

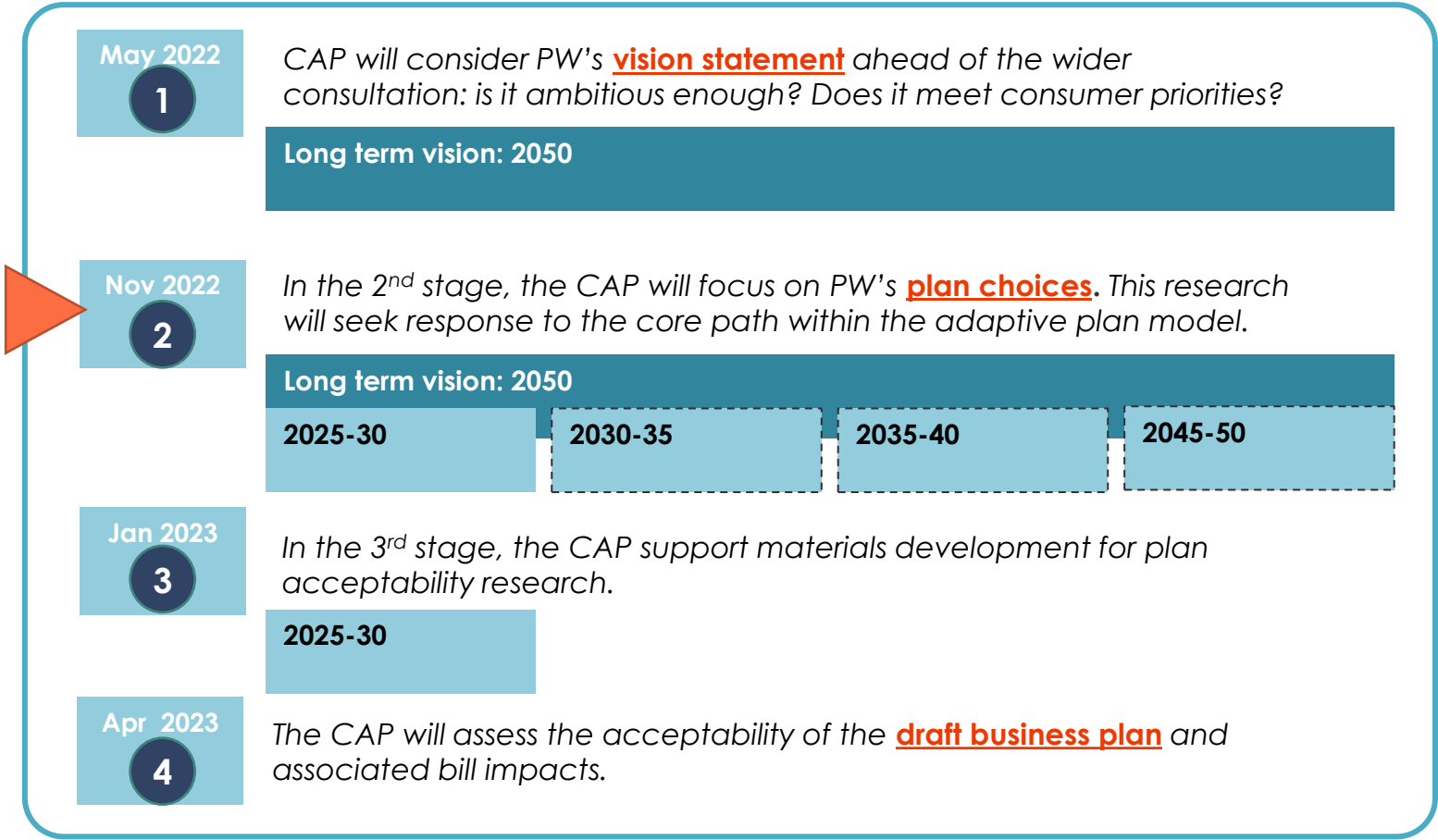
# Customer Advisory Panel – Report 2

## Response to Portsmouth Water's plan choices

December 2022



- The Customer Advisory Panel (CAP) is designed to be an (increasingly) ‘expert’ citizen sample of Portsmouth Water’s (PW’s) customers and future customers.
- Recruited to meet/engage 4 times during PR24 programme.
- The plan is to use the CAP to consult customers on:
  - The long-term vision
  - Long term plan choices
  - Materials development
  - The draft business plan: is the 5-year plan acceptable to customers as the start of the 25-year trajectory?



Household sample: 4 x 90-minute focus groups	
ABC1	5 people
C2DE	5 people
Future customers	3 people
Vulnerable customers	4 people
Non-household sample: 5 x 60-minute depth interviews	
NHH	4 people

## Future customers group

- Included a mix of young people who live with their parents and/or currently at university.
- They know very little about Portsmouth Water or water in general – as this is a topic they haven't had to think about or engage with till now.
- They are a very price conscious group, with rising costs and price increases being a top of mind concern for them, both in general and in the context of household bills. Though not yet bill payers, they are worried potential sharp increases to household bills could make them hard to deal with in the future.

## Vulnerable customers group

- Included customers with financial vulnerabilities (i.e. on low income, who have recently lost their job, living in temporary accommodation).
- And customers in households with health vulnerabilities (including mental health issues).

## NHH customers included:

- A livestock farmer using water in their business for animal welfare.
- A diversified farm: mixing some crop production, renting part of their land, running 3 holiday lets, using water for all of their business operations.
- The owner of an engineering business.
- The owner of a community interest company helping vulnerable people learn how to frame pictures.

**Fieldwork dates: 22<sup>nd</sup> November – 9<sup>th</sup> December 2022.**

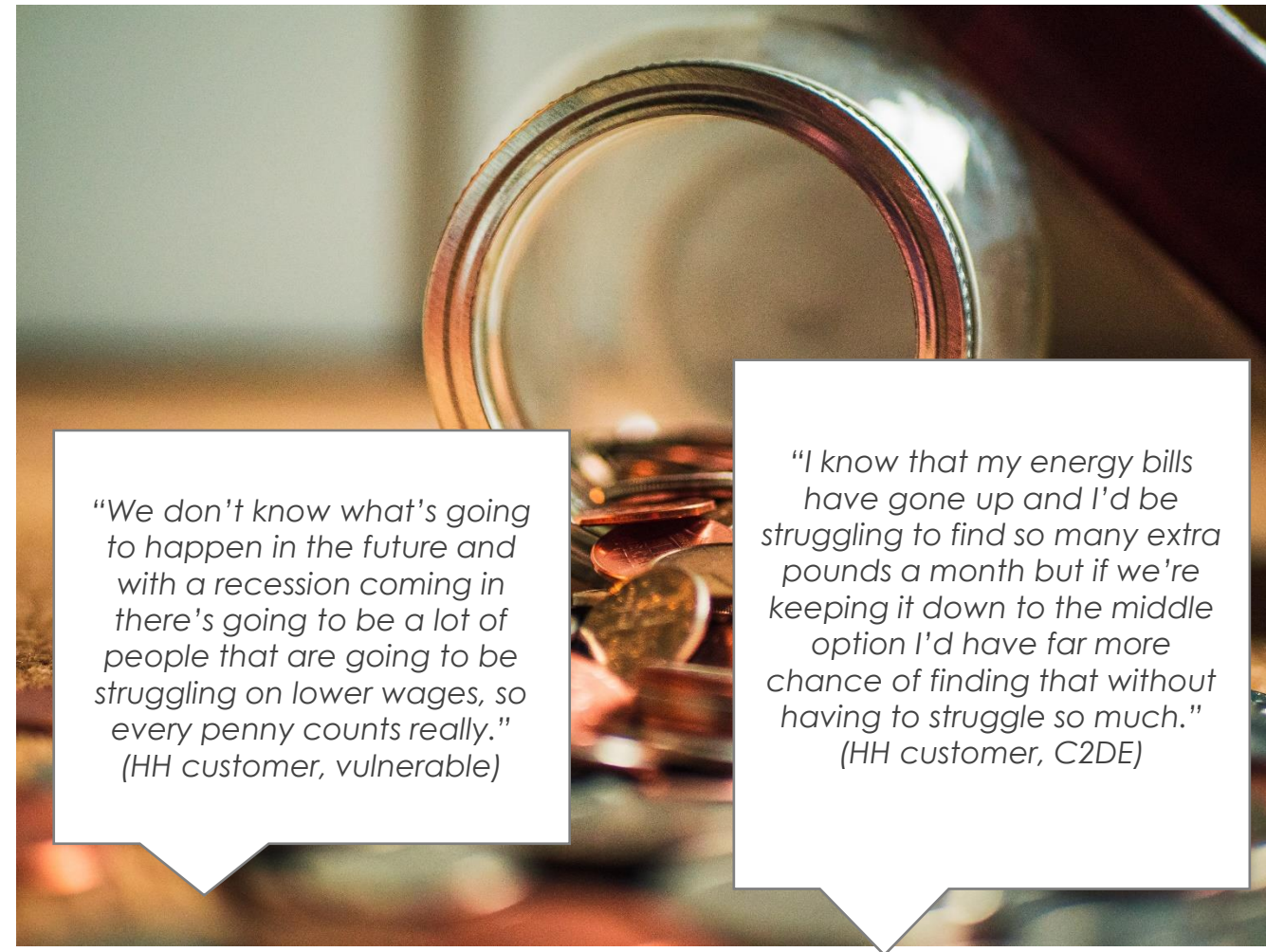


# CAP Context





- Sense of concern about finances is further exacerbated by energy crisis and rising cost of living in this wave of the CAP research programme.
- Customers bring up sharp price and bill increases across a range of products and services they consume, and feel strongly impacted by these changes in relation to their disposable income.
- As a result, they are far less receptive to the idea of bill impacts on their water bill, particularly in relation to plans they see as part of PW's business as usual activities or as the responsibility of others (e.g. Government, Local Authorities).



Less positive reactions



More positive reactions

- **Vulnerable customers are more critical towards PW's plans.**
  - They are more concerned about the impact of bill increases.
  - They feel that they don't have enough information and the required understanding to be able to assess PW's plans, and indicate the appropriate level of investment at this stage.
- **BC1 customers are also sceptical of PW's plans.**
  - They feel that the plans are lacking detail.
  - And they are suspicious of this lack of specificity, in some cases thinking it might be deliberate.

*"Insufficient information in order to arrive at a valid opinion for many of these decisions."  
(HH customer, BC1)*

- **Future and C2DE customers seem to be more neutral / accepting of PW's plans.**
  - This is mainly due to being surprised to find out about the scale of PW's planning for the future.
  - They also see it as a good thing that PW is planning for the long term, and recognise that some of its targets demonstrate its ethical and sustainable values (e.g. biodiversity, social tariff).
- **However, they also raise questions and would require more information and specificity.**

*"It's interesting to find out that Portsmouth Water are looking to the future."  
(HH customer, C2DE)*

- **NHH customers seem to be more aligned with PW's plans.**
  - As they also need to plan ahead for their business and are already thinking about relevant issues themselves (e.g. net zero, reducing consumption).

*"Becoming carbon neutral is something we're fully aware of as a business."  
(NHH customer)*

A hand with dark nail polish holds a yellow sticky note in the bottom right corner. On a grey wall behind it are seven other yellow sticky notes arranged in a 3x3 grid, with the bottom-right position being empty.

# Reactions to Portsmouth Water's plans



# Summary of customers' views and priorities regarding Portsmouth Water's plans

Reducing leakage		Smart metering		Lead pipe replacement		Net zero	
Reducing leakage by 50% by 2040, 10 years ahead of industry commitment		Support customers to reduce personal water usage by 25%. Deliver universal domestic smart metering by 2040. No customers will experience restrictions on their water use, even in a severe drought		All schools and homes to have access to water with no exposure to lead by 2050		To become fully carbon neutral by 2050	
Strong support for plan	Opted for high option	Moderate support for plan	Opted for medium option	Strong support for plan	Opted for high option	Moderate support for plan	Opted for medium option
Enhancing biodiversity		Customer interruptions		Social tariff			
Enhance biodiversity on all the sites we own		Maintain best interruption performance in the industry		Affordable water for all. Always. Water poverty will be eliminated by 2030 and we will share our success with the rest of the industry as part of a UK-wide strategy			
Strong support for plan	Opted for medium option	Moderate support for plan	Opted for medium option	Strong support for plan	Opted for medium option		





# Leakage reduction



# Options explored during CAP sessions



## Leakage reduction

### Low option



**50% reduction by 2050.**

Total cost over 25 years  
= **£104m** (increase of  
£31m, on top of £73m).

Average increase on bill  
per year from 2025 to  
2030 = **c.£0.30.**

### Medium option



**50% reduction by 2040**  
then remain at 50%  
reduction until 2050.

Total cost over 25 years  
= **£129m** (increase of  
£56m, on top of £73m).

Average increase on  
bill per year from 2025  
to 2030 = **c.£0.70.**

### High option



**50% reduction by 2030**  
then remain at 50%  
reduction until 2050.

Total cost over 25 years  
= **£137m** (increase of  
£64m, on top of £73m).

Average increase on  
bill per year from 2025  
to 2030 = **c.£1.70.**



# Leakage reduction seems like an important goal to achieve, but more information is need to properly judge the ambition of the long term vision

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**Long term vision:** Reducing leakage by 50% by 2040, 10 years ahead of industry commitment

Strong support for plan

Opted for high option

- ✓ **Acknowledged as important to ensure water is not wasted – an emotive issue that evokes strong reactions from customers.**
  - ✓ A sense that it would be great if PW could achieve its target even sooner (although they acknowledge the scale of the issue).
  - ✓ Some think this plan might help reduce the likelihood of hosepipe bans.
- ✓ **Information regarding lowest levels of leakage in the country and targets ahead of industry commitments reflects positively on PW.**
- ? **Customers raise some key questions regarding this plan, and would like to see more specific information about current status and plan outcomes.**
  - ? If reducing leakage reduces waste, why would bills go up instead of down?
  - ? What is the percentage of water being lost through leakage currently? This would impact views on the ambition of the long term vision.
  - ? Could these plans dovetail with lead pipe reduction?
  - ? Is it possible for leakage to be eradicated completely?
  - ? Is leakage reduction the lowest in the country due to PW's actions? Or due to geographical reasons?
- ✗ **Losing so much water across the industry feels shocking and counterintuitive, and some feel that more should be done to tackle this issue.**
- ✗ **The lack of concrete figures (e.g. current leakage levels) is seen as misleading by some.**

*"What is the percentage of water leaked at the moment versus what they're going to make it?"  
(HH customer, BC1)*

*"It's always good to be ahead of an industry commitment, for sure isn't it."  
(NHH customer)*

# Critical customers are more suspicious of the perceived lack of information, and challenge PW's claim of being ahead of industry commitments for leakage reduction

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**Long term vision:** Reducing leakage by 50% by 2040, 10 years ahead of industry commitment

## BC1 customers

- Increased suspicion towards the lack of specificity in PW's plans – question if PW is being deliberately misleading.
- Don't feel they have enough information to properly judge the long term vision - "50% of what?".
- Frustrated about the issue of leaks in general - unimpressed by PW being ahead of industry commitments as they don't perceive the industry to be doing enough about this.

*"I think this figure also shows a complete lack of ambition. Because we hit 50% in 2030 and then they're not going to make it any better. Why not make it better over the next 20-years?"*  
(HH customer, BC1)

*"The lack of concrete figures there makes me think that they're trying to hide something. If they're going to commit to a 33% reduction, it's a 33% reduction from what? Some graphs, some concrete figures would be appreciated."*  
(HH customer, BC1)



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# Smart metering



# Options explored during CAP sessions



## Smart metering

### Low option



Smart metering by 2040 with **significant risk of restrictions of water use** in severe drought from 2035 onwards.

Additional cost of **£125m** over next **15 years** for smart metering.

Average increase on bill per year from 2025 to 2030 = **c.£1.60**.

### Medium option



Smart metering by 2035 to **ensure no restrictions of water use** in severe drought.

Additional cost of **£125m** over next **10 years** for smart metering.

Average increase on bill per year from 2025 to 2030 = **c.£3.20**.

### High option



Smart metering by 2030 to **ensure no restrictions of water use** in severe drought and **enhance flows in our rivers and chalk streams**.

Additional cost of **£125m** over next **5 years** for smart metering.

Average increase on bill per year from 2025 to 2030 = **c.£12.10**.

# Customers have mixed reactions to the concept of monitoring and reducing their water usage through smart meters

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**Long term vision:** Support customers to reduce personal water usage by 25%. Deliver universal domestic smart metering by 2040. No customers will experience restrictions on their water use, even in a severe drought

## Moderate support for plan

## Opted for medium option

- ✓ **Customers are able to identify positive implications of smart metering, such as identifying leaks in the system, helping reduce water wastage, and reducing the possibility of droughts.**
- ? **But they question how this plan will be implemented.**
  - ? Could high usage areas be prioritised during the rollout?
  - ? How much does buying and installing a smart meter cost?
  - ? Will technological support and education on water saving tips be provided to maximise efficiency of the rollout?
  - ? Will there be incentives encouraging people to reduce their usage?
- ✗ **They also push back on the high option as £12.10 feels like a disproportionately sharp bill increase.**
- ✗ **Some feel that a 25% usage reduction sounds too ambitious/unachievable as they are already using the minimum amount of water possible.**
- **A few point out that 2040 seems pretty far off, but at the same time recognise the scale of implementing this plan.**

*"People have to be educated and guided on how to reduce. There's got to be an increased level of communication with the wider public."  
(HH customer, C2DE)*

*"I think it's fine but reducing your personal water use by 25% is quite a lot, just thinking about what you might be using the water for."  
(HH customer, BC1)*



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# There are varying degrees of acceptance towards smart metering plans among different customer types, with NHH being more positive across the board



**Long term vision:** Support customers to reduce personal water usage by 25%. Deliver universal domestic smart metering by 2040. No customers will experience restrictions on their water use, even in a severe drought

## BC1 and vulnerable customers

- See the mention of restrictions in the low option as a deliberate “*threat*”, leaving them with no real options other than medium or high.
- Hostile to the idea of restrictions on water usage.
- Concerned about the impact smart meters could have on their bills.
- Feel that smart meters unfairly push responsibility for water saving away from the company and onto the consumer.

## Future and C2DE customers

- Feel that a lack of water restrictions during periods of drought is counterproductive, and would rather see some restrictions during very hot weather to preserve water resources.
- Some also think that this goal is unrealistic given population increases.

## NHH customers

- Feel positively about the possibility of smart meters reducing business usage and therefore decrease bills - especially if water is an integral part of their business.
- One customer had experienced a leak on his farm, and felt that a smart meter would have helped him locate it quicker, and save money in the process.

*“I was going to say ‘No customers experiencing restrictions’ seems unrealistic and the 2040 goal seems a bit far off for what it is.”  
(HH customer, future)*

*“If it drove cheaper bills because they were being accurately metered then that’s got to be a positive.”  
(NHH customer)*





# Lead pipe replacement



# Options explored during CAP sessions



## Lead pipe replacement

### Low option



Increase lead replacement programme to ensure that all schools and homes have access to water with no exposure to lead by **2070**.

Additional cost **over 45** years = **£256m**.

Average increase on bill per year from 2025 to 2030 = **c.£0.70**.

### Medium option



Increase lead replacement programme to ensure that all schools and homes have access to water with no exposure to lead by **2050**.

Additional cost **over 25** years = **£256m**.

Average increase on bill per year from 2025 to 2030 = **c.£1.30**.

### High option



Increase lead replacement programme to ensure that all schools and homes have access to water with no exposure to lead by **2040**.

Additional cost **over 15** years = **£256m**.

Average increase on bill per year from 2025 to 2030 = **c.£2.10**.

# Lead pipe replacement is again an emotive issue, and deemed as very important by most due to its potential health implications, especially for children

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**Long term vision:** All schools and homes to have access to water with no exposure to lead by 2050

## Strong support for plan

## Opted for high option

- ✓ **Customers feel that removing lead and reducing chemical use will have a positive impact on health, particularly for young children – plan evokes emotional response and seen as a priority.**
- ✓ **Recognition that not everyone can afford to have their pipes replaced otherwise, and some customers might not even be authorised to do so or aware of the issue (e.g. tenants of old properties).**
- ? **Customers raise questions regarding the scale of the problem - i.e. how many houses in Portsmouth still have lead piping?**
  - ? They feel it's hard to assess the level of ambition without this information.
- ? **They wonder if schools could be prioritised for lead pipe replacement?**
- ? **Some also have practical questions regarding implementation (i.e. how does PW know which properties still have lead pipes, how will they notify customers that they have lead in their properties)?**
- ✗ **Concern about the potential health impacts of this issue having not been dealt with already.**
  - ✗ Some feel targets should be brought forward and that it should happen sooner (if feasible), due its impact on children.
- ✗ **Complete elimination of lead pipes seems hard to achieve.**
  - ✗ As not everyone will want the disruption of construction work.

*"I'm not sure how realistic it is because I don't know how much work it actually is to replace these."  
(HH customer, future)*

*"It's a relatively important issue but I don't know how big the problem is."  
(NHH customer)*



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# BC1 customers push back on the plan of lead pipe replacement as they feel it's not PW's responsibility to resolve this issue

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**Long term vision:** All schools and homes to have access to water with no exposure to lead by 2050

## BC1 customers

- Think that pipe replacement should be the responsibility of either schools, the government or customers who are directly affected; customer bills shouldn't be impacted.
- Some feel that not enough information is provided in order to assess the scale and importance of the issue.
- A couple query if dosing water with chemicals works, why should the current system be changed?

*"Is this a water authority problem, or a housing stock problem and therefore it should be a problem solved by government?"  
(HH customer, BC1)*

*"There's just so much information missing here that you can't make an informed decision."  
(HH customer, BC1)*



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# Net zero





# Options explored during CAP sessions



## Net-zero

### Low option



To become **fully carbon neutral by 2050**, including net-zero operational carbon by 2030 will cost **£10m**.

Average increase on bill per year from 2025 to 2030 = **c.£0.60**.

### Medium option



To become **fully carbon neutral by 2040**, including net-zero operational carbon by 2030 will cost **£50m**.

Average increase on bill per year from 2025 to 2030 = **c.£2.20**.

### High option



To become **fully carbon neutral by 2030**, including net-zero operational carbon by 2030, will cost **£300m**.

Average increase on bill per year from 2025 to 2030 = **c.£12.20**.

# Customers are weary of bill implications for achieving net zero, and have questions about what this might look like in practice

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**Long term vision:** To become fully carbon neutral by 2050

**Moderate support for plan**

**Opted for medium option**

- ✓ **Customers recognise that this plan is aligned with government objectives to become carbon neutral by 2050.**
  - ✓ They think it is sensible that PW is thinking about this at this stage.
  - ✓ They feel that timelines are realistic and achievable.
- ? **But they flag some questions in relation to operational carbon emissions.**
  - ? Including what is the difference between operational and all carbon emissions?
  - ? What is the current percentage of PW's operational carbon emissions vs the rest?
- ? **They would also like to see more information on how PW is planning to become carbon neutral.**
  - ? What actions this will involve, how they will be measured?
- **Customers push back on the high option for this plan, feeling that the medium, and for some even the low, options are more acceptable.**
  - The cost (£12.20) seems particularly high, especially in the context of further bill increases in relation to PW's other plans.
  - Some point out the the low option is in-line with government guidelines, and therefore adequate.

*I'd like to see what the split is on that (operational), because again that's lacking a little bit of context.  
(NHH customer)*

*"I feel like £12.20 is a lot of money to be paying extra yearly."  
(HH customer, future)*



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# BC1 and vulnerable customers are less supportive of this plan. They see it as vague and not having a direct impact to customers, while they are also conscious of cost implications



**Long term vision:** To become fully carbon neutral by 2050

## BC1 and vulnerable customers

- View this plan as slightly meaningless as they don't understand what net zero means in practice, and how PW is planning to achieve it.
- Feel that there isn't much information included, making the goal seem a bit vague.
- Most opt for the low option as they think about bill implications and the impact of this plan on customers, which doesn't feel particularly direct in this case, as they see it as a corporate objective.

## Future

- Future customers are concerned about cost and opt for the medium option despite being supportive of the overall vision.

## NHH customers

- Whilst NHH customers recognise that the high option is probably the best from a business point of view (due to the importance of the issue), they lean towards the medium option due to high cost implications.
- NHH who work in farming seem to be more supportive of the high option as it feels aligned with what they are prioritising as a business.

*"Lots of companies have these sorts of visions at the moment, they've all set themselves different (targets) to be carbon neutral by a certain date. It's something that we're very much aware of on the farm, our carbon status."  
(NHH customer)*

*"I'm sorry but this is a corporate wish and you're asking the customer to pay for it ... It's something that they should build into their growth plans."  
(HH customer, BC1)*

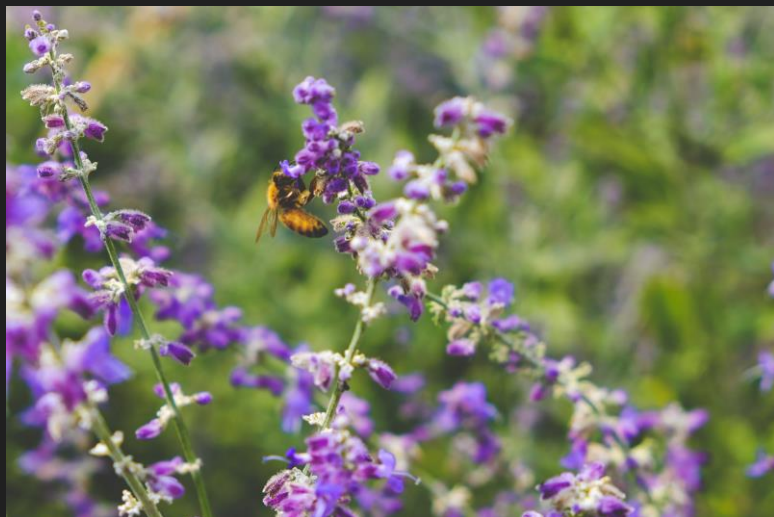




A close-up photograph of several lavender flower spikes. The flowers are a vibrant purple color and are arranged in dense, elongated clusters along green stems. The background is a soft, out-of-focus green, suggesting a garden setting. A semi-transparent teal banner is overlaid across the middle of the image, containing the text "Enhancing biodiversity".

# Enhancing biodiversity

# Options explored during CAP sessions



## Enhancing biodiversity

### Low option



Maintain **current level of biodiversity** for sites we own until 2030 **at no additional cost**.

Average increase on bill per year from 2025 to 2030 = **c.£0**.

### Medium option



Environmental net gain at **key sites** we own by 2030, at additional cost of **£150k per year**.

Average increase on bill per year from 2025 to 2030 = **c.£0.10**.

### High option



Environmental net gain at **all the sites** we own by 2030, at additional cost of **£185k per year**.

Average increase on bill per year from 2025 to 2030 = **c.£0.20**.

# There is strong appreciation for PW's intentions to protect and enhance the environment, but customers want to see more specificity regarding this plan

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**Long term vision:** Enhance biodiversity on all the sites we own

Strong support for plan

Opted for medium option

## ✓ Customers have broadly positive reactions to this plan.

- ✓ It is seen as important to enhance and protect the environment, in an effort to counter the negative impact that we have on the environment more broadly.
- ✓ They appreciate that PW is actively protecting and improving the environment.

## ? However, they feel that this plan lacks specificity, and would like to see more information regarding what it would involve and how it would be measured.

- ? What does 'good status' actually mean?
- ? Can 'environmental net gain' be explained further?
- ? How are they planning to enhance biodiversity? What is PW specifically going to do?
- ? How are 'key sites' identified?

## • While the high option is seen as relatively low cost, many opted for the medium feeling that bill increases are adding up and perhaps more urgent/important issues could be prioritised.

- This is supported by the view that PW is already doing relatively well in this area.

## ✗ There is a sense that the long term vision for this plan is relatively vague, and it is hard to access its level of ambition currently.

*"Who decides 'good' and what is 'good'? One person's good is another person's appalling."  
(HH customer, vulnerable)*

*"It's very generic and not very specific. It just basically says 'we want to do better'".  
(HH customer, future)*



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# Enhancing biodiversity is closely aligned with the priorities of farming businesses



**Long term vision:** Enhance biodiversity on all the sites we own

## NHH customers

- Mixed option preferences among NHH customers. Those who work in farming are opting for the high option as it again feels aligned with what they are conscious of as businesses. The rest are leaning towards the medium option.

*"I probably wouldn't necessarily go for the high option, but I probably wouldn't go for the zero. I'd probably go for medium on that because it is such a small amount, but it could have quite a good impact to the local environment."*

*(NHH customer)*

*"As a farmer this is something that we're very interested in here on the farm and ensuring the business that we're doing, producing food, we also want to enhance the biodiversity here on the farm. It's definitely important, with regards to insects and pollinators and things like that."*

*(NHH customer)*





A close-up photograph of a black faucet with water flowing out. The water is captured in motion, creating a blurred, dynamic stream. A teal-colored horizontal band is superimposed over the middle of the image, containing the text 'Customer interruptions' in white.

# Customer interruptions

# Options explored during CAP sessions



## Customer interruptions

### Low option

**Drop back to industry average** in this area, at no additional cost.

Average increase on bill per year from 2025 to 2030 = **c.£0.**

### Medium option

**Maintain best interruption performance**, with additional cost of **£1.96m** to replace key infrastructure.

Average increase on bill per year from 2025 to 2030 = **c.£0.10.**

### High option

**Zero interruptions of 3 hours by 2050**, with additional cost to **fast-track mains renewal programme of £6.25m** and additional cost of **£1.96m to replace key infrastructure.**

Average increase on bill per year from 2025 to 2030 = **c.£0.30.**

# Lack of interruption experiences among customers means they don't understand the scale of the issue, and whether it should be prioritised

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**Long term vision:** Maintain best interruption performance in the industry

**Moderate support for plan**

**Opted for medium option**

- ✓ **Wanting to maintain best interruption in the industry sounds like a sensible and ambitious long term vision to most.**
  - ✓ Ensuring that customers don't experience severe interruption to their supply is seen as important, particularly for customers with families or vulnerabilities who might rely on a steady water supply.
- ⌘ **But customers are uncertain about the terminology involved in this plan.**
  - ⌘ Such as, what 'network resilience' and 'mains renewal' actually mean?
- ⌘ **Some would like to know more about the scale of the issue and current frequency of occurrence.**
- ⌘ **A few also question why customers need to pay more if PW already has industry leading performance?**
  - ⌘ And why do they need to pay extra in order to maintain it?
- ✗ **Mixed views on preferred option for this plan. Many turn down the high option, despite its relatively low cost, as it is not deemed as a particularly important priority.**
  - ✗ They haven't had any interruption experiences themselves, which makes them think that PW is already doing well and does not need to do more in this area.
- ✗ **However, some opt for the high option, due to the low cost involved, and a view that it is important to ensure customers don't experience any supply interruptions.**

*"I'd like more information about how many times (interruptions) actually happen."  
(HH customer, vulnerable)*

*"I don't think that I've ever had a water interruption since probably the 70s."  
(HH customer, C2DE)*



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# BC1 customers see interruption performance as part of PW's business as usual activities, and push back on the idea of paying more to support this plan

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**Long term vision:** Maintain best interruption performance in the industry

## BC1 customers

- Sceptical of this plan as they see this as part of PW's business as usual activities, and do not feel they should be paying more to maintain current performance levels.
- They also don't feel that the low option is a real option for them since PW would be dropping back to industry average (and therefore feel pushed towards the medium option).

## Future and C2DE

- More likely to strongly support this plan as they think it's important to ensure customers have a constant water supply, and don't see the cost involved as particularly high.

*"Why is everything being passed onto the customer? Businesses should have to grow and develop and keeping up with emerging practices is just part of how you should run a business."  
(HH customer, BC1)*

*"I think the high option is the best again because it costs so little and there seems so much more to gain."  
(HH customer, future)*



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# Social tariff



# Options explored during CAP sessions



## Social tariff

### Low option



**Maintain current support** to customers struggling to pay, supporting Portsmouth Water customers with an annual income of **£17,000** or less.

Average increase on bill per year from 2025 to 2030 = **c.£1.**

### Medium option



**Improve current support** to customers struggling to pay, supporting Portsmouth Water customers with an annual income of **£21,000** or less.

Average increase on bill per year from 2025 to 2030 = **c.£3.**

### High option



**Improve current support** to customers struggling to pay, supporting customers **nationwide** with an annual income of **£21,000** or less.

Average increase on bill per year from 2025 to 2030 = **c.£10.**

# Supporting vulnerable customers in the current context of cost of living crisis receives strong support, but customers express uncertainty about the nationwide scheme

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**Long term vision:** Affordable water for all. Always. Water poverty will be eliminated by 2030 and we will share our success with the rest of the industry as part of a UK-wide strategy

Moderate support for plan

Opted for medium option

- ✓ **Customers are very supportive of this plan, as they feel that water should be accessible to everyone.**
  - ✓ They see it as an important priority, particularly in the context of the rising cost of living.
  - ✓ They are willing to accept an extra cost on their bill in order to support this plan.
- ✓ **Again, they see this plan as a positive initiative that reflects well on PW: it comes across as a proactive and ethical organisation.**
  - ✓ Most are pleasantly surprised to hear that PW is already providing support to customers with low wages.
- ? **There is some confusion regarding the nationwide scheme and PW's involvement.**
  - ? Some wonder how this will work in practice, and how balanced support from all water companies will be ensured.
  - ? There are also some questions with regard to the scale of the problem locally vs other parts of the country.
- ✗ **There is low support for the high option, given uncertainty for the nationwide scheme.**
  - ✗ A few also feel that it is not PW's responsibility to support customers nationwide.
  - ✗ Some also feel that £10 extra on their bill would be too much (especially in the context of other plans).

*"Not necessarily nationwide, I feel like there're maybe enough water companies out there to deal with their own areas."  
(NHH customer)*

*"[I prefer the] medium option, help people locally, it's not too expensive."  
(HH customer, vulnerable)*



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# BC1 and vulnerable customers are more likely to opt for the low option due to feeling pressured by current financial challenges

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**Long term vision:** Affordable water for all. Always. Water poverty will be eliminated by 2030 and we will share our success with the rest of the industry as part of a UK-wide strategy

## BC1 and vulnerable customers

- ✓ Some opted for the low option due to already feeling burdened financially – a couple suggested that an option between the low and medium option would be preferable.
- ✓ A couple felt they shouldn't be paying more for something that already exists and appears to be working.

*"As much as it would be good to help people, I think I would just go for the lower option."  
(HH customer, vulnerable)*

*"I'm going to sound heartless but I'm fed up with us being the squeezed middle and I don't want to pay any more".  
(HH customer, BC1)*



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# Key findings summary

## Summary

- Highest support for service areas that relate directly to people's homes – or pockets.
- Lower support for less tangible areas (no direct touchpoint with customers' lives).
- ABC1 and vulnerable customers require more information and specificity in order to feel they are in position to properly assess PW's plans. They also push back on bill increases for areas that they see as PW's business as usual activities.
- C2D and future customers are more supportive of PW's plans in general, as they view them as important and proactive.
- NHH customers are aligned with PW's plans to reduce consumption (e.g. leakage and smart metering) as well as protect the environment (e.g. carbon neutral and biodiversity), as these are areas they are also thinking about from their business capacity – particularly those who are in the farming sector.

Strong support for plan



Biodiversity



Social tariff



Leakage



Lead pipes

Moderate support for plan



Carbon neutral



Smart metering



Customer interruptions

Opted for medium option

Opted for high option





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## 61. PW PR24 CAP 2 Summary Report 201222

Standards for high-quality research:	How addressed in this project:
<b>Useful and contextualised</b>	The Customer Advisory Panel (CAP) is designed to be an increasingly 'expert' citizen sample of Portsmouth Water's (PW's) customers and future customers. This was the 2 <sup>nd</sup> project for the CAP and was used to explore views of the plan choices. For respondents, they were provided with stimulus materials to help understand the question context and in some cases, to help them articulate their preferences.
<b>Fit for purpose</b>	<ul style="list-style-type: none"> <li>• Clear objectives that sat within the wider research and engagement programme agreed at the outset</li> <li>• Purposefully recruited sample to reflect all types of Portsmouth Water customers: across all ages, gender, life stage, socio demographic groups</li> <li>• Sample size proportionate for a longitudinal project involving the same participants over time</li> <li>• Included the views of HH, NHH and Future customers – including customers with financial vulnerabilities (i.e. on low income, who have recently lost their job, living in temporary accommodation); and customers in households with health vulnerabilities (including mental health issues)</li> <li>• Method to reflect the nature of the objectives: reoccurring online groups and depths to allow for open-ended, personal reflections</li> </ul>
<b>Neutrally designed</b>	Blue Marble designed research materials including the discussion guides, group activities, stimulus materials and homework tasks. These are all designed with impartiality.
<b>Inclusive</b>	<ul style="list-style-type: none"> <li>• Stimulus produced in plain English – all mediated by a research moderator</li> <li>• Online community method allows people to move at their own speed, with homework exercises allowing for deeper reflection between the online community and deliberative events</li> </ul>
<b>Continual</b>	A longitudinal approach with 25 customers that would span the 18-month period providing ongoing customer input to the draft plan.
<b>Shared in full</b>	Portsmouth Water to publish this report and supporting appendices on its website.
<b>Ethical</b>	Blue Marble is a company partner of the MRS, senior team members are all Members of the MRS and/or SRA. All Blue Marble's employees abide by the MRS Code of Conduct and as such all our research is in line with their ethical standards.
<b>Independently assured</b>	This report assured by Sia Partners