WW	This is an ongoing discussion point for the whole industry. Explaining to customers that the runoff from their properties is part of the wider wastewater and storm overflow situation is regularly woven through our comms and engagement activities.	Completed	20.09.23	No
167	Environmental investment	Catchment Panel Chair	Question	13.01.23	WW	"WW replied that it does and so it will need to find even more money to offset concrete carbon intensive solutions. WW flagged that the challenges presented are not solely an EA issue; Defra and DLUHC (Department for Levelling Up, Housing and Communities) are also creating additional legislation."	Completed	13.01.23	No
168	Environmental investment	CCW	Question	13.01.23	WW	WW replied that this is not how the regulatory funding model works.	Completed	13.01.23	No
169	21/22 PC performance	Chair	Challenge	13.01.23	WW	WW agreed to present the metrics Ofwat compares in future, and the Ofwat service delivery reports were added in post meeting.	Completed	13.01.23	No
170	Long Term Delivery Strategy	Report Writer	Question	13.01.23	WW	Customers will have been consulted on the company's longer-term ambitions. The trigger points will be determined internally due to the complexity of developing the LTDS and the need to follow statutory requirements.	Completed	13.01.23	No
171	Transition expenditure	Report Writer	Question	13.01.23	WW	There will be no effect on bills in this period. The expenditure will be accounted for at the next price review.	Completed	13.01.23	No
172	Customer engagement (sustainable abstraction)	Bristol University	Challenge (9)	19.01.23	WW, NERA & QA	"Qa and Nera took on board most of the CCGs and Wessex Water's comments on the guides. There were a few that they didn't make and they explained the rationale for these."	Completed	02.03.23	No

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Topic	Issue	Raised by	Challenge, Question or Request	Date Raised	Respondent	Outcome, Comments, Responses	Progress	Date Completed	Follow up action required?	
173	Customer engagement (sustainable abstraction)	“CCW raised four challenges and observations via email on the draft research materials.”	CCW	Challenge (4)	19.01.23	WW, NERA & QA	“Qa and Nera took on board most of the CCGs and Wessex Water’s comments on the guides.”	Completed	02.03.23	No
174	Customer engagement (sustainable abstraction)	“EA raised two challenges and observations via email on the draft research materials.”	EA	Challenge (2)	19.01.23	WW, NERA & QA	“Qa and Nera have taken on board most of the CCGs and Wessex Water’s comments on the guides. The final wording is in the discussion guides and the workings of the numbers were provided for clarification.”	Completed	02.03.23	No
175	Customer engagement (sustainable abstraction)	“Who will independently audit the figures on outcomes for each option or is it all set by the company? The reference to dropping pressure in the leakage option may cause customers to think they will get a poorer service. Could this be presented in such a way that gives customers some assurance of minimum pressure at their tap? Agree with EA that the way disruption is presented seems unbalanced in leakage programme vs new reservoir.”	Chair	Challenge	19.01.23	WW, NERA & QA	“These discussions are being used to help us shape the materials we will use in the main quantitative survey so in effect we’re testing out different ways of presenting information to see what customers best understand. We have made sure they’re more balanced which I know the CCG were keen for us to do. After these discussions the infographics will be amended in line with the customers’ comments. Qa and Nera have taken on board most of the CCGs and Wessex Water’s comments on the guides.”	Completed	02.03.23	No
176	A&A testing	AUK asked how the hard to reach, hard of hearing, older customers and those who are unable to attend in person will be included in the research.	Age UK Wiltshire	Question	02.03.23	Blue Marble	BM said that material can be sent to those who cannot attend in person. Accessibility is an important issue. Arrangements are flexible to allow for communication requirements, limited availability and the need for carers to be present.	Completed	07.03.23	No
177	A&A testing	BU recommended that, where two tables are being held at a venue, social groups A, B and C1 be arranged on one table and C2, D and E on another in order to avoid the highly educated dominating the engagement.	Bristol University	Challenge	02.03.23	Blue Marble	BM later responded deliberative events are designed so that respondents are exposed to different views, which is why tables tend to include a mix of people. This helps people to answer as citizens rather than just focus on their own circumstances.	Completed	07.03.23	No
178	A&A testing	Why is there an emphasis on health issues in the categorisation of vulnerability? People could be vulnerable for other reasons.	Bristol University	Challenge	02.03.23	Blue Marble	BM agreed but said the focus on health aligns with Ofwat’s requirements but agreed to respond more fully after the meeting.	Completed	07.03.23	No
179	A&A testing	BU asked why, in Group B, there are two under 45s and six over 45s. She would advocate an equal split.	Bristol University	Challenge	02.03.23	Blue Marble	BM said this is fair challenge that it would consider. WW added it is happy to go with BU’s suggestion if it is feasible.	Completed	07.03.23	No
180	A&A testing	CA asked why it is not planned to engage with vulnerable customers in Salisbury.	Wiltshire Citizens Advice, Bristol University	Challenge	02.03.23	Blue Marble	BM replied that Ofwat set attendance numbers and so engagement with the vulnerable had been planned in one area only. The company is confident that the locations chosen will pull in sufficient samples of participants.	Completed	07.03.23	No
181	A&A testing	BU noted there were to be no face-to-face interviews so how can participants with sight impairment, mental health or literacy problems be engaged?	Bristol University	Challenge	02.03.23	Blue Marble	We think the approach proposed is the right method. We are required to include 8 respondents with health vulnerabilities and proposed that most of these would be in the older age bracket, reflecting the older profile of people with chronic illness and disability in the population as a whole.	Completed	07.03.23	No
182	A&A testing	More detail is needed on how the company intends to recruit non-household participants. The CCG will have to acknowledge in its report that the sample may not be representative.	Bristol University	Challenge	02.03.23	Blue Marble	BM later provided more detail on the non-household recruitment process, consider the extra costs and time implications of adopting increased samples and whether sending reminders to applicants can be built into timetable.	Completed	07.03.23	No
183	A&A testing	EK asked about the statistical effects of over sampling and at what stage BM will cut off applications.	Bristol University	Challenge	02.03.23	Blue Marble	“BM replied that the results will be weighted. BM will not be turning down applications after a certain point. The minimum numbers must be achieved in each of the areas. The Ofwat guidance is clear on this and is based on an expectation that we will, as a result, achieve some 500 completes.”	Completed	07.03.23	No

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184	A&A testing	BU said that not proposing to send reminders to applicants will introduce bias in the sample. BM must maximise the response rate, otherwise skews will occur.	Bristol University	Challenge	02.03.23	Blue Marble	BM later took on board BU's comments about reminders and accepting all responses.	Completed	07.03.23	No
185	A&A testing	"BU said it had fed back previously that the questionnaire is flawed in some cases.. As there will not be a pilot, the company should take stock after say 100 responses to see if the anticipated problems are materialising."	Bristol University	Challenge	02.03.23	Blue Marble	BM said it will be interested to see where BU's concerns lie but there will be early cut off to see that everything is working as intended. The company later ran a pilot study with staff and friends to test the questionnaire. BU later said that it had looked at these and agreed with most of the points made.	Completed	07.03.23	No
186	WINEP & Affordability	In order to keep bills as low as possible, CCW would like to see the company using financial outperformance to offset some of the costs of WINEP and to use nature-based solutions where possible.	CCW	Challenge	03.03.23	WW	"The company is very keen to use nature-based solutions as well as catchment-based solutions. The company is still pushing the regulators hard for these and its advanced WINEP is based on them. The company is doing a lot of work in providing further support for customers. Its proposed outcome target is to have no one in water poverty."	Completed	03.03.23	No
187	Affordability	MS suggested water companies should use some of their profits to fund social tariffs.	CCW	Challenge	03.03.23	WW	This is an ongoing debate within the industry and government.	Completed	03.03.23	No
188	Affordability	CA noted the current reputational risk in the water industry around CSOs and cost and profit in other utility sectors.	Wiltshire Citizens Advice	Challenge	03.03.23	WW	WW agreed the cost and profit issue point was a risk. The company is very nervous about reputational impacts. Investment in statutory obligations and other regulatory expectations total £3bn. There is capital maintenance on top of this.	Completed	03.03.23	No
189	Affordability	There is a need to consider changing the eligibility rules for support. Perhaps there is a KPI to monitor this, in addition to the water poverty PC.	Chair	Challenge	03.03.23	WW	The company wants the eligibility process to improve but data, as well as process improvement, is needed. It believes the water poverty metric is the right one. A good baseline can be set once good data is available.	Completed	03.03.23	No
190	Carbon footprint	CPC questioned the carbon footprint of the various means of delivery and what the company is doing in assessing the carbon impacts of different solutions.	Catchment Panel Chair	Challenge	03.03.23	WW	WW is doing a lot of work in this area. It is looking at the climate, nature, and cost of living crises in the round.	Completed	03.03.23	No
191	Pollution incidents	CPC noted that WW's storm overflow cost per customer is the third highest in the industry and asked what is driving this.	Catchment Panel Chair	Challenge	03.03.23	WW	The cost is arrived at by taking the investment needed and divided by the number of customers. WW has 1,300 overflows (10% of the total) but only 3% of customers. It also has more SSSIs than other areas. WW also considers that it has constructed for future capacity which other companies may not have.	Completed	03.03.23	No
192	Smart meters	What difference will smart metering make to water management, leaks in properties and bills reductions? Does WW helps customers with the cost of dealing with their own leaks?	Chair	Question	03.03.23	WW	The company replied there will be multiple benefits from smart metering. WW also provides financial assistance to customers for fixing their pipework.	Completed	03.03.23	No
193	Leakage	EA asked for confirmation that WW is now targeting meeting government expectations on PCC and leakage.	EA	Challenge	03.03.23	WW	The company confirmed this.	Completed	03.03.23	No
194	Pollution incidents	EA asked if the targeted reduction in pollution incidents, as indicated in the proposed PR24 PC, matches with the company's Pollution Reduction Plan.	EA	Question	03.03.23	WW	WW replied that it's not identical but that the Pollution Reduction Plan is being revised.	Completed	03.03.23	No

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195	A&A testing	"Email from the CCG to WW dated 7 March 23. The CCG had raised a number of challenges on the proposed A&A testing methodology including grouping of participants, accepting additional responses from invitees, sending reminders, sampling and health vulnerability quotas."	Bristol University, NatCen, Chair	Challenge	29.03.23	WW & Blue Marble	WW and BM responded to the challenges and took them on board in the final stimulus materials.	Completed	29.03.23	No
196	A&A testing	"Email from BU to WW discussed at meeting on 29 March 23. BU had raised a number of challenges on the proposed A&A stimulus materials including on the pre-task slides and the deliberative workshop."	Bristol University	Challenges (5)	29.03.23	WW & Blue Marble	WW and BM responded to the challenges and took them on board in the final stimulus materials.	Completed	29.03.23	No
197	Sustainable Abstraction research	BU has real concerns about the 'don't knows' from the survey and that 25% of respondents found it a difficult exercise. BU asked if NERA was concerned about these.	Bristol University	Question	29.03.23	WW	NERA felt that the pilot ran well and that sensible answers were obtained from participants. WW will update the table from the NERA report to show the response to each of the seven questions. WW is also happy to have an offline discussion with BU if there are any residual concerns.	Completed	29.03.23	No
198	Sustainable Abstraction research	CA noted the numbers of respondents who said they regularly struggled to pay their bills.	Wiltshire Citizens Advice	Question	29.03.23	WW	WW noted this and NERA will monitor this further in the main research, which is now live. They are able to compare it to the findings of the ongoing WW tracker survey.	Completed	29.03.23	No
199	PR24 Investment Programme	The RW asked if the proposed £1.1bn capital maintenance is similar in value to that being spent in the current AMP.	Report Writer	Question	29.03.23	WW	WW replied £750m was allowed at PR19. Capital maintenance requirements are increasing because of better asset data and understanding of assets, the need to replace assets built in the last 20-30 years and new technologies generally shortening asset lives.	Completed	29.03.23	No
200	Pollution incidents	It would be useful to know the breakdown of the causes of the serious pollutions and also the category 2s and 3s.	Catchment Panel Chair	Question	29.03.23	WW	WW provided this information on 07.06.23	Completed	07.06.23	No
201	Financing	CCW asked if WW would be expanding its PR19 financial sharing arrangements in PR24.	CCW	Question	04.04.23	WW	WW replied that its existing arrangements would continue as it believes it is already sharing its outperformance fairly with customers through the WW Foundation. Any outperformance arising from debt assumptions made at the price review is already shared through the regulatory rules.	Completed	04.04.23	No
202	Financing	"CPC wondered if there is a way of clarifying company financing, profits, dividends and outperformance sharing for the benefit of customers and pressure groups."	Catchment Panel Chair	Question	04.04.23	WW	MG agreed to see if something could be prepared on this. This was done at the next meeting.	Completed	10.05.23	No
203	Cost Adjustment Claims	When would the work at water recycling centres necessary to meet growth be done? Would it be proactive or responsive?	CCW	Question	04.04.23	WW	WW said it would have to be done before housing development took place but responsive to when housing developments are planned.	Completed	10.05.23	No
204	PR24 PCs	Would the proposed 20% reduction in distribution input by 2037/38 be from savings on PCC and leakage? Would reservoir and other water source options also contribute to DI reduction?	Catchment Panel Chair	Question	04.04.23	WW	These points were discussed further and agreed at subsequent CCG meetings.	Completed	20.09.23	No
205	PR24 PCs	The proposed £1.0m investment in biodiversity seemed to be remarkably low.	Catchment Panel Chair	Challenge	04.04.23	WW	LM agreed this needed review and said that the company is looking again at this. This was discussed again at the next meeting on 10.05.23 and closed out.	Completed	10.05.23	No
206	Pollution incidents	Would there be a separate focus on serious pollution incidents or would the overall reduction plan tackle them?	EA	Challenge	04.04.23	WW	LM replied that serious pollutions were often caused by third parties but agreed to report back to the CCG. This was done at the next meeting on 10.05.23.	Completed	10.05.23	No

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207	Pollution incidents	"Why has the number of incidents caused by human error gone up in recent years? EA has also asked the company for a root cause analysis of pollution incidents."	Catchment Panel Chair, EA	Challenge	04.04.23	WW	Discussed and closed out with information provided at the next meeting on 10.05.23.	Completed	10.05.23	No
208	Cost Sharing	DS considered that companies should be in a position on WINEP in the next few weeks to share costs and the impact on bills.	CCW	Challenge	10.05.23	WW	WW is concerned there is still so much uncertainty and large areas of outstanding confirmation from the EA. The advanced WINEP had been rejected by EA but discussions with EA remain ongoing.	Completed	10.05.23	No
209	WINEP	EA considers that WW's plans relating to nutrient neutrality are not ambitious enough and that the company needs to adopt a best value planning approach to its WINEP proposals.	EA	Challenge	10.05.23	WW	The nutrient neutrality requirements were subsequently revised and the EA will review and comment on them in due course.	Completed	20.09.23	No
210	ODIs	There are significant differences between Ofwat's and the company's marginal benefit rates for water quality contacts. Would the company be referring to its own customer contact rates in the triangulation process.	Chair	Question	10.05.23	WW	WW replied that in the triangulation exercise the company would use its own research alongside Ofwat's marginal benefits to see the impact that it has.	Completed	10.05.23	No
211	Sustainable Abstraction research	Why had randomly generated prices been used in Exercise 1 and what were the ranges of these?	Catchment Panel Chair	Question	24.05.23	NERA	NERA replied that this was to show the range and variability in the price. All methods have different unit costs plus variables in terms of quantity saved. Costs estimates had been stretched by 50%.	Completed	24.05.23	No
212	Sustainable Abstraction research	Has actual WW-generated costs had been used and whether there had been triangulated to confirm accuracy.	CCW	Question	24.05.23	NERA, WW	NERA replied that costs had been provided by WW. WW added that the costs had come from its optioneering process being used for the Business Plan and audited as part of the overarching assurance process.	Completed	24.05.23	No
213	Sustainable Abstraction research	Had the impacts on communities and local businesses had been accounted for in the costs.	Chair	Question	24.05.23	WW	WW replied that the optioneering includes the assessment of environmental and social benefits.	Completed	24.05.23	No
214	Sustainable Abstraction research	"Had participants perceived the reservoir option differently because it reflects a water take from the environment rather than water saving covered by the other four options."	Catchment Panel Chair	Question	24.05.23	WW	NH replied that such a difference of perception hadn't been found in the qualitative research.	Completed	24.05.23	No
215	Triangulation and Synthesis	CCW considered that a peer review on the work would carry more weight with Ofwat than the CCG's report on it. The Chair agreed but said it is up to the Board to decide.	CCW, Chair	Challenge	24.05.23	WW	Ofwat expects all companies to use their ODI rates, or a company must provide robust and compelling evidence as to the rates that they wish to use, if proposing their own. As Wessex Water is now proposing to use Ofwat's rates, then Ofwat's need for the supporting evidence and any associated assurance is less. Wessex Water has however sought assistance through SIA Partners, the company used by Ofwat to develop the best practice framework and approach to triangulation.	Completed	04.09.23	No
216	Your Water, Your Say	The Chair asked about how the session had been publicised and had this been prescribed by Ofwat.	Chair	Question	24.05.23	WW	Timelines and wording had been prescribed together with some suggestions on channels. CC will compare approaches and look at results and demographics to identify best practice and inform the next sessions.	Completed	24.05.23	No
217	Social Tariff Cross Subsidy	Had the research included information on how social tariffs are used and who benefits from them?	Chair	Question	24.05.23	WW	WW replied that participants were told about current schemes and the eligibility criteria. Participants were asked if they would like to pay for more support. They weren't asked about the tariff design.	Completed	24.05.23	No
218	Pollution incidents	CPC asked if the company reconsiders the provision of standby pumps and auxiliary power supplies in the light of near miss pollution incidents.	Catchment Panel Chair	Challenge	07.06.23	WW	The company takes a risk-based approach to the provision of back up pumping and power supplies. WW has reviewed its power strategy following last year's storms and is increasing the provision on onsite power generation.	Completed	07.06.23	No

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219	22/23 PC performance	Chair	Challenge	07.06.23	WW	WW replied that the industry needs more years' experience to be able to ascertain this. The company's LTDS (Long Term Delivery Strategy) and WRMP (Water Resource Management Plan) consider the effects of climate change.	Completed	07.06.23	No
220	22/23 PC performance	Catchment Panel Chair	Challenge	07.06.23	WW	WW replied that it understands the point that is being made however, in this case WW achieved a good balance as demonstrated by outperforming its leakage target, delivered the water efficiency improvements and outperforming the two AIM PCs.	Completed	07.06.23	No
221	22/23 PC performance	Chair	Challenge	07.06.23	WW	WW replied that it is above the industry average.	Completed	07.06.23	No
222	Young Peoples' Panel	Wiltshire Citizens Advice	Challenge	07.06.23	WW	The topic of where the young people are getting their news and information from (i.e., trusted sources and voices) will be covered in a discussion session with the YPP during their Day 1 activities with us.	Completed	04.09.23	No
223	A&A testing	CCW	Question	14.06.23	WW	Blue Marble said that the main issues for people were the size of the investment in smart meters and storm overflows as well as the pace of eliminating poverty. The company must take the findings from this research into account when developing its proposed Plan further.	Completed	14.06.23	No
224	A&A testing	Report Writer, Chair	Question	14.06.23	WW	Blue Marble replied that it was quite hard to know how people got on with the pre-read material. It felt the balance between pre-read and in-session information was about right and that the sessions went well.	Completed	14.06.23	No
225	A&A testing	Report Writer	Question	14.06.23	WW	BM replied that overall, the sample was as good as the Ofwat methodology would allow. Age bias is always a problem, with fewer younger people participating. There were no issues with mixing up income levels on the tables.	Completed	14.06.23	No
226	WRMP	CCW	Question	14.06.23	WW	The modelling indicates that 450,000 installations in AMP8 and further rollouts in AMP9 and beyond would satisfy the challenges and still be on course to meet the long-term targets. Leakage is still targeted to be reduced by 50% by 2050. The smart meter installation programme would now be more back-end loaded.	Completed	14.06.23	No
227	Social Tariffs	CCW	Challenge	14.06.23	WW	Profit levels are regulated, and the company already returns outperformance payments to customers through the Wessex Water Foundation.	Completed	14.06.23	No
228	A&A testing	Chair	Challenge	14.06.23	WW	All previous research, prior to AAT, has influenced the plan contents and creates that golden thread to the proposed plan that was tested in the qualitative phase of AAT. The AAT results are then used to tweak this proposed plan.	Completed	14.06.23	No
229	Biodiversity	Catchment Panel Chair	Challenge	30.06.23	WW	The company is still reviewing the BAP and will be firming it up over the next couple of weeks. It will look again at the presentation within the document. It subsequently did this.	Completed	20.09.23	No
230	Business Plan	Chair	Challenge	30.06.23	WW	The executive summary and draft main narrative along with some of the key appendices has been shared with the CCG. As documents are updated, fresh versions are being shared.	Completed	04.09.23	No

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231	Greenhouse gases	"In the light of the changes in the rules for reporting greenhouse gases, could a metric be presented as if the rules hadn't changed?"	Catchment Panel Chair	Challenge	30.06.23	WW	The company plans to report three different GHG measures, including against the previous definition, so comparisons can be made.	Completed	30.06.23	No
232	Business Plan	How does the company's plans to scale back some investment because of the A&A testing feedback sit with government requirements?	CCW	Challenge	30.06.23	WW	The revised CSO plan meets statutory requirements (the original plan went beyond them) and revised smart metering programme meets government requirements and is still a large increase compared to current activity.	Completed	30.06.23	No
233	Smart meters	Is the cost of smart metering to the company the main consideration or has the company considered the customer perspective?	Wiltshire Citizens Advice	Question	30.06.23	WW	Data show that in a drought, smart meter customers have been using more water. The company is looking at whether it can re-purpose dumb meters to provide customers with usage information to reduce consumption.	Completed	30.06.23	No
234	Smart meters	The revised smart metering programme reduces proactive installations in rural areas. Would a vulnerable customer in a rural area get a smart meter if requested?	Chair	Question	30.06.23	WW	The company will review such requests on a case-by-case basis. There are a variety of technologies that can be used in rural areas and the company will have to consider bespoke approaches where possible.	Completed	30.06.23	No
235	Water quality contacts	Customer contacts about water quality 2030 target is now less ambitious despite investment plans increasing from £20m to £40m. Why is this?	CCW	Challenge	30.06.23	WW	There are new DWI requirements to meet and the need to be more proactive on dealing with contacts.	Completed	30.06.23	No
236	Sewer flooding	The 2030 target for internal sewer flooding is now less ambitious, whereas the external sewer flooding is now more ambitious. Is this in response to the Ofwat ODI rates?	CCW	Question	30.06.23	WW	External sewer flooding is seen as a higher priority than before. The latest ODI rates also have an impact, for example the rates for external flooding are now much higher.	Completed	30.06.23	No
237	Pollution incidents	Total pollution incidents target is now less ambitious, but expenditure proposed has increased from £20m to £80m. Why is this?	CCW	Challenge	30.06.23	WW	Discussions are ongoing on this. The company is now more certain of the costs (£80m more reliable than £20m). The increased cost partly reflects the requirement to do continuous river water quality monitoring.	Completed	30.06.23	No
238	Sewer collapses	Sewer collapses target is now less ambitious – why is this?	CCW	Challenge	30.06.23	WW	The company is happy with the revised number as the previous value was an early estimate and may have been derived on a different basis.	Completed	20.09.23	No
239	C-Mex	The Chair referred to C-Mex and asked if the company has investigated where investment is needed.	Chair	Question	30.06.23	WW	This work is still in its early stages. It's clear that customers generally want more information and control over contacts, for example like parcel deliveries.	Completed	30.06.23	No
240	PCC	How confident is WW in achieving its PCC targets, given that the PCC of smart-metered customers is rising during droughts.	Catchment Panel Chair	Question	30.06.23	WW	Large savings from smart metering are not being assumed. Compulsory metering will have more impact. Most of the benefit to PCC will come from mobilising customers to be part of the solution.	Completed	30.06.23	No
241	Deliverability	CA asked if the company intends to leverage apprenticeships and use local companies as well as national contractors.	Wiltshire Citizens Advice	Question	30.06.23	WW	The company will do so on the smaller elements of the programme.	Completed	30.06.23	No
242	Deliverability	The Report Writer asked about the capacity and appetite of contractors given that all water companies are ramping up programmes, as are other sectors.	Report Writer	Question	30.06.23	WW	WW is in a strong position because of its large internal engineering team.	Completed	30.06.23	No
243	Triangulation and Synthesis	BU asked how many engagement data sources were used and whether it is usual to have so many sources.	Bristol University	Question	05.07.23	WW	Sia replied that 17 different internal research sources were being used for the first iteration, plus nine additional sources from CCW and Ofwat research. Sia confirmed that it is usual to have this number of sources.	Completed	05.07.23	No

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244	Triangulation and Synthesis	BU noted the apparent poor level of engagement evidence relating to vulnerable customers.	Bristol University	Question	05.07.23	WW	Data from WW's stakeholder engagement will also be fed in.	Completed	05.07.23	No
245	Triangulation and Synthesis	Would meetings such as VAP class as non-robust evidence in this context?	Bristol University	Challenge	05.07.23	WW	Sia accepted this is a fair challenge and perhaps such evidence has been under-weighted. Update - The use of stakeholder engagement and how it can feed into the triangulation was discussed with Sia. It has now been included and reference is made to it in the Sia report provided as an appendix to the business plan.	Completed	04.09.23	No
246	Triangulation and Synthesis	"Is the company going to be able to get more information on the amber and reds on the evidence chart associated with environmental matters in the time available?"	Catchment Panel Chair	Question	05.07.23	WW	The company hopes to, particularly through the A&A work. The Catchment Panel is an excellent engagement source, similar to the VAP.	Completed	05.07.23	No
247	ODI rates	It is important that the Group satisfies itself of the approach so it may support the company if it chooses to challenge the Ofwat ODI rates.	Chair	Challenge	05.07.23	WW	The company commissioned the Sia work so it can challenge Ofwat if necessary. WW also has another company looking critically at Ofwat's methodology.	Completed	05.07.23	No
248	Triangulation and Synthesis	"There is concern over the potential downgrading of some data sources, e.g. the VAP and CP. Perhaps it could be included without assigning a RAG rating. BU added that it's the rating of the engagement that's important."	Bristol University & NatCen	Challenge	05.07.23	WW	The methodology is the best practice published by CCW but perhaps it could be included in the narrative. Update: The use of stakeholder engagement and how it can feed into the triangulation was discussed with Sia. It has now been included and reference is made to it in the Sia report provided as an appendix to the business plan.	Completed	04.09.23	No
249	Social tariff research	BU asked if there has been reweighting for the apparent oversampling of Bristol Water customers.	Bristol University	Challenge	05.07.23	WW	The company checked this and BU was content with the outcome.	Completed	05.07.23	No
250	Social tariff research	Can feedback from the A&A research around affordability be compared with the social tariff research?	Chair	Challenge	05.07.23	WW	All research that includes customers' views on their finances and affordability of bills is feeding into the triangulation exercise. Customers' views are differing over time often linked to the timing of government support, changes in energy bills etc.	Completed	04.09.23	No
251	Pollution incidents	How would a smaller CSO programme would sit with customers? Would WW be making it clear to them that it is the government and EA that are directing this. ?	Catchment Panel Chair	Challenge	25.07.23	WW	Customers had some nervousness that £550m was going to be spent on CSOs. The reduction is a phasing exercise with the total programme being done over a longer timeframe. The partnership work will be retained.	Completed	25.07.23	No
252	Price Control Deliverables	Why have PCDs have been introduced?	Catchment Panel Chair	Challenge	25.07.23	WW	Ofwat is concerned companies may not deliver because of the scale of the investment programmes are going to be much larger. It sees PCDs as a means of protecting customers.	Completed	25.07.23	No
253	PC targets	How will the CCG will be able to assess the degree of stretch and ambition in the targets?	Report Writer	Question	25.07.23	WW	The company will explain this in its accompanying narrative.	Completed	25.07.23	No
254	Investment programme	Does the company believe it had set the investment at a level that will maintain current asset health and levels of service.	Catchment Panel Chair	Challenge	12.09.23	WW	"It had but there is always a risk of deterioration. Investment will have to be increased steadily over the longer term. While investment in sewerage looks to be at an appropriate level, water mains replacement rate needs to be higher."	Completed	12.09.23	No
255	Investment programme	CCW asked for clarification on the lifting of restrictions on housing development contained in the Defra guidance letter.	CCW	Question	12.09.23	WW	Local authorities now don't have to assume that the development will make things worse but that any additional pollution will be removed sometime in the future.	Completed	12.09.23	No

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256	Deliverability	Report Writer	Question	12.09.23	WW	The company has been engaging with its prospective partners for some time and things are progressing well.	Completed	12.09.23	No
257	Deliverability	CCW	Challenge	12.09.23	WW	WW is not doing this but that there will be more collaboration with partners and increased risk management.	Completed	12.09.23	No
258	Draft Business Plan narratives	Wiltshire Citizens Advice	Challenge	18.09.23	WW	The company has been very challenged by this. It has been adopting alternative approaches within its statutory requirements wherever possible to make the programme more affordable but the tension still remains that there is a lot required in law.	Completed	18.09.23	No
259	Investment programme	Bristol University	Challenge	18.09.23	WW	The company noted this view.	Completed	18.09.23	No

PROGRESS KEY:

Green = No further action required

Blue = Change made as result of challenge