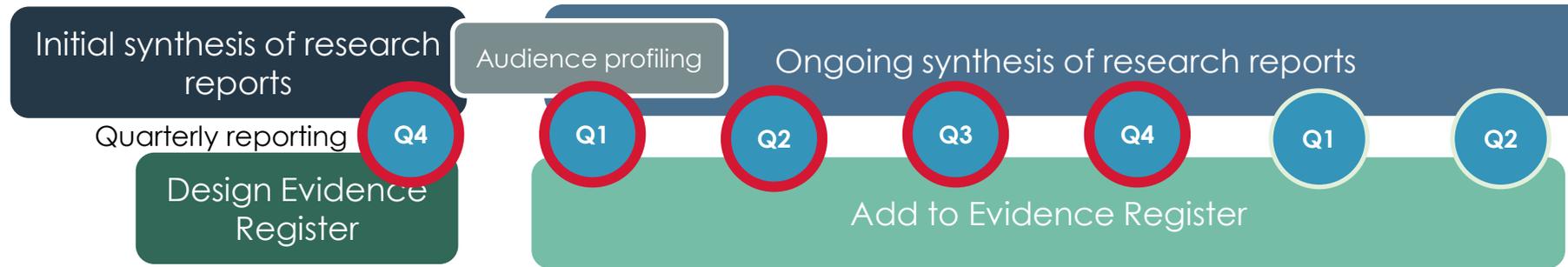


Synthesis and Triangulation workstream

Report 5: March 2023

About the synthesis



This is the fifth report for the Triangulation workstream and builds on previous work.

- The purpose of this workstream is four-fold:
 1. To capture, systematically, all consumer data and insight relating to the 'Big Conversations' (including research commissioned by PW, WRSE and other published sources)
 2. To identify where there are gaps in PW's evidence base. Gaps can then be reviewed on a regular basis to inform planned and additional research briefs
 3. To start the process of triangulation early, applying a weighting to every evidence source at the outset
 4. To provide a clear framework to pinpoint where customers and consumers have shaped the business plan
- This is an ongoing process. A snapshot of the Evidence Register is available to view at anytime though it is a dynamic and changing document so Blue Marble will hold the 'Master'. We will issue quarterly summaries throughout the planning period.



How have we developed the Evidence Register?

Initial synthesis of research reports

Design Evidence Register

Methodology:

1. We participated in workshops and meetings with the PW team to understand the strategic objectives. These are reframed in language reflecting the 'Big Conversations' to have with consumers
2. The 'Big Conversations' are the starting point for a structured codeframe to log evidence systematically
3. We initially reviewed 10+ reports against the draft codeframe, finetuning the sub-themes under each Big Conversation. We now have a fixed set of codes.
4. The design captures details around the method and coverage of each report; and is structured to capture differences by customer segment (NHH, HH, Vulnerable, Future, Stakeholder)
5. Each report is assessed for its role in the Golden Thread, highlighting how insight/data is influencing the business plan

METHOD AND COVERAGE							
METHOD	METHOD NOTES	AUDIENCE(S)	GEOGRAPHIC COVERAGE	TOPIC FOCUS	INFORMED?	OVERALL SAMPLE SIZE	PW REGION SAMPLE
1. RESEARCH - Qual		1. Households	area)	3. Solely PW focus	1. Uninformed	WRITE IN	WRITE IN
2. RESEARCH - Quant		2. NHH	2. PW - all	2. Primary PW focus	2. Informed during exercise		
3. ENGAGEMENT - Qual		3. Future	3. South East (incl PW)	1. Secondary PW focus	3. Previously informed		
4. ENGAGEMENT - Quant		4. Vulnerable	4. National (incl PW)	0. No specific PW focus	4. Not specified		
5. SECONDARY		5. Stakeholders	5. Other (write in)		5. NA		
6. OTHER (Write in)		6. Retailers	6. NA				
7. NONE		7. NAVs					
		8. NA					

GOLDEN THREAD STAGE	TOPICS (BIG CONVERSATIONS). USE LETTER CODES AND WRITE IN ANY ADDITIONAL SUB THEMES					
	1. Needs, concerns and priorities?	2. Long term water supply	3. (Smart) metering	4. Infrastructure investment now	5. Interactions with PW	6. Options for economically vulnerable
1. CONTEXT (Already know)	(a) Core services	(a) Chalk streams / abstractions from sensit	(a) Universal metering	(a) Impact of climate change / net zero	(a) Channel preference	(a) Social tariff
2. VALIDATION (Confirming previous)	(b) Support	(b) Water recycling	(b) Smart meters	(b) Inter-generational fairness	(b) CRM Innovation	(b) New support structures
3. SHAPING (Developing previous)	(c) Community	(c) (Havant Thicket) Reservoir	(c) Per capita consumption /	(c) Level of investment	(c) Billing platform	(c) Water poverty
4. INCLUSION (Checking consistency)	(d) Environment	(d) Water sharing (transfer)	(d)	(d) Lead pipes	(d) New service model	(d) Watersure
5. ACCEPTABILITY (Plan testing)	(e) Efficiency	(e) Desalination	(e)	(e) Affordability in general	(e)	(e)
	(f) Water quality	(f) customer behaviour change	(f)		(f)	(f)
	(g) Wider concerns (state of the nation)	(g) supply vs demand generally	(g)		(g)	(g)
		(h) Leakage				
		(i) Drought risk				
		(j) Use of green energy to power initiatives				
		(k) Catchment management measures				



1	Customer Engagement and Triangulation PR19 summary
2	Customer Preferences to Inform Longterm Water Resource Planning Synthesis of Findings – Summary Report Water Resources South East (WRSE) March 2021
3	Customer Preferences to Inform Longterm Water Resource Planning Part A Evidence Review Water Resources South East (WRSE) February 2021
4	Customer Preferences to Inform Long-term Water Resource Planning Part B Deliberative Research Water Resources South East (WRSE) February 2021
5	Customer Preferences to Inform Long-term Water Resource Planning Part C Customer Survey Water Resources South East (WRSE) March 2021
6	Semiotics Brand Exploration
7	Yonder Clockface Initial analysis August 2021
8	Water Futures 2050 future customer insights Sept 2021
9	Water for Life Hampshire: 3 research documents 'Introductory email; Water options survey and Qualitative summary
10	WaterVoice Views of current customers on water resources. Summary report
11	Public views on the water environment
12	Household customer complaints about water companies ccwater.org.uk
13	Water Matters: highlights report 2020
14	ICS Business Benchmarking Portsmouth Water July 2020
15	2021 Service mark – Assessor Report 2021
16	ICS Who do you trust April 2021
17	Water Futures 2030 - November 2021 - Metrics for priorities
18	Water UK Omnibus Research Report Dec 2021
19	Water Recycling engagement strategy Nov_30_2021
20	Water Futures 2030 - Feedback on Regional Plan Feb '22
21	Public Attitudes Towards Smart Water Meters
22	Portsmouth Water Foundational Qualitative Research
23	Southern Water Water Futures 2050 Panel Wave 6 Feedback on WRSE plans
24	Southern Water Water Futures Business Panel Pilot wave Feedback on WRSE plans
25	Portsmouth Water Stakeholder research: Business plan priorities
26	Portsmouth Water Barometer Wave 1 Report
27	Southern Water Expert Insight Panel Report; SUSSEX, KENT, HAMPSHIRE AND ISLE OF WIGHT
28	Relish - reputation deep dive 07-03-22
29	Southern Water Image & Reputation Research Report
30	SW Water Futures Wave 5 report_231221_Final Jan '22.pdf
31	3522pre01_Spontaneous Priorities_Qual_v2 Dec '21.pdf
32	Understanding customers' preferences for Performance Commitments at PR24
33	Supporting vulnerable customers report 2022 FINAL
34	Cost-of-living-report-Final.pdf
35	CCW-Water-Awareness-Report.pdf
36	Southern Water - Long Term Strategy Session.docx
37	Water Futures 2030 April 2022 Report.pdf
38	Affordability Concerns and Diverse Cultures - April 2021.pdf
39	Consumer Panel Barometer - Wave 2
40	Customer Advisory Panel - Report 1
41	Vulnerable Customer Research - Wave 1
42	Southern Water: PR24 - spontaneous priorities customer and stakeholder insights
43	CMex presentation_LYM 20220519_v2.ppt (also read Cmex Summary.xlsx alongside this report)
44	Portsmouth Water Audited 2021-22.xlsx AND Portsmouth Q4 2020-21 Final.xlsx
45	Portsmouth Water_FINAL.pdf
46	Portsmouth Water Vulnerablecustomerssummer2022 Presentation_FINAL

REPORT 5 (up to March 2023) Adding a further 7 reports including 4 Portsmouth Water specific reports.

47	South East - Customer Priority Event - 5th October 2022 FINAL
48	Southern Water - WF2030 Diverse Cultures Summary 121022
49	Cross Cutting Customer Themes - Draft 1 Sep '22
50	Exec Co Oct 22
51	SW Smart Water Meter Qual Debrief_Relish_20.07.22_Final (002)
52	WRMP24 - Customer Insight Summary 05 05 22
53	Customer Summary - PR24 v4 Sep '22
54	Southern Water Repositioning Deck
55	SW NHC Panel Wave 1 Report_210722
56	Water Futures 2050 infographic June 2022
57	Consumer Panel Barometer - Wave 3
58	Portsmouth Water Crosssubsidysurvey reportv1.0 121222
59	FINAL-Trust-and-perceptions-views-on-the-water-sector (1).pptx
60	PW Future Customer Panel 2022 Report FINAL Dec 2022.pptx
61	PW PR24 CAP2 Summary Report.pptx
62	DWI79_2_348ex_sum Public Perception of Water Recycling for Drinking Water Use.pdf
63	Portsmouth Water Barometer Wave 4 Report_V2.0.pptx
64	PW Choices Survey Test CAP 3 Summary Report 270223.pptx
65	Ofwat Collaborative ODI Research SP Results - Jan 23.pptx



Bold type: Portsmouth Water commissioned research





The **Synthesis and ongoing triangulation** includes a wide range of reports drawing on a variety of research and engagement methods across different audiences. These are both larger and smaller scale, and may have varying degrees of rigour in terms of design, analysis and reporting.

We use a two part report evaluation framework to assess: a) the validity / quality of each source overall and b) the relevance of the higher quality reports to the specific Big Conversations.

a) Assess validity / quality of each source

The **evidence score** indicates the overall quality of each source. It is based on the Blue Marble Executive team's appraisal of report **Robustness** and **Coverage**. A maximum score of 10 signifies a highly robust and credible report that has comprehensive coverage of consumers in the Portsmouth Water area. Lower scores indicate reservations in terms of design, sample size or interpretation within the report, or where the report has lesser (or no) coverage of Portsmouth Water consumers.

Further detail of the rating scales are in the appendix.



10 = Highly robust and credible for PW area

b) Assess relevance to each Big Conversation

As part of ongoing **Triangulation**, we also evaluate, for each higher quality report, how **strongly relevant** it is to informing the customer view on each Big Conversation. This is based on the Blue Marble Executive team reviewing objectives and findings in each report

Those which are explicitly designed with a strong focus are designated as '**Primary**' sources for each Big Conversation and thus will have highest weighting in Triangulation. Those where there is a lighter focus are designated **secondary** and are likely to be used as supporting evidence in Triangulation (e.g. helping develop a narrative to further understand Primary evidence).

PRIMARY: High quality report which is strongly focused on answering specific Big Conversation

SECONDARY: High quality report which is only partially focused on specific Big Conversation



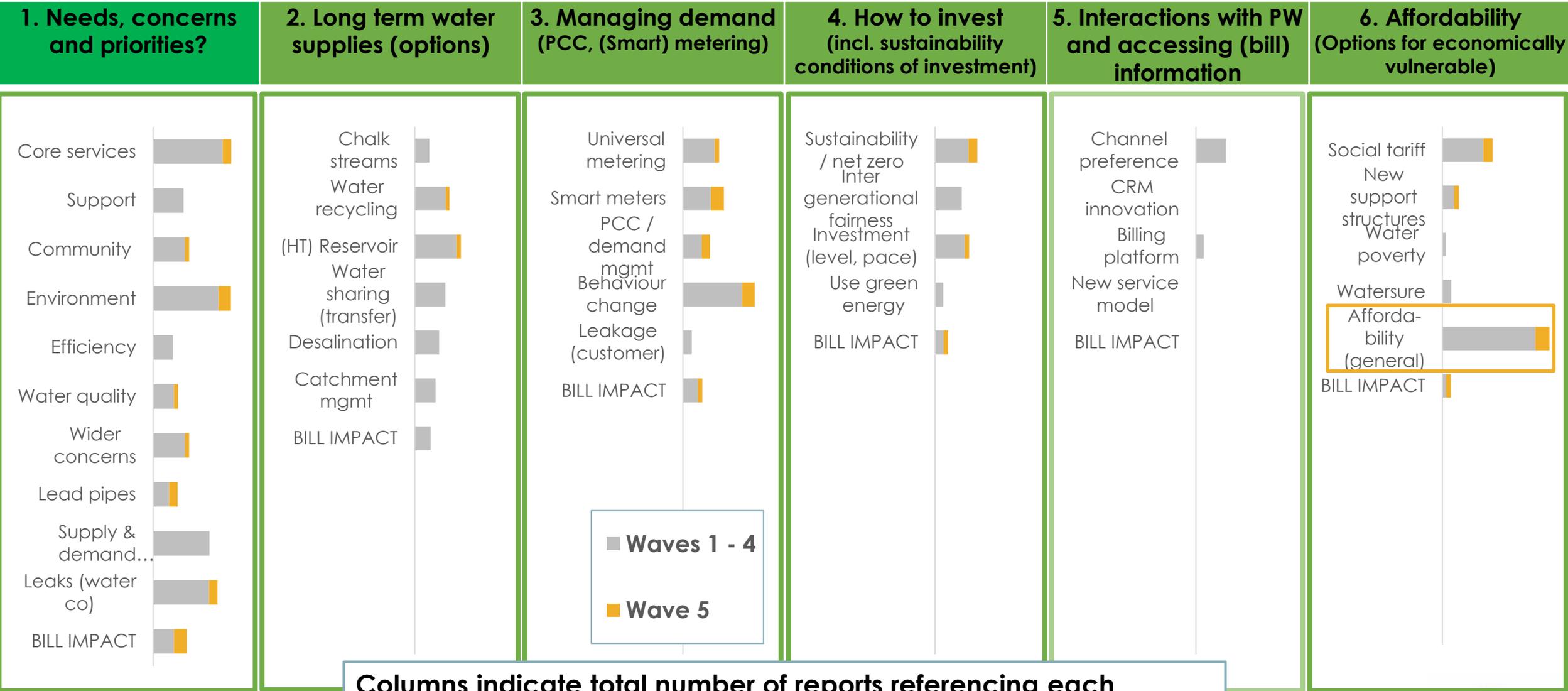
Updated synthesis report

The latest phase of Portsmouth Water's research and engagement has brought dedicated high quality evidence to big conversations 1 and 3, including from **future customers**. We also see a continuation of increasing evidence around the highly topical subject of affordability.

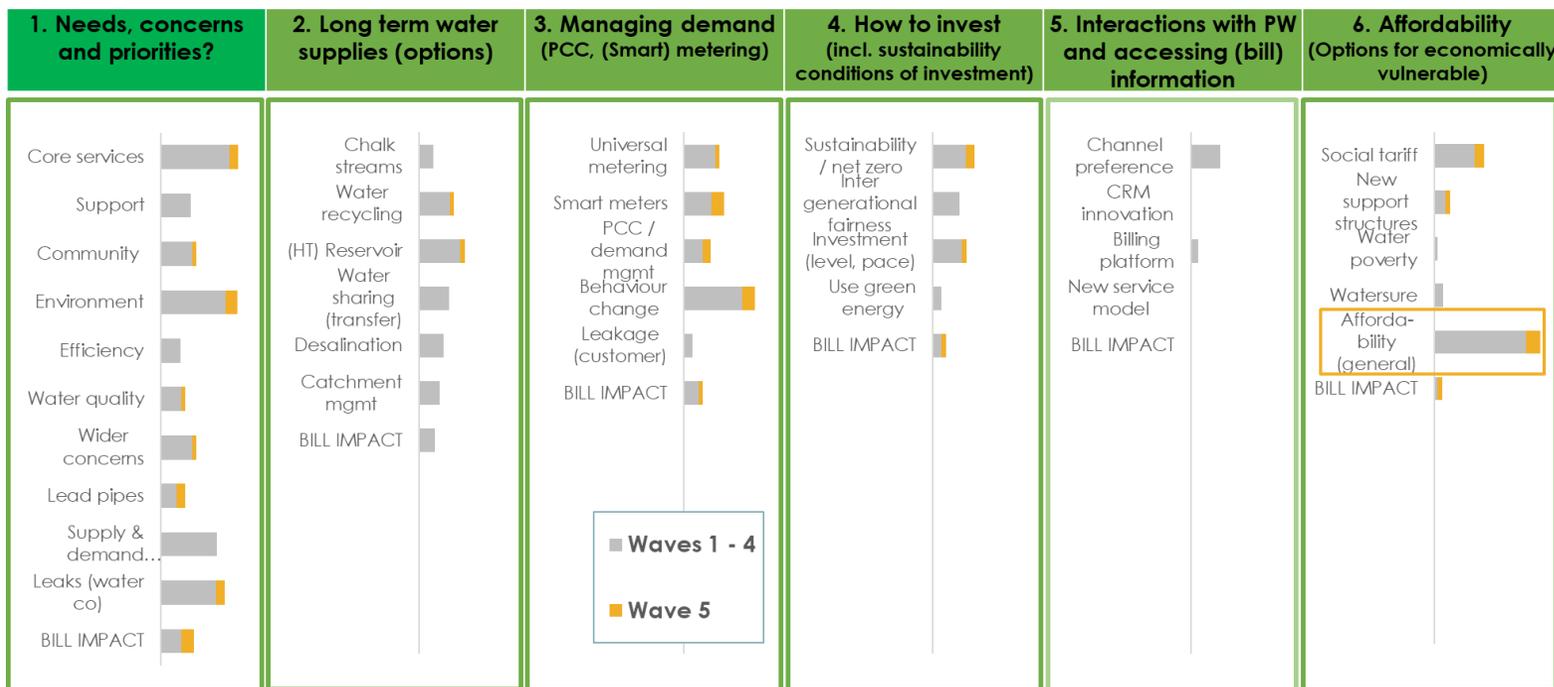
		Big conversations					
		1. Needs, concerns and priorities?	2. Long term water supplies (options)	3. Managing demand (PCC, (Smart) metering)	4. How to invest (incl. sustainability conditions of investment)	5. Interactions with PW and accessing (bill) information	6. Affordability (Options for economically vulnerable)
Number of reports at March '23 (Change from Nov '22)	PRIMARY high quality reports (score 8-10)	5 (+2)	3 (-)	5 (+2)	2 (-)	1 (-)	3 (-)
	SECONDARY high quality reports (score 8-10)	12 (+5)	4 (+2)	8 (+2)	7 (+3)	9 (+2)	9 (+4)
	Mid quality reports (score 5-7)	27 (-)	16 (-)	19 (-)	14(-)	6 (-)	18 (-)
	Lower quality / unrated reports (score 2-4 or unrated)	4 (-)	2 (-)	1 (-)	2 (-)	-	2 (-)
	Total	48 (+7)	25 (+2)	33 (+4)	25 (+3)	16 (+2)	32 (+4)



Most individual themes within the Big Conversations now have evidence, but there are still gaps – particularly in Conversation 5 relating to CRM).



Columns indicate total number of reports referencing each individual theme, weighted to reflect report evidence scores



Results from the latest Quarter shows strengthened evidence around future customer views, demand management & smart meters, along with affordability generally.

- The latest set of reports have served to support and validate the general analysis building in this synthesis
- Specific Portsmouth Water research has begun to plug the previous gap of future customers

Gap analysis

- There remain gaps across the Big Conversations of the views of larger NHH and stakeholders – which will be plugged in the next quarter(s)
- There is also limited evidence amongst customers with English as a second language – the intention is to conduct research specifically amongst this audience in Summer 2023.
- Still significant gaps in Big Conversation 5 regarding Portsmouth Water CRM platform
- Planned work (Choices and plan affordability) will provide further detail on the impact of the cost of living crisis.





What do we know so far – from all consumers?



Environment

- HH customers aware of 'environmental' issues but: disconnect between saving planet & saving water
 - **NHH** don't link climate change and water scarcity and their business
 - Covid has pulled people more towards local issues/community and local environment
 - The environment is higher priority than in PR19: SW customer preference for going beyond the minimum & accept paying (a small amount) more for environmental Improvements.
 - Unacceptable for long term plans to be at expense of environment – esp. so for **Future customers**
 - **Future customers** prioritise nature based while **NHH** engineering based
 - **Sewage release** is the dominant environmental issue for the water industry. Only 24% think water co.s are environmentally conscious – **trust** is lacking on this
- For PW customers, while environment is topical, it is only **a medium-level priority for PW** (a water-only supplier). This is backed up by Ofwat WTP research
 - Although on learning more about local water resources and chalk streams, customers do rate preserving local environment as important for PW
 - Most PW customers identify Southern Water, not Portsmouth Water, as responsible for this
 - **Future PW customers** care about environmental impact, but only if it doesn't cost too much

Reliable service

- Very high importance placed on water company efficiency to ensure minimal leakage
 - Long term security of supply is also a critical (hygiene) factor
 - **6 in 10 trust water co.s to provide reliable service**
- Ofwat WTP shows **avoiding long term interruptions** to supply is **more highly valued than anything else**, followed by water quality
 - **Future customers:** leaks need urgent attention
 - Overall PW satisfaction at 95%: best in industry
 - CMEX fell back in 22Q1 & 21Q4): operational issues and water quality (& hardness)key factors
 - Lead pipes emotive and urgent priority; a need for better comms stressed by Future PW customers

Customer service

- Customers want more visibility from water co: greater focus on education
 - Social value – going beyond the basics – is an expectation
 - **Diverse cultures:** place greater emphasis on supporting customers
 - **NHH** have higher service expectations & want better communication
 - **NHH:** prioritise both price and customer service
- Customer service appears a higher priority for PW customers: satisfaction is strong and 'local feel' appreciated but service touchpoints need updating
 - Satisfaction levels from **vulnerability stakeholders** has reduced (below ODI level)
 - **Vulnerable** customers particularly value easy customer journey & good comms to minimise stress

Affordability

- Theme in flux: pre cost of living crisis,, lowest cost was NOT the most important thing for most
 - Cost of living now top of mind: pressures on finances have escalated
 - Customers want a stable bill with support for vulnerable
- 27% of PW customers think they will struggle quite a lot/a lot over the next 12 months:
 - **Lower incomes** more so (49%)
 - Those with **vulnerability** (49%)
 - Cost pressures indicated in CMEX
 - **Vulnerable customers** place greater emphasis on (bill) support and making it easier to deal with PW
 - **Stakeholders** emphasise PW's responsibility for helping vulnerable customers
 - Specifically, indications that vulnerable PW customers more worried than others about lead pipes
 - **Future PW customers** highly considerate of needs of vulnerable customers – want PW to be cost conscious & support cost-sensitive customers



What else do we know about Portsmouth Water customers?



Gaps

- Need a more definitive understanding of (larger) **NHH perspective**
- Possible implication of seasonal events (drought / periods of heavy rainfall) on priorities generally





What do we know so far – from all consumers?



Awareness of water resources

- Low awareness of water resources / drought risk / strategic plans
 - Water stress issues not well understood – water perceived abundant
 - Perception of river / sea water quality has deteriorated in recent years - concerned about ecology and wildlife, more than bathing in it
 - **Diverse cultures:** different perspectives – water on tap a luxury not taken for granted
 - Need to talk about drought – not just in summer months
- Expect population growth and climate change will lead to greater demand for water
 - **Future PW customers** awareness of water restrictions is limited – a third (incorrectly) think they had experienced a hosepipe ban in summer 2022. They are making more of an effort to reduce energy usage than water usage

Demand options

- Consumers think primary focus should be on company efficiency (reducing leaks) and helping customers use less
 - Proposals to abstract less and use catchment management are not well understood but the general principle to protect environments is supported (provided it is effective).
 - **Future customers:** positive about reduced abstraction
 - In general, consumers think water companies need to get their own houses in order (leaks), meters and education & support
- Slightly different priorities to overall SE region (e.g. slightly less averse to abstraction)
 - PW long-term leakage ambitions often not thought ambitious enough
 - HH customers broadly support demand elements of WRMP (but the smart meter element received the lowest support of the option (75%))

Supply options

- Supply options secondary to demand. Preference based on: reliability, producing large amounts of water, & lower cost.
- Broad support for **reservoirs** driven by leisure and environmental benefits, but concern over localised disruption.
 - **Catchment management** a popular idea, but role unclear. Most popular with **stakeholders**
 - Broadly positive about **water transfer** (if environmentally sensitive / beneficial) but don't want to be dependent on it. Concerns about sustainability of option in drought periods. A last resort option.
 - Mixed views on **water recycling** with concerns over water quality and safety. Most people know little about it; greater support when people know more. Ultimately over 7 in 10 happy to drink recycled water
 - **Desalination** lower support – high energy, carbon and environmental impact, plus cost. **Stakeholders** particularly negative
 - **Tankering** has least support.
 - **Aquifer storage and recovery:** welcomed, innovative, good environmentally
- Highest support for Havant Thicket Reservoir (HTR) as preferred new source, with majority supporting water recycling too. Then desalination. Water transfers the least preferred option.
 - Future customers' concern if biodiversity at HTR site is being protected
 - PW stakeholders supportive of new sources, provided environmental impact managed



What else do we know about Portsmouth Water customers?



Gaps

- Portsmouth Water customers well represented BUT the voices of NHH customers limited; NHH research is in the plan





What do we know so far – from all consumers?

**(Universal) metering**

- **Metered customers** are more likely to help to reduce their water use vs. unmetered
 - Some resistance to metering identified (larger households; think bills will increase; don't want to worry about use)
 - **Younger customers** more likely trial a water meter.
 - **Vulnerable:** Metering potentially source of great anxiety for those who will make sacrifices to use less (esp. for those with poor mental health)
 - How will vulnerable be protected against bill increases?
- Universal metering slightly less preferred in PW region vs. SE region overall (WRSE).
 - PW customers support meters provided safeguards in place for financially vulnerable
 - **Stakeholders** supportive of meters – in a region with above average usage – but customer engagement/ comms important to get support
 - In 2021-2 34% of HH customers were metered - only incremental increases over the previous two years.
 - In 2021-2 over 7 in 10 of unmetered customers were aware of option to have a free water meter - fairly stable for the last few years. (NB this contrasts with under 40% who actually have one...).
 - **Future PW customers** Targets for universal (smart) metering seen as too ambitious.

Smart metering

- Broadly there is support for *smart* meters. Benefits are financial saving, enabling informed choices & helping educate. However...
 - **Stakeholders** raise negative experiences of energy smart meters: increased bill anxiety; obsessive monitoring; fear service being cut off
 - **Unmetered:** concern about **paying more**
 - Roll out requires clear communications
- Support for smart meters initially muted, but 7 in 10 support once benefits communicated (14% still reject smart meters)
 - Mixed views from PW sample: see both positive aspects (leak reduction and improving awareness of usage) but also concerns (as above)
 - Different motives: better off customers want to save water; worse off want to save money
 - Oldest most interested in detecting leaks
 - Cost of smart metering means customers prefer 'medium' ambition; **NHH** most positive
 - **Future PW customers** generally support **smart meters** - make wastage tangible. *But* they assert benefits need to be communicated, and vulnerable & digitally excluded must not be left behind.

PCC/behaviour

- Nationwide, only around 1 in 4 are aware of being asked by their water co to use less water
 - 35% want to hear more on how to save water
 - If customers know water resources limited, there's high willingness to reduce water use (national)
 - 6 /10 have not taken any action to reduce their water use in the last 6 months. But, most (76%) claim to be open to changing their behaviour if they heard they needed to because of climate change
 - Customers 'taking up the slack' of water reduction seen as risky
- PW customers are less conscious than SW customers of water use, and struggle to think how to use less
 - PW customers more resistant to changing water behaviours (compared to SW and SEW customers)
 - Areas most prepared to change behaviour: reusing kitchen water; shorter showers. Least favoured: fewer showers and flushes
 - Actual PCC averaged across measured and unmeasured is 160l in 2021-2 (versus ave. of 140l).
 - ...and Household usage is up 8% compared to pre-Covid, after weather is taken into account.
 - **Future PW customers** think target for reducing consumption feels too ambitious; they also question strategy to use 'Get Water Fit' as their **experience of free water saving devices was poor**



What else do we know about Portsmouth Water customers?

**Gaps**

- Why are PW customers different re behaviour and attitudes to water saving? Drivers not fully explored
- Any differences in NHH customers - relevant to this Big Conversation as their water use is significant





What do we know so far – from all consumers?



General principles

- Preparing fully for future challenges is a key consumer trend
 - Want best value long term investment, not just cheapest / short term solution
 - Majority want water companies (nationwide) to go 'beyond the basics' for meeting minimum legal requirements – particularly re: species extinction and climate change.
 - When customers are informed, they are prepared to fund environmental infrastructure - and almost feel morally obliged to for future generations
 - Overall, a willingness to pay for investments now to safeguard water resources and the environment for future generations
 - Although expect affordability to be taken into account
 - And water companies need to be trusted to invest rather than profit
 - **Future customers** prepared to pay more to cover environmental investments (as long as bills affordable)
- Most PW customers would prioritise ensuring reliability and protecting local environments over keeping bills low (and to a lesser extent, minimising energy use).
 - PW customers demonstrate bill sensitivity: they want to pay for future investments gradually – no bill shocks
 - Most do not want/anticipate large increases as currently satisfied with the service (and largely unaware of future challenges)
 - **Future customers** think PW targets for long term investment are too far away – 'it seems some of it could be done now'. They question transparency on progress towards long term targets

Environmental / net zero targets

- Some evidence (from WRSE) that high energy use a common issue for new supply options; the goal of using green energy is reasonable to most consumers, provided this is at a reasonable cost
 - Use of chemicals for water treatment is also a common issue with future options
 - **Stakeholders** more concerned about carbon impacts of plans (e.g. desalination)
 - **NHH** (in the SE more widely) sceptical of net zero targets (and the associated costs)
 - **Future customers** want to see companies investing in more environmentally sustainable infrastructure today rather than waiting until the future
 - Reduction in risk of emergency drought measures needs to be achieved sustainably
- Customers recognise the need to invest to provide good quality water as most urgent - recognising sustainable sources important too - but less so
 - Customers positive about partnering with renewable energy provider: supportive of sustainability and use of renewable energy
 - 95% are supportive of PW WRMP plan to reduce environment water use
 - In Qual Plan Choices research (trading off investment against bill costs) customers choose medium investment net zero option (achieve by 2040). Customers are wary of bill implications and want to see what reaching net zero will look like in practice
 - **Vulnerable customers** want to hear about tangible improvements to address climate change and see where their money is going. They supportive environmental focus - not polluting & protecting/ improving habitats and wildlife



What else do we know about Portsmouth Water customers?



Gaps

Further Plan Choices research will develop these themes – and provide additional segment specific analysis (particularly NHH)





What do we know so far – from all consumers?



Channel preference

- In general (nationally), if their water company wanted to let customers know about something important, the best way is by email; however younger customers under 35 are more likely to prefer flexible digital channels than older age groups
 - Nationally, awareness of social media campaigns to save water is low
 - Less than 1 in 10 nationally recall seeing water saving tips on social media in the last year with those on water meters more likely to recall them (although of these, 6 in 10 claim to have taken action).
 - Claimed awareness of info sources about river / sea pollution were: 43% TV, 22% newspaper, 20% social media, 13% radio, 9% other online source
 - Ofwat research on trust in the water sector indicates customers who are **more frequently contacted** and **across multiple channels** are **more positive towards their water company**, particularly with direct engagement
- 39% of customers said they would prefer to contact PW by phone, 32% by email, 19% by webchat on the PW site, 5% WhatsApp and 2% write a letter. (This contrasts with the existing channel balance where very few use webchat - a lack of awareness?)
 - **Future customers** have very low awareness of Portsmouth Water. On review they find Portsmouth Water's **social media** presence **inactive and inconsistent**. They make recommendations to develop more effective social media campaigns
 - **Future customers** find Get Water Fit site lacking in good visual information and charts difficult to interpret
 - Some PW customers think billing service is due for modernisation
 - PW customers expect: quick, effective, efficient, channel choice (including live chat and phone)
 - PW customers expect website to cater for straightforward issues
 - Automated services seen as unable to deal with many issues (importance of real people to help)
 - **Support organisations** want a named contact at PW
 - Satisfaction (from support organisations) generally high across all channels
 - Customers have mixed views about digitisation - concern that it will be exclusive and as a result exclude those non familiar/not able. **NHH** more positive, feels aligned to their priorities

Out of a total of 145,903 contacts for PW in 2021-2:

- 32% written
- 67% telephone
- 1% webchat (incl WhatsApp)
- 0.03% social media
- 0 SMS



What else do we know about Portsmouth Water customers?



Gaps

- No evidence collected so far on specific PW proposals e.g. CRM platform, billing platform, new service model (or impact on bill)





What do we know so far – from all consumers?

Pre cost of living crisis / pre summer 2022

- Customers open to modest bill increases. Key expectation: any bill increase accounts for needs of vulnerable and low-income households
- Affordability needs to be taken into account when investing now for future generations: **Future customers** want affordability efforts to be faster, more radical
- Nationwide picture on bill affordability shows differences by groups:
 - 18–29s most likely to say bills were unaffordable and that their financial situation got worse last year (this is higher than last year)
 - Those with disability/disabled person in hhd significantly more likely to disagree that their charges are affordable (same as last year)
 - **Asian, mixed or 'other' ethnicity** are also more likely to disagree that their charges are affordable, which is also similar to last year
- Generally affordability becoming an increasingly important priority: those struggling financially feel less resilient to new cost increases than they did during pandemic

- Decrease in HH thinking PW bills affordable or fair (2021 Water Matters)
- Low awareness of support schemes amongst vulnerable customers
- PW customers happy in principle to pay more to help others, provided the schemes reach the right people
- Some PW customers voice concern about bill increases generally (and that general proposals re investments can look costly)
- PW customers with affordability issues can have different views e.g. universal metering - and are less satisfied with PW
- PW low contact with PSR hhlds - less than 13% in 2020-21 were contacted.
- **Stakeholders** want PW to be more proactive in delivering schemes to vulnerable customers

During cost of living crisis / post summer 2022

- Pandemic and cost of living crisis has increased importance of supporting vulnerable customers
- Given price increases in electricity and gas of over 50%, water feels more affordable - electricity and gas more top of mind than water.
- **Diverse cultures:** affordability has become a much bigger issue in context of cost of living crisis. Their awareness of PSR and social tariff is very low because they engage much less than other customers, and have poor English and literacy skills.
- Affordability of TOTAL water and sewerage bill lower than in 2015. Those on lower incomes are least likely to find the bill affordable
- 14% are aware of any financial aid schemes from PW - a low level but up significantly from 2015. Over half of those who need it are unaware of PW bill support scheme
- Perceived affordability is not always determined by HH income - significant numbers in middling income brackets are struggling to afford.
- Great majority support principle of social tariff although a substantial minority don't think this should be solely funded by other customers; some think PW should pay some or all from their profits.
- 70% find £3 on the bill for social tariff acceptable. On balance there's evidence that people would prefer a smaller subsidy that reaches a wider range of customers - perhaps indicative of broader anxiety from cost of living increases.
- In Qualitative Plan Choices research customers opted for 'medium' rather than 'high' social tariff option. There was uncertainty and confusion around the alternative nationwide scheme and PWs role in this
- **Future customers** think it is good to help, but ask what happens when people can't pay at all
- Vulnerable are most concerned about long term bill increases



What else do we know about Portsmouth Water customers?

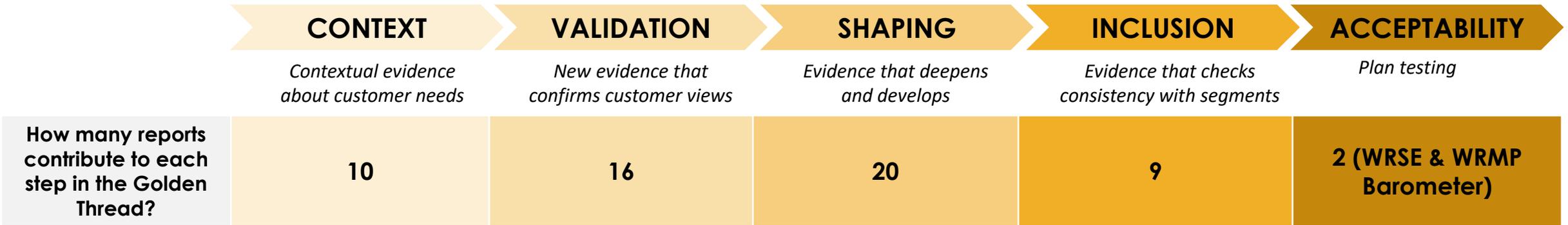


Gaps

The picture is changing fast with the cost of living biting: acceptability of bill increases in new context to be explored in future quarter(s)



Summary



- We have been monitoring evidence sources and indicating where each has a clear role in 'the Golden Thread' under the high level codes, as shown above
- The key to the Golden Thread is showing where the research and insight has informed aspects of the plan ('you said, we did')
- We need to build this Golden Thread analysis with you, and in relation to:
 - Setting the vision
 - Developing the plan options
 - The draft plan
- Other thoughts:
 - Recent use of the Customer Advisory Panel to input directly into the subsequent Plan Choices survey strongly evidences co-creation of approach to better engagement with customers at large
 - Recent dedicated research into future customers, has helped build more evidence for 'inclusion', but more to come with forthcoming Portsmouth Water research into non household-customers relating to Plan Choices, and further work with future and first time customers from Portsmouth University
 - Cost of living squeeze continues to be an increasingly important context and highly salient amongst consumers in all research.



Results from the latest Quarter provides:

- Validation (and early valuation) of customer priorities from Ofwat WTP initial findings
- Initial direction on customers' views on longer-term plan choices in light of bill impacts
- Greater depth of understanding of Future Customers' views across a full range of Big Conversations
- Measuring extent of support for different elements of the Water Resources Management Plan
- An update on the nationwide picture of trust in the water sector after recent publicity over sewage releases

Cost of living crisis continues to be prominent in consumers' minds

- We continue to see greater price sensitivity generally which will impact perceptions of bill affordability – and potentially shape priorities for investments

Across the synthesis we continue to build evidence that Portsmouth Water customers align with water customers in general:



Cost expectations and affordability

- Reflecting the wider population, many PW customers are concerned about coping with the cost of living: however awareness of the range of support available remains low

Attitudes and behaviour

- Customers support the environmental focus PW is taking... however environmental protection is not as front of mind in the Portsmouth region as is evident when Southern Water is conducting research; customers are balancing environmental investment against the bill impact it entails.

Service priorities

- Reflecting wider research, PW customers, including Future customers, tell us that
 - The long term leakage target is not ambitious enough
 - They are worried on hearing about the presence of lead pipes

But also indications that there are differences:

- PW customers appear less conscious of their water use – and less inclined to engage with water saving initiatives (and water use remains higher since the pandemic)
- They are more resistant to universal metering than other regions (starting from a lower proportion of households on a meter)
- They also put customer service as a higher priority – especially so for vulnerable groups

Appendix



Evidence score detail.

The evidence score is the sum of the 'Robustness Rating' and the 'Coverage Rating'

Robustness	Points
High: Best practice method demonstrated AND sample size proportionate (if applicable) AND high quality analysis & interpretation in report	5
Mid: Minor reservations* on method OR less proportionate sample size OR some reservations on quality of analysis & interpretation	4
Low: Major reservations on method OR very small sample size OR major reservations on quality of analysis & interpretation (i.e. bias) OR not customer-based insight	3
	2
	1

+

Coverage	Points
High: Highly robust coverage of Portsmouth Water region.	5
Mid: Moderately robust coverage of Portsmouth Water region (sample / report may cover multiple regions)	4
Low: No coverage of Portsmouth Water region	3
	2
	1

*Includes where report does not provide adequate evidence of method



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