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Shaping the Consumer Council for Water

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1. Executive Summary

- The new Consumer Council for Water has commissioned research to better understand consumers' expectations of them and their remit, as well as current concerns about water and sewerage services
- The research comprised 14 focus groups with domestic consumers and 20 depth interviews with business consumers and trade organisations, across seven regions
- Generally, consumers are aware of the company that supplies their water and sewerage services and are clear about what they see as the key responsibilities of water and sewerage companies to be:
 - Clean water
 - Reliable service (including continuous supply, efficient sewerage services and effective customer services)
 - Value for money
- The study shows no distinguishable differences between:
 - Regions
 - Socio-economic groups

The research has identified a number of challenges that CCWater will face in establishing itself. Each challenge is set out below with recommendations to address them and establish CCWater as an effective consumer body.

Reactions to the CCWater are compounded by consumers':

- Limited awareness about consumer bodies and what their role and responsibilities are – most consumers do not differentiate between the role of regulatory and consumer bodies, nor can they readily name any of these bodies. However, many suggest that consumer bodies can make a difference
- Perception that water and sewerage services are a low priority because few consumers have personal experience of any 'serious' problem with their water and sewerage – most admit that they simply 'take water for granted'

Recommendation 1

CCWater needs to communicate clearly and effectively to consumers and other stakeholder bodies a simple and accessible message about who they are, what they do and how to contact them:

- Use partnership organisations to help raise awareness and disseminate the message about CCWater (e.g. Ofwat, other umbrella consumer bodies)
- Raise awareness amongst those bodies/organisations that provide advice and support directly to consumers (e.g. local authorities, Citizens Advice and trade associations)

Recommendation 2

CCWater needs to clearly differentiate itself and its role from Ofwat and the former WaterVoice:

- Ofwat has a dominance in the minds of consumers (particularly amongst business consumers). Therefore, there is a real need for CCWater to clearly identify and communicate to consumers how their role is distinct from Ofwat
- CCWater also needs to establish that it is new and effective. There is a risk that because CCWater has been established out of an organisation (i.e. WaterVoice) few people have

heard of, consumers will attach the same attributes to CCWater. The issue of independence from Ofwat and the water companies is important

There are prevalent negative attitudes towards public/government bodies in general. A key challenge for CCWater will be to overcome some of this cynicism by association and ensure that this does not cloud their perceptions about CCWater and its activities

Recommendation 3

CCWater must demonstrate rapidly their worth and the importance of the role it fulfils through delivering outcomes that will make a tangible difference to the consumer experience, in order to gain the trust and respect of consumers:

- CCWater needs 'quick wins' or high profile campaigns on issues that consumers see as important and relevant to them, prime issues include:
 - Fair pricing
 - Equitable provision of services across water companies
 - Introducing choice in the water sector
 - Effective and flexible billing options for business customers (e.g. e-billing)
 - Making visible attempts to understand and address sector-specific issues
- Demonstrate to consumers that CCWater is undertaking activities in the areas of work people see as priorities, in particular:
 - Education
 - Complaints
 - Representing and campaigning
- Show clearly that CCWater has influence and so can affect real change for consumers. For example, show a strong (but appropriate) relationship with Ofwat, water companies and the Government
- Leading by example on issues that they are campaigning on or promoting in order to reinforce consumer trust in CCWater to be effective. For example the provision of good customer service standards will be extremely important for CCWater if they are driving best practice amongst water companies
- CCWater must meet the expectation that they should be the 'expert' when it comes to representing consumers on water issues. People suggest that they want to be confident that when they contact CCWater they are dealing with people who have the knowledge and expertise to help and advice them appropriately

There is a key challenge for CCWater to demonstrate its worth and authority (i.e. 'teeth'), in order to gain the respect and confidence of consumers through:

- Raising consumers' awareness about the importance of water and sewage issues
- Making a real difference to the customer experience
- Visibly campaigning on issues seen as relevant to consumers, such as fair pricing and choice in the water sector

Beyond this, consumers give CCWater a clear mandate to focus its efforts on:

- Education (information and advice)
- Complaints
- Representation and campaigning
- With research seen as a 'given'; a function which underpins the three priority activities

Recommendation 4

CCWater needs to allay concerns about its powers (or 'teeth') to bring about change – particularly concerning complaints and 'forcing' water companies to comply with guidance from CCWater:

- People need reassurance that CCWater has effective mechanisms in place to ensure that water companies toe the line (there is a concern that water companies simply won't listen or do anything unless they have to legally)
- CCWater needs to communicate all of the 'powers' (or tools/mechanisms) at CCWater disposal in order to bring about change in the water industry – even if the most effective/power mechanism at CCWater disposal is by being vocal and visible on key issues
- It may also benefit CCWater to show consumers that they have a positive (but appropriately independent) relationship with the regulator Ofwat (i.e. who many perceive has 'teeth' and legal powers) to clearly demonstrate that if CCWater goes to Ofwat, that they will listen (i.e. that being vocal and visible does makes a difference)
- Obviously, CCWater needs a 'quick win' to highlight its effectiveness

There is an expectation by consumers that CCWater's activities within these areas will work to deliver outcomes that:

- Go further to provide value for money and a 'fair deal' for consumers through fair pricing and choice in supplier
- Continue to raise service standards by pressing companies to implement effective complaints procedures and reduce company leakage
- Better educate consumers and industry about the value of water and water conservation

However, consumers see the top priority for CCWater as raising consumer awareness about CCWater itself:

- Who CCWater is
- What CCWater does and what it can specifically do for consumers
- How to contact CCWater

Building on this, consumers suggest it is vital for CCWater to provide appropriate and effective channels of communications with consumers by:

- Using partnership organisations such as Ofwat or other consumer bodies, as well as other organisations that provide advice and support to consumers, such as local authorities and Citizens Advice, to help raise awareness of CCWater and the ways in which they can help
- Using media (local and national) and publications (to a lesser extent) to promote awareness
- Using trade/membership associations to engage with business consumers
- Providing local, expert advice over the phone through a real person and not an automated system – the provision of a high quality customer service is vital if CCWater is to demonstrate its commitment to ensuring consumers receive quality service from the water companies
- Engaging with consumers to better understand and represent their interests (through an on-going research programme)

Recommendation 5

CCWater needs to address the challenge of encouraging consumers to engage with the issues about water and sewerage by raising people's awareness about their importance (i.e. shifting attitudes away from taking water for granted) by effectively using:

- Channels of communication that are preferred or favoured by consumers

- Media (e.g. both national and local TV and newspapers)
- Location/organisations that consumers readily go to for advice and information or that are responsible for frontline delivery (e.g. libraries, Citizen's Advice, local authority offices, landlord, post offices)
- For business consumers the better use of trade associations (see recommendation 6)
- Issues that people perceive as important or relevant
 - Price of water
 - Introducing choice into the water and sewerage sector
 - Interruptions to supply of water or shortages (e.g. hosepipe bans)
- Relevant – use issues that resonate with:
 - Direct personal experience (e.g. floods in local area)
 - General awareness of water and sewerage issues (e.g. news stories about drier summers and the increasing population) as hooks upon which to catch consumers' attention and build knowledge and awareness

Recommendation 6

CCWater can target business customers through their trade associations and trade press:

- Trade associations provide an effective channel for CCWater to engage with business consumers
- Many businesses suggest that their trade/membership associations:
 - Are key sources of advice and information
 - Identify any key/important issues that businesses need to be aware of
 - Tailor and provide information in a form that is relevant and accessible to their business
 - Increases the likelihood that business consumers will engage with information sent to them because it has greater credibility
- Moreover, trade associations suggest that they are receptive and would welcome the opportunity to engaging with CCWater to help promote messages about water that might affect their members

Overall, consumers are positive and receptive to CCWater's publications and feel that they are useful, relevant and accessible:

- Publications could be further improved by combining domestic information and support booklets into one single booklet, thereby increasing the chances of consumers keeping it for reference

Recommendation 7

CCWater needs to ensure that contact with consumers is delivered effectively and appropriately, namely:

- Limit the amount of information (e.g. leaflet, booklet and factsheets) sent through the post (particularly to domestic consumers). However, this is less true to business consumers who suggest that they are more likely to engage with written information
- Send out information with the water bill, this:
 - Reinforces the message to consumers that CCWater is working with the water companies to improve the consumer experience
 - Reduces the perception that consumers are being bombarded with information from various sources
- Put CCWater's contact information on the water bill – making this clearly visible
- Ensure that contact with consumers is positive and meets their expectations
 - Freephone number for advice and support
 - Consumers speak to person (i.e. not an automated system) and (for domestic consumers) that person is in a local/regional office
 - Provide useful advice and support – every consumer contact needs to reinforce the reputation that CCWater is an expert on water issues that affect consumers
 - Follow up consumers' issues, complaints and requests

Recommendation 8

CCWater can further improve their publications by:

- Ensuring that publications aimed at business consumers are in a factsheet format
- Combining CCWater's booklets providing advice and information for domestic consumers into a single booklet – thereby increasing the likelihood that domestic consumers will keep the publication as a source of reference and, therefore, engage with the information within the publication
- Ensure that all consumer publications have appropriate images or pictures

2. Background and objectives

On 1 October 2005, the Consumer Council for Water (CCWater) came into operation as the new independent body with a statutory duty to represent the interests of the consumers of water and sewerage services in England and Wales. CCWater replaces the previous WaterVoice committees (which were part of Ofwat).

In order to inform the development of its Draft Forward Programme, CCWater commissioned research to better understand consumers' expectations of CCWater (by building on the findings of previous research), in terms of customer representation and advocacy, and also to understand current concerns about water and sewerage services.

The key research objectives for the consultation were as follows:

- To explore and understand consumers' expectations of the new body to help build CCWater's strategic vision and mission statement
- To explore consumers' views of CCWater's proposed approach to delivery of its functions
- To identify and understand consumers' priorities for CCWater's activities to help identify where CCWater can best focus its efforts and target its resources as a strong and effective consumer advocate
- To identify any concerns customers have about the delivery of water and sewerage services within the existing industry structure and explore ways in which CCWater could help to address them
- To explore the information needs of domestic and business customers about the water and sewerage services they receive and understand how this can be developed and tailored to their needs
- To explore how CCWater should make itself accessible and approachable to interact with all groups of consumers across England and Wales at national and regional level

- To explore how to raise awareness and improve consumers' knowledge about CCWater to inform development of CCWater's communications strategy

The research will provide a sounding board to assist CCWater's development of its future strategy and identify current concerns about water and sewerage services. It will provide a baseline of consumers' views to support CCWater's Draft Forward Programme (due to be launched on 29 November 2005 for public consultation). The Draft Forward Programme will set out a general description of the projects CCWater's plans to undertake during the period 1 October 2005 –31 March 2008.

3. Approach

The study used an entirely qualitative approach by conducting discussion groups with domestic customers and in-depth interviews with business customers of water and sewerage companies from seven regions across England and Wales. The study took place throughout October 2005.

Discussion groups – The research comprised of 14 discussion groups (90min in duration) with domestic customers of water and sewerage companies spread across seven regions:

- Each group consisted of eight participants with full or joint responsibility for the billing
- Two groups were conducted within each region which were segregated by socio-economic group¹ (1 x ABC1 and 1 x C2DE)
- Each group was mixed by:
 - Age
 - Gender
 - Ethnicity
 - Rural/urban
- Those working in the following areas were excluded:
 - Advertising
 - Market Research
 - Marketing
 - Public Relations/Media
 - Journalism/Politics
 - Water Company
 - Industry regulatory or consumer body

¹ ABC1 and C2DE represent the UK's categories for upper to middle and middle to low socio-economic grades

In-depth interviews – 20 depth interviews (60min in duration) were conducted with business customers of water and sewerage companies spread across seven regions. The interviews were segregated by:

- Large size enterprises (LE) ²
- Small to medium size enterprises (SME) ³
- Rural and urban locations
- Large or regular usage of water – level of usage was determined by⁴:

Business size	Regular usage	High usage
Small	Less than £600/year	More than £600/year
Medium	Less than £1000/year	More than £1000/year
Large	Less than £10,000/year	More than £10,000/year

A total of three (3) depth interviews were also conducted with representatives from trade associations that represented a range of sectors⁵. One depth interview was conducted with a trade association from each of the three (3) following sector groups (N.B. individual trade associations cannot be named due to confidentiality guarantees):

- Manufacturing, Mining, Quarrying and Energy
- Education and health
- Wholesale, Retail, Hotels, Restaurants and Entertainment

² LE – large enterprise i.e. >500 employees

³ SME – small to medium size enterprise <499 employees

⁴ Levels of water usage and billing are based on information supplied by CCWater

⁵ Sector categories/grouping are based on those used by CCWater

The table below outlines the full sample profile for the study.

Location	Depths (businesses)	Groups (domestic)
Thames (Reading)	1 x LE (high) 1 x LE (regular) 1 x SME (high)	1 x ABC1 1 x C2DE
Southern (Maidstone)	1 x LE (high) 1 x SME (regular)	1 x ABC1 1 x C2DE
Midlands (Birmingham)	1 x LE (high) 1 x SME (high)	1 x ABC1 1 x C2DE
Northern (Leeds)	1 x LE (high) 1 x LE (regular) 1 x SME (high and rural) 1 x SME Regular)	1 x ABC1 1 x C2DE
South West / Wessex (Plymouth)	1 x LE (regular) 1 x SME (regular and rural)	1 x ABC1 1 x C2DE
Eastern (Ipswich)	1 x LE (regular) 1 x SME (high and rural)	1 x ABC1 1 x C2DE
Wales (Bridgend)	1 x LE (high) 1 x SME (regular and rural)	1 x ABC1 1 x C2DE
National	3 x Trade Associations	

Caveats

It is important to note some key caveats about the nature and extent of the study:

- Due to the mixed composition of groups (e.g. age, gender, rural/urban dweller, etc.) it is not always possible to elucidate differences based on these characteristics/factors

4. Concerns about the delivery of water and sewage services

The vast majority of participants are aware of the companies that provide them with water and sewerage services. In some instances, there is some uncertainty amongst consumers about the legal status of the water companies, namely whether they are public bodies, private companies or not-for-profit organisations – and what this means in terms of their priorities as an organisation. For example, many people still refer to their local water company as the 'Water Board'.

However, there can be a small amount of confusion in locations where more than one company supplies water and sewerage services (i.e. areas near the 'boundaries' of two water companies) or where the name of the water company has changed in recent years. For example, in the Midlands group some participants are supplied by Severn Trent and some by South Staffordshire Water, and in Wales there is some confusion as to whether the supplier is Welsh Water or Glas Cymru.

The responsibilities of water and sewerage companies are quite clearly defined, with the most commonly mentioned issues being:

- Supply of clean water – commonly mentioned first as the most important issue
- Reliable service
 - Uninterrupted supply
 - Effective sewerage services
 - Customer services
- Value for money

"Keep it coming nice and clean, take it away and bring it back again" Domestic customer (C2DE), Maidstone

"Supplying healthy, clean water, I suppose" Domestic customer (ABC1), Wales

"Make sure we can have water as we need it and to take away the waste water as we want it taken away" Business customer (SME, regular usage), Maidstone

The issues are similar for both business and domestic consumers, although there is generally a stronger emphasis on a continuous supply for businesses, particularly those whose supply is critical for their business to operate.

"I can't operate; I literally can't operate without water. You need water for essential cooling which uses obviously significant volumes." Business consumer (Large, high) Leeds

However, even those business consumers that do not consider water as a critical component in their operations state that if water supply was interrupted, 'normal' business would have to cease primarily due to health and safety issues (e.g. use of toilets or drinking water).

"Well from a health and safety point of view you have to provide utilities, like the toilet facilities. They would have to be closed down." Business consumer (LE, regular), Reading

4.1 Issues directly affecting domestic and business consumers

The main issues that individuals report that affect them directly as domestic and business consumers of water and sewerage services include:

- Rising costs of water and sewerage services
- Transparency around charging
 - Unclear charging systems for water supply and sewerage services
 - Confusion over metering
- Shortages of water/interruptions
- Water quality
- Effective customer services

- Drain/sewer flooding
- Billing issues – particularly for larger businesses, who report problems associated with lack of flexibility around billing services (e.g. e-bills and split-site businesses)

4.1.1 Fairness

The issue of water costs and the perceived lack of clarity or fairness in the charging system is the one that is most vehemently put forward by almost all participants. Namely, many participants find it difficult to reconcile the large differences in charges each participant pays for water and sewerage services according to where they live. The issue of fairness relates to the perceived usage levels of different households, who may be paying the same water and sewerage charges.

"I think they're a bit arbitrary, because you can talk to two or three people in your street and they'll all be paying different." Domestic customer (ABC1) Leeds

"My bill this year has gone up five pounds a month, and that's a bit exasperating, because you don't actually see any improvement in the service." Domestic customer (ABC1) Wales

"Yeah, not being fair to, it's like my mam and dad, they begrudge people, say me with three kids, paying the same amount as they do." Domestic customer (C2DE) Leeds

This issue is also prevalent on a countrywide basis, and there are perceived differences in the quality and cost of services between water companies across England and Wales. There is a feeling that there should be equitable provision and that customers should not be penalised according to where they live. Awareness of these differences are generally due to people who have moved location, live in an area where there is a boundary between two water companies, or have heard about these issues in the media.

"We pay a lot more than the rest of the country." Domestic customer (C2DE), Plymouth

4.1.2 Metering

Similarly, the topic of metering is raised by many participants, and elicits varied opinions. Many are happy to have saved money this way, whilst some are clearly concerned that 'paying for what you use' might mean paying more than charges based on rateable value. In general, people want to know more about the potential benefits and savings associated with metering. There is also considerable confusion about how one might go about having a meter fitted, whether one might have it removed at a later date and if there is any cost involved. Customers would like to be able to better work out how much they would be paying if they were billed for what they use.

"I suppose if we were all metered, then we would be cutting back on the amount of water we're using."

Domestic customer (C2DE), Wales

4.2 Broader issues affecting the water industry as a whole

A number of issues are raised that affect the water industry as a whole, and have been divided into a number of different areas.

4.2.1 Environmental issues

There is awareness and discussion by many people about environmental issues in relation to the scarcity of water, the increasing population and irregularities of weather. However, many consumers still find the issue of water scarcity difficult to reconcile in 'such a wet country' and make reference to recent news stories about water companies' poor record on leakages and water conservation. Many feel concerned that the costs of poor management of the infrastructure by water companies are being passed on to them as the consumer – which in turn elicits debate about water company profits and issues of fairness.

"Isn't there something like 35% of water wasted?" Domestic customer (ABC1) Birmingham

"There's more people taking the supply and if we have drier summer with less rain, they're not being replenished." Domestic customer (C2DE), Wales

"I do think about waste and going back into the seas and things." Domestic customer (ABC1), Wales

Other issues mentioned include the effects on local communities of the siting of sewage treatment works and odour, and of the increased flooding seen by some (e.g. waterways).

4.2.2 Water company profits

Many consumers argue strongly (having seen reports in the press) that the water companies are too focused on making profits and awarding bonuses to shareholders and the 'fat cats'. This is particularly galling to customers where they perceive that costs of infrastructure upgrade are being passed on to customers. People see this as a conflict of interests between water companies making a good profit for shareholders and bonuses for Board/Executive and protecting the interests (and rights) of water consumers. They would like to see more of a balance between water companies rewarding themselves, while still offering fair prices, a well maintained infrastructure and good customer services.

"And yet the increase will be pushed on to the people that use it in a big way. So they're quite willing to buy out the shareholders, give them big bonuses, but anything that's going to improve the system is coming out of our pockets, it's not coming out of theirs." Domestic consumers (C2DE) Leeds

4.2.3 Choice

Most consumers are aware that they have no choice when it comes to the supply of water and sewerage services and as a result are dictated to about:

- How much they must pay (i.e. cost)
- What they pay for (i.e. types of services received and the quality of those services)
- Who they get it from (i.e. the company providing the service)

Most consumers perceive that water companies are monopolies and feel that they should have a choice – in the same way they do for other products and services they buy, including utilities. Similarly,

there is a strong feeling that CCWater needs to ensure that consumers' interests are being represented on this issue.

"If you've got a monopoly you're going to milk it, right?" Domestic customer (C2DE), Leeds

"I question virtually everything that I spend my money on and try and make sure it is as cheap as possible, but I never question [the water], I just accept it." Domestic customer (C2DE), Plymouth

"Yes, if we got competition within the market, if we can get the price lowered, it would be massive savings on that water we actually use." Business consumer (LE, high usage), Reading

The smaller business customers have no awareness that competition is to be introduced into the water industry in December 2005⁶, and this is only mentioned by some of the large and high volume users. This is to be expected given that only large business consumers will be able to switch supplier. However, it seems that those who are most informed do not necessarily see this as a good thing:

"Now all this hassle that's been going on for three years on competition, having read Utility Weekly last week I think if we're lucky, we're going to be lucky if we see 3%... It's not worth the hassle." Business customer (Large, high) Leeds

4.2.4 Apathy

In addition, some consumers see the general lack of awareness and apathy about water and sewerage and suggest that this is a key factor that will ultimately determine how (and whether) people will engage with the water and sewerage services.

"I take [water] for granted personally. I don't even think about it." Domestic consumer (ABC1), Wales

"You take water for granted a bit...turn the tap on and it's there." Domestic consumer (ABC1), Leeds

⁶ With effect 1 December 2005 large business users with annual usage of 50,000 cubic metres or more will be able to switch supplier if they meet qualifying criteria

4.2.5 Specific industry issues

Trade Associations generally cite specific broad sector issues as their members' areas for concern. An example of this are the regulations imposed on certain types of health practitioners, and the consistency of advice and inspections that they receive on their premises. Other specific issues include the length of time for water companies to resolve specific issues, which in turn means that money is lost by businesses as they cannot continue to operate until the issue is dealt with.

"And also the water [companies]... a lot of the people that deal with the issues don't understand the issues... But at the end of the day, if an issue holds up [activity] for a month... that's 800k in money that he's been held up by. Which is a lot of loot." Trade Association: Manufacturing, Mining, Quarrying & Energy

4.3 Communications/awareness about water companies

Most people suggest that they feel poorly informed about their water company and the types of activities they are undertaking. Similarly, most people report that they have very limited contact with their water and sewage supplier, and any interaction is typically confined to receipt of the water bill. Some people suggest that they want greater transparency around how their bills are calculated. In general, however, when participants are probed on the issue of contact or information they would like to have from water companies, most suggest that they would have little interest and are content with the current level of contact/information they receive.

"The only contact I've ever had [with the water company] is just the monthly or quarterly statement that comes through." Domestic customer (ABC1), Wales

"We just pay the bill and that's it." Domestic customer (ABC1), Birmingham

"You never see Severn Trent advertising on TV." Domestic customer (ABC1), Birmingham

Much of this lack of information is put down to the absence of competition, in that water companies do not really need to differentiate themselves from any other supplier.

"They don't advertise on the, you don't see much advertising on the television, not like with the gas and electric companies... Go back to the monopoly, because they think they don't need to because there isn't another provider." Domestic consumer (ABC1) Leeds

Some business consumers (particularly those with large water requirements) report that they have an annual meeting with their water companies – as they do with all of their major suppliers. These meetings provide an opportunity for business consumers to outline and resolve any issues.

However, few business or domestic customers report that they consider there to be any 'serious' problems with their water and sewerage suppliers and suggest that if they did have a problem that water company would be their first point of contact. A number of customers (both domestic and business) that lease or rent property suggest that they would contact their landlord initially.

"We would soon be knocking on our landlord's [door] to say this is not quite right and we need it put right as quickly as." Business consumer (LE, regular usage), Reading

5. Awareness of consumer bodies and channels for representation

There is a very low awareness amongst both domestic and business customers of the organisations that exist to represent their interests, and many participants struggle to discuss consumer representation in general terms (as has been found in previous research conducted for WaterVoice and Ofwat⁷). There is also confusion between the role of regulators and consumer bodies and when consumers are asked to name specific organisations that represent their interest most mention industry regulators, such as:

- Ofcom
- Ofsted
- Oftel (sic)
- Ofwat
- The Ombudsman

"You hear of the body, but what it actually does and how it's formed and how its members are elected...or how to get in touch with these people." Domestic customer (C2DE), Leeds

However, a small number of people do spontaneously mention organisations, such as:

- Citizens Advice Bureau
- Which?
- Trading Standards
- Watchdog
- Trade associations - some business participants name industry associations of which they are members, for example::
 - Chemical Industries Association
 - Independent Schools Association

- National Hairdressing Federation
- Association of British Travel Agents

When prompted with examples of consumer bodies, a very small number of people say they are aware of organisations such as energywatch or the Rail Passengers Council. However, most people say that they are not sure what these consumer bodies actually do.

Few participants can offer a clear breakdown of the responsibilities (and even fewer can outline the activities) of consumer organisations – many have little to no awareness of these organisations, and therefore find it difficult to anticipate what their responsibilities and activities might be. However, the responsibilities that participants highlight include:

- Ensure fair service and price
- Deal with complaints – an independent arbitrator
- Investigate consumer issues
- Broker/represent consumer interests to suppliers
- Enforce and regulate
- Ensure quality standards
- Raise awareness about consumer issues

"Make sure you're not being ripped off." Domestic customer (C2DE) Wales

"If we have a problem and can't resolve it directly, we take it to them and hope that they can put some pressure on whichever utility it is to get it sorted out." Domestic customer (ABC1), Plymouth

"Regulating and making sure they follow the guidelines, health and safety...if you had any problems they'd be there to back you up." Domestic customer (C2DE), Maidstone

⁷ *"What customers expect from the Consumer Council for Water"* MVA, August 2004

"Also they're supposed to take advice, observations, back to the industry itself." Domestic customer (ABC1), Plymouth

There is general agreement that consumer bodies should ensure that consumers (whether domestic or business) are getting a fair deal through the price of the services they receive and suppliers provide an acceptable level of service.

"It's to make sure you have a fair service I would say." Domestic customer (ABC1), Wales

"Make sure there are fair prices and good and good practices across the industry." Domestic customer (C2DE), Leeds

The term 'fair' is frequently used by consumers and by this people typically mean what is the cheapest/most cost effective for them as consumers, but in terms of water, there is also the recognition that water consumers across the country may not be getting the same (i.e. a fair) deal compared to each other. Similarly, most people commonly feel that helping consumers gain redress in disputes is a key responsibility of consumer bodies.

Some business consumers (particularly larger businesses) suggest that if they have an issue/problem with a supplier that their general response is to negotiate the issues with the supplier. To a lesser extent, some domestic consumers also state that they would typically seek redress directly from the supplier themselves. However, business consumers also suggest that if their negotiations are not satisfactory may then seek legal representation or go to their trade associations or trading standards. Namely, there is an attitude amongst some larger businesses that they are big enough to look after themselves. Nevertheless, many larger companies suggest that they recognise that this might not be the case for smaller businesses and domestic consumers.

"The [organisation] belongs to the Major Energy Users' Council and one of their people has been a strong lobbyist on the water section of the council and they've all spent six to eight months at Ofwat trying to work out what it is should come off between retail and wholesale and that figure was reflected in this Utility Week article of about 3%." Business consumer (Large, regular) Reading

Most consumers (both domestic and business) say that they feel consumer bodies do have an impact and difference for consumers. Similarly, some suggest that simply knowing that consumer bodies are there to represent their interests (whether they are aware of the organisations existence or not) offers reassurance. Further to this, some people suggest that consumer bodies would not exist if they did not fulfil their remit, namely make a real difference for consumers.

6. Reactions to the formation and expectations of CCWater

6.1 Consumer reactions to the formation of CCWater

Awareness of the former WaterVoice or the Consumer Council for Water (for both domestic and business customers) is nearly non-existent. Those few people who do have awareness suggest that this is due them currently:

- Having a problem with water or sewerage services (e.g. searching the internet for information about water and sewerage issues)
- Working in a water/sewerage related-sectors (e.g. a respondent worked in refrigeration and plumbing)
- Being responsible for billing and utilities in their company (e.g. a business respondent was well informed about Ofwat and WaterVoice and aware that a new body had come into being)

"I think I've always thought there is an independent body that tracks all the water boards, because it's so essential to make sure our water is pure. Somebody not connected with the government and not connected with the water board...there is somebody but no idea who it is." Domestic customer (C2DE), Wales

"I think energywatch actually, I'm not sure now if energywatch deal with Ofwat, but I don't know the name of, whether it's energywatch, or whether it's somebody else, I'm not sure." Business consumer (Large, regular) Birmingham

Once explained, most participants say that they understand the difference between the industry regulator (Ofwat) and the consumer body (CCWater). However, many people express considerable cynicism when CCWater is introduced as a newly formed body and have difficulty understanding why Ofwat cannot carry out both functions. In part, this typically stems from a general mistrust of 'all sorts of government quangos' and a waste of public resources. Many participants, especially domestic customers, question why such an organisation needs to exist and how much it is costing them personally.

"In other words they're another quango." Domestic customer (C2DE), Ipswich

"If Ofwat was running properly you wouldn't need the Consumer Council for Water." Business customer (LE, regular usage), Ipswich

Participants express a mixed response to the issue of consumer contributions to fund CCWater:

- 23p not considered a great deal of money⁸
- However, while not seen as a large amount for each customer, when multiplied up by every business and household in England and Wales it is seen to quite a considerable sum of money
- And participants feel that they are paying twice through the water bill and taxes

Many participants suggest that they do not perceive that there are any major issues with their water and sewerage supply, and therefore 'why would we need CCWater?'. However, a minority of other participants suggest that if the existence of such a consumer organisation for water and sewerage may explain why they have no perceived major problems with their water and sewerage supply.

"Why do we need two departments who potentially might achieve nothing, looking after a service that we've already said isn't necessarily causing the world any difficulties?" Domestic customer (C2DE), Plymouth

6.2 Consumer expectation of CCWater

As a result of the negative reaction that the creation of CCWater generates from consumers, many suggest that there is a clear challenge for CCWater to demonstrate their worth (and be 'visible and vocal') in order to gain the respect and confidence of consumers.

⁸ CCWater has an annual operating budget for 2006/7 of £5.9 million and an ICT capital investment programme budget of £0.4 million

Many suggest that the best (and first) way in which CCWater can represent customers' interests effectively is by telling them:

- Who CCWater are (that they exist)
- What CCWater does (how they can help)
- Where CCWater are (where can they be found)

In terms of expressing ways in which CCWater can represent the interests of the customers of water and sewerage services, most participants find it challenging to list the types of responsibilities and activities they might want or expect (in the same way consumers have difficulties outlining the responsibilities and activities of consumer bodies in general). Many people tend to suggest practical solutions to the issues they see as affecting them as consumers and water and sewerage industry in general, for example: build more reservoirs or fix leaks.

However, specific activities that consumers expect from CCWater are:

- Push to introduce a fairer charging system – this is seen by some as an activity that would be effective in establishing CCWater's credibility to a wider audience
- Taking water companies to task where they are not effectively managing the effective delivery or conservation of water
- Monitor the payment of large salaries to senior management and the payment of large bonuses and dividends to shareholders whilst water costs rise - companies should be forced to spend sufficient money on upgrading/maintaining their infrastructures
- Education or raise awareness about the issues affecting the water industry and its consumers
- Deal with complaints
 - act as a independent arbitrator for individual complaints
 - monitor complaints across water companies as a whole to identify problem issues/areas for improvement

"Making sure things are fair in terms of the product and price and the quality of the services and what they're maintaining on their own pipelines and sewers." Domestic customer (ABC1), Plymouth

"They should force water companies to make more reservoirs, recycle more water, stuff like that. I'd like more information on what's actually in the water." Domestic customer (ABC1), Birmingham

"Make sure we're getting value for money." Domestic customer (ABC1), Wales

"I'd want the focus to be there on maintaining price rises, because price rises are inevitable in any market. I'd want them to ensure that the price rises were appropriate and were transparent i.e. if we are paying a higher than inflation rate increase for water, then that needs to be very clearly justified."
Business customer (LE, high usage) Wales

"Support any suggestions, ideas that arise from focus groups like this. Take up the issues." Domestic customer (ABC1), Plymouth

In addition, a proportion of participants specifically mention the need for CCWater to have 'teeth' in order to address the issues of importance to business and domestic consumers effectively. Namely, that CCWater should have the legal authority or power to 'order' water companies to make changes to their policies or activities, or to make repairs and resolve problems immediately, whatever the cost to them. Some question the degree of influence a consumer body would actually have over the water companies' 'monopolies'.

"Are the consumer council going to be another one of these bodies with no teeth?" Domestic customer (C2DE), Plymouth

"What powers, if any, do they have? If South West Water say 'well, thank you for your comments, but frankly we're not interested', then what?" Domestic customer (ABC1), Plymouth

"One thing, they should be monitoring their books and not to say, how much on paper have you spent repairing the things? But they should have complete access to them to say, where's your worst area for leakage? Well, that's not going to be the worse area next year, I don't care what you want to do, you're going to have to spend that and it has got to be brought down in line." Business consumer (SME, high) Birmingham

SMEs do not tend to raise issues significantly different to those of domestic consumers. Whereas business consumers representing the larger organisations (particularly those with high usage of water) suggest that they would like to see CCWater undertake activities that push for a greater:

- Focus on effective business-to-business processes
 - Billing (e.g. e-billing and flexibility to cope with split-sites)
 - More effective communication
 - Better customer services/relationships
- Balance between environmental concerns and costs to businesses – namely an environmental focus is important (i.e. organisations are increasingly having to demonstrate how they are taking environmental issues into account) but at the same time there is a need for prices to remain reasonable in order for UK businesses to remain competitive

"I think if you look back 20, 30 years and see the strides that have been taken by industry and the water industry as a whole, things have improved dramatically. And I think at the moment you're now into that stage of how much further can the country actually afford to go before it over-regulates everybody and puts things, puts people out of business. It's all right having lovely rivers and the cleanest things but if everybody's unemployed then there's a bit of a balance trade-off there." Business consumer (Large, high) Leeds

7. Evaluation of CCWater's proposed vision, values and workstreams

7.1 CCWater's strategic vision and values statement

The vision and values statement for CCWater are initially met with some degree of cynicism, and many participants make references about government / management jargon, politically correct buzzwords and spin. There is no inherent criticism of the vision and values in their own right, but people's negative attitude towards public/government bodies and their doubts that these organisations actually deliver on their statements cloud their perception of CCWater's statements i.e. 'we've heard it all before'. In addition, some people feel that the aspirations of the values appear slightly out of proportion or overblown in the context of issues about water and sewerage.

"Well, it's like any other mission statement." Domestic customer (ABC1), Wales

It is important to note that participants' strong cynicism about the creation of CCWater presents a strong barrier for people to engage with issues about CCWater's role and responsibilities – namely whether CCWater as an organisation is really necessary.

However, when encouraged to lay their preconceptions about public bodies aside and evaluate the statements on their own merits people generally give a positive response. Namely, most participants (both domestic and business) suggest that the vision and values statement are comprehensive and say that these are the types of statements and aspirations that they would expect (and hope) a consumer body would undertake.

"From a company perspective that's ideally what you would want from a company [CCWater] like that to represent you." Business consumer (LE, high usage), Reading

"Good, as long as they stick to it." Domestic customer (C2DE), Birmingham

"They've covered everything haven't they" Business customer (SME, regular usage), Plymouth

Consumer reactions to each of the statements of values:

- **Visible and vocal** – Most people suggest that it is extremely important for CCWater to use and deliver on these words. Many people say that they feel reassured to see and hear that someone is representing their interests and this statement offers more confidence that CCWater will do this.

"Visibility is the important thing for the consumer." Business consumer (LE, regular usage) Reading

- **Demonstrating how and where to make an impact** – Many people link the idea of demonstrating how CCWater will make an impact for consumers to being visible and vocal. Both business and domestic consumers suggest that they expect CCWater to demonstrate its impact through real, tangible outcomes for consumers.

"The only thing they could do to demonstrate how is if they drop the prices." Domestic customer (ABC1), Birmingham

"But saying and doing are two separate things." Domestic customer (ABC1) Leeds

- **Domestic and business consumers at the centre of decision making** – both business and domestic consumers suggest that it is important for CCWater, as a body representing their interests, to put them as consumers at the heart of decisions about the water sector. However, some people suggest that CCWater needs to ensure that the correct balance is achieved between the needs and interests of business and domestic consumers (as distinct groups). Similarly, a few consumers raise the issue of how CCWater will resolve situations where the interest of business and domestic consumers may conflict (e.g. interrupting the supply to domestic consumers in order to supply business customers)

- **Set and lead the debate** – Most people welcome the suggestion that CCWater will bring them quality, value for money and fairness. However, many consumers highlight the use of ‘choice’ in CCWater values statement and question what is meant by choice in this instance. Many suggest that if choice refers to introducing competition in the water sector, then this is a positive statement. Whereas if this is not what is meant by the statement, then many feel that it should be removed (or at least clarified). Similarly, some people are unclear about the use of social justice – many people do not make the link between water/sewerage services and broader social issues

"A robust champion of social justice is a bit much." Domestic consumer (C2DE), Wales

7.1.1 What's missing?

In addition to demonstrating how and where CCWater will challenge, some participants (both business and domestic) say that they would like to see the words ‘accountable’ or ‘answerable’ included within the statement of values. Namely, they suggest that they would like to see a commitment from CCWater to be accountable to consumers for what they do i.e. who will make sure CCWater do their job properly.

"So I think it's important that the timings and things like that are set in place and they set up a body where they actually regularly audit these people and make them accountable for what they're doing."

Business consumer (SME, high) Slough

7.2 CCWater's workstreams

Participants are less cynical when they are presented with the workstreams compared to initial reactions to the vision and values. In part, this may be due to the fact that the workstreams provide more tangible and real examples to consumers of what CCWater will actually be doing.

Overall, most people feel that the CCWater's proposed workstreams provide a comprehensive and appropriate range of work areas on which to focus. Indeed, no one suggests that there are any areas

they feel that CCWater has omitted or should not undertake. However, people suggest that many of the workstreams are interlinked.

"If they [CCWater] could get through that lot, they'd be doing well." Domestic consumers (ABC1), Plymouth

"There's a lot of what we've said... If they could ever get it into practice it would be very good."

Domestic customer (ABC1), Birmingham

However, some consumers express concerns about the authority CCWater has to achieve all of the proposed work areas, particularly what form (and extent) this authority will have with consumers increasingly operating in an international market place (e.g. what clout will CCWater have in EU negotiations). Similarly, some suggest that they want to see evidence of how CCWater plans to deliver in each area of work (i.e. prove they can do it)

The relative importance of each workstream is described below:

- **Research** – For many, the intention to conduct research is almost taken as read and is viewed as a 'given', with participants assuming that research would be carried out as a matter of course. Although few domestic consumers consider research to be the top priority for CCWater, participants understand that research is needed as an ongoing activity, in order to inform CCWater's other activities effectively (e.g. research to direct campaigns for change). Similarly, a proportion of participants feel that effective representation is only possible if CCWater is speaking to consumers directly through research, in order to consult with consumers about what they feel the issues are. Business consumers typically identify research as a key area, more consistently expressing the clear need to better understand consumers' needs and issues. However, business consumers also suggest that the use of research needs to be appropriate and question the need for 'sound evidence' at all times

"Obviously, research is vital here, because you've got to understand, if there is a problem, before you can put anything right." Business consumer (LE, regular usage), Reading

"First one, brilliant - I think research is the answer to a lot of things." Business consumer, (SME, regular usage), Plymouth

"It's not worth this company [CCWater] going off on a tangent when the consumer wants something else." Domestic customer (C2DE), Plymouth

"What I'm trying to say is, the best time for people to express feeling is when Severn Trent send their bill out and they should send with them one of their little things to say, what do you reckon compared to 12 months ago? The problem with some of these companies is that they're divided from the people. They should have an idea of what the people feel." Business consumer (SME, high) Birmingham

- **Campaigns for change** – Most domestic consumers prioritise this activity as the most important. However, for many this choice is strongly linked to the suggestion that campaigns will lead to a better and fairer deal for consumers i.e. this is the most important issue to them because it has a direct, beneficial impact for them. Price is an overriding concern for consumers and any reassurance that they are paying a fair price for their water supply is seen as attractive, and there is a call for CCWater to make a clear and tangible difference here. Participants in certain regions (particularly in the South West) question why they are paying more than in other areas, and most participants (across the country) feel that CCWater could fight for one fair price across the country, ending this disparity. By comparison, some business consumers see campaigns for change as a lower priority, because many businesses see campaigning as a component of effective representation

"I don't want them to campaign for a fairer system, I want them to make sure one is implemented." Domestic customer (ABC1), Birmingham

- **Representing / Championing** – Although many praise the idea of CCWater lobbying for value for money to be demonstrated in EU directives, several doubt that they have sufficient ‘clout’ to do so. Similarly, for many domestic consumers the concept of lobbying on EU Directives is beyond their personal experiences and, therefore, of less direct relevance. However, many participants are reassured by the fact that someone is representing and championing their interests. Conversely, many business consumers perceive this workstream as an overarching and primary activity for CCWater and the most effective way CCWater can be visible and vocal

"Someone is representing us out there not only for getting better quality, better prices, that sort of stuff, but also from a better service point of view from our current supplier." Business customer (SME, high usage), Reading

"Represent us in a fair, honest way and you're there for us, get the best for us." Domestic consumer (ABC1), Leeds

- **Driving good practice** – Whilst many recognise the importance of good quality service, because few people have direct experience of problems with water and sewerage services it is deemed to be of less importance than other activities (this is true of both domestic and business consumers). However, business consumers make reference to the importance of raising standards more readily. However, many feel that other areas of work will drive good practice (e.g. complaints or research will identify where a focus on good practice is required).

"Where there is good practice can we not help to disseminate that good practice by holding companies to account for that." Business consumer (LE, high usage), Wales

- **Education (advice and information)** – Many business and domestic consumers consider education a high priority. People suggest that consumers have very low awareness about the issues around water and sewerage (e.g. people take it for granted or confusion about water metering). Consumers feel there is need to make people understand and appreciate the issues. Many people suggest that it is especially important to focus on educating children and

young people on environmental issues (particularly through schools), in order to change behaviour from an early age and to instigate the trickle up effect of this on friends and family. However, some people feel that water companies should also be responsible for providing information and advice to their customers, particularly relating to issues of water conservation

"I think they should educate people and try to save water as much as they can. It'll probably take a long while to catch on, it did with all the recycling didn't it?" Domestic customer (C2DE), Birmingham

"I think we need to be educated with some things, because obviously if we've got to plan for the future we need to be told how to conserve water - I mean this could be part of their remit." (ABC1), Wales

"[Education] - the strongest one there." Domestic customer (ABC1), Birmingham

- **Complaints** – Although few participants (both domestic and business) report having a need to complain about their water company, most people feel that this should be a core activity for CCWater. Most people suggest that CCWater's remit should be to:
 - Deal with individual complaints
 - Monitor and evaluate complaints across the water and sewerage industry as a whole i.e. to identify trends to push for service improvement

Most consumers suggest that they would try to resolve the issues with the water company in the first instance. However, many suggest that it is important (and reassuring) to have somewhere to go if they do not get a satisfactory response. As individual consumers, people suggest they can have little influence with the water companies, so it is reassuring to know there is a body there to represent them

However, some business consumers (particularly large businesses) suggest that if they could not resolve issues with their water company themselves, they might pursue the issue through their trade/membership association or legal representation

In addition, both domestic and business consumers repeatedly question what the powers and authority are available to CCWater to force water companies to resolve issues

"The main way that they can look after your interests is by addressing, helping you to redress your complaints." Domestic consumer (ABC1), Ipswich

"I think that as single consumers it's the same thing as a single worker in a factory that you've got no clout, you've got no clout whatsoever. You've got a representative body and you've got the power of the whole body behind you if you like." Domestic consumer (ABC1), Plymouth

"You've got someone you can go to and they know about the water industry and they can contact them and deal with the issue and they know who to contact if you need to go further." Domestic customer (C2DE), Maidstone

"I would like to feel that if I had a problem they would actually treat it as a priority problem rather than you need 3,000 to have the same problem before they took the case up. [You made that view very well known earlier on]. I'm an individual person, what clout have I got? Absolutely zero, but I still pay my bill." Domestic consumer (C2DE), Reading

8. Priority areas for focus to ensure CCWater makes an impact

It is important to note that this study can only give an indicative view of business and domestic consumers' priority areas for CCWater i.e. a formal quantitative assessment was not undertaken.

It is notable that many participants suggest that they find it difficult to select priorities for CCWater, because they feel that the many of the workstream areas proposed by CCWater are interlinked or dependent on each other – i.e. cannot undertake effective campaigns for change if research has not been done to find out what areas consumers consider the key issues to be.

Similarly, people – particularly domestic consumers – find it very difficult to conceive the types of activities that CCWater would undertake to deliver each workstream area (i.e. what the activities under each work areas actually might be). Generally, people have very limited awareness of the role of consumer bodies and what they actually do to ensure that consumers' interests are represented (e.g. informing policy development and implementation, disseminating good practice, etc). Therefore, many consumers tend to base their decision on the examples given under each workstream area.

8.1 Priorities for CCWater

There is an overarching feeling amongst both business and domestic consumers that CCWater's first priority is to raise awareness amongst consumers about who they are, what they do and how to find them. There is a clear desire from consumer that CCWater be visible and vocal to the consumer (as well as the water sector) and there is an important challenge for CCWater to clearly communicate how its role differs from (and complements) Ofwat.

Consumers also say that it is vital for CCWater to demonstrate their worth i.e. justifying their existence to consumers. Most consumers expect that CCWater can best do this by showing that their activities are resulting in real outcomes for consumers on the ground (e.g. fewer leaks, better customer services, fair price) i.e. the consumer direct experience of water and sewerage services will confirm or refute this. The communication of real case studies where the organisation has made a tangible impact are mentioned spontaneously by a number of participants.

Finally, people say that it is important for CCWater to demonstrate to consumers that they are listening to the consumer to guide their priorities – such as through this study – because it is only by having a consumer-focus that CCWater can truly understand and represent their interests. For business consumers this is about being clear about the role of consumers in research – whether a ‘sound evidence base’ is actually required or whether action should be taken as a result of a small number of issues being raised. Whereas domestic consumers are less aware of what exactly ‘research’ is, but suggest it is critical for CCWater to undertake activities such as surveys, questionnaires and talking to consumers (i.e. research).

8.2 Priorities for CCWater’s activities

Within the workstream areas presented to participants in the study, there is a clear preference by both domestic and business consumers for CCWater to focus its efforts on:

- Education
- Complaints

However, where domestic and business consumers appear to differ is on the issues of campaigns and representations. Domestic consumers are more likely to prefer campaigns on their behalf, whereas business consumers are more likely to want an organisation that represents their views to the water industry.

This difference (although not quantitatively proven) may be explained by many business consumers seeing campaigns as a key component of effective representation. Similarly, domestic consumers tend not to have a clear understanding of what representation actually entails, but strongly associate it with the idea of campaigns ‘getting a better/fairer deal for consumers’.

Even though most consumers find it difficult to identify specific activities that CCWater should undertake to fulfil these key areas (i.e. the workstream), they are clear that they want these areas to address their key concerns through action to:

- Go further to provide **value for money** through:
 - Fair price
 - Choice in supplier
 - Clear information around water metering
- Continue to raise services standards
 - Effective and visible **complaints** procedures within water companies and CCWater
 - An **uninterrupted supply of clean water** and an **efficiently functioning sewerage** system
 - Action by water companies to reduce **water wastage** (e.g. leaks)
- Educate consumers and industry
 - On the importance of **water conservation** and the value of water
 - Target young people and children (i.e. get them whilst they are young); this can also be an effective route to influencing parents

9. Communications

Overall, most people's initial response to the issue of communication immediately relates to CCWater clearly raising consumers' awareness about who and what their role is. This is seen as the key priority by both business and domestic consumers. Namely, many consumers raise strong concerns that they would simply not think to contact CCWater in the first instance, if they did not know that it existed as an organisation to protect and represent their interests as water and sewerage consumers.

9.1 Location of contact details

Most participants suggest that they would expect CCWater's contact details to be clearly displayed on their water bill - preferably written on the actual bill, or alternatively in a leaflet with it. Similarly, some suggest that they would expect to be able to contact their water companies to obtain CCWater's details. However, there is concern/scepticism amongst some people about whether water companies would be proactive in promoting CCWater and its role, due to concerns about consumers raising issues/problems.

Other commonly suggested locations to find CCWater's contact details include:

- Phone book or Yellow Pages – some people report that they would expect a reference page in the documents that list the contact of all consumer bodies
- Internet – many people (particularly business customers and younger people) suggest they would do an internet search (i.e. "google" CCWater)
- Trade associations – for business consumers (see below)
- Landlord – particularly business consumers who lease office space or people living in social housing (i.e. the landlord being the housing association or local authority)

"[Our members] they might come to us and ask us because we've got an information service." Trade association for Wholesale, Retail, Hotels, Restaurant and Entertainment Sectors

Domestic consumers suggest locations that they would go to for information and advice, such as:

- Post offices
- Libraries
- Citizen's Advice
- Local authority offices
- Doctors' surgeries

"Could be like in the post office, as I pay by book I go into the post office a lot." Domestic consumer (C2DE), Wales

"Your Local Council office would probably have information and numbers." Domestic consumer (C2DE), Birmingham

However, most people admit that they would be unlikely to pick up leaflets unless they happened to be experiencing a water related problem at that time. Similarly, some report that if a leaflet promoting CCWater was posted to their homes, they might keep the information 'just in case' – nevertheless many people report that they rarely keep such information.

9.2 Preferences for interacting with CCWater

The majority of consumers (both domestic and business) state a clear preference for contacting CCWater by phone and most people gave a strong preference for calls to be available through a freephone number and a desire for a non-automated service (i.e. that when they phone they speak to a person). Some participants are clear that if a consumer organisation is to work effectively for the consumer, they should display excellent customer services themselves.

In addition, some people suggest that if their contact with CCWater was in relation to a complaint they would probably prefer the option to follow up a call in writing – probably via email – as people suggest this would provide a more formal record of the complaint (i.e. an audit trail).

Most domestic consumers suggest that they would like to contact a regional office rather than a central headquarters. This is based on the assumption that a regional office would have more local knowledge and expertise, therefore making the contact a more personal and helpful experience overall. In addition, people also say that they would expect regional offices to have a better relationship and greater contact with the local water company, which would facilitate consumer representation. However, a small number of people suggest that CCWater needs to ensure that regional offices are consistent in representing and brokering the best deal for consumers with water companies locally and do not exacerbate the perceived issue of water companies across the country delivering variable services to consumers i.e. because of variable performance by regional offices.

"If you're talking to somebody in London they're not interested in South West Water, that's the end of that." Domestic customer (C2DE) Plymouth

"It's no good phoning in with a complaint and they think well where are you from then, don't know where, you could be from the other side of...the moon for all some of them care, they need to be sort of understanding, knowledgeable and caring." Domestic consumer (C2DE), Ipswich

In general, business customers suggest that they are less concerned about the location of the CCWater office they have contact with. Many of the larger companies suggest that they have customer service centres in central locations (rather than locally) and in some cases in different countries – namely there is a recognition that local support is not always feasible. However, the key issue for business customers is that the person dealing with them (i.e. their complaints or enquiry) has the knowledge and expertise to be able to help give useful advice and some sector-specific expertise (e.g. understand the issues that specifically affect dentists, hairdressers, etc)

"I understand resources are becoming scarce in terms of where people are located. The difficulty of people getting to and from work is becoming an issue as well, but where they are doesn't matter. It's whether or not that gets dealt with." Business consumer (SME, high usage), Reading

Consumers also say it is important that communication is carried through i.e. that the customer is informed of progress and that there is an end result, either through a call or written contact – many suggest that a call-back would be preferable because it creates a more personal experience. Many people report experiences of complaints entering a 'black hole' where they are never seen or heard of again. It is also important to consumers to be able to speak to the same person throughout i.e. they don't have to repeat the story every time.

9.3 CCWater communicating its activities

Communicating issues about water and sewerage to consumers is a key challenge that CCWater faces. In general, most consumers (both business and domestic) do not perceive issues about water and sewerage services to be of great importance or relevance to them, because most people admit that they 'take water for granted' i.e. they turn on the tap and clean water comes out or they flush the toilet and the waste goes away. Therefore, it is critical that CCWater uses:

- Channels that consumers prefer to access information by
- Key issues/messages about water that consumers will engage with

9.4 Channels of communication

In terms of the best ways for CCWater to communicate its activities, participants see the preferred methods to be:

- TV adverts – seen as the most obvious and visible medium
- Local and regional newspapers – a useful means of communication. Many people claim to read local or regional papers and some note that they are ideal locations for placing local case studies
- Issues about water and sewerage trailed or built in to media stories or programmes (e.g. soap operas, documentaries, current affairs programmes)
- Leaflets/information sent in the post or enclosed with the bill – however, many people admit that they do not readily engage with information that comes through the post – perceived as 'junk mail' or 'bumph'
- Presence in town centres or at exhibitions

"You've got to advertise. You've got to sell yourselves, haven't you? And you've got to sell yourself properly." Business consumer (SME, high usage), Reading

"I mean they could even advertise it on TV." Domestic consumer (C2DE), Birmingham

"A small advert in the paper or an advert on the television." Business consumer (SME, high usage), Ipswich

"Even national [events]. We've just been to the Ideal Home Exhibition, that would probably be a good one raising awareness." Domestic consumer (ABC1), Reading

Most business and trade association representatives suggest that trade associations provide an extremely effective way for CCWater to engage with business consumers:

- Business consumers suggest that they read and value the information/advice that comes from their trade/membership associations – suggesting that this is key role of trade associations i.e. collate, decipher, make relevant and disseminate information
- Similarly, there is a suggestion that CCWater will gain a greater profile and more positive reputation through working in collaboration with trade/membership associations (i.e. businesses perceive this as a recommendation by a trusted/approved source)
- Trade associations suggest that they would welcome the opportunity to work collaboratively with CCWater to highlight issues around water that might affect their members. They suggest that they are:
 - The most effective channel to reach (and be listened to by) their members
 - Understand what are the relevant issues affecting their members and how to tailor communications effectively

"Just tell us what procedures are, tell us what you have, tell us about the information you have, just send it to us, and then we will have a look at it, see if we can, because it's not going to be industry

specific, we would tailor that, but again still following everything that's been said." Trade Association, Education & Health

"I would be looking for the professional bodies and the trade associations and everyone else to be helping to spread the message. I would engage with strategic partners to pass out my message." Trade Association for Wholesale, Retail, Hotels, Restaurant and Entertainment Sectors

"There are already fairly well-established large industry user groups, and ... the easiest mechanism is to tap into some of those." Business consumer (Large, high) Leeds

"There are trade industries, I belong to the BIFM [British Institute of Facilities Management]...so I think it's through them." Business consumer (LE, regular usage), Ipswich

In addition, some business consumers suggest that CCWater could interact and communicate with them through:

- Use of local seminars or meetings between CCWater, the water companies and local businesses to discuss water and sewerage issues
- CCWater attend or speak at industry conferences/events
- CCWater's regional offices identifying and meeting with the local businesses with high water usage

9.5 Communicating relevant messages in a meaningful way

Consumers' clear message is for CCWater to be visible and make a difference on the issues that concern them as consumers. People suggest that it is essential for CCWater to clearly demonstrate what difference they are making to them as consumers (i.e. consumers make references to CCWater justifying its existence). Participants state that they do not only expect to *hear* messages about the key issues/concerns they have about water and sewerage services, they also expect to see outcomes on the ground that help address their issues/concerns (i.e. experience better customer services with their local water company, fewer price rises, see fewer floods/leaks when walking along the street). In

addition, a number of participants emphasise the use of case studies as an effective way of communicating progress by providing real and tangible examples (which could be available on CCWater's website).

It is important to engage consumers on issues that they can relate to and that they perceive as important, namely those issues that directly impact on them (i.e. the issues outlined in section 4 – Concerns about the delivery of water and sewerage services). Many people admit that they take the resource of water for granted, despite their awareness that there are concerns around poor water conservation or that water is an increasingly limited resource – in this respect there is scope to better engage with consumers who recognise the issues but have yet to significantly change their behaviour. Many people make reference to personal issues and experiences (e.g. local flooding or hosepipe bans) or issues that connect with the general awareness (e.g. news items about drier summers and growing population), therefore, there is potential to use these messages as hooks to engage with people

In addition, many participants suggest that targeting young people to raise their awareness about water and sewerage issues is particularly important, because young people are:

- Consumers of the future – e.g. people feel children do not appreciate that we pay for water
- More susceptible to behavioural change – many people make reference to learning about simple water conservation message in their own childhood (e.g. turning off the tap when brushing teeth)
- Route to educating others – e.g. friends and family (i.e. trickle up)

10. Review of CCWater publications

It is important to note that this study does not provide a formal evaluation of CCWater's publications for business and domestic consumers. However, it does provide a touchstone of opinion about CCWater's publications by consumers. A list of the full range of publications shown to participants during the study is available in Annex 2.

In general, the reaction of both business and domestic customers to CCWater publications is positive. While they are not seen as providing information that is exciting, most people suggest the publications are fit for purpose. Indeed, many express surprise at the quality and usefulness of the publications after the initially often cynical response to the organisation.

"I think they're very, very good. They've got everything in there, what they're about, what they can do."
Domestic customer (ABC1), Leeds

"This is really good actually. This is a nice little booklet. Once you've got that you could keep this, couldn't you." Domestic customer (C2DE), Ipswich

"You can just flick to what you need." Domestic customer (C2DE), Plymouth

"It looks bouncy, got the colours, got the things, punches the vision." Business customer (LE, regular usage), Ipswich

Positive comments by consumers about CCWater's publications include:

- Written in plain English (straight forward and easy to understand)
- Contain useful information (e.g. how to complain, who to contact for advice)
- Good, clear layout - easy to follow and good use of bold section headings

- Good use of images
- Inclusion of contact information for regional offices
- Use of tables and information boxes to highlight specific points and issues
- Cover a comprehensive range of issues covered
- Tone is friendly and informative
- Professional design

However, areas for improvement include:

- Potential to make the titles clearer on the domestic customer booklets (e.g. Are you being served?) – people suggest the dark blue title on light blue background reduces the impact of the front page. Whereas the white wording on blue background of the factsheets is perceived to be high impact
- Use of images on publications that do not currently include pictures (e.g. Factsheet - How can I reduce my bill? How to cut your water and sewerage bills by being water efficient)
 - Help to break-up the text
 - Generally make the publications more appealing to the reader

10.1 Format

Most business consumers state that they prefer the factsheet format of publications and suggest that this is a more straightforward and concise format to read, but still gives the necessary levels of information.

"I think fact sheets are much easier to read." Business consumer (LE, regular usage), Reading

However, most domestic consumers say that they prefer booklet publications over factsheet format. Moreover, many suggest that the three booklets should be combined into a single resource. This would:

- Provide a single document for people to use as a reference document

- Reduce the number of publications people receive and thereby the perception of feeling overwhelmed with too much information
- Reduce the need for duplication of information within publications (e.g. contact details)
- Reduce the likelihood that the publication will be discarded because it is a more substantial document

“Why do you need all these different booklets, why can’t you just have one, have it a little bit thicker?”

Domestic consumer (ABC1), Ipswich

Overall people feel that the current range of publications (both for business and domestic consumers) cover the areas of information that they might want about water and sewerage services; no one suggests that there are any key information gaps.

However, some participants suggest that they would expect it to be the responsibility of water companies to provide their customers with information of this nature. This perhaps highlights the importance of CCWater working in partnership with the water companies to promote and disseminate publications.

“I’m still unsure what this lot are doing that my local water company couldn’t do. I’d expect my local water company to tell me about how I can reduce my bill, advice on water quality, advice for business companies.” Business consumer (LE, high usage), Wales

10.2 Where people expect and prefer to access CCWater publications

It is clear once consumers are presented (and proactively encouraged to engage) with CCWater publications they find them accessible and informative. However, a real challenge CCWater faces is ensuring that consumers engage with these publications through choice in their day-to-day lives.

Many people suggest that they do not read information (e.g. leaflets, booklets or factsheets) that they receive from suppliers in general (including water companies). Some participants say that they rarely

even open the water bill – because they pay by direct debit they feel that there is no need to open it – let alone read anything that was sent with the bill.

“If you want to know, the information is freely available. It’s just whether or not you want to take the time to read it.” Domestic consumer (ABC1), Leeds

“Well, I think we’re bordering on information overload with a lot of it.” Domestic consumer (ABC1), Reading

This is less true of business customers

- There is a perception amongst some business consumers that they might be more likely to read or pay attention to information that comes through the post from suppliers – particularly if it accompanies the bill
- However, some business consumers raise concerns that if information is sent only with the bill it might not reach the people working on the ground who have day to day responsibility for water and sewerage issues (e.g. water conservation)

“Things that come through the post tend to get read. And I think leaflets out with water bills and things like that.” Business consumer (SME, high usage), Reading

Overall, many people suggest that sending publications out jointly with the water company is an effective way to disseminate publications and will convey positive messages, namely:

- A clear indication that the water company and CCWater are working together (in collaboration) to benefit the consumer
- Create the overarching impression that there is joined-up approach to consumer representation in the water sector, thereby
 - Offering reassurance to the consumer

- Helping to ensure that CCWater is more visible (and get the right association i.e. linking people's awareness with water issues and consumer representation)
- An attempt/effort to save resources e.g. by sharing postage
- Will limit the feeling by consumers that they are being bombarded/inundated with publications from numerous/disparate sources

Participants suggest the following options for CCWater to disseminate their publications:

- Send out publications with the water bill – however, due to the large range of publications most people recognise that this would not be the most cost-effective and efficient method:
 - Consumers might be overwhelmed with too many publications
 - Publications sent to people that were not relevant
 - Costly in terms of postage and resources (e.g. paper)
- However, domestic customers suggest that if all of the CCWater publications are compiled into a single publication (see above) then a mailout to all customers of water companies with the bill would be an effective (and acceptable) approach
- Sign posting about the types of publications available promoted on the water bill to either:
 - Download e-version for the CCWater or water companies' websites (particularly for business consumers)
 - Phone to order publications
- For domestic customers place publications in locations where:
 - Consumer go for advice and support - Citizen's Advice, local authority offices, local housing office, post offices (where some people go to pay for water bill)
 - People spend time waiting – GP waiting rooms, post office queues

11. Conclusions and recommendations

11.1 Conclusions

Overall priorities and issues for CCWater

- Overall, consumers' priority for CCWater is to raise consumer's awareness about:
 - Who CCWater are
 - What CCWater do and how they can help
 - How to contact CCWater
- Considerable cynicism about government bodies taints perceptions of the formation of CCWater and prevents many from engaging with issues around CCWater's role. But CCWater can overcome this by making a real and tangible difference to the customer experience
- A further challenge is the apathy that many consumers have over water and sewerage services – many simply 'take water for granted'
- There is clear support by both business and domestic consumers for CCWater to focus its efforts on:
 - Education (information and advice)
 - Complaints
 - Representing and campaigning
- Clear areas for action are:
 - Value for money through fair pricing and the introduction of choice in the water industry
 - Improvements in service standards through effective complaints procedures, continuity of supply, sewerage service supply and reduced wastage

- Education for both consumers and the water industry through raising awareness of conservation issues, in particular young children (the consumers of the future)

Awareness of water and sewerage services issues

- Consumers are clear about the responsibilities of water and sewerage companies, highlighting
 - Clean water
 - Reliable service
 - Value for money
- Business and domestic consumers report a wide range of issues including costs, billing issues, choice and environmental concerns
- Few feel well informed about their water suppliers, but at the same time few have serious issues with their supply (and so there is little motivation to find out more about them)

Consumer bodies and representation

- Awareness of consumer bodies is very low (although slightly higher for businesses), and many cite regulators as being there to represent their interests
- Consumer representation is seen by many as championing 'fairness' of treatment by the water industry, and of protecting the consumer against the large water companies

Reaction to formation and expectation of CCWater

- Awareness of the former WaterVoice or CCWater is almost non-existent – only those with specific cause to know (e.g. those involved in the water and sewerage industry, or have dealings with it through their job) have any level of awareness

- The formation of CCWater is met with considerable cynicism – this is part of a broader prejudice against government ‘quangos’ and can prevent people from viewing the formation of CCWater in a constructive light
- Nevertheless, consumers do see a role for CCWater in actively and visibly representing their interests, but query whether the organisation has been granted the necessary powers to effectively undertake this

Evaluation of CCWater proposed vision, values and workstreams

- CCWater’s vision and values are initially seen as ‘management’ jargon, but consumers do accept that, if achieved, they are positive aims
- The workstreams are more readily accepted and are seen as comprehensive and suitable activities, although many would like to see the words ‘accountable’ or ‘answerable’ included, to reflect the organisation’s commitment to consumers

Communications

- Overall, consumers expect to find CCWater contact details on their water bill and want to contact CCWater by phone
 - Domestic consumers have a preference for a local office
 - Business consumers typically say that they have no preference – as long as the advice and support is of a good quality
- Consumers suggest that the media (both national and local) provides the most obvious and effective channel for CCWater to communicate to consumers about its activities
- Business consumers and trade association representatives suggest that trade/membership associations provide an extremely effective way for CCWater to engage with business consumers

- Publications – overall people are positive and receptive to CCWater’s publications and feel that they are useful, relevant and accessible
 - Domestic consumers suggest combining all CCWater booklets into a single resource, in order to make the publications more effective
 - The challenge that CCWater faces is increasing the potential number of consumers who will choose to engage with these publications

11.2 Recommendations

1. CCWater needs to communicate clearly and effectively to consumers and other stakeholder bodies a simple and accessible message about who they are, what they do and how to contact them:

- Use partnership organisations to help raise awareness and disseminate the message about CCWater (e.g. Ofwat, other umbrella consumers bodies)
- Raise awareness amongst those bodies/organisations that provide advice and support directly to consumers (e.g. local authorities, Citizens Advice and trade associations)

2. CCWater needs to clearly differentiate itself and its role from Ofwat and the former WaterVoice

- Ofwat has a dominance in the minds of consumers (particularly amongst business consumers). Therefore, there is a real need for CCWater to clearly identify and communicate to consumers how their role is distinct from Ofwat
- CCWater also needs to establish that it is new and effective. There is a risk that because CCWater has been established out of an organisation (i.e. WaterVoice) few people have heard of, consumers will attach the same attributes to CCWater. The issue of independence from Ofwat and the water companies is important

3. CCWater must demonstrate rapidly their worth and the importance of the role it fulfils through delivering outcomes that will make a tangible difference to the consumer experience, in order to gain the trust and respect of consumers:

- CCWater needs 'quick wins' or high profile campaigns on issues that consumers see as important and relevant to them, prime issues include:
 - Fair pricing
 - Equitable provision of services across water companies
 - Introducing choice in the water sector

- Effective and flexible billing options for business customers (e.g. e-billing)
- Making visible attempts to understand and address sector-specific issues
- Demonstrate to consumers that CCWater is undertaking activities in the areas of work people see as priorities, in particular:
 - Education
 - Complaints
 - Representing and campaigning
- Show clearly that CCWater has influence and so can affect real change for consumers. For example, show a strong (but appropriate) relationship with Ofwat, water companies and the Government
- Leading by example on issues that they are campaigning on or promoting in order to reinforce consumer trust in CCWater to be effective. For example the provision of good customer service standards will be extremely important for CCWater if they are driving best practice amongst water companies
- CCWater must meet the expectation that they should be the 'expert' when it comes to representing consumers on water issues. People suggest that they want to be confident that when they contact CCWater they are dealing with people who have the knowledge and expertise to help and advice them appropriately

4. CCWater needs to allay concerns about its powers (or teeth) to bring about change – particularly around the issue of complaints and 'forcing' water companies to comply with guidance from CCWater:

- People need reassurance that CCWater has effective mechanisms in place to ensure that water companies tow the line (there is a concern that water companies simply won't listen or do anything unless they have to legally)

- CCWater needs to communicate all of the 'powers' (or tools/mechanisms) at CCWater disposal in order to bring about change in the water industry – even if the most effective/power mechanism at CCWater disposal is by being vocal and visible on key issues
- It may also benefit CCWater to show consumers that they have a positive (but appropriately independent) relationship with the regulator Ofwat (i.e. who many perceive has 'teeth' and legal powers) to clearly demonstrate that if CCWater goes to Ofwat, that they will listen (i.e. that being vocal and visible does makes a difference)
- Obviously, CCWater needs a 'quick win' to highlight its effectiveness

5. CCWater needs to address the challenge of encouraging consumers to engaging with the issues about water and sewerage by raising people's awareness about their importance (i.e. shifting attitudes away from taking water for granted) by effectively using:

- Channels of communication that are preferred or favoured by consumers
 - Media (e.g. both national and local TV and newspapers)
 - Location/organisations that consumers readily go to for advice and information or that are responsible for frontline delivery (e.g. libraries, Citizen's Advice, local authority offices, landlord, post offices)
 - For business consumers the better use of trade associations (see recommendation 6)
- Issues that people perceive as important or relevant
 - Price of water
 - Introducing choice into the water and sewerage sector
 - Interruptions to supply of water or shortages (e.g. hosepipe bans)
 - Relevant – use issues that resonate with:
 - Direct personal experience (e.g. floods in local area)

- General awareness of water and sewerage issues (e.g. news stories about drier summers and the increasing population) as hooks upon which to catch consumers' attention and build knowledge and awareness

6. CCWater can target business customers through their trade associations and trade press:

- Trade associations provide an effective channel for CCWater to engage with business consumers
- Many businesses suggest that their trade/membership associations:
 - Are key sources of advice and information
 - Identify any key/important issues that businesses need to be aware of
 - Tailor and provide information in a form that is relevant and accessible to their business
 - Increases the likelihood that business consumers will engage with information sent to them because it has greater credibility
- Moreover, trade associations suggest that they are receptive and would welcome the opportunity to engaging with CCWater to help promote messages about water that might affect their members

7. CCWater needs to ensure that contact with consumers is delivered effectively and appropriately, namely:

- Limit the amount of information (e.g. leaflet, booklet and factsheets) sent through the post (particularly to domestic consumers). However, this is less true to business consumers who suggest that they are more likely to engage with written information
- Send out information with the water bill, this:
 - Reinforces the message to consumers that CCWater is working with the water companies to improve the consumer experience

- Reduces the perception that consumer are being bombarded with information from various sources
- Put CCWater's contact information on the water bill – making this clearly visible
- Ensure that contact with consumers is positive and meets their expectations
 - Freephone number for advice and support
 - Consumers speak to person (i.e. not an automated system) and (for domestic consumers) that person is in a local/regional office
 - Provide useful advice and support – every consumer contact needs to reinforce the reputation that CCWater is an expert on water issues that affect consumers
 - Follow up consumers' issues, complaints and requests

8. CCWater can further improve their publications by

- Ensuring that publications aimed at business consumers are in a factsheet format
- Combining CCWater's booklets providing advice and information for domestic consumers into a single booklet – thereby increasing the likelihood that domestic consumers will keep the publication as a source of reference and, therefore, engage with the information within the publication
- Ensure that all consumer publications have appropriate images or pictures

12. Annex 1

Consumer Council for Water – Domestic Consumer Discussion Guide

Introductions (5 minutes)

- Introduce self
- Explain purpose of group:

The Consumer Council for Water (CCWater), a new independent consumer watchdog body that was formed on the 1st October, is conducting research with people who are customers of the water and sewerage companies in England and Wales to explore the issues they have surrounding the supply of water and sewerage services and how they want their views to be represented.

- Stress:
 - that the group is informal
 - that there are no 'right' or 'wrong' answers
 - that we want to hear everyone's opinions
 - that they should feel free to disagree – even if you think you're the only person who thinks
 - differently, but respect other people's opinions
- Stress confidentiality – what is said here will not be identifiable, so please feel free to be honest with your views.
- Tape recording – get permission
- Note: explicit permission required (including signature) for permission to use sections of tape at internal CCWater launch. But stress that this material will not be made publicly available in any form
- Participants to introduce themselves in turn

Note: if participants ask:

- From 1st December 2005, business customers using over 50 000 cubic metres of water a year will be able to choose from more than one supplier. There is a possibility that sometime in the future, competition will be opened up for domestic customers as well.
- Approx cost to bill-payer of CCWater – 23p of household annual water bill
- Issues of water quality are dealt with the Drinking Water Inspectorate

Current use of and issues with water and sewerage suppliers (15 minutes)

- I'd like to start by talking to you about the water and sewerage supplier for your home.
- Do you know the name of the company that supplies you with water and sewerage services?
- Does the same organisation supply you with both water and sewerage services?
- What do you think are the responsibilities of the organisation that supplies you with water and sewerage services?
- What are the main issues that you think people have regarding the supply of their water and sewerage services (that is, individual issues that can directly affect the customer, for example billing problems, sewer flooding and supply interruptions? Record responses on flipchart for later discussion.
- What do you think are the broader issues that affect the water industry as a whole, for example social or low income issues, affordability or environmental issues – such as water pollution or resource issues? Record responses on flipchart for later discussion.
- How well informed do you feel about the companies that provide your water and sewerage services?
- How does this compare with companies who provide you with other services, for example gas or electricity?
 - What information is missing?
 - How could your water and sewerage supplier better communicate with you?
- Who would you contact if you had a problem with your water or sewerage supply?

Current sources of information and awareness on consumer bodies (10 minutes)

We're now going to talk about organisations that represent consumer interests, whether in the water industry, the energy industry or any other.

- What consumer organisations are you aware of that represent the interests of consumers (across any industry)?
 - E.g. Energywatch, Postwatch, Rail Passengers Council
- What do you think are the main responsibilities of an organisation whose function is to represent consumer interests?
- What activities do you expect are involved in representing consumer interests?
- Are you aware of any organisation that exists to represent the interests of water and sewerage customers like yourself?
 - Prompt on awareness of responsibilities of organisations mentioned
 - What kind of impact do you think they have? Why?
 - What kind of information would you like to have on the organisations that represent the interest of customers?

Expectations of a new consumer watchdog body (15 minutes)

In order to keep the discussion on track, I'm now going to outline who the consumer and regulatory bodies are in the water industry and outline their responsibilities:

Ofwat is the economic regulator for the water industry. A large part of their role involves monitoring and setting pricing limits on the supply of water and sewerage services and to ensure that water companies meet their legal responsibilities. In summary, their role is to regulate the industry so as to ultimately protect customers.

The Consumer Council for Water (or CCWater) exists to represent the views of customers of the water industry, both business and residential. It is independent of Ofwat and handles complaints from

customers. It also campaigns on behalf of customers and can challenge Ofwat, the government and water companies on a number of issues eg. lowering prices, ensuring service quality is maintained etc.. In summary, their role is to represent customers or act as their voice.

“CCWater replaced WaterVoice on 1 October 2005 and will continue to represent the interests of all customers of the water and sewerage companies as well as those of newly licensed water suppliers who enter the industry via the competitive market that comes into effect on 1 December 2005.”

In this discussion, we are focusing on the Consumer Council for Water.

- In what ways do you expect the new Consumer Council for Water to represent your interests as consumers?
- Spontaneous responses

I'd now like to return to the issues that you raised earlier on (show flipchart)

For each of the following, I'd like you to tell me how CCWater could best address these issues to your satisfaction. For each, I'd like you to consider the following:

- What should CCWater do to address each of these issues?
- What would the ideal outcome be?
- How you would like CCWater to communicate the results of their work to you

Presentation and reactions to workstream functions (25 minutes)

I'm now going to outline CCWater's proposed strategic vision and values:

Present showcard with vision and values (NB Advise that this is not yet fixed and subject to review as a result of the research): CCWater is using this research as a sounding board

CCWater Strategic Vision – CCWater the champion for water consumers

Values statement:

- Be visible and vocal and act firmly on the basis of sound evidence;
- Demonstrate how and where we will challenge and make an impact for consumers;
- Aim to put domestic and business consumers at the centre of all decision making in the water sector;
- Set the agenda and lead the debate to ensure that existing and future consumers benefit from a sustainable water industry that brings them choice, quality, value for money, fairness and social justice

What are your initial reactions to this vision? Do you think these activities represent what you expect a body that represents consumer interests should be doing?

- Why?
- Why not?
- What else should they be doing?

I'm now going to outline how CCWater's plans to organise its activities:

Present showcard with workstreams:

- Research – seeking and understanding consumers' views to establish a robust evidence base. This piece of research is one example
- Campaigns for change – getting a better/fairer deal for consumers – For example, CCWater will campaign for a fair water charging system
- Representing/Championing - making consumers' views heard and influencing decision makers. CCW will work to lobby on European Directives that impact on consumers' bills (highlighting the cost impact for customers and insisting on cost benefit analysis before implementation of directives).

- Driving good practice – influencing the water industry to improve service delivery to consumers. CCWater will highlight best practice in the provision of services to elderly and disabled consumers
- Education (advice and information) – empowering consumers by building knowledge, raising awareness and changing behaviour. With water resources becoming a issue on some areas CCW will work to influence they way consumers think about and use water
- Complaints – gaining redress for individual consumers and the market. CCWater will investigate complaints when the water company has failed to sort out a problem. They currently deal with 12, 000 complaints a year

What are your initial reactions to these activities? Do you think these activities represent what you expect a body that represents consumer interests should be doing?

- Why?
- Why not?
- What else should they be doing?

Each respondent to be given a printout of all six activities plus descriptions and examples. I'd now like each of you to mark on the piece of paper what you think the top three activities that CCWater should prioritise.

Collate all responses and record the top three issues on the flipchart.

Why are these three activities so important to you as customers of water companies?

Taking each activity in turn. What should CCWater be doing in effectively undertaking <activity>? What should its priorities be and why?

- What are the ideal outcomes you would like to see from CCWater undertaking <activity>?
- How can CCWater make an impact?

Now, considering the three activities that were seen as less important (write on flipchart) why do you not generally see these issues as important as the other three?

Communications (10 minutes)

I'd now like to talk about how you would go about contacting CCWater.

- Where would you initially look for their contact information? Where would you expect to find it? Why?
 - The phone book or Yellow Pages
 - The internet
 - At a Citizen's Advice Bureau?
 - Where else would you look?
- In what way would you prefer to communicate with CCWater if you had an issue that you wanted to raise with them? Why?
 - By telephone?
 - Face to face (i.e. in a local office)?
 - By email/internet?
 - By post?
 - Would you prefer to contact a regional office in LOCATION (see below) or the Headquarters?
 - If you had a general enquiry
 - If you had a complaint

Locations:

Reading groups	= Central London
Maidstone groups	= Central London
Sutton Coldfield groups	= Birmingham

Leeds groups = Darlington

Plymouth groups = Exeter

Bridgend groups = Cardiff

Ipswich groups = Cambridge

- How would you like to see CCWater communicate their activities to you as a consumer of water and sewerage services? Why?
 - On the internet?
 - By email?
 - Roadshow events in town and city centres?
 - By post, for example a newsletter?
 - Newspapers – local / national? Which do you read?
 - How else might they tell you what they are doing?
 - How can CCWater be visible and vocal?

Review of CCWater publications (5 minutes)

I'd like you all to have a good look at each of the following publications

Pass round CCWater leaflets, , allowing time for participants to have a good look at each.

- Who do you think they're aimed at? Why do you think they've been made?
- Where would you expect to find these publications?
- What stands out in them?
- What's good / bad about them?
- How could they be improved?

Are there any publications or information referring to the water and sewerage industry that you have not seen but that you would like to see published?

Final comments and wrap up (5 minutes)

In your opinion, what is the most important thing that CCWater could do as a consumer body to most successfully represent the interests of consumers?

Where can it make the most impact?

Do you have any other activities that you would like to see CCWater undertaking to successfully represent you as customers of water and sewerage suppliers?

Thanks and close.

Consumer Council for Water - Business Customer Discussion Guide

Introductions

- Introduce self
- Explain purpose of interview:

The Consumer Council for Water (CCWater), a new independent consumer watchdog body that was formed on the 1st October, is conducting research with business customers of the water and sewerage companies in England and Wales to explore the issues they have surrounding the supply of water and sewerage services and how they want their views to be represented.

- Reassure respondent of confidentiality
- Ask permission to tape record the interview for OLR research purposes only

Notes: if participants ask

- From 1st December 2005, business customers using over 50,000 cubic metres of water a year will be able to choose from more than one supplier. This is a trial to look at the viability of competition in the water industry. There is a possibility that sometime in the future, the water industry will be opened up to wider competition
- Approx cost of CCWater to a business – 23p of annual water bill
- Issues of water quality are dealt with the Drinking Water Inspectorate

Current use of and issues with water and sewerage suppliers

I'd like to start by talking to you about the water and sewerage supplier for your business.

- How critical would you say water was to the effective operation of your business?
 - Is it simply for 'regular' use i.e. for employee use in kitchens, bathrooms etc?
 - Is it an essential part of the products and services that you offer?

- If yes, in what way is it essential?
- Which company supplies your business with water and sewerage services?
- Does the same organisation supply you with both water and sewerage services?
- What do you think are the responsibilities of the organisation that supplies you as a business with water and sewerage services? NOTE RESPONSES TO PICK UP LATER
- What are the issues that affect you as a business customer of the <WATER COMPANY>?
- In what way could interruptions to your water supply affect your business?
- What do you think are the broader issues that affect the water industry as a whole, for example social or low income issues, affordability or environmental issues – such as water pollution or resource issues? NOTE RESPONSES TO PICK UP LATER
- What kind of relationship would you say that you had with <WATER COMPANY>?
- How does this compare with the companies who provide you with other services, for example gas or electricity?
- How could <WATER COMPANY> supplier better manage the relationship they have with you?
- Who would you contact if you had a problem with your water or sewerage supply?
- Do you have a named contact or account manager?
- How does this arrangement work? Well? Not well?

Current sources of information and awareness on consumer bodies

We're now going to talk about organisations that represent your interests as a business, whether in the water industry, the energy industry or any other. When I talk about consumer interests or organisations, I am referring to business customers or consumers. When talking about being represented, I'd like you to answer from the point of view of your business.

- What consumer organisations are you aware of that represent the interests of consumers (across any industry)?
 - E.g. Energywatch, Postwatch, Rail Passengers Council
- What do you think are the main responsibilities of an organisation whose function is to represent consumer interests?

- What activities do you expect are involved in representing consumer interests?
- Are you aware of any organisation that exists to represent the interests of water and sewerage customers like yourself?
 - Prompt on awareness of responsibilities of organisations mentioned
 - What kind of impact do you think they have? Why?
 - What kind of information would you like to have on the organisations that represent the interest of customers?

Expectations of a new consumer watchdog body

In order to keep the discussion on track, I'm now going to outline who the consumer and regulatory bodies are in the water industry and outline their responsibilities:

Ofwat is the economic regulator for the water industry. A large part of their role involves monitoring and setting pricing limits on the supply of water and sewerage services and to ensure that water companies meet their legal responsibilities. In summary, their role is to regulate the industry so as to ultimately protect customers.

The Consumer Council for Water (or CCWater) exists to represent the views of customers of the water industry, both business and residential. It is independent of Ofwat and handles complaints from customers. It campaigns on behalf of customers and can challenge Ofwat, the government and water companies on a number of issues e.g. lowering prices, ensuring service quality is maintained. In summary, their role is to represent customers or act as their voice.

"CCWater replaced WaterVoice on 1 October 2005 and will continue to represent the interests of all customers of the water and sewerage companies as well as those of newly licensed water suppliers who enter the industry via the competitive market that comes into effect on 1 December 2005."

In this discussion, we are focusing on the Consumer Council for Water.

- In what ways do you expect the new Consumer Council for Water to represent your interests as a business customer?
- Spontaneous responses

I'd now like to return to the issues that you raised earlier on (RETURN TO ISSUES RAISED)

For each of the following, I'd like you to tell me how CCWater could best address these issues to your satisfaction. For each, I'd like you to consider the following:

- What should CCWater do to address each of these issues?
- What would the ideal outcome be?
- How you would like CCWater to communicate the results of their work to you
- How could this be tailored to your specific business need?

Presentation and reactions to proposed workstream functions

I'm now going to outline CCWater's strategic vision and values.

Present showcard with vision and values:

(NB Advise that these are not yet fixed and subject to review as a result of the research) CCWater is using the research as a sounding board.

CCWater Strategic Vision – CCWater the champion for water consumers

Values statement:

- Be visible and vocal and act firmly on the basis of sound evidence;
- Demonstrate how and where we will challenge and make an impact for consumers;
- Aim to put domestic and business consumers at the centre of all decision making in the water sector;

- Set the agenda and lead the debate to ensure that existing and future consumers benefit from a sustainable water industry that brings them choice, quality, value for money, fairness and social justice

What are your initial reactions to this vision? Do you think these activities represent what you expect a body that represents consumer interests should be doing?

- Why?
- Why not?
- What else should they be doing?

I'm now going to outline how CCWater's plans to organise its activities:

Present showcard with workstreams:

- Research – seeking and understanding consumers' views to establish a robust evidence base. This piece of research is one example
- Campaigns for change – getting a better/fairer deal for consumers – For example, CCWater will campaign for a fair water charging system
- Representing/Championing - making consumers' views heard and influencing decision makers. CCW will work to lobby on European Directives that impact on consumers' bills (highlighting the cost impact for customers and insisting on cost benefit analysis before implementation of directives).
- Driving good practice – influencing the water industry to improve service delivery to consumers. CCWater will highlight best practice in the provision of services to elderly and disabled consumers
- Education (advice and information) – empowering consumers by building knowledge, raising awareness and changing behaviour. With water resources becoming an issue on some areas CCW will work to influence the way consumers think about and use water
- Complaints – gaining redress for individual consumers and the market. CCWater will investigate complaints when the water company has failed to sort out a problem. They currently deal with 12,000 complaints a year.

What are your initial reactions to these activities? Do you think these activities represent what you expect a body that represents consumer interests should be doing?

- Why?
- Why not?
- What else should they be doing?

Which three of the six workstream areas do you think that CCWater should prioritise?

Why are these three activities so important to you as customers of water companies?

Taking each activity in turn. What should CCWater be doing in effectively undertaking <activity>? What should its priorities be and why?

- What are the ideal outcomes you would like to see from CCWater undertaking <activity>?
- How can CCWater make an impact?

Now, considering the three activities that you saw as less important why do you not generally see these issues as important as the other three?

Communications

I'd now like to talk about how you might go about contacting CCWater.

- Where would you initially look for their contact information? Where would you expect to find it?
Why?
 - The phone book or Yellow Pages
 - The internet
 - Trade organisation or magazine. Where else would you look?

- In what way would you prefer to communicate with CCWater if you had an issue that you wanted to raise with them? Why?
 - By telephone?
 - Face to face (i.e. in a local office)?
 - By email/internet?
 - By post?
- Would you prefer to contact a regional office in LOCATION (see below – use location) or the Headquarters?
 - If you had a general enquiry
 - If you had a complaint

Locations:

Reading (and surrounding) interviews	= Central London
Maidstone (and surrounding) interviews	= Central London
Sutton Coldfield (and surrounding) interviews	= Birmingham
Leeds (and surrounding) interviews	= Darlington
Plymouth (and surrounding) interviews	= Exeter
Bridgend (and surrounding) interviews	= Cardiff
Ipswich (and surrounding) interviews	= Cambridge

- How would you like to see CCWater communicate their activities to you as a business customer of water and sewerage services? Why?
 - On the internet?
 - By email?
 - By post, for example a newsletter?
 - Trade magazine? Which do you read?

- Newspapers – local/national? Which do you read?
- How else might they tell you what they are doing?
- How can CCWater be visible and vocal?

Review of CCWater publications

I'd like you just to have a quick look at these leaflets, produced by CCWater

- Who do you think they're aimed at? Why do you think they've been made?
- Do they look like they are aimed at business customers? Why? Why not?
- Where would you expect to find these publications?
- What stands out in them?
- What's good / bad about them?
- How could they be improved?

Are there any publications or information referring to the water and sewerage industry that you have not seen but that you would like to see published?

Final comments and wrap up

In your opinion, what is the most important thing that CCWater could do as a consumer body to most successfully represent the interests of business customers?

Where can it make the most impact?

Do you have any other activities that you would like to see CCWater undertaking to successfully represent you as a customer of water and sewerage suppliers?

13. Annex 2 - CCWater publications used in research

- Water quality – Advice for domestic customers
- Are you being served? – Advice for domestic customers
- How to cut your water and sewerage bills by being water efficient – Advice for domestic customers
- How can I reduce my bill? – Advice for domestic customers
- Sewer flooding – Your questions answered
- Are you being served? The level of service household consumers should expect from their water company
- Water and sewerage