



Understanding the Needs of Small and Medium Enterprise Customers



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Understanding the Needs of Small and Medium Enterprise Customers

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1 Executive Summary

1 Executive Summary

1.1 Background to the Study

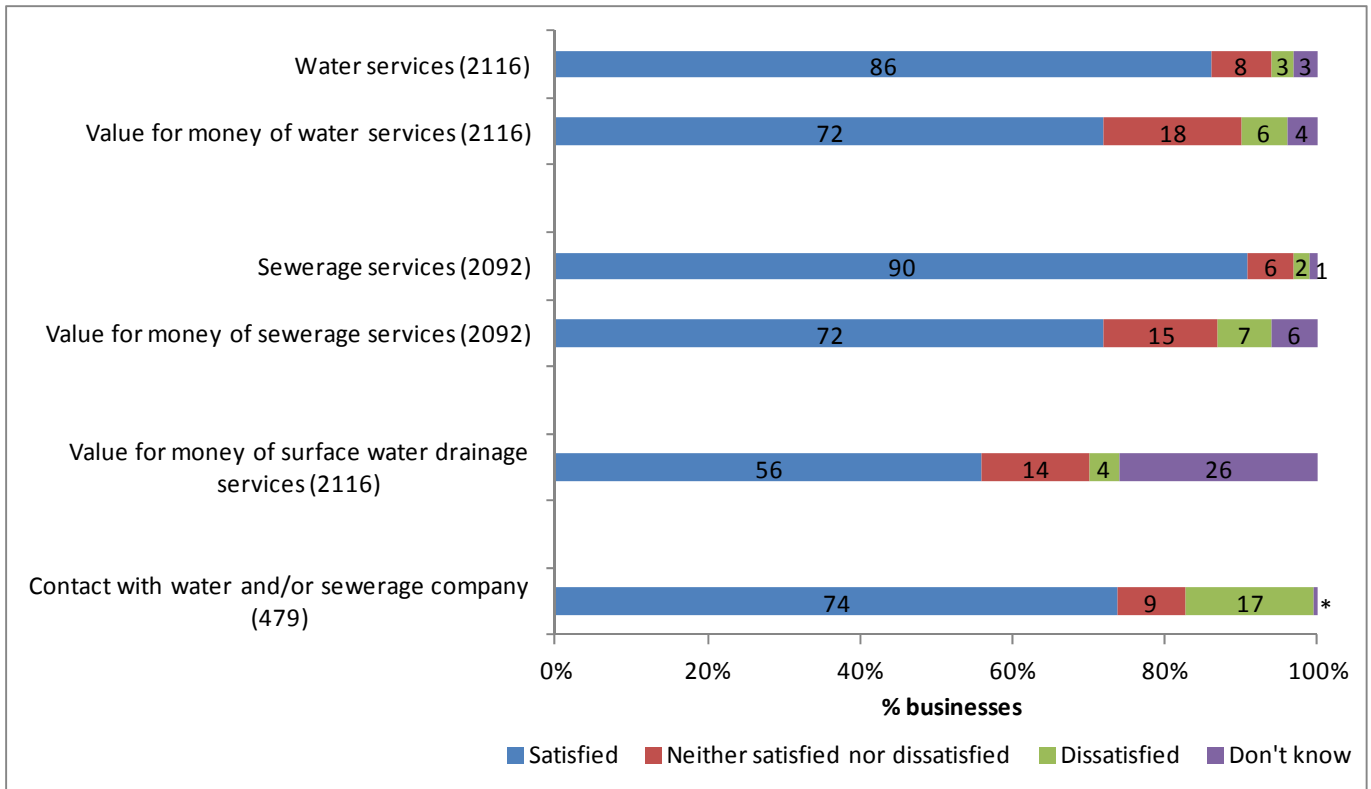
- 1.1.1 The Consumer Council for Water (CCWater) is the statutory consumer organisation representing business and domestic water and sewerage consumers in the water industry. Ofwat (The Water Services Regulation Authority) is the economic regulator of the water and sewerage industry. Both organisations operate across England and Wales.
- 1.1.2 In December 2011 CcWater and Ofwat commissioned AECOM to research a range of Small and Medium Enterprises (SMEs) to understand their experience of and expectations for water and sewerage services in England and Wales. This research addresses a gap in CcWater and Ofwat's knowledge, enhances their research databases and will help both organisations in their respective business objectives to represent and protect consumers. There were two phases to the research:
- Qualitative research explored SMEs' views on water and sewerage services via 40 depth interviews across England and Wales; and
 - A quantitative survey of 2000 SMEs based around the ten Water and Sewerage Company (WaSC) regions in England and Wales. The sample for both phases was drawn from Experian's National Business Database, as this provides the most comprehensive sample source of SMEs and micro businesses available.
- 1.1.3 This Executive Summary details some of the key findings from the depth interviews and telephone survey. The relevant paragraphs in the main body of the report are shown in brackets at the end of each point.

1.2 Satisfaction with Services, Contact and Value for Money

- 1.2.1 Figure 1 shows that satisfaction with water and sewerage services across England and Wales is generally high (86% and 90% respectively), and consistently higher than satisfaction with value for money of the same services (72%). Satisfaction with surface water drainage, which is an element of the sewerage service, is lower at 56%.
- 1.2.2 Overall, businesses based in Wales have a more positive view of water and sewerage companies than businesses based in England, both with regards to satisfaction with services and value for money. (13.1.1)
- 1.2.3 Out of all the water and sewerage company regions, businesses in South West England are most positive towards their water and sewerage company in terms of value for money¹ and satisfaction.
- 1.2.4 Satisfaction with services and value for money are generally higher amongst businesses that:
- Use over 5,000 cubic metres of water per year;
 - Are dependent on their water and sewerage services;
 - Have had contact with their water / sewerage supplier; and
 - Have a larger number of employees.
- 1.2.5 In terms of contact, nearly one quarter (23%) of businesses have contacted their water or sewerage company with an enquiry or complaint (8.2.1). The main reason for contact is to make a billing enquiry (50%). A further 16% made a complaint and 10% reported a leak. (8.3.1)
- 1.2.6 Nearly three quarters (74%) of businesses are satisfied with the contact they had and 17% are dissatisfied. The main causes of dissatisfaction are lack of information about progress with their enquiry, lack of resolution, and difficulties with contacting someone who can help. (8.4.1)

¹ Satisfaction with value for money of services in the South West is an unexpected finding as this region has the highest average bills. This is discussed in more detail in section 5.6.

Figure 1 Satisfaction with services, contact and value for money



Weighted. Sample size shown in brackets.

NB. Satisfaction with surface water drainage service is included in the 'Satisfaction with sewerage services' figure as surface water drainage is an aspect of the sewerage service.

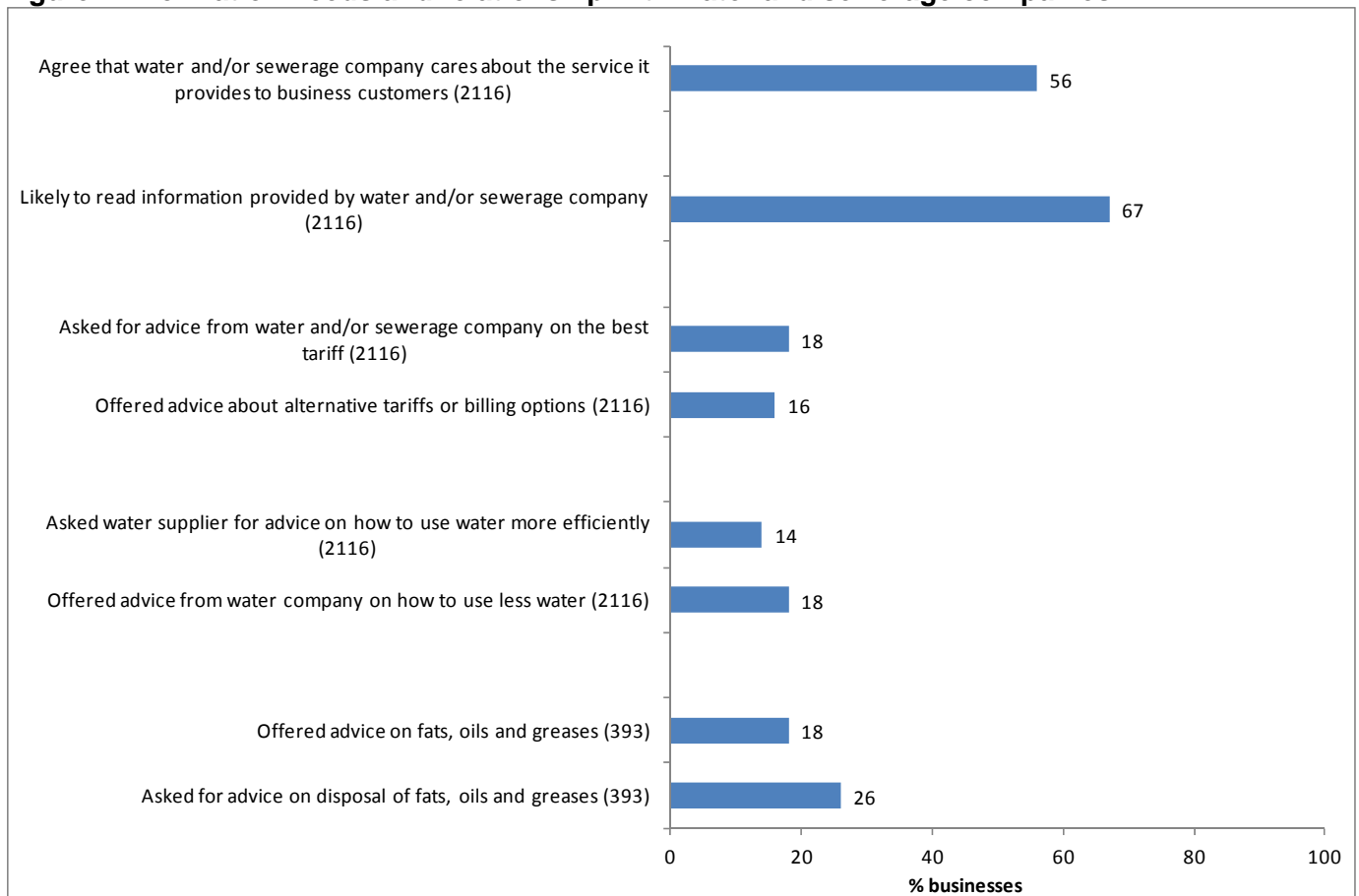
1.3 Water and Sewerage Use and Dependency

1.3.1 Whilst all businesses have a water service, and nearly all (94%) have a waste water service, just 28% report having a surface water drainage service. (5.3.2). Almost eight out of ten (79%) businesses feel they depend on their water and sewerage services to operate. One in ten (10%) say they are not dependent. This is mostly because they have domestic usage requirements rather than business processes. (5.4.1)

1.3.2 In terms of dedicated services and billing options for businesses, only 1% have a dedicated account manager, or a special business tariff. (5.3.4)

1.4 Relationship with Water and Sewerage Company and Interest in Information

1.4.1 Figure 2 shows the key findings for the relationship businesses have with their water and sewerage company and their interest in information from their company. Overall, just over half of businesses (56%) agree that their water and/or sewerage company cares about the service it provides business customers. (10.2.1)

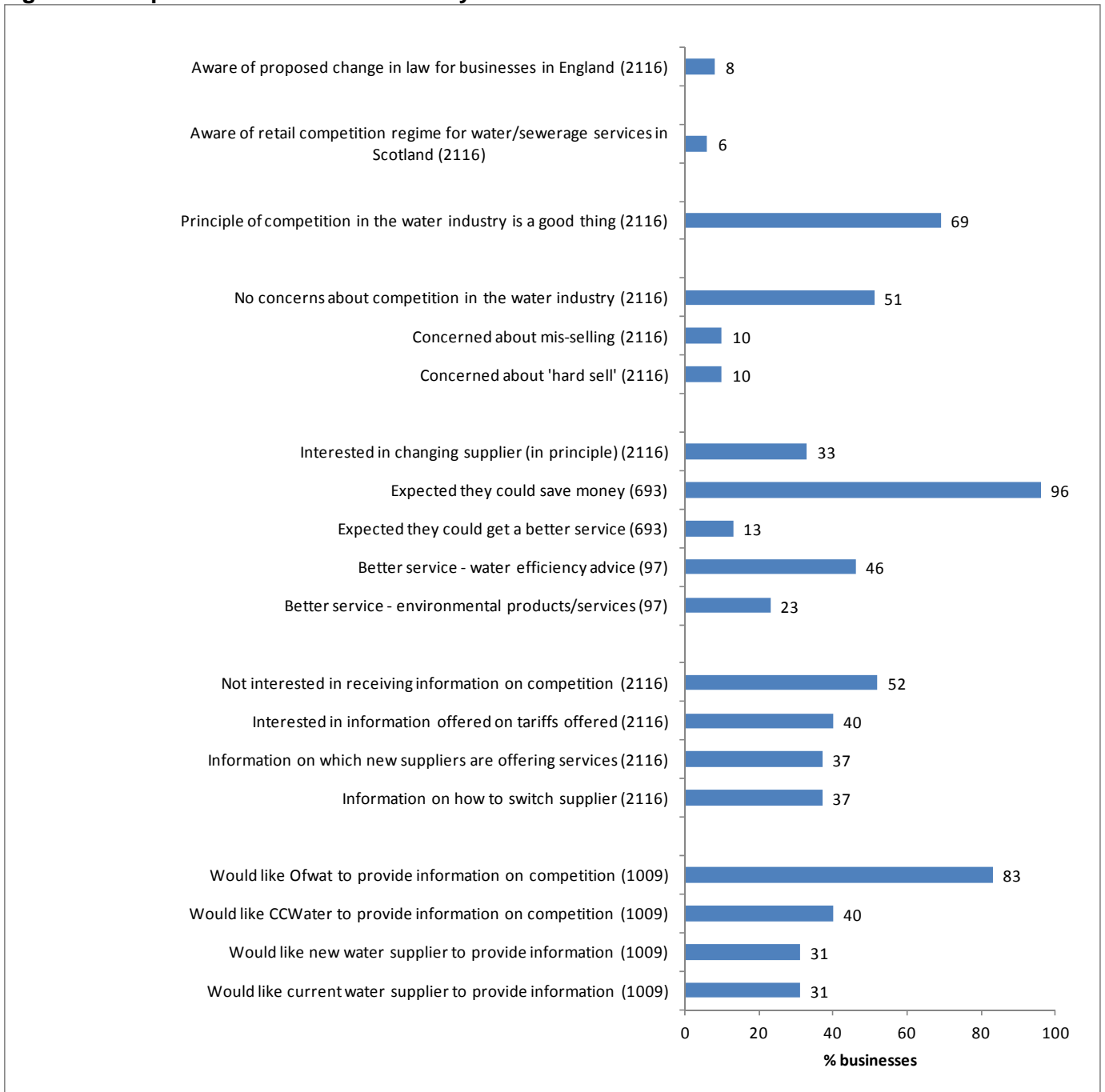
Figure 2 Information needs and relationship with water and sewerage companies

Weighted. Sample size shown in brackets.

1.5 Views on Competition

- 1.5.1 Figure 3 shows views on competition in the water industry. Generally there is a high level of support for competition with over two thirds of businesses (69%) thinking the principle of competition in the water industry is a good thing. (11.4.1)
- 1.5.2 Businesses in Wales (80%) are more supportive of the principle of competition within the water industry than businesses in England (68%). (11.4.1)
- 1.5.3 Businesses in the North West (90%) are most likely to agree that competition is a good thing and those in Wessex (41%) least likely. (11.4.2)
- 1.5.4 The following types of businesses are more in favour of competition.
- Have had contact with their water / sewerage supplier; and
 - Have an annual water bill of more than £2000.

Figure 3 Competition in the water industry



Weighted. Sample size shown in brackets.

1.6 Water and Sewerage Bills

1.6.1 Just over three-quarters (77%) of businesses find the bill payment process easy and that bills make it clear how much is to be paid and when. (5.5.1). Just less than three-quarters (74%) agree that it is clear how the final amount of their bill was reached. (5.5.3)

1.7 Water Saving

- 1.7.1 Almost two fifths (39%) of businesses said they have taken one or more actions to reduce their water usage. A fifth (20%) said they had made employees aware of the need to reduce water consumption, and 13% had introduced water efficient taps. Just 10% of businesses are using a hippo/ save a flush device in toilet cisterns. Over half (56%) have not taken any actions. (6.9.1)

1.8 Use of Tap Water

- 1.8.1 Overall, 26% of businesses use bottled or filtered water (for some this was in addition to tap water). The main reason for not using tap water is a preference for the taste of bottled or filtered water (51%). (6.5.1)

1.9 Guaranteed Standards Scheme (GSS)

- 1.9.1 Nearly three-quarters (73%) of businesses are not aware that if their water and / or sewerage company fails to meet certain service standards for reasons within their control, they may be entitled to compensation under GSS. (5.12.4)

1.10 Trends by business size (number of employees)

- 1.10.1 Views on key indicators such as value for money of services and satisfaction with services are mostly consistent between different sized businesses from micro (one to nine employees) through to large (100 to 250 employees). The exception is value for money of surface water drainage services where large businesses are significantly more satisfied than other business sizes. (Figure 15)
- 1.10.2 However views on other more specific aspects of service – such as bill clarity, and awareness of information - do show trends by business size with micro businesses being less satisfied and less likely to engage with information than larger businesses. (Chapter 12)

Chapter 2 – Introduction

2 Introduction

2.1 Background to the Study

- 2.1.1 The Consumer Council for Water (CCWater) is the statutory consumer organisation representing business and domestic water and sewerage consumers in the water industry in England and in Wales. CCWater provides a strong national voice for the consumers it represents and wants consumers to get (and be able to recognise that they are getting) high standards and good value for money in water and sewerage services, comparing well with the best of other service sectors.
- 2.1.2 Ofwat (The Water Services Regulation Authority) is the economic regulator of the water and sewerage industry in England and Wales. It is here to make sure that water companies provide household and business consumers with a good quality service and value for money.
- 2.1.3 CCWater has a duty to represent all customer and consumer groups. An important sub-set of the customer base is that of Small and Medium Enterprises (SMEs).
- 2.1.4 The Gray review of regulation and consumer representation in the water industry was published in July 2011, and identified business customers as a key constituency, suggesting that CCWater should be more active in representing their needs. The Gray review team met with small business representatives who expressed concern that their interests may be ignored as competition in the water industry develops as water companies may focus on competing for large business customers and improving their performance in response to regulatory incentives in the domestic sector.
- 2.1.5 CCWater's Forward Work Programmes focuses on the issues that matter to consumers of water and sewerage services. Although CCWater holds regular business customer meetings at which SME customers are represented, little is known about the generality of SME customers' views about the services they receive from the water industry, the value for money of those services and how critical service failures affect their business.
- 2.1.6 Ofwat has a primary duty to protect customers, and is interested in gathering information about the experiences and needs of the different groups of businesses that comprise the SMEs. It also has a duty to protect the interests of consumers, wherever appropriate, by promoting effective competition.
- 2.1.7 From a consumer protection perspective Ofwat wishes to understand more about SMEs' current experience of the quality of service and price they receive from the water and sewerage sectors, and what level of consumer protection they require.
- 2.1.8 In December 2011 CCWater and Ofwat commissioned AECOM to undertake research with a range of SMEs to understand their experience of and expectations for water and sewerage industry services in England and Wales. This research addresses the gap in CCWater's and Ofwat's knowledge and enhances their research database. Understanding the views and opinions of consumers is central to the effective delivery of CCWater's and Ofwat's business objectives.
- 2.1.9 There were two phases to this research. Firstly, qualitative research was undertaken to explore SMEs' views on water and sewerage services in detail. This was via 40 depth interviews across England and Wales. The second phase involved a quantitative survey of 2000 SMEs based in the ten Water and Sewerage Company (WaSC) regions in England and Wales.

2.2 Research Objectives

Qualitative Research

2.2.1 For England and Wales, at an indicative level:

- Explore customers' experience of their relationship with their water and sewerage service provider in terms of:
 - o contacts they have initiated or have received;
 - o awareness of advice/information and wider service options available to them;
 - o standards of service and value for money across various aspects of water and sewerage services;
 - o transparency and accuracy of bills; and
 - o resolution of problems.
- Identify how service experiences could be enhanced or improved, particularly when an SME has experienced a service failure or issue (including micro-businesses in particular); and
- Explore high level views about the transition to competition in England as the business customer market is gradually opened up to more businesses².

Quantitative research

2.2.2 For each WaSC region to establish:

- SMEs' perceptions of value for money across all aspects of water and sewerage services, and satisfaction with service delivery by the water industry including:
 - o satisfaction with contact;
 - o awareness of advice/information and wider service options;
 - o satisfaction with supplier response to service failures; and
 - o expectations, concerns and priorities for improvement.
- Awareness of, and high level views about, the transition to competition in England as the business customer market is gradually opened up to more businesses.

2.3 Structure of Report

2.3.1 A description of the research methodology is presented in Chapter Three. The qualitative depth interview research is presented in Chapter Four. The quantitative telephone survey results are presented in Chapters Five to Thirteen. The conclusions of the study are presented in Chapter Fourteen.

² In December 2011 the threshold for business customer eligibility in England was dropped from 50,000m³ of water a year to 5,000m³; and plans for future reform [the forthcoming Water Bill, if enacted] would enable all business customers in England to have the choice to switch supplier.

Chapter 3 – Methodology

3 Methodology

3.1 Methodology

3.1.1 This chapter presents an overview of the methodology.

3.2 Depth Interviews

3.2.1 40 depth interviews were undertaken with representatives from SMEs. Four interviews took place in each WaSC region. A sample of businesses was drawn from Experian's National Business Database (NBD), as this provides the most comprehensive sample source of SMEs and micro businesses available. To be eligible, organisations had to trade from a business premises i.e. companies based out of people's homes were excluded from the sample. A copy of the depth interview sampling note can be found in Appendix A.

3.2.2 The basis for the depth interviews was a discussion guide which listed the topics to be covered and acted as an aid memoir for the interviewer. A copy of the discussion guide can be found in Appendix B.

3.2.3 Three pilot interviews were carried out on 10th January 2012. Following the pilot, small amendments were made to the discussion guide to improve the flow of questions. The remaining depth interviews took place between the 11th and 27th January 2012. In total, 40 interviews took place. A profile of businesses interviewed can be found in Chapter Four along with the findings.

3.3 Telephone Survey

3.3.1 Following the depth interviews a telephone survey was undertaken with a large sample of businesses. A further sample of business contacts was purchased from the Experian NBD. The sample was purchased on a 10:1 basis (10 leads to achieve 1 interview). A large database was required to sample from due to the number of businesses contacted that were not eligible to take part (see 3.3.3), and the difficulty in obtaining an interview in the larger companies where more than one member of staff was required to complete the survey.

3.3.2 Interview quotas were set on the following criteria:

- Number of company employees – approximately 500 interviews in each of the following bands – 1 to 9, 10 to 49, 50 to 99 and 100 to 250 employees;
- Contact which the business initiated with their water and / or sewerage service provider regarding a query or request – minimum of 200 interviews;
- Water dependent – approximately 1000 to be with businesses self-defined as water dependent; and
- WaSC region – 200 interviews per region.

3.3.3 In order to be eligible to take part in the survey, organisations had to trade from a business premises and take mains water supply. Companies based out of people's homes or without a mains water supply were excluded. A copy of the sampling note can be found in Appendix D.

3.3.4 The telephone questionnaire was developed in liaison with CCWater and Ofwat, with consideration given to the depth interview findings. A copy of the initial questionnaire can be found in Appendix E.

3.3.5 The interviews were carried out using AECOM's in-house telephone interviewers, who were all fully briefed on the background to the study. An initial pilot of 40 interviews was undertaken. Following the pilot changes were made to the questionnaire. A second pilot followed and further changes to the survey were made, details of which are in Appendix F.

3.3.6 The main fieldwork took place between 13th February and 9th March 2012. Interviews lasted approximately 13 minutes, but ranged from 9 to 17 minutes.

3.4 Data Processing

3.4.1 Output tables have been provided to CCWater and Ofwat with each question analysed by sub-groups agreed with CCWater. The sub-groups examined were:

- Water and Sewerage Company (WaSC) region - where areas of England are referred to within the report, these are WaSC regions and not any other geographic or administrative

unit. It should be noted that within some WaSC regions the sample will include a small number of customers of Water only Companies (WoCs) (see Appendix H for full profile of businesses);

- WaSCs compared to WoCs;
- Company size (1 to 9 employees i.e. micro, 10 to 49 i.e. small, 50 to 99 i.e. medium, 100 to 250 i.e. large);
- England compared to Wales;
- Water dependency (Yes/No);
- Contact with the water company (Yes/No); and
- Water use (greater or less than 5,000 cubic metres a year).

3.4.2 Respondents were asked if their business was dependent on water and sewerage services, and how these services were used at their company. For the analysis, businesses that only use water and sewerage for domestic purposes (e.g. drinking water and toilets for staff) were classed as not being water dependent (i.e. water is not required in the business process or for customers). Where businesses used water for customers (e.g. cafe, hairdressers, and garages) or in business processes, they were classed as being water dependent.

3.4.3 Weighting (by company type using SIC 2007 employment categories, and company size) has been applied to the data to ensure that it is representative of all SMEs. With a stratified sample (by WaSC region), to enable analysis by water region, weighting was required to correct this deliberate unequal distribution of customers. The profile of businesses both weighted and unweighted is provided in Chapter Five. Weighting calculations have been provided to CCWater and Ofwat, and can be found in Appendix I.

3.5 Interpretation of Survey Data

3.5.1 It should be noted that results are based on a sample of businesses across England and Wales, and not a census of all businesses. The table below shows the statistical reliability of results for a total base sample size of 2000 and 200 (the approximate number of interviews achieved per WaSC region).

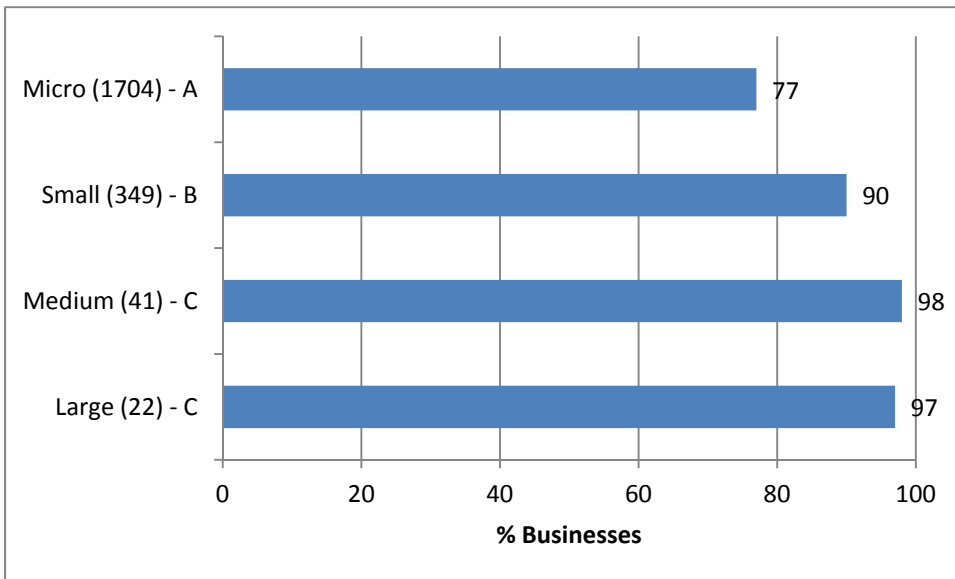
Table 1 Statistical reliability 95% confidence level

Base size	Sampling tolerances applicable to percentages at or near these levels		
	10% or 90%	30% or 70%	50%
2000 (total sample)	+/- 1%	+/- 2%	+/- 2%
200 (interviews per WaSC region)	+/- 4%	+/- 6%	+/- 7%

3.5.2 Throughout the report, unless otherwise stated, differences between sub-groups have been highlighted only where they are statistically significant.

3.5.3 Where there are significant differences between findings reported by business size (micro, small, medium and large), differences are indicated by letters A, B, C and D.). Where letters are the same, no significant difference exists between different sized businesses. For example, Figure Example 1, below shows that there is a significant difference in response between A: Micro (77%), B: Small (90%) and C medium (98%) and large (97%) businesses. The medium and large businesses are both marked with the letter C indicating that there is no significant difference in response between medium and large companies to this question.

Example 1: Proportions agreeing that their business depends on water and sewerage services to operate by business types



- 3.5.4 Where percentages do not add up to 100, this may be due to rounding, or multiple responses. Throughout the report, an asterisk (*) denotes any value less than half a percent but greater than zero.
- 3.5.5 The survey findings are presented in Chapters Five to Thirteen, and a profile of businesses can be found in Appendix H.

Chapter 4 – Depth Interviews

4 Depth Interviews

4.1 Profile of businesses interviewed

4.1.1 Table 2 shows the number of completed interviews per WaSC region.

Table 2 Depth interviews achieved by WaSC region

Water and Sewerage Company (WaSC) region	Number of Depth Interviews Achieved
Eastern	4
Wales	4
Northumbria	4
Midlands	4
Southern	4
South West	4
Thames	4
North West	4
Wessex	4
Yorkshire	4
Total	40

4.1.2 Some Water only Company (WoC) areas were also included in the sample and have been included in the relevant WaSC region in Table above. Three interviews were undertaken in a WaSC/WoC area, these were.

- Anglian Water / Essex and Suffolk Water;
- Thames Water / Sutton and East Surrey Water; and
- Wessex Water / Bristol Water.

4.1.3 The table below shows the total number of depth interviews conducted by SME size.

Table 3 Company size

Number of employees	Number of Depth Interviews Achieved
1 to 9 (micro)	11
10 to 49 (small)	11
50 to 99 (medium)	9
100 to 250 (large)	9
Total	40

4.1.4 Interviews were conducted with a broad range of SME types, including:

Gym	Oil/gas company	Nursery / children's centre
Hotel	Car sales firm	School
Dental surgery	Fruit growing business	Leisure centre (including swimming pool)
Hairdressers	Brewery	Food manufacturers
Veterinary practice	Chemical plant	Lime kiln works
Bed & Breakfast	Recruitment agency	Restaurant
Printing firm	Agricultural firm	Financial advisors
Florist	Accountant	Car hire firm
Retailers	Theatre	Beauty salon
Butcher	Haulage firm	Office supply firm
Vehicle recovery service	Care home	

4.1.5 Three interviews were undertaken with a head office representative, all other interviews took place with a company representative based onsite.

Table 4 Respondent type

	Completed interviews
Company representative on site	37
Head office representative	3

4.1.6 Ten interviews were undertaken in rural areas.

Table 5 Urban/rural areas

	Completed interviews
Urban	30
Rural	10

4.1.7 Ten interviews were undertaken with businesses that used more than 5,000 cubic metres of water per year.

Table 6 Water usage per year

	Completed interviews
< 5000 cubic metres per year	30
> 5000 cubic metres per year	10

4.2 Qualitative Findings

4.2.1 Number of Water Meters on Site

4.2.2 Most of the businesses have at least one water meter on site. Some respondents were unaware they were metered until they examined the bill during the depth interview and noticed meter readings.

"That's strange; there are estimated readings on here [the bill]. If we do have a water meter, it's never been read! We have people come to read the electricity and the gas, but no one

has ever come to read a water meter in the 12 years I've been here. I wouldn't even know where to take them to." (Midlands, Education, 10 to 49 employees)

"We pay standard rates..... [checks bill]..Although hang on, there are meter readings on our bill. Maybe we are on a meter, I didn't realise." (Midlands, Education, 10 to 49 employees)

- 4.2.3 Five of the businesses interviewed are unmetered and pay a set amount every month and did not know how much their usage was. Two of the unmetered businesses stated they would not like to change to a water meter in case their bills increased.
- 4.2.4 One business was unaware whether they were on a meter or not, they stated they paid a 'measured water supply' which they assumed meant they were on a water meter.

4.3 Water Dependency

- 4.3.1 Most of the businesses are dependent on water for operation. For businesses that use water for purposes other than domestic use, the impact of a cut to their water supply would in most cases lead to the business closing temporarily, and could be "catastrophic".

"I'd be running round trying to get water from somewhere. I'd have to either shut down or say I could only do cuts for the day. It would be a nightmare, especially if it happened when I had a colour on someone's hair." (Midlands, Other service activities, 1 to 9 employees)

"If you start a chemical process in here, you are very reliant on the fact you need that water...it could be quite awful." (Wessex, Other service activities, 10 to 49 employees)

"For a couple of hours, or an afternoon we'd probably get over it, because the swimming pool maintenance is done outside of opening hours anyway. Loss of water for a day....not sure what we'd do about showering. They'd probably consider closing the place." (Midlands, Arts, entertainment and recreation, 50 to 99 employees)

- 4.3.2 Some of the manufacturing businesses have storage facilities or water tanks that would allow them to continue production, but only for a couple of hours at most.

"We have a storage tank which would probably give us about two hours worth. Other than that we'd have to shut down." (North West, Manufacturing, 100 to 250 employees)

"We have a tank on the roof, but once that's empty, we'd be in trouble" (Eastern, Professional, scientific and technical activities, 50 to 99 employees)

- 4.3.3 Others used water purely for domestic reasons (e.g. toilets, drinking facilities), and for most of these businesses, loss of water supply would be an inconvenience.

"The staff need a cup of tea and drinks of water, but we could operate without it." (South West, Financial and insurance activities, 50 to 99 employees)

"It would be an inconvenience but we could function for a few days without it." (South West, Financial and insurance activities, 50 to 99 employees)

- 4.3.4 A small number of those that used water purely for domestic purposes would have to close if the water supply was cut, due to health and safety reasons, mainly those where children were involved (e.g. school, nursery/children's centre).

"If the water was cut off we'd really struggle, I think we'd have to close, in terms of the toilets not working." (Midlands, Education, 10 to 49 employees)

"If we didn't have suitable toilet facilities we would have to close the school." (Midlands, Education, 50 to 99 employees)

4.4 Future Change in Water Usage

- 4.4.1 About a quarter of businesses envisage growth in either the short or long-term, and as such an increase in their water use.

“Longer term it’s [water use] likely to increase as we’d like the business to grow.” (Midlands, Manufacturing, 50 to 99 employees)

- 4.4.2 Other businesses are already at capacity and so don’t expect a change in water use in the short or long term.

“Because we’re not going to increase the size of the property, or the occupancy so I’d envisage it would stay the same.” (Yorkshire, Accommodation and food service activities, 100 to 250 employees)

“Can’t see it changing significantly longer term either as this branch is about as big as it is going to get. If it was to get bigger then they would have to open another site.” (South West, Administrative and support service activities, 100 to 250 employees)

- 4.4.3 A small number feel water usage might decline due to economic conditions impacting the business.

“Our usage is going down, because of the recession, we are a lot quieter than we used to be.” (Midlands, Other service activities, 1 to 9 employees)

- 4.4.4 Some of the manufacturing businesses expect to grow in size, but are looking into water saving measures to reduce/maintain usage levels.

“In the short term it will increase [due to business growing] but I’m trying to look at some water saving measures, which will reduce it longer term.” (Midlands, Manufacturing, 50 to 99 employees)

“The business will grow, we’ll undoubtedly require more water. But we’ve been very active for a number of years, as we’ve grown the business by 30%, we’ve not increased our water usage by having active management programmes to better utilise the water. We are as a business heavily investing into RO (Reverse Osmosis) equipment so that we can recover and reuse water. So we’re actually hoping to reduce our requirement from [Water Company] by about 30% within 12 months by getting that secondary use of the water, and re-cleaning and reusing it.” (Midlands, Manufacturing, 100 to 250 employees)

- 4.4.5 One farmer interviewed has recently seen a huge decrease in the amount of water supplied by their water company, after investing in two boreholes.

“Before we sunk the boreholes we were paying £12-15,000 per year on water, now reduced that down to £1-2000. The boreholes pay for themselves inside two years...it’s a no brainer.” (Wessex, Agriculture, Forestry and Fishing, 1 to 9 employees)

- 4.4.6 One representative from a local authority highlighted how they have been trying to implement water saving initiatives, but they have found it difficult to get staff “buy in”.

“The council is involved in water saving initiatives, we control very closely our consumption of gas and electricity, and we’ve found that a lot easier. My personal view is that historically people would say, oh its only water, but it’s quite an expensive commodity so it’s catching up.” (Midlands, Arts, entertainment and recreation, 50 to 99 employees)

4.5 Water as a Percentage of Operating Costs

- 4.5.1 For most businesses, water and sewerage costs make up less than 1% of their operating costs, and most do not consider it a large overhead. For some businesses water costs are at least 5-10% of their operating costs, but even these still consider this low.

“Quite a cheap utility for the relative importance of it to the business.” (Wessex, Other service activities, 10 to 49 employees)

4.6 Views on Value for Money of Water and Sewerage Services

- 4.6.1 Most respondents feel that water and sewerage costs offered fairly good value for money, particularly in comparison to other utilities – mainly gas and electricity.

“I don’t think the costs are too bad at all, being as we use such a lot, I think it’s quite reasonable.” (Midlands, Other service activities, 1 to 9 employees)

“I don’t ever really think about it. You just get the bill in and you pay it, because it’s something you don’t have any control over. It’s more the gas and electricity costs we’re worried about, rather than the water.” (Midlands, Education, 10 to 49 employees)

“We have done some work with external consultants, and I’m aware that [Water Company] is probably the second cheapest for water and sewerage services, so reasonably happy.” (Midlands, Manufacturing, 100 to 250 employees)

- 4.6.2 Others felt it difficult to say if the water offered value for money with little to compare against.

“It’s difficult to say, it does seem a high cost, but there’s so little competition, so I’ve got no idea whether it’s good value.” (Thames, Manufacturing, 50 to 99 employees)

“I don’t really know how to compare it to anything...if my bill was to be reduced I would obviously be even happier.” (Thames, Human health and social work activities, 1 to 9 employees)

- 4.6.3 Several businesses stated they don’t give much thought to water and sewerage costs, as they are “just something you have to pay”.

“You don’t have any choice, so you don’t think about it. I don’t think costs are too bad though.” (Midlands, Education, 50 to 99 employees)

“Well water comes and that’s it really...it’s one of the utilities you don’t think about, you just pay it...so I’ve never looked at trying to change it.” (

- 4.6.4 For a number of businesses, the inability to switch supplier was highlighted, particularly in relation to other utilities.

“We regularly try and find the cheapest deal (for gas and electricity) but with water there isn’t much we can do about it.” (Wessex, Professional, scientific and technical activities, 10 to 49 employees)

- 4.6.5 A small number of businesses complained about the value for money of their water services.

“It seems quite a lot [the cost of water] for what it is. But we’re in [Water Company’s] district, and we don’t get other people touting for business, so we have no choice really. They have a monopoly.” (Midlands, Arts, entertainment and recreation, 50 to 99 employees)

- 4.6.6 A number of businesses (particularly manufacturing firms) feel that costs for water supply services are reasonable, but sewerage and trade effluent is expensive.

“Sewerage charge is a bit of a shock. The more you put in the more you pay but do we really put that much in?” (Wales, Manufacturing, 1 to 9 employees)

“Paying £68 for water usage and then £103 to get rid of it just makes me cranky really.” (South West, Financial and insurance activities, 50 to 99 employees)

“The effluent charge is double the water in charge. I’m quite reasonable though. The two effluent plants are right near residential places and so I can understand that the cost of treating it is probably about the same as the cost of purifying it in the first place.” (Thames, Manufacturing, 50 to 99 employees)

- 4.6.7 One business is unhappy that they could not switch to a water meter due to the cost of installation, as they believe being on a meter would reduce their bills.

“Comfortable with what we pay but knowing that having a water meter would save me £50 per month I feel a little aggrieved.” (South West, Financial and insurance activities, 50 to 99 employees)

- 4.6.8 One business feels that water services in the South West region cost considerably more than in other regions, particularly London.

4.7 Tailored Services from the Water and Sewerage Supplier

- 4.7.1 Most businesses, particularly those using less than 5,000 cubic metres of water a year, do not receive any tailored services from their water and sewerage company. Some feel it would be nice to have a dedicated account manager or contact in case there were problems, or water efficiency audits as a way of reducing usage, and as such costs.

“It would be nice to have a separate helpline that you can get through to if you are in an emergency. I know everyone hates not to have it, but when you’re a business that relies on it you think they’d be a priority.” (Midlands, Other service activities, 1 to 9 employees)

“It would be good if they [Water Company] did have special managers that could come out and say well did you realise you could do this and reduce water and save yourself a bit of money. We’re under pressure like everybody else, and our budgets are being cut. Everybody is under pressure to reduce their outgoings.” (Midlands, Education, 50 to 99 employees)

- 4.7.2 However, most low volume water users interviewed do not feel other services are necessary for their business.

“We’re not a significant user of water so I wouldn’t expect those services.” (Northumbria, Manufacturing, 10 to 49 employees)

“I don’t think it’s relevant. As long as we’re getting the best deal we can I don’t think the extras are necessary.” (Southern, Accommodation and food service activities, 10 to 49 employees)

- 4.7.3 Several of the larger water users either currently have account managers, or have had them in the past.

“We used to have account managers but they’ve disappeared. There is somebody loosely working in the accounts team who will sort things out, but it’s not our designated account manager. We used to have one though and he used to be really good, but they slimmed those out of the system.” (Midlands, Manufacturing, 100 to 250 employees)

“We used to have quarterly meetings with the water company but they stopped those. We only get a meeting now, mainly if they have a problem.” (Midlands, Manufacturing, 100 to 250 employees)

- 4.7.4 One respondent previously worked for a business in a different water company area, where the business was provided with an accounts manager who helped them make efficiencies and reduce leakage, which he felt was lacking from the current water and sewerage company.
- 4.7.5 All large water users feel services such as account managers, regular meetings, leakage detection and water efficiency audits are or would be of benefit to their business and would like them to continue, or to be reinstated where they had been removed.

"We are a critical user, which suggests that if they increase the amount of chlorine they put in the water they must let me know, but I've never been told that it changes." (Thames, Manufacturing, 50 to 99 employees)

"We're trying to review things and get consolidated billing. And of all the utilities I perceive [Water Company] to be the most difficult one to bring that about because we've never had a dedicated account manager, it's pot luck, you start at the call centre and work your way up." (Midlands, Arts, entertainment and recreation, 50 to 99 employees)

4.8 Quality of Service

- 4.8.1 On the whole, most businesses have not had any issues with water reliability or pressure, and are satisfied with the quality of service they receive. Others are happy that their water and/or sewerage company provides reliable services...

"We turn the tap on and water comes out. I think nationally we're very lucky to have such reliable sources." (Midlands, Manufacturing, 50 to 99 employees)

"Absolutely fine, no problems at all actually...since we've been here we haven't had any interruption of service at all...we've been very lucky in that respect." (Wessex, Other service activities, 10 to 49 employees)

- 4.8.2 Several businesses feel that their water company is responsive to their needs, and one business was particularly impressed with this given that they were relatively small in size (50 employees).

"So far if there's been any disruption, we've been well warned about it and it's only been for a very short period of time." (Thames, Human health and social work activities, 1 to 9 employees)

"If somebody said to me 'help, the building has got no gas, it's got no electricity, it's got no water, can you start recovering the building', the one I'd be least worried about would be the water. You can very quickly get somebody who can arrange people, they say they'll turn up, they take it all on board, fantastic. They are the best of the three utilities for me." (Midlands, Arts, entertainment and recreation, 50 to 99 employees)

"I thought it was going to be pretty bad, being cynical about big business, but, I must admit, they have been reasonably responsive and reasonably understanding of the problems faced by a smaller business." (Thames, Manufacturing, 50 to 99 employees)

- 4.8.3 Only a small number of the businesses have experienced service failure. For some (e.g. accountancy firm) there was no impact as they were not dependent on water. However, for a water dependent manufacturing firm with high usage, it had led to closure of the site for two days.

- 4.8.4 Other issues regarding services raised by businesses included:

- .Low water pressure - although the business has not raised this with the water company.
- .Difficulty in accessing a named person to deal with an account / or in times of disruption.

"I just think trying to get communications to discuss various things...getting access to people...how they're in business I just do not know." (Southern, Manufacturing. 50 to 99 employees)

“We can’t say we have a problem with the quality of the water, but when there is a supply issue, it’s very difficult to access the right people to get any quality of information to make appropriate decisions.” (Midlands, Manufacturing, 100 to 250 employees)

- Unwillingness to negotiate on price – which the business (a farm) felt was resulting in loss of business for the water company.

“If you’re a big user, e.g. with electricity, you can negotiate and it can be cheaper, but the water company, they’ve got their price and that’s it, they won’t negotiate. That’s fine when dealing with other industries, but every farm has the opportunity to sink a bore hole, so then they (the water company) lose all their custom.” (Wessex, Agriculture, Forestry and Fishing, 1 to 9 employees)

- 4.8.5 Some businesses commented that even if they have a problem with their water company, there wasn’t much they could do about it.

“If I get a poor service from them, where am I going to take it...I’ve got no choice about the service I use.” (Yorkshire, Wholesale and retail trade, 10 to 49 employees)

4.9 Ease of Paying the Bill

- 4.9.1 Generally most businesses feel the process of paying the water and sewerage bill is easy and straightforward. Respondents pay by a variety of means, including direct debit, BACS and payment by cheque (either posted or paid in a bank).

“No difficulty at all, just pay direct debit and it’s done.” (Thames, Human health and social work activities, 1 to 9 employees)

“The new format bills are a lot clearer than the old ones from 2010. It’s clear what services we are getting, meter readings etc.” (Midlands, Manufacturing, 50 to 99 employees)

- 4.9.2 In particular, some businesses noted that water bills are clearer than other utility bills.

“I think it’s fairly straightforward, it’s easier than paying our electricity bill, which is difficult to understand.” (Midlands, Manufacturing, 50 to 99 employees)

“Pretty good. Of all the bills and certainly compared to gas or electricity, it’s pretty straightforward.” (Thames, Manufacturing, 50 to 99 employees)

- 4.9.3 One company, however, believes that their water company discourages cheque payments as they do not make it clear on the bill where cheques should be sent.

“There is never an address on there to send the cheque to because they obviously don’t want you to pay by cheque.” (Eastern, Agriculture, Forestry and Fishing, 100 to 250 employees)

- 4.9.4 One business highlighted problems with paying the bill because they have more than one account with the water and sewerage company. In some instances their payments have been cleared off the wrong company account.

- 4.9.5 Another small business (paid by BACS) said they carry out monthly payment runs, so having to pay within seven days is a problem, and they frequently got reminders asking for payment.

- 4.9.6 Many of the lower volume water users haven’t studied their bill in detail, so were not able to say if they felt it was transparent in terms of what services they receive. Many of these businesses reported that as long as the bill “looks reasonable” in terms of cost, then they simply pay it without giving it any thought.

“In fact it’s not that clear but I just can’t be bothered with it.” (South West, Financial and insurance activities, 50 to 99 employees)

"I've never really looked at it [the bill]. That's terrible isn't it? As long as the amount seems ok I just pay it. I just think it's not a bad price. If it was a lot more than usual I might query it." (Midlands, Other service activities, 1 to 9 employees)

"I would imagine that it's quite simple to understand, I don't have any complaints with it, but I don't really pay too much attention, maybe if I did I would find that it's a wee bit more complicated than I'm appreciating just now." (Thames, Human health and social work activities, 1 to 9 employees)

- 4.9.7 Some businesses believe that bills are clear and easy to understand, particularly those with a facilities or operations manager whose job was to closely monitor usage and cost.

"It would be difficult for somebody who didn't have a lot of knowledge with it to be honest, but I've been looking after it for a while so it's quite straightforward to me. But if someone else came in and tried to fathom how the bill works and what the charges are for, then they probably wouldn't have a clue." (North West, Manufacturing, 100 to 250 employees)

"Relatively straight forward. All usually on one page. Clearly states the period covered, how much was charged and what usage has been and then lists the payments." (Northumbria, Accommodation and food service activities, 1 to 9 employees)

"I'm the energy manager...I've been doing this for 20 years, so it looks clear enough to me." (Midlands, Arts, entertainment and recreation, 50 to 99 employees)

- 4.9.8 Around half of businesses, however, complained about the transparency of their bills, or, when prompted after initially saying the bill was transparent, struggled to understand what they had been billed for.

"It's always very confusing, because we get this surface water bill, which is for drainage I think, taken away surface water, but then we have another bill for water use." (Midlands, Education, 50 to 99 employees)

"The bills aren't user friendly are they? Sometimes you think are they trying to confuse the issue, and making it as complicated as possible, so nobody can quite understand what the bill is actually about." (Midlands, Education, 50 to 99 employees)

"You do feel sometimes that the volume charge and standing charge...they could just make those figures up. Everyone could be paying completely different figures/rates, nobody really knows. You just assume that you're being treated fairly." (South West, Financial and insurance activities, 50 to 99 employees)

- 4.9.9 One business in particular felt that inaccurate bills are costing them a considerable amount of money.

"In my opinion something that blights the industry, is this idea of poor billing, and wrong rates. Everybody is giving me the impression that there is wasted money, by the fact that there is not clarity in the billing. People suspect that if they were allowed to go back up the invoices that they'd find wrong tariffs and wrong billing." (Midlands, Arts, entertainment and recreation, 50 to 99 employees)

"We use about £200,000 of water a year [all sites], and this guy who had been appointed by the county [to carry out a report] said he reckoned that there might be £20,000 that he'd challenge for wrong rates and charges, overbilling and one thing or another. We think there might be worthwhile savings in challenging the billing." (Midlands, Arts, entertainment and recreation, 50 to 99 employees)

- 4.9.10 A number of businesses doubt the accuracy of the bills - particularly when based on estimated readings - but most were satisfied that these were corrected once queried. Businesses would also like to see timelier billing.

“Sometimes they come in and make estimates about the bill, which we occasionally have some issues with. But generally they’ll ask us for the latest readings so it tends to work fairly well, and we pay the bill as and when we should.” (North West, Manufacturing, 100 to 250 employees)

“We get an awful lot of estimated readings and when you’re trying to relate that to what you’ve actually used. It would help if we had more accurate readings.” (Wales, Manufacturing, 1 to 9 employees)

“It’s an absolute nightmare! The water bills are invoiced monthly on actual water usage, but frequently they get a meter reading wrong, and sometimes when they get things wrong they end up crediting you for everything you’ve paid, and reissuing you a bill.” (Midlands, Manufacturing, 100 to 250 employees)

4.10 Contact with the Water/Sewerage Company

4.10.1 Just less than half the respondents have contacted their water and/or sewerage provider in the past few years:

- Six had contacted them about terms and conditions of sale (e.g. what you’re going to get, when etc.);
- Four had requested information (e.g. of wider service options / schemes available to them, such as metering, water efficiency, advice);
- Four had payment queries (e.g. transparency and accuracy of bills etc.); and
- Four had a problem with service.

4.10.2 Twelve businesses are very happy with the contact they had with the water/sewerage company, and do not feel there any improvement is needed.

“For a big company I was reasonably impressed.” [with the customer service] (Thames, Manufacturing, 50 to 99 employees)

“Great, because what they’re saying is here you’ve used quite a lot of water, let’s see why that is, have you got a leak...and see if you’re paying money that you don’t need to, so, at the moment, very good.” (Yorkshire, Wholesale and retail trade, 10 to 49 employees)

“They solved the problem very quickly.” (Northumbria, Accommodation and food service activities, 1 to 9 employees)

4.10.3 However, five are unhappy with the customer service they received.

“Several occasions in February, sent emails and tried to chase people up, and after the third or fourth attempt, thought that’s it I’m not going back to them again...and this was to their benefit by the way. I was trying to pay a bill and nobody would respond.” (Southern, Manufacturing. 50 to 99 employees)

“It would have been nice for them to have dealt with the first phone call, rather than me having to chase them. I would have liked a letter immediately acknowledging that they were looking into the issue. That would have been reassuring, rather than me having to chase them again a week later.” (Midlands, Education, 50 to 99 employees)

“The man who came was a jobsworth and we were a bit unhappy about the way he spoke to our staff.” (North West, Arts, entertainment and recreation, 50 to 99 employees)

4.10.4 For one business, the contact is on-going they were unable to comment on how satisfied they are.

4.10.5 A summary of each contact is presented in Appendix G.

4.10.6 Water and sewerage companies must operate within the Guaranteed Standards Scheme (GSS) which provides eight minimum standards of service for customers set out by the regulator, Ofwat.

If the company fails to meet a standard for reasons within their control, it must make a fixed payment or credit to the customer.

- 4.10.7 GSS states that for written complaints the company must send the business a full reply within 10 working days of receiving a letter or e-mail complaining about their supply of water or sewerage services. If the company needs to visit or make external enquiries, it must send a holding letter within 10 working days explaining why it cannot send a full reply now and giving the name and telephone number of the company employee who the business can contact about the complaint. The standards also state that the water and/or sewerage company must send a full reply within 20 working days of receiving the complaint. If the company fails to reply within the appropriate timescale, the business is entitled to compensation.
- 4.10.8 In a number of the case studies given, businesses do not appear to have been dealt with in line with GSS, and none of the businesses reported being provided with compensation for failing to receive a reply in the appropriate timescale.

4.11 Competition in the Water Industry

- 4.11.1 None of the businesses are aware of opportunities open either to themselves or other companies with regards to switching water supplier and none are aware of any new suppliers in the water industry.

“What other suppliers are there? I’ve never heard of any. I only thought there was [Water Company].” (Midlands, Other service activities, 1 to 9 employees)

“No idea [would have expected] a letter from [Water Company] maybe, probably urging us to stay with them or something.” (North West, Arts, entertainment and recreation, 50 to 99 employees)

“No didn’t know, but we’re about to carry out a review to see if there are any opportunities to switch.” (Midlands, Manufacturing, 50 to 99 employees)

- 4.11.2 Almost all businesses are very supportive of the move towards competition in the water industry.

“If it opens up competition then great, as it’s ridiculous that the water industry has these inflation plus charges that they just drop on your doormat every year. It’s non-negotiable, and there doesn’t appear to be any competition, charges just escalate.” (Midlands, Manufacturing, 100 to 250 employees)

“Provided it is proper competition...unlike with the gas and electric, I don’t regard it as proper competition as when one puts their prices up, another company puts their prices up too” (North West, Arts, entertainment and recreation, 50 to 99 employees)

“I think competition can only be a good thing really...because it’s inevitably going to lead to more competitive prices” (Yorkshire, Accommodation and food service activities, 100 to 250 employees)

- 4.11.3 Only one representative was less supportive about competition in the water industry because he felt water and sewerage services should be a government service.

“I feel about it the same as I do about all services, transport, electricity, gas. There should be no competition. They should all be services provided by the government with no profit for anyone.” (Northumbria, Agriculture, Forestry and Fishing, 1 to 9 employees)

- 4.11.4 Most businesses are surprised that they have not been informed about the move to competition, and feel it is something they should have been made aware of.

“As a customer who gets a bill from them I think we should be told about this [competition]. I should be sent something; whether or not I take any action is a different matter. I’d like to know it’s happening though.” (Midlands, Education, 10 to 49 employees)

"It's probably my fault for not asking the question...but certainly, [current water company] haven't made it particularly clear." (Thames, Manufacturing, 50 to 99 employees)

"Because they're trying to help small businesses aren't they, and that's something that could help us even if we aren't eligible yet." (Southern, Accommodation and food service activities, 10 to 49 employees)

- 4.11.5 Businesses believe that the recent drop in the threshold amount of water use required for a business to be potentially eligible to change supplier (now 5,000 cubic metres of water a year in England) will encourage a competitive market in water services and perceived it as 'healthy'. But some feel this hasn't gone far enough and the threshold should be removed as soon as possible to open up competition for everyone.

"In the current economic climate, everybody is looking to reduce their overheads aren't they? So I think people will look to switch if they can." (Midlands, Education, 50 to 99 employees)

"I think if you're a big water user then you will look to switch. Particularly in this current economic climate. Especially if you could make big savings." (Midlands, Education, 10 to 49 employees)

"It'll affect [as you said] 26,000 businesses, how many businesses are there in England...so they're really just looking after the large manufacturing plants for me." (Yorkshire, Wholesale and retail trade, 10 to 49 employees)

- 4.11.6 Most businesses were confident that the current competition regime in water would deliver benefits to customers, mostly saying that they think it would lead to reduced prices for water and sewerage services.

"I think it's a good idea. Increased competition hopefully reduces prices. Budgets are getting tighter so any money that can be saved is appreciated." (Midlands, Education, 50 to 99 employees)

"Potentially it could be beneficial, if there is an opportunity to take costs down then that is good." (Midlands, Manufacturing, 50 to 99 employees)

"If you can get the same product at a cheaper rate then it helps businesses." (Wales, Agriculture, Forestry and Fishing, 10 to 49 employees)

- 4.11.7 Businesses feel that even if they are not eligible to switch, or if they decide not to, then they might still gain from competition as it might raise the service standards of their existing supplier as they would have to work harder to keep customers.

"I would think that they [Water Company] would have to buck up their ideas. They will need to improve their customer service if they want to keep customers, and compete." (Midlands, Education, 50 to 99 employees)

"I believe in completion keeping to keep people on their toes. Competition is a good thing. Companies might be more motivated to reduce leaks. If you are in a competitive situation you need to look at your own efficiencies." (Midlands, Manufacturing, 50 to 99 employees)

"I like them [Water Company], but at the moment as a captive audience you have to take what's served up. But if it encourages competition, then people will fight over you as a valued customer." (Midlands, Arts, entertainment and recreation, 50 to 99 employees)

- 4.11.8 Some businesses are worried that competition might lead to a drop in service standards if their existing supplier lost business (and revenue), others are worried it could lead to interference with their water supply.

"There is a danger that if everyone moves away from [Water Company], then they'd have to lay people off and then if I have a problem I might not get a good service from them. On the other hand, they may work harder for the customers they've got, so it could go either way." (Midlands, Education, 10 to 49 employees)

“My concern is that when you get too competitive you have to try and reduce your costs. When you reduce your costs you have to cut corners and when you cut corners you increase risk. The most important thing is that I can turn a tap on and drink the water safely. I don’t want to be saving 10% but then thinking the water isn’t safe on a Wednesday afternoon.” (South West, Financial and insurance activities, 50 to 99 employees)

“Just because you get more competition, doesn’t mean you get a better service...Doesn’t necessarily mean service would improve because if they act like a cartel and all put their prices up and all put their prices down at the same time...I would imagine it would be something similar to that” (Yorkshire, Wholesale and retail trade, 50 to 99 employees)

- 4.11.9 A couple of businesses feel that an increase in competition in the water industry will not change their current service standards. This was because they believe competition doesn’t currently go far enough and include enough businesses to have an impact on standards, and for companies which were still ineligible, costs would remain at the ‘statutory level’.
- 4.11.10 One business stated that they do not see the risk of lower service standards as a major barrier to changing their water company as they ‘could always change back’ to their original supplier.
- 4.11.11 Most businesses will look into changing supplier if they are/became eligible, and if lower tariffs are offered, a large number said they would consider changing.

“If it’s going to save us money [changing supplier] then yes we would look at it. If it would definitely save us money I’m sure we’d switch.” (Midlands, Education, 50 to 99 employees)

“I’d consider moving for cheaper costs, I have no complaints with the current service, it would just be the costs.” (Midlands, Other service activities, 1 to 9 employees)

“You’re always looking to do things slightly cheaper aren’t you...because you’ve got to...you want to keep everything as cheap as possible so can keep things cheap for the customers as well.” (Wessex, Other service activities, 10 to 49 employees)

- 4.11.12 Some businesses are not interested in changing supplier because their water costs make up a small amount of their operating costs, so it is not worth the effort of switching. Others are happy with their current service and so are reluctant to change.

“If it’s a lot of work for not much reward, it doesn’t seem commercially viable.” (Yorkshire, Wholesale and retail trade, 50 to 99 employees)

“For the amount we use if we were able to change then we would only save a couple of pounds. So might not be worth our while.” (Wales, Agriculture, Forestry and Fishing, 10 to 49 employees)

“If I’d had bad service I’d probably be jumping up and down saying I want to change but if it’s not broken don’t fix it. That’s providing there’s not a huge difference. If there was then I would go to the existing supplier and ask them to get closer price.” (Northumbria, Accommodation and food service activities, 1 to 9 employees)

- 4.11.13 Price is the main driver of considering a change in supplier, as very few businesses have concerns over their current service.

“We’ve got no issues with services. It’s not like we’ve had an issue where we didn’t get our water. The relationship I have with both my contacts [at Water Company] are fine.” (North West, Manufacturing, 100 to 250 employees)

“It’s just paying your money to someone else...you probably wouldn’t notice much difference at all really, it’s just a cost saving.” (Eastern, Professional, scientific and technical activities, 50 to 99 employees)

“Never had service issues, but if I did start to have service issues then that would become a factor...otherwise though just price.” (South West, Administrative and support service activities, 100 to 250 employees)

4.11.14 However, for a number of businesses, quality of service is also important.

“Would not be purely down to price, there would have to be good service. We receive really good service from [Water Company] at the moment and we’d have to be receiving the same or a very similar service or maybe better.” (Southern, Accommodation and food service activities, 10 to 49 employees)

‘I would rather go for a more reputable company and get a good service than I would pay less and have interruptions...that’s more important to me to get a decent service.’ (Wessex, Other service activities, 10 to 49 employees)

“It’s a balance between cost and service. I wouldn’t want to change just to save money if it caused issues with supply. I’d need to be confident with the new supplier. We look at costs holistically, and it could cost us more trying to rectify a poor service situation.” (Midlands, Manufacturing, 50 to 99 employees)

4.11.15 Due to the time and effort taken to change suppliers, businesses feel that a competitor would need to offer a significant cost saving for them to consider switching, for example at least 10%.

“If I’m going to save £5 a month then I’m not going to bother...the time and paperwork involved would mean it wasn’t worth my while.” (South West, Financial and insurance activities, 50 to 99 employees)

“Quite often it’s a hassle to have to keep changing round...it would have to go down by around £20 a month (10%).” (Wales, Manufacturing, 1 to 9 employees)

“Saving would have to be greater than 10% to make it worthwhile.” (South West, Administrative and support service activities, 100 to 250 employees)

4.11.16 Some businesses had multi-premises, and feel that competition might allow them to negotiate a ‘bulk’ deal for all of the sites to sign up with one of the suppliers.

‘It would be useful...if you had...if there was a saving to me made by a bulk purchase like with electricity...it would be useful then because people could then benefit from the cost savings.’ (Eastern, Professional, scientific and technical activities, 50 to 99 employees)

4.11.17 The local authority representative who was interviewed believes that the move to competition in the water industry would result in a move to procurement arranging contracts for supply through ESPO³ (rather than the utilities manager) which in his experience had not always resulted in reduced tariffs.

“They were so good [quotes received for gas and electricity], that we actually took a negative step in my mind by paying more, to be part of ESPO to support the local government framework. I’m not trying to restart that debate, but hearing that [competition in the water industry] I imagine that will go the same way, and they’ll be an ESPO approach.” (Midlands, Arts, entertainment and recreation, 50 to 99 employees)

4.11.18 Other than initial ‘teething problems’ of implementing a new system for switching supplier, a number of business were unable to think of any practical problems or barriers which might discourage a competitive market in water services.

“There’s always hiccups when you move to new systems, things don’t go smoothly, but long term it should be ok.” (Midlands, Education, 10 to 49 employees)

4.11.19 However, it was suggested that some businesses might be resistant to change.

³ ESPO is a joint Committee of Local Authorities and operates within the Local Government (Goods & Services) Act 1970. It acts as a purchasing agent for its member authorities and other customers and provides a professional cost effective procurement and supply service.

"I think from some people's point of view, its better the devil you know, so they will stick with the same company that they have used for years. If you get a new company that comes along saying we can provide your water, but actually we'll do it cheaper, then you'd get a lot of people asking how exactly they would do that. Some people just do not like change." (Midlands, Education, 50 to 99 employees)

4.11.20 One business feels that it would be difficult for new water suppliers to get into the industry, because the main suppliers "already had the market sewn up".

4.11.21 Businesses feel that the switching process needs to be simple or else it would discourage people from changing supplier.

"If it gets too difficult you'd be like I can't do this I can't be bothered. Taking up too much time." (Northumbria, Manufacturing, 10 to 49 employees)

4.11.22 Businesses feel that any new service supplier should offer transparent and comparable tariffs to allow easy comparison of prices.

"I think it's a good thing broadly speaking, the more transparency you can get the better, but my caveat would be that if it turns out like the other utilities where there is a plethora of tariffs and its quite difficult to compare like for like, then it's too time consuming and difficult to see the cost benefit of doing it. It needs to be transparent, clear, and you need to be able to compare like for like." (Midlands, Manufacturing, 50 to 99 employees)

"Complexity of the offering so it's difficult to compare like with like." (Midlands, Manufacturing, 50 to 99 employees)

"It needs to be transparent. If the regulators have any control over it, they should force the water companies to put some generic information out with the bill about it, saying you are no longer duty bound to purchase your water from us. It seems tucked away quietly." (Midlands, Manufacturing, 100 to 250 employees)

4.11.23 There was also confusion about pipe ownership, and many of those interviewed are unsure how a change in supplier would work practically in terms of pipe ownership. Others are concerned that companies might invest less in their pipes and infrastructure, or have a smaller workforce to deal with problems as a result of competition in the water industry.

"Would take people a little while to get used to the fact that it's the same water." (South West, Financial and insurance activities, 50 to 99 employees)

"If you had a problem with your water supply, I'd worry that they (new licensee) wouldn't come out, perhaps a lack of engineers and stuff." (Wales, Manufacturing, 1 to 9 employees)

4.11.24 There is a small amount of scepticism amongst businesses regarding whether or not prices would actually decrease in a competitive market.

"The new company has still got to spend the money on the water being purified and so I'm not sure that that is going to make us a great saving." (Thames, Manufacturing, 50 to 99 employees)

4.11.25 Business feel greater advertising of changes in the water industry would help further develop the competitive market.

"Well until now I didn't know there was an option to change supplier. So these other companies need to advertise that more. To improve their profile so people are aware they can get water from other companies." (Midlands, Education, 50 to 99 employees)

"More awareness. What you've just told me about competition I wasn't aware of so I presume other people are the same." (South West, Administrative and support service activities, 100 to 250 employees)

4.12 Information on Competition

- 4.12.1 All businesses are interested in receiving information about competition in the water industry.

"I wasn't aware about that change in legislation, I'd like to know about that. And who's out there? Who the new suppliers are. What the options are, how to change, who qualifies?" (Midlands, Manufacturing, 50 to 99 employees)

"I'd like to see information on how they were going to keep their water quality the same as what they used to (do now). If there were problems with the quality then how would they go about fixing it, assurances that the supply wouldn't be interrupted, if you had problems then assurances that they would sort them out and then also the cost of it." (Wales, Manufacturing, 1 to 9 employees)

- 4.12.2 In particular, respondents expressed an interest in information on which new suppliers offer services in their area, and the tariffs offered by new suppliers. They feel that tariffs must be transparent and easily comparable. Some businesses also expressed an interest in receiving information on how to switch water supplier and how to switch back, and information on any changes in service rights or obligations or any risks associated with switching supplier.

- 4.12.3 Initially, businesses feel that any information should be provided by independent organisations such as Ofwat and the Consumer Council for Water.

"You would feel information is more reliable if it was coming from somebody like Ofwat, or the Consumer Council [for Water], as opposed to the companies themselves. Cause you get so much hard sell these days, people spinning you a line about what they can do." (Midlands, Education, 50 to 99 employees)

"I think it should be Ofwat because I think that's the whole point of them really, to keep people informed and make sure people are getting a fair deal" (Yorkshire, Accommodation and food service activities, 100 to 250 employees)

"If it came from somebody like Ofwat you'd take it as being impartial. If it came from a water company you'd be worried about them trying to put a spin on it to get you to move to them. So I'd prefer some impartial advice about the system, that would be much better." (Midlands, Education, 10 to 49 employees)

- 4.12.4 However, once businesses were informed about the changes in law regarding competition, they wanted to see new suppliers providing information on their services and tariffs, as *"they should be marketing themselves"*.

"Initially if there are changes it should come out from people like Ofwat, but then it will only be a competitive market if the suppliers are out there trying to win your business." (Midlands, Manufacturing, 100 to 250 employees)

"With Ofwat you'd have the immediate perception that it's impartial, and good sound advice, but if someone came to sell you water you'd have to check every clause. Initially you could sell the concept through Ofwat, but eventually you'd want an offer from the supplier." (Midlands, Arts, entertainment and recreation, 50 to 99 employees)

"I'd like the new companies to tell us what they offer. Your own company won't do that will they." (Midlands, Other service activities, 1 to 9 employees)

- 4.12.5 Most businesses feel that any information provided is best received via e-mail or letters/newsletters. Respondents are not keen on being approached over the telephone or in person, particularly cold calling, but some of the larger water users felt a face-to-face meeting might be necessary in some instances to discuss services offered to them.

"E-mail or newsletter, prefer to have something in writing that I can go away and look at in my own time, rather than somebody telling me on the phone or in a meeting." (Midlands, Education, 10 to 49 employees)

“Written so I can look at it. You haven’t got time to listen over the phone and you don’t take it in. I’d probably sit and read it.” (South West, Wholesale and retail trade, 1 to 9 employees)

“I don’t trust phone calls. Letter in the post with link to a website – can look at and study in own time.” (Wessex, Agriculture, Forestry and Fishing, 1 to 9 employees)

- 4.12.6 Only one business would like to receive information over the telephone, and one would like to see information in trade press.

“I’d say e-mail but a lot of it just gets deleted, probably a phone call. I hate it but it’s the only way I react to things” (Wales, Manufacturing, 1 to 9 employees)

“E-mails get deleted, a letter would get thrown in the bin.” (Wales, Manufacturing, 1 to 9 employees)

“Probably through the trade body...there’s a regular magazine and e-newsletter.” (Thames, Manufacturing, 50 to 99 employees)

4.13 Views on Other Utilities

- 4.13.1 Businesses feel that to date the water industry is “*some way behind*” other utilities when it comes to competition, and with little or no competition water companies may have become “*complacent*”.

“I think water is very weak. There are quite a few energy and gas suppliers that you can switch to, and we do switch around depending on who’s got the best tariffs. And that’s something you can’t do with water.” (North West, Manufacturing, 100 to 250 employees)

“Well everybody knows now that you can get your energy from different suppliers, but I bet no one knows you can for your water. Everyone knows there are websites you can go on to compare electricity and gas prices. That’s at the forefront of people’s minds, but water isn’t.” (Midlands, Education, 50 to 99 employees)

“Well the very fact that we don’t have people banging the door asking us to switch....I’d say it’s underdeveloped. The world and its uncle want to sell us gas.” (Midlands, Arts, entertainment and recreation, 50 to 99 employees)

- 4.13.2 However, several noted that at present the water industry had a “*better reputation*” than other utilities, so they would be wary of competition impacting high service standards.

“Water industry has better reputation, at the moment. Needs to be careful in protecting that reputation.” (South West, Financial and insurance activities, 50 to 99 employees)

“Energy companies have a worse reputation because they try and cold sell it. “We can save you xx etc. If the water industry was to go down the same path and say that we can save you money and then they don’t then that would be bonkers.” (South West, Financial and insurance activities, 50 to 99 employees)

- 4.13.3 Changing supplier of gas, electricity or telephone is something routinely done amongst all businesses and SMEs will consider doing the same in the water industry if they are eligible.

“Our procurement department update our prices against current market prices on a monthly basis, and we take views on where we buy it on 6 monthly reviews. You feel as if it’s a competitive market because people are fighting for your business when you go out to retender.” (Midlands, Manufacturing, 100 to 250 employees)

“We change gas/ electricity supplier every 2-3 years to get the best deal.” (Eastern, Professional, scientific and technical activities, 50 to 99 employees)

“These days they say it pays to keep checking and the only way to get the best deals is to keep switching.” (Northumbria, Accommodation and food service activities, 1 to 9 employees)

- 4.13.4 Some businesses complained about the ‘hard sell’ by gas and electricity companies, and would not like to see the water industry “go the same way”. Others complained about price rises once they were ‘tied in’ with the supplier, and would like to see loyalty rewarded instead.

“The gas and electricity, they get quite forceful, you get people ringing and calling round all the time to try and get your business. It’s frustrating at times, I hate it. They even bother me on Sundays.” (Midlands, Other service activities, 1 to 9 employees)

“You’ve got to be careful, if you have too many companies then you get constantly bombarded with things (flyers etc.) and that’s hassle. Don’t want people phoning me at work, asking me whether I want to switch companies.” (South West, Wholesale and retail trade, 1 to 9 employees)

“Unless you renew each year and go to a different provider, you don’t get the best rate, because it’s their current customers...loyal customers get the worst rate, new customers get the best rate.” (Eastern, Agriculture, Forestry and Fishing, 100 to 250 employees)

- 4.13.5 Several companies noted that they had a consultant they used when changing over their gas or electricity supply and if they were going to change their water, then they would want a similar system.

“If those sort of companies didn’t exist and it was down to me to research all the different water companies and contact them all and say this is what our usage is and this is what our sewerage is...can you tell me what you would charge? It could be a lot of work involved for very little saving.” (Yorkshire, Wholesale and retail trade, 50 to 99 employees)

4.14 Competition in Wales and Scotland

- 4.14.1 Most businesses do not understand why it is necessary to use more water in Wales (50,000m³ a year), than it is in England (5000m³ a year) in order to be potentially eligible to change water supplier. They would like to see consistent rules across the two countries. This was felt particularly by those who had premises located in both countries, or those based in Wales.

“It probably doesn’t seem that fair but it’s one of those things really, we seem to get everything later!” (Wales, Manufacturing, 1 to 9 employees)

“All businesses wherever they’re situated should have the same opportunities and choices really.” (Wales, Agriculture, Forestry and Fishing, 10 to 49 employees)

- 4.14.2 A minority of businesses do not have any concerns with different thresholds existing in different countries.

“I guess it’s fair enough because it’s a different country isn’t it so they’re entitled to have their own regulations... can’t complain, it’s up to them what they do.” (Yorkshire, Accommodation and food service activities, 100 to 250 employees)

“I wasn’t aware of that. It would be nice if we could have continuity across the UK, but those days have gone and I’m very pragmatic about that.” (Midlands, Manufacturing, 50 to 99 employees)

- 4.14.3 None of the businesses interviewed had other premises in Scotland. Businesses are not aware that in Scotland all non-household customers have been able to switch water and sewerage retail supplier since 1 April 2008. With regards to the competition regime in Scotland, many feel that it is unfair that different rules apply to different countries, and would like to see competition opened up equally to all businesses regardless of the location.

“How can they do it and we’re not allowed to? Doesn’t seem fair. Then again, there’s a lot of things Scotland do that we don’t. Such as the tuition fees.” (Midlands, Other service activities, 1 to 9 employees)

*“Fair if all of us are the same in what we can do, why should Scotland be any different?”
(South West, Wholesale and retail trade, 1 to 9 employees)*

*“It should be no different across England, Scotland and Wales. It should be the same rules
across all the markets.” (Midlands, Manufacturing, 100 to 250 employees)*

Chapter 5 – Views on Current Water Supply Services

5 Views on Current Water and Sewerage Supply Services

5.1 Introduction

5.1.1 Chapters Five to Thirteen present the telephone survey findings – all survey figures and bases are based on weighted data. Table 7 shows the number of completed interviews per WaSC region – a minimum of 200 was achieved in each WaSC region. Table 8 shows that of the businesses interviewed, 83% have water provided by a WaSC, and 17% by a WoC.

Table 7 Number of surveys achieved by WaSC region

	Frequency	Overall Percent (%)	Frequency	Overall Percent (%)
	Unweighted		Weighted	
Eastern	204	10	254	12
Wales	200	10	132	6
Northumbria	200	10	90	4
Midlands	204	10	336	16
South West	200	10	84	4
Southern	200	10	201	9
Thames	201	10	502	24
North West	211	10	236	11
Wessex	200	10	113	5
Yorkshire	209	10	168	8
Total	2029	100	2116	100

Table 8 Number of surveys achieved by water and/or sewerage company

	Frequency	Overall Percent (%)	Frequency	Overall Percent (%)
	Unweighted		Weighted	
Anglian	159	8	216	10
Dŵr Cymru	193	10	125	6
Northumbrian	193	10	88	4
Severn Trent	174	9	298	14
South West	202	10	85	4
Southern	113	6	117	6
Thames	133	7	333	16
United Utilities	211	10	236	11
Wessex	87	4	49	2
Yorkshire	223	11	183	9
Sembcorp Bournemouth Water	30	1	16	1
Bristol	85	4	57	3
Cambridge	18	1	15	1
Dee Valley	7	*	7	0
Essex & Suffolk	26	1	21	1
Hartlepool	7	*	2	*
Portsmouth	31	2	15	1
South East	67	3	101	5
South Staffordshire Water	16	1	23	1
Sutton & East Surrey	8	*	17	1
Veolia Central	41	2	108	5
Veolia East	1	*	3	*
Veolia Southeast	4	*	1	*
Total	2029	100	2116	100

* denotes any value less than half a percent but greater than zero.

5.1.2 The full profile of SMEs for the telephone survey can be found in Appendix H.

5.2 Survey Results

5.2.1 Businesses were asked questions about their water and sewerage services, and how dependant they are on them. They were also asked their opinions on billing and value for money of services.

Summary

- All (100%) businesses receive water services, and the majority (94%) receive waste water services. Less than one third of businesses (28%) state that they receive surface water drainage – suggesting that many are not aware that they are paying for or receiving this service. Just 1% had a dedicated account manager, or were on a special business tariff.
- Nearly eight out of ten businesses (79%) agree that they depend on water and sewerage services in order to operate. Of these, nearly all (94%) depend on water for drinking, flushing toilets etc. for staff, and 74% for waste water services (from domestic use) This was unprompted, and therefore suggests that respondents are more likely to consider their use of clean water than the process of removal of this water once used.
- Ten percent disagree that their business depends on water and sewerage services in order to operate. Of these, 93% state this is because they only use it for drinking, flushing toilets etc. for staff (i.e. domestic type usage), and 27% state that they only use it for the removal of waste water, toilets etc. for staff.
- Just over three-quarters (77%) of businesses agree that their water and sewerage bill makes it clear how much needs to be paid and when, and just 4% disagree.
- Just less than three-quarters (74%) agree that it is clear how the final amount of their bill was reached, and 5% disagree. The majority of businesses (72%) are satisfied with the value for money of the **water services** supplied to their business. Six percent of businesses are dissatisfied.
- The majority (72%) are satisfied with the value for money of the **sewerage services** in their area. Less than one in ten (7%) are dissatisfied.
- Just over half (56%) of businesses are satisfied with the value for money of the **surface water drainage services** for their premises, and just 4% are dissatisfied. Approximately one quarter of businesses (26%) do not know, suggesting that they are unaware of how much they are paying for this service.
- The main causes of dissatisfaction with value for money of services are rising costs or prices (58%), problems with sewers or drains (27%) and poor or inefficient service / issues not being resolved (10%).
- Just less than three-quarters (73%) of businesses are unaware that if their water and / or sewerage company fails to meet certain customer service standards they may be entitled to compensation; 24% are aware.

5.3 Water and Sewerage Services Taken

- 5.3.1 Businesses were asked (unprompted) which water and sewerage services they receive (Table 9). All (100%) businesses receive water services and most, (94%) receive sewerage services, ranging from 81% in Southern to 100% in Wessex and the South West.
- 5.3.2 Less than one third of businesses (28%) state that they receive a surface water drainage service. There is a considerable range across WaSC regions, from just 4% in the South West to 77% in Wales.
- 5.3.3 Three percent of businesses receive trade effluent services. Of these 57% receive a separate bill for it, 34% do not, and 9% are unsure. Just 1% of businesses in the South West have trade effluent consent compared to the highest proportion of 7% in Southern.
- 5.3.4 Very few (1%) businesses have a dedicated account manager. At WaSC region level this ranges from none of the businesses interviewed in Northumbria, the South West or North West, to 3% of businesses in Yorkshire. Similarly, just 1% of businesses have a special business tariff. None of the businesses in the South West, Thames or the North West have a special business tariff, but 5% do in Southern.

Table 9 Which water and sewerage services does your business take?

	Overall Percent (%)	Min. value across all companies	Max. value across all companies
Water	100	100% - All WaSCs	100% - All WaSCs
Sewerage - waste water	94	81% - Southern	100% - South West/Wessex
Surface water drainage	28	4% - South West	77% - Wales
Trade Effluent removal	3	*% - South West	7% - Southern
A dedicated account manager	1	0% - Northumbria/South West/North West	3% - Yorkshire
Special business tariff (shown on bill)	1	0% - South West/Thames/North West	5% - Southern
Base	2116		

Base: 2116 All businesses. Multiple response question. Weighted.

* denotes any value less than half a percent but greater than zero.

- 5.3.5 Businesses in Wales are more likely to say they have a surface water drainage service than businesses in England – 81% and 24% respectively.
- 5.3.6 In general, the larger the business and the more water it uses, particularly if water dependent, the more likely it is to be taking all three sewerage services (i.e. used water, surface water drainage and trade effluent removal).

5.4 Business Dependency on Water and Sewerage Services

- 5.4.1 Table 10 shows that nearly eight out of ten (79%) of businesses agree that on a day to day basis they depend on their water and sewerage services in order to operate; 10% disagree. Figure 4 shows the level of agreement by different business types.

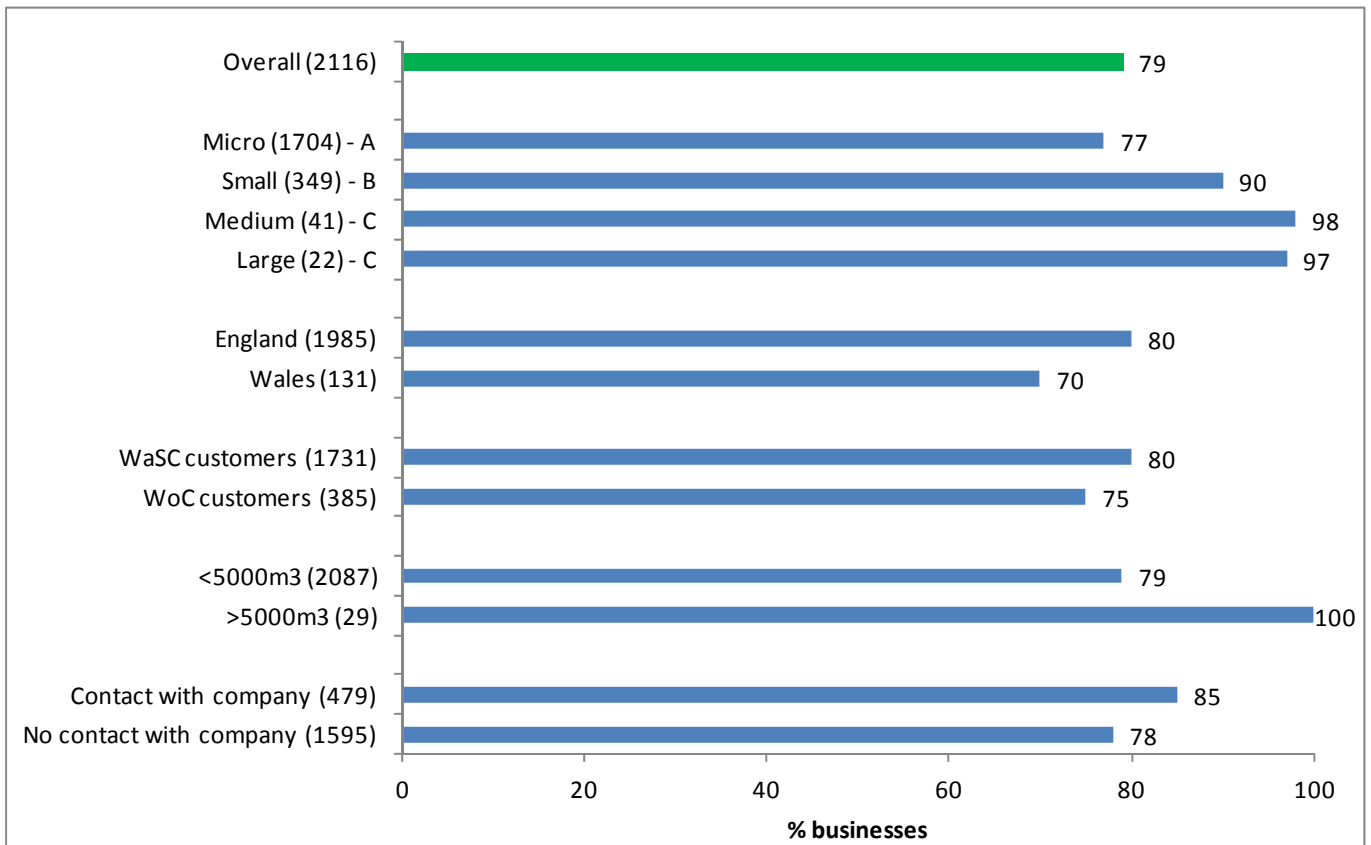
Table 10 How much do you agree or disagree that on a day to day basis, your business depends on its water supply and sewerage services in order to operate?

	Overall Percent (%)
Strongly agree	55
Tend to agree	24
Neither agree nor disagree	11
Tend to disagree	7
Strongly disagree	3
Don't know	*
Base	2116

Base: 2116 All businesses . Weighted.

* denotes any value less than half a percent but greater than zero.

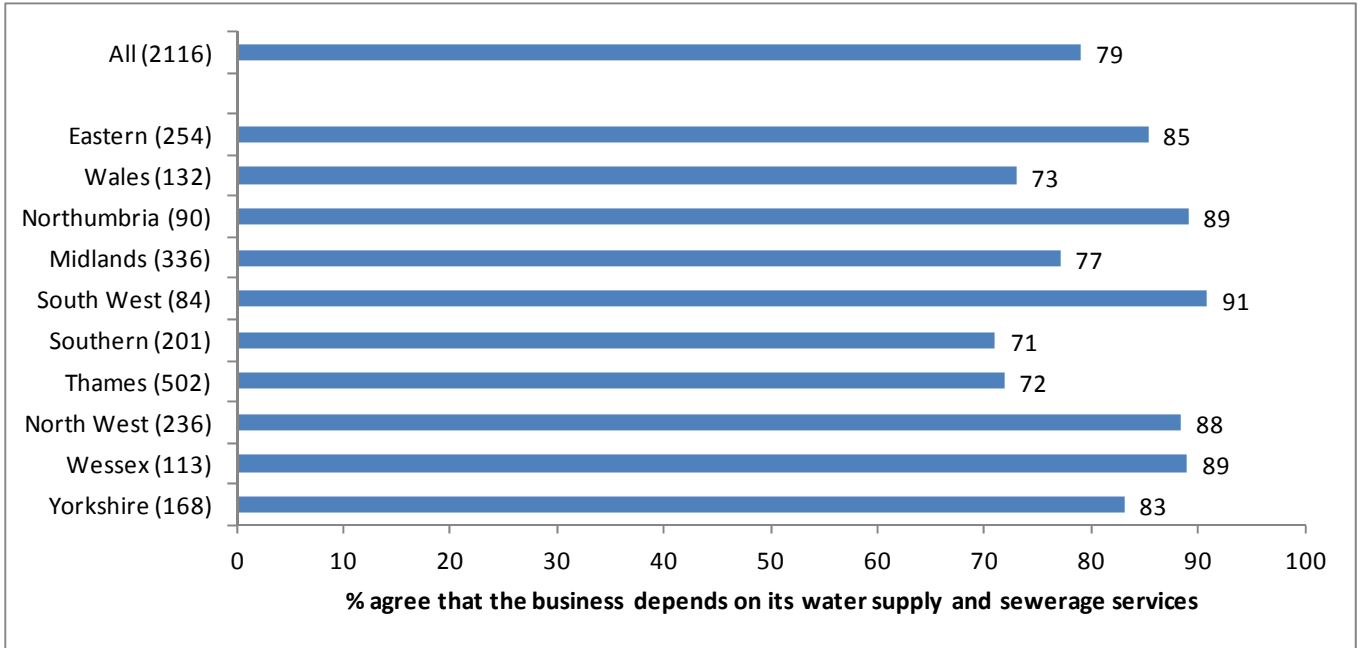
Figure 4 Proportions agreeing that their business depends on water and sewerage services to operate by business types



Weighted.

5.4.2 Figure 5 shows businesses in the South West (91%) are most likely to agree that on a day to day basis they depend on their water and sewerage services in order to operate and those in the Southern region (71%) least likely.

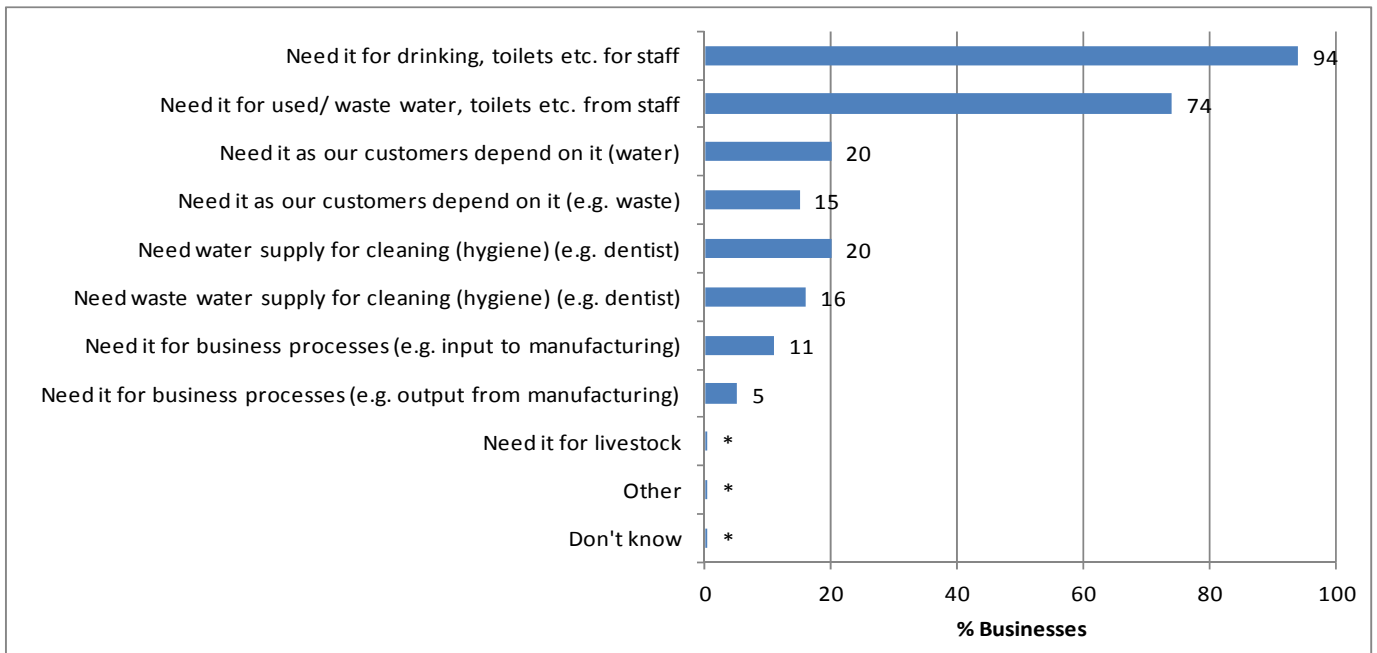
Figure 5 Proportions agreeing that their business depends on water and sewerage services in order to operate by WASC region



Base: 2116 All businesses. Weighted.

5.4.3 Businesses were asked why they depend on their water and sewerage services. Figure 6 shows that the majority (94%) depend on water for drinking, flushing toilets etc. for staff, and 74% for waste water services (from domestic use). This was unprompted, and therefore suggests that respondents are more likely to consider their use of water, and some do not think about the process of removing this water once used.

Figure 6 How/why is the business dependent on its water / sewerage services?



Base: 1680 All businesses that strongly agree/tend to agree they are dependent on water and sewerage services to operate. Multiple response question. Weighted. * denotes any value less than half a percent but greater than zero.

5.4.4 Table 11 shows the range of responses by WaSC region for businesses that are dependent on water and sewerage services (self defined). All (100%) of businesses in Northumbria state they are dependent on water for domestic reasons (e.g. drinking, toilets for staff), compared to 86% in Wessex.

5.4.5 The majority (93%) of businesses in Northumbria state that they depend on their water and sewerage services for used or waste water for staff, compared to 62% in Southern.

Table 11 Range of dependency on water and sewerage services by WaSC region (self defined)

	Min. value across WaSC regions	Max. value across WaSC regions
Need water for drinking, flushing toilets etc. for staff (i.e. domestic type usage)	86% - Wessex	100% - Northumbria
Need it for used/ waste water, toilets, sinks etc. from staff (i.e. domestic type usage)	62% - Southern	93% - Northumbria
Need water service as our customers depend on it (e.g. café, restaurant, hair-dresser, launderette, garage, car-wash)	9% - South West	28% - Wales
Need waste water service it as our customers depend on it (e.g. waste from café, restaurant, hair-dresser, launderette, garage, car-wash)	8% - South West	22% - Wales
Need water for business processes (e.g. input to manufacturing)	3% - South West	16% - Thames
Need waste water/trade effluent for business processes (e.g. output from manufacturing)	*% - Wessex	7% - North West
Need water supply for cleaning (hygiene) (e.g. café, restaurant, dentist)	4% - South West	28% - Wales
Need waste water supply for cleaning (hygiene) (e.g. café, restaurant, dentist)	4% - South West	29% - Wales
Need it for livestock	0% - *	3% - South West
Other (specify)	0% **	2% - Eastern
Don't know	0% ***	3% - Wessex

*Wales / Northumbria / Midlands / Southern / Thames / North West / Wessex

**Wales / Midlands / South West / Southern / North West / Yorkshire

*** Wales / South West / Southern / Thames / North West

Base: 1680 All businesses that strongly agree/tend to agree they are dependent on water and sewerage services to operate. Multiple response question. Shaded cells are not significant. Weighted

* denotes any value less than half a percent but greater than zero

5.4.6 Businesses in Wales are more likely to depend on water and sewerage services for:

- Domestic water use (Wales 99%, England 93%);
- Domestic waste water (Wales 91%, England 73%);
- Customer water use (Wales 29%, England 20%);
- Customer waste water (Wales 23%, England 15%);
- Cleaning water use (30%) (Wales 30%, England 19%); and
- Cleaning waste water (Wales 31%, England 15%).

5.4.7 In general, the larger the business, and the more water it uses, the more likely it is to list each of the reasons above for being dependent on their water and sewerage services.

5.4.8 Businesses that disagreed they are dependent on their water or sewerage services to operate were asked why. Table 12 shows that the majority (93%) state this is because they 'only' use it for drinking, toilets etc. for staff (i.e. domestic type usage), and 27% state that they only use it for removal of waste water, toilets etc. for staff. The findings show that businesses interpret dependency in different ways; some believing domestic use of water is essential and makes

them water dependent, whilst others feel that they are not dependent perhaps because they can function without water and sewerage services for domestic purposes.

Table 12 Why is the business not dependent on its water / sewerage services?

	Overall Percent (%)
Only use it for drinking, toilets etc. for staff (i.e. domestic type usage)	93
Only use it for removal of waste water, toilets etc. for staff (i.e. domestic type usage)	27
Base	208

Base: 208 All businesses that tend to disagree / strongly disagree they are dependent on water and sewerage services to operate. Multiple response question. Weighted.

5.5 Water and Sewerage Bill Transparency

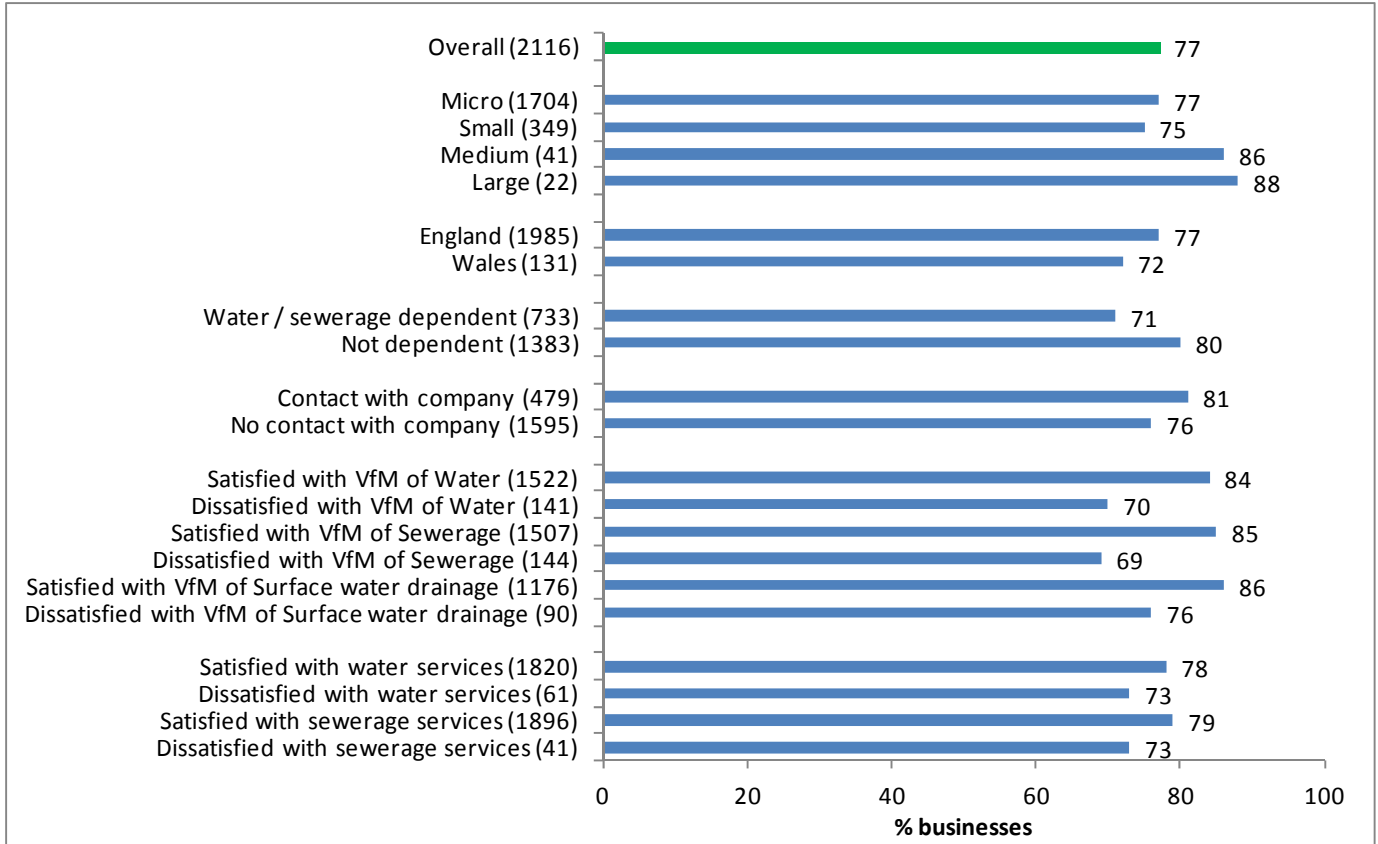
5.5.1 Businesses were asked how much they agree or disagree that their general water and sewerage bill makes it clear how much needs to be paid and when. Table 13 shows that 77% of businesses agree and 4% disagree. Figure 7 shows the level of agreement by different business types.

Table 13 How much do you agree or disagree that your general water and sewerage bill makes it clear how much needs to be paid and when?

	Overall Percent (%)
Strongly agree	43
Tend to agree	34
Neither agree nor disagree	11
Tend to disagree	3
Strongly disagree	1
Don't know	8
Base	2116

Base: 2116 All businesses. Weighted.

Figure 7 Proportions agreeing that their general water and sewerage bills make it clear how much needs to be paid and when by business type

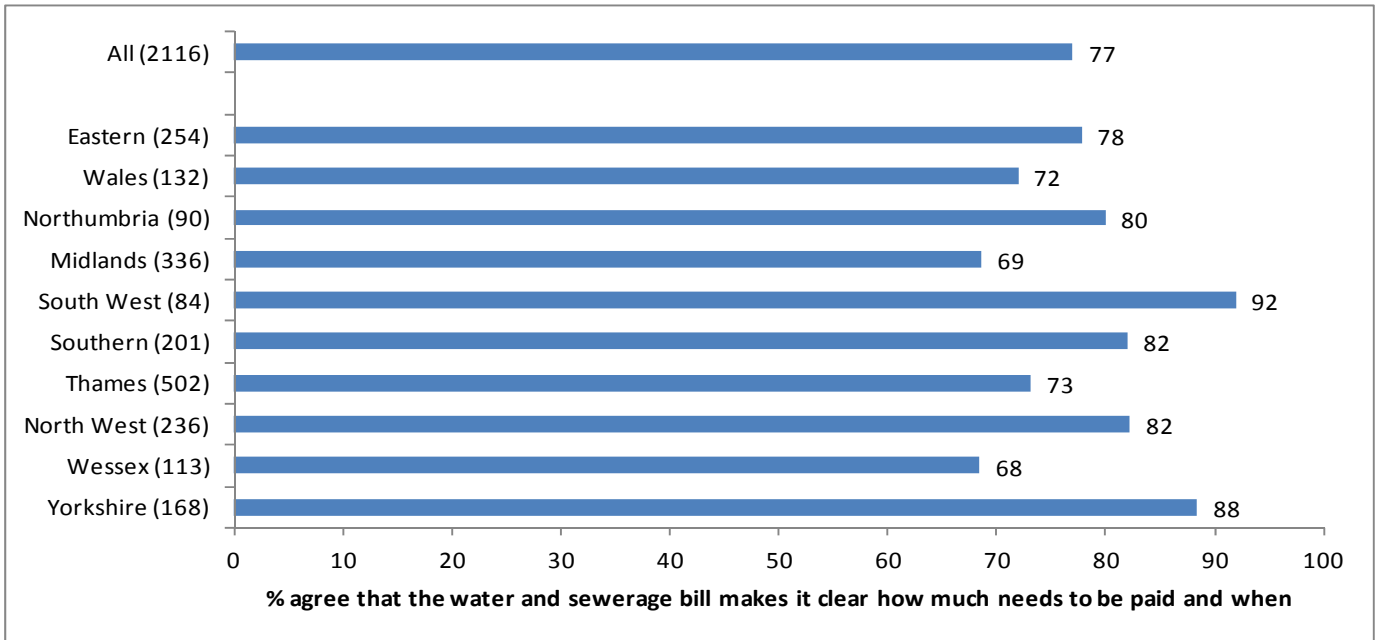


Weighted. Differences in the overall proportion agreeing are not significant between England and Wales. However, businesses in Wales are more likely to strongly agree (59%) than those in England (42%).

VfM = Value for Money

5.5.2 Businesses in the South West (92%) are most likely to think that their water and sewerage bill is clear about how much should be paid and when, and those in the Wessex region (68%) least likely (see Figure 8).

Figure 8 Proportions agreeing that their general water and sewerage bills make it clear how much needs to be paid and when by WASC region



Base: 2116 All businesses. Weighted.

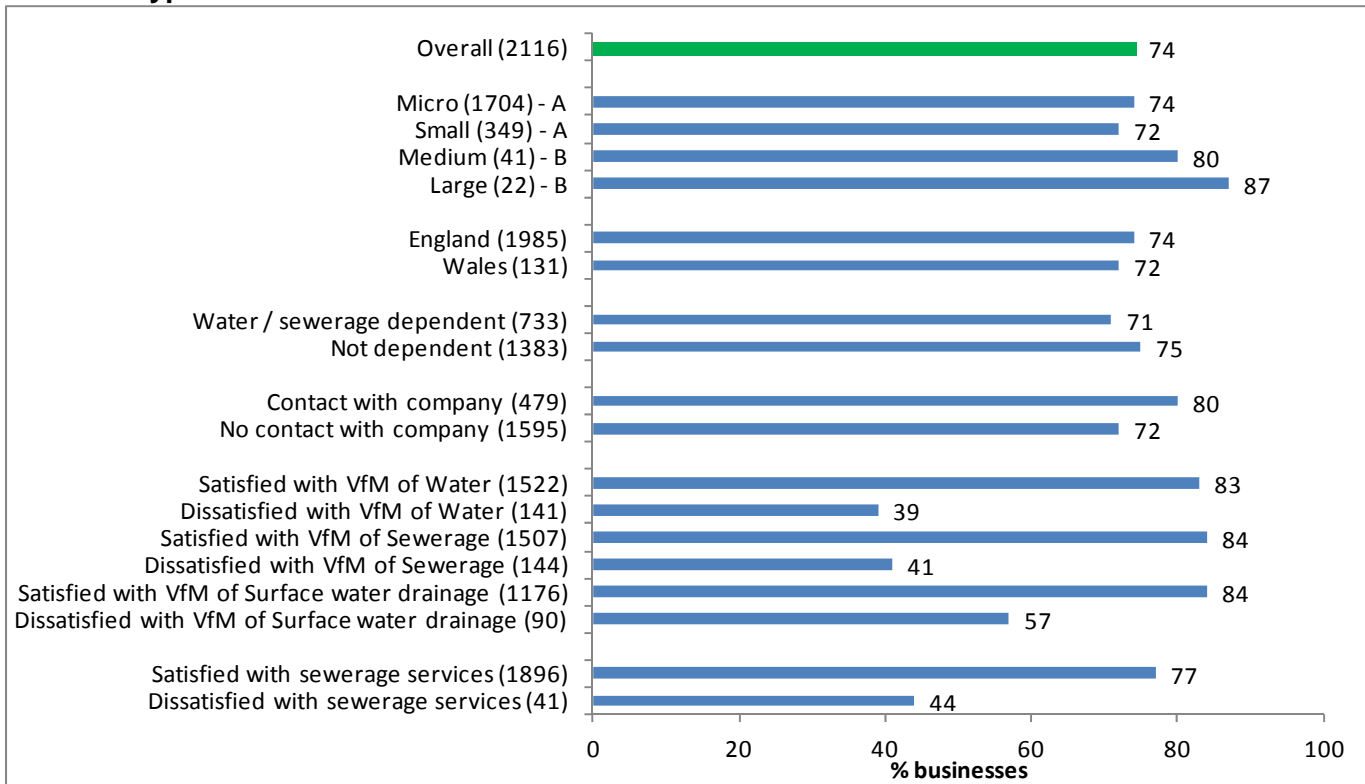
5.5.3 Businesses were asked whether it is clear how the final amount of their bill is reached. Table 14 shows that 74% agree it is clear how the final amount of their bill is reached, but 12% neither agree nor disagree and 5% disagree. Nine percent are unsure. Figure 9 shows the level of agreement by different business types.

Table 14 Do you agree or disagree that it is clear how the final amount of your bill was reached?

	Overall Percent (%)
Strongly agree	39
Tend to agree	35
Neither agree nor disagree	12
Tend to disagree	3
Strongly disagree	2
Don't know	9
Base	2116

Base: 2116 All businesses. Weighted.

Figure 9 Proportions agreeing that it is clear how the final amount of their bill was reached by business type

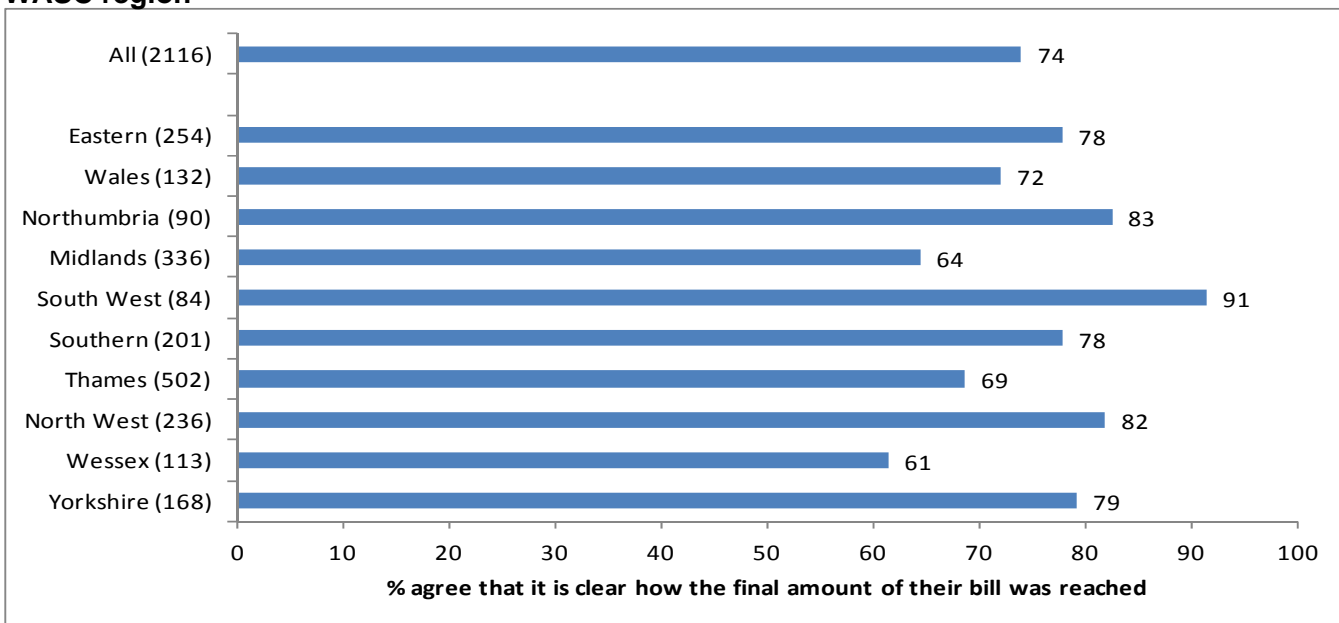


Weighted.

Differences in the overall proportion agreeing are not significant between England and Wales. However, businesses in Wales are significantly more likely to *strongly* agree (58%) than those in England (38%).

5.5.4 Businesses in the South West (91%) are most likely to agree it is clear how the final amount of their bill is reached, and those in the Wessex region least likely (61%) (See Figure 10).

Figure 10 Proportions agreeing that it is clear how the final amount of their bill was reached by WASC region



Base: 2116 All businesses. Weighted.

5.6 Satisfaction with Value for Money

- 5.6.1 Businesses were asked how satisfied they are with the value for money of:
- The water services supplied to their business;
 - The sewerage service in their area;
 - The surface water (rainwater) drainage services for their premises; and
 - The trade effluent services (where applicable).

5.7 Satisfaction with Value for Money of Water Services

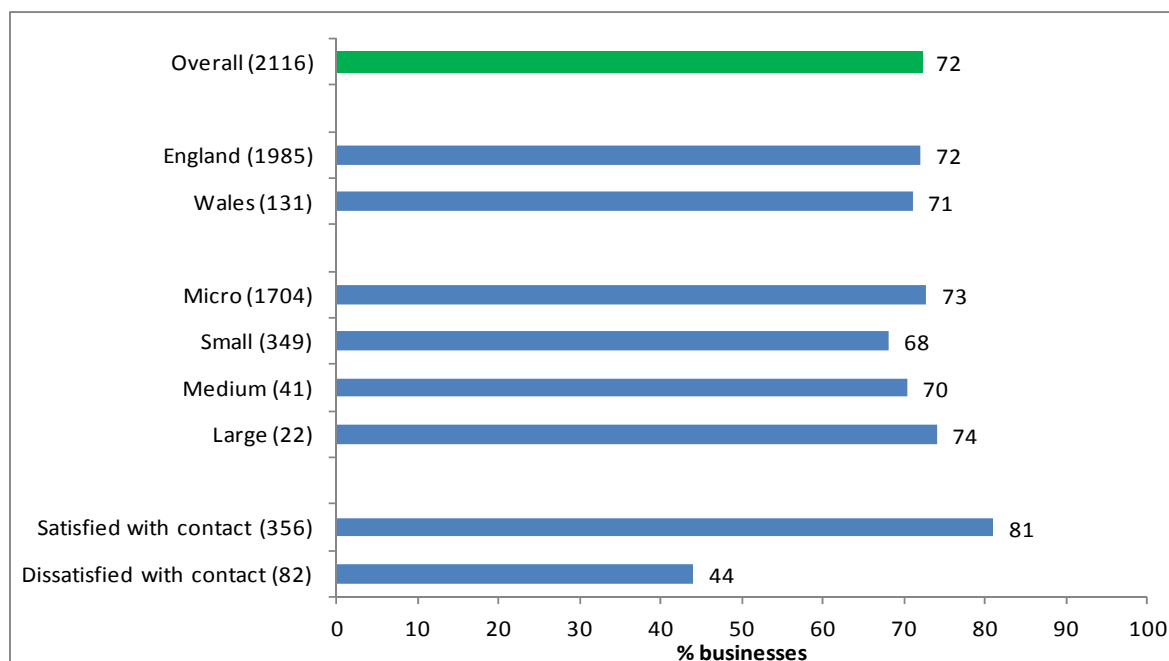
- 5.7.1 Table 15 shows that 72% of businesses are satisfied with the value for money of the water services supplied to their business. A minority of 6% are dissatisfied.
- 5.7.2 Figure 11 shows the proportion satisfied with value for money of water services by business type. This shows that satisfaction with contact tends to be present where there is satisfaction with value for money of water services – those satisfied with contact are almost twice as likely to be satisfied with value for money.

Table 15 How satisfied or dissatisfied are you with the value for money of the water services supplied to your business?

	Overall Percent (%)
Very satisfied	38
Fairly satisfied	34
Neither satisfied nor dissatisfied	18
Fairly dissatisfied	3
Very dissatisfied	3
Don't know	4
Base	2116

Base: 2116 All businesses. Weighted.

Figure 11 Satisfaction with value for money of water services by business type

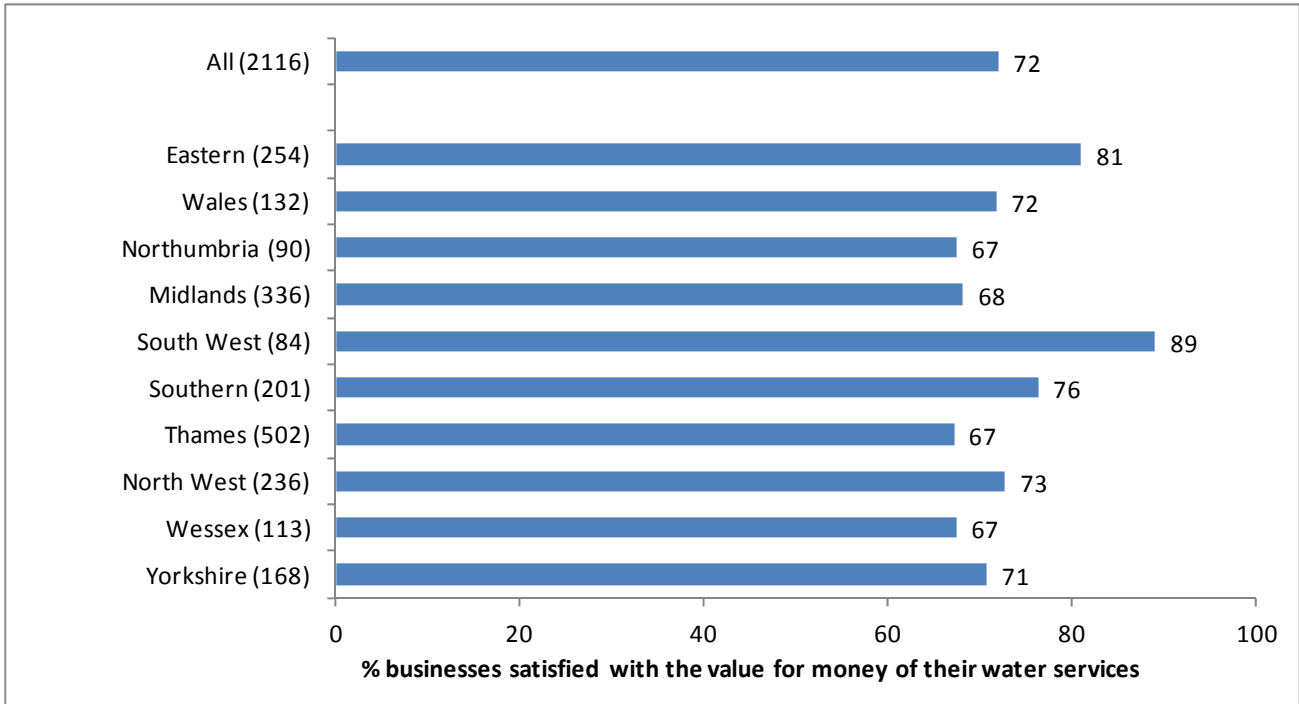


Weighted. Overall proportion satisfied is not significantly different between England and Wales. However, businesses in Wales are significantly more likely to be very satisfied (61%) than those in England (36%). Results by business size are not significant.

- 5.7.3 Businesses are most likely to be satisfied with the value for money of the water services in the South West (89%) and least likely in Northumbria, Thames and Wessex (all 67%) (See Figure 12). This finding contradicts earlier research into SME customer views on competition, carried out by CCWater in 2009-10⁴, which found the South West WaSC region had the lowest mean score for satisfaction with value for money. CCWater's domestic tracking survey also shows, year after year, that satisfaction with value for money in the South West is far lower than in other regions (although care should be taken comparing a domestic and business survey). Given this previous research, and that average bill levels are the highest in the South West, high levels of satisfaction is an unexpected finding.
- 5.7.4 This finding has been verified by AECOM, and therefore the following details may explain the findings:
- It is a sample not a population survey - findings are subject to a margin of error;
 - The result has been looked at in the context of other findings for the South West – and the region scored highly on satisfaction with water supply (joint highest with Wales); sewerage services (95% although 99% in Wales); and bill clarity (92% stated it was clear how much needs to be paid and when, and 91% said it was clear how the bill was reached - both the highest across the regions). The South West is also the region **least likely to have suffered a service failure** (3%) or for SMEs to have **made contact** with their water and sewerage company (9%) about an enquiry or a complaint. In addition to this, a review of the profile of businesses in each region highlights that those surveyed in the South West are far less likely to be water dependent than in other regions.
- 5.7.5 Some findings, however, do not fit well with high satisfaction with value for money – such as the high appetite for competition (to save money). In the 2009-10 competition research, lower satisfaction with value for money was linked to higher appetite for competition to be introduced, based on the expectation that businesses could then switch supplier to save money.
- 5.7.6 Satisfaction with value for money of water in the South West is an unexpected finding as they have the highest average bills. However, the South West profile has a much lower proportion of businesses that are dependent on water for customer use, business processes and cleaning, and the highest proportion of businesses that only use water for domestic reasons. Analysis shows that satisfaction (proportion very satisfied) with value for money of water services is higher amongst domestic only users (40%) than those who use water for domestic and other reasons (33%).

⁴ http://www.cewater.org.uk/upload/pdf/SME_Competition_FINAL_11_June_2010_20100611143232.pdf

Figure 12 Satisfaction with value for money of water services by WASC region



Base: 2116 All businesses. Weighted.

5.8 Satisfaction with Value for Money of Sewerage Services

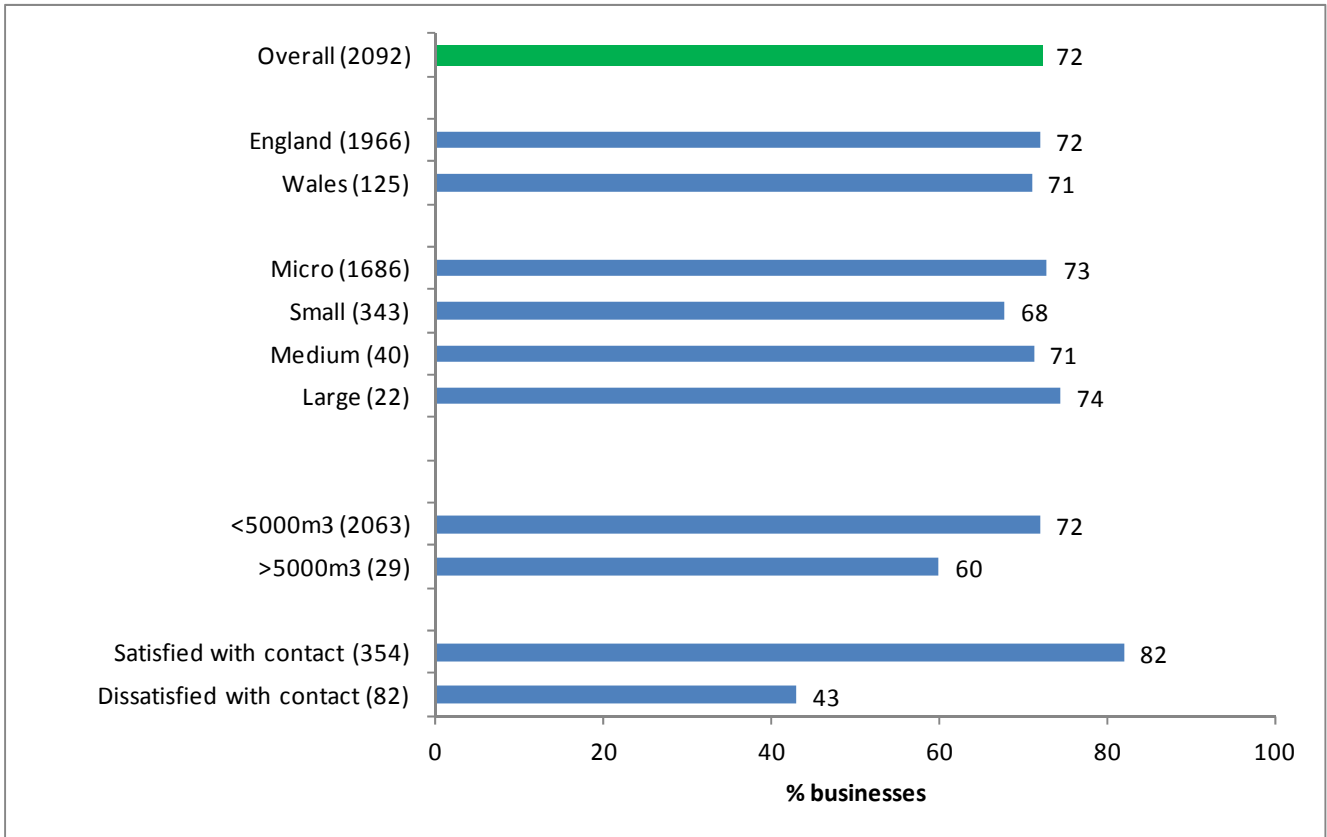
5.8.1 Table 16 shows that 72% of businesses are satisfied with the value for money of the sewerage services they receive. Just 7% are dissatisfied. Figure 13 shows the proportion satisfied with value for money of sewerage services by business type.

Table 16 How satisfied or dissatisfied are you with the value for money of the sewerage service in your area?

	Overall Percent (%)
Very satisfied	38
Fairly satisfied	34
Neither satisfied nor dissatisfied	15
Fairly dissatisfied	4
Very dissatisfied	3
Don't know	6
Base	2092

Base: 2092 All businesses that receive sewerage services. Weighted.

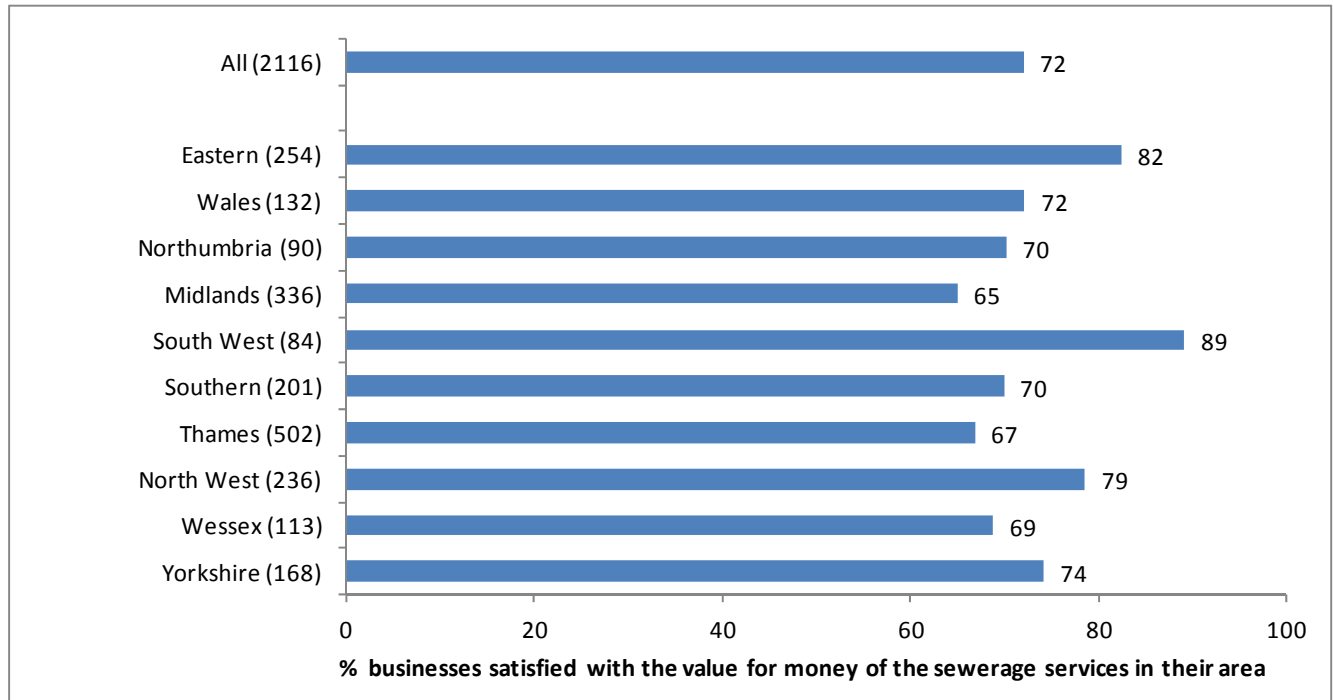
Figure 13 Satisfaction with value for money of sewerage service by business type



Weighted. Overall proportion satisfied is not significantly different between England and Wales. However, businesses in Wales are significantly more likely to be *very* satisfied (58%) than those in England (37%). Results by business size are not significant.

5.8.2 Satisfaction with the value for money of sewerage services is highest in the South West (89%) and lowest in the Midlands (65% - see Figure 14).

Figure 14 Satisfaction with value for money of sewerage service by WASC region



Base: 2116 All businesses that receive sewerage services. Weighted.

5.9 Satisfaction with Value for Money of Surface Water (rainwater) Drainage Services

5.9.1 Table 17 shows that 56% of businesses are satisfied with the value for money of surface water drainage services for their premises, and just 4% of businesses are dissatisfied. Approximately one quarter of businesses (26%) do not know, suggesting that they are unaware of how much they are paying for this service.

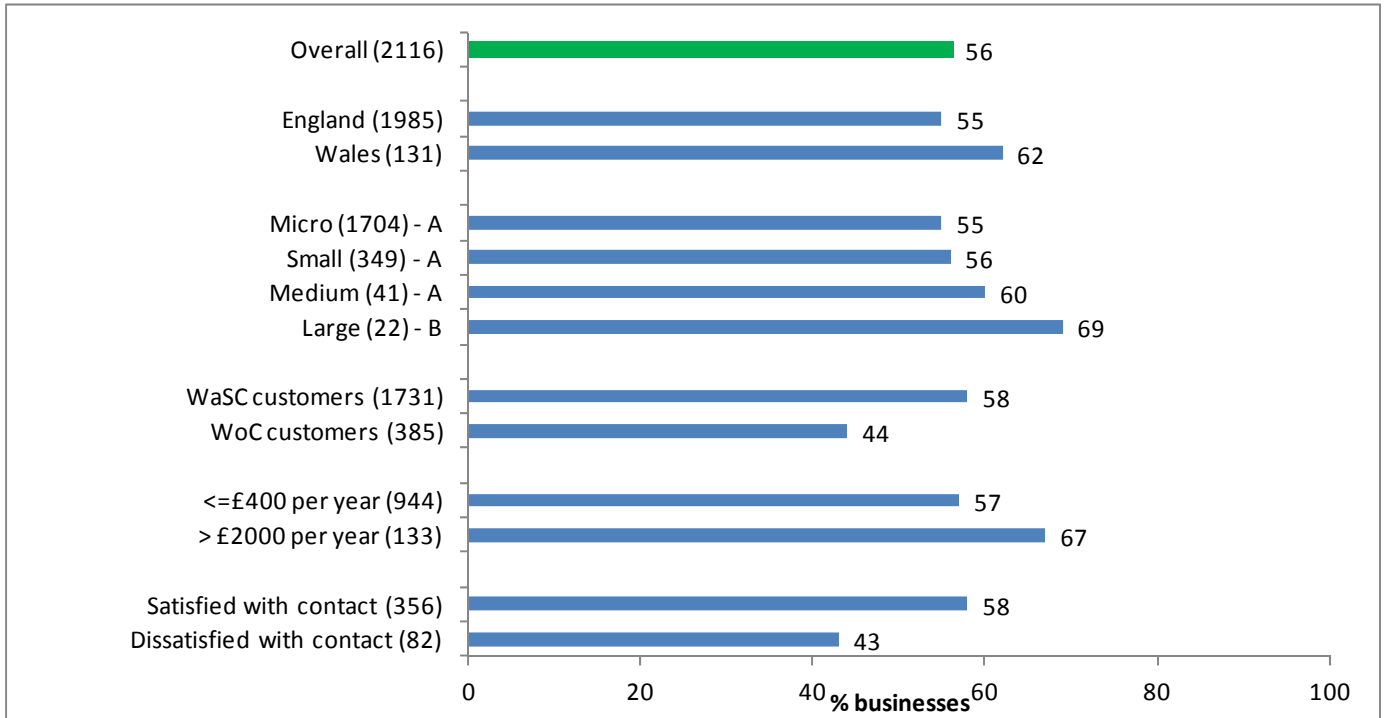
Table 17 How satisfied or dissatisfied are you with the value for money of surface water drainage services for their premises?

	Overall Percent (%)
Very satisfied	30
Fairly satisfied	26
Neither satisfied nor dissatisfied	14
Fairly dissatisfied	1
Very dissatisfied	3
Don't know	26
Base	2116

Base: 2116 All businesses. Weighted.

5.9.2 Figure 15 shows the proportion satisfied with value for money of surface water drainage by business type. All businesses were asked this question, even if they did not recall it as a service they use (Section 5.3).

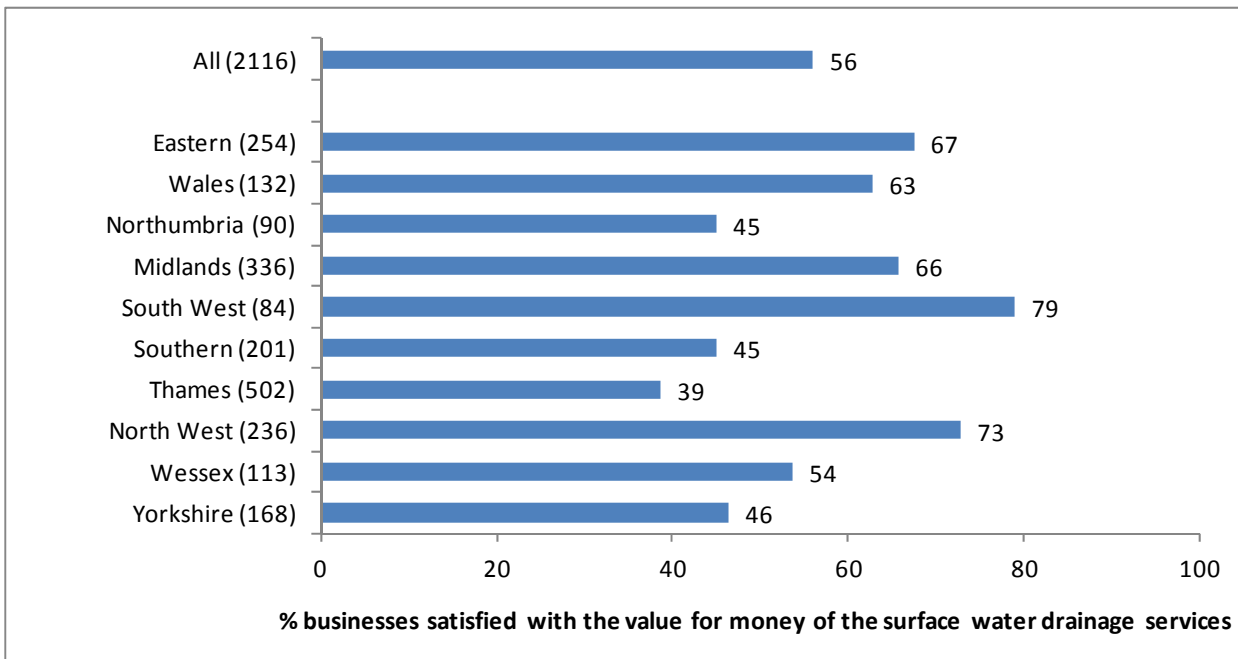
Figure 15 Satisfaction with value for money of surface water drainage services by business type



Weighted. Proportion satisfied between England and Wales is not significant. Unprompted recall of receiving this service was greater in Wales (81%) than in England (24%) (Section 6.2).

5.9.3 Businesses in the South West (79%) are more likely to be satisfied compared to businesses in Thames (39%). However, unprompted awareness of this service was very low in both areas (4% in the South West and 11% in Thames – Section 5.3) (see Figure 16).

Figure 16 Satisfaction with value for money of surface water drainage services by WASC region



Base: 2116 All businesses. Weighted.

5.10 Satisfaction with Value for Money of Trade Effluent Services

5.10.1 The thirty-one businesses that receive a separate bill for trade effluent were asked how satisfied they are with the value for money of the service. Most of these businesses (88%) are satisfied.

Table 18 How satisfied or dissatisfied are you with the value for money of the trade effluent service?

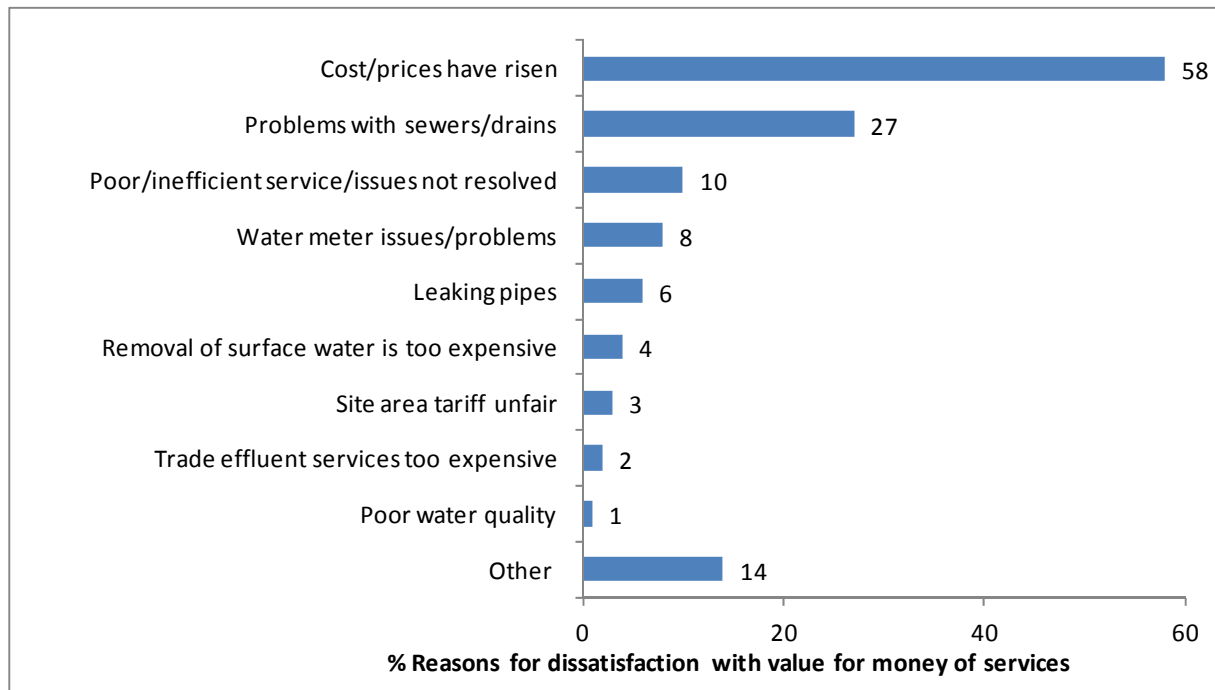
	Overall Percent (%)
Very satisfied	67
Fairly satisfied	21
Neither satisfied nor dissatisfied	3
Fairly dissatisfied	7
Very dissatisfied	0
Don't know	2
Base	31

Base: 31 Businesses that receive a separate bill for trade effluent. Weighted.

5.11 Dissatisfaction with Value for Money

5.11.1 Businesses that are dissatisfied with the value for money of their water, sewerage, surface water drainage or trade effluent services were asked to specify (unprompted) why. Figure 17 shows that the main reason for dissatisfaction is rising costs or prices (58%). Other reasons included problems with sewers or drains (27%) and poor or inefficient service / issues not resolved (10%).

Figure 17 Why do you think that you don't get value for money from these services?



Base 210: All businesses dissatisfied with value for money of one or more aspects of service. Multiple response question Weighted.

5.12 Guaranteed Standards Scheme (GSS)

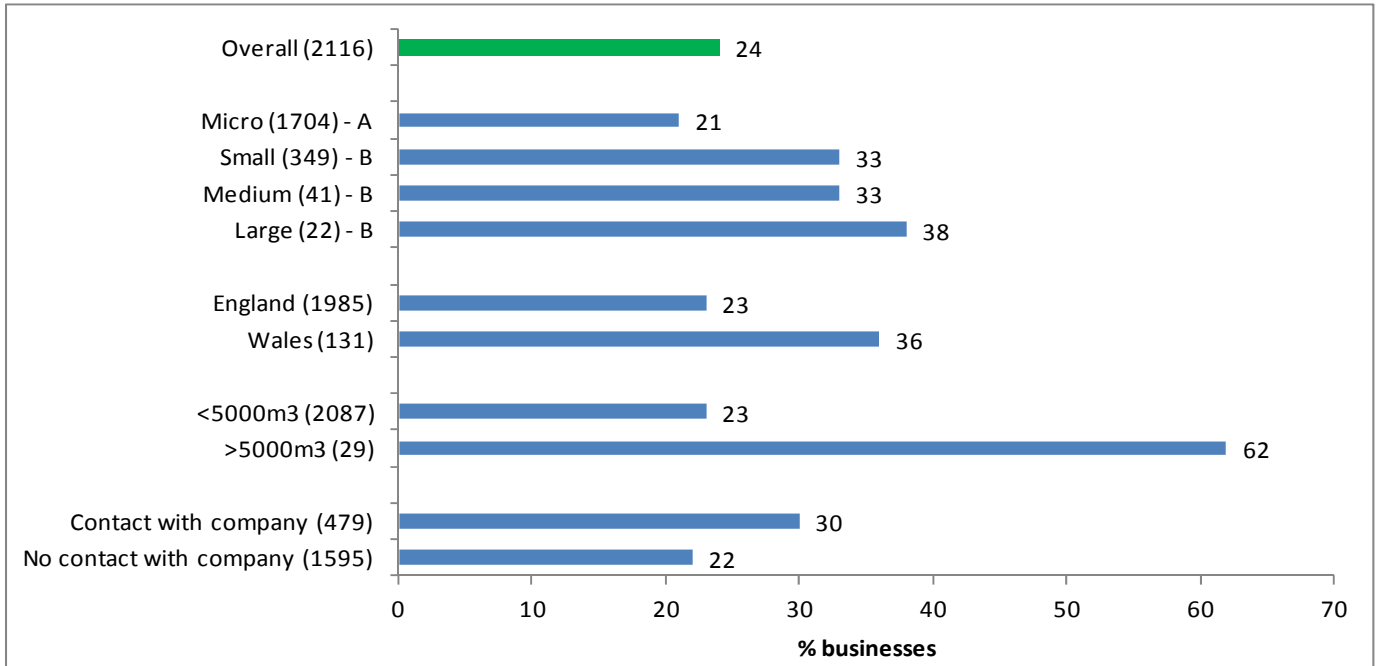
- 5.12.1 Water and sewerage companies must operate within the Guaranteed Standards Scheme (GSS) which provides eight minimum standards of service for customers set out by the regulator, Ofwat. If water and sewerage companies fail to meet a standard for reasons within their control, they must make a fixed payment or credit to their customers account. Some GSS payments are different for household and business customers.
- 5.12.2 GSS covers:
- Making appointments;
 - Keeping appointments;
 - Low water pressure;
 - Supply restoration;
 - Written complaints; and
 - Sewer flooding.
- 5.12.3 If the company fails to make a GSS payment within a specified period (unless it is one where the customer is required to claim and they have not done so), customers are entitled to an extra payment.
- 5.12.4 Businesses were asked if they are aware of their GSS rights. Table 19 shows that 73% of businesses are not aware, 4% are unsure, but 24% are aware. Awareness of GSS by business type is shown in Figure 18.

Table 19 Were you aware that if your water (and/or sewerage) company fails to meet certain customer service standards for reasons within their control you may be entitled to compensation?

	Overall Percent (%)
Yes, was aware	24
No, was not aware	73
Don't know	4
Base	2116

Base: 2116 All businesses. Weighted.

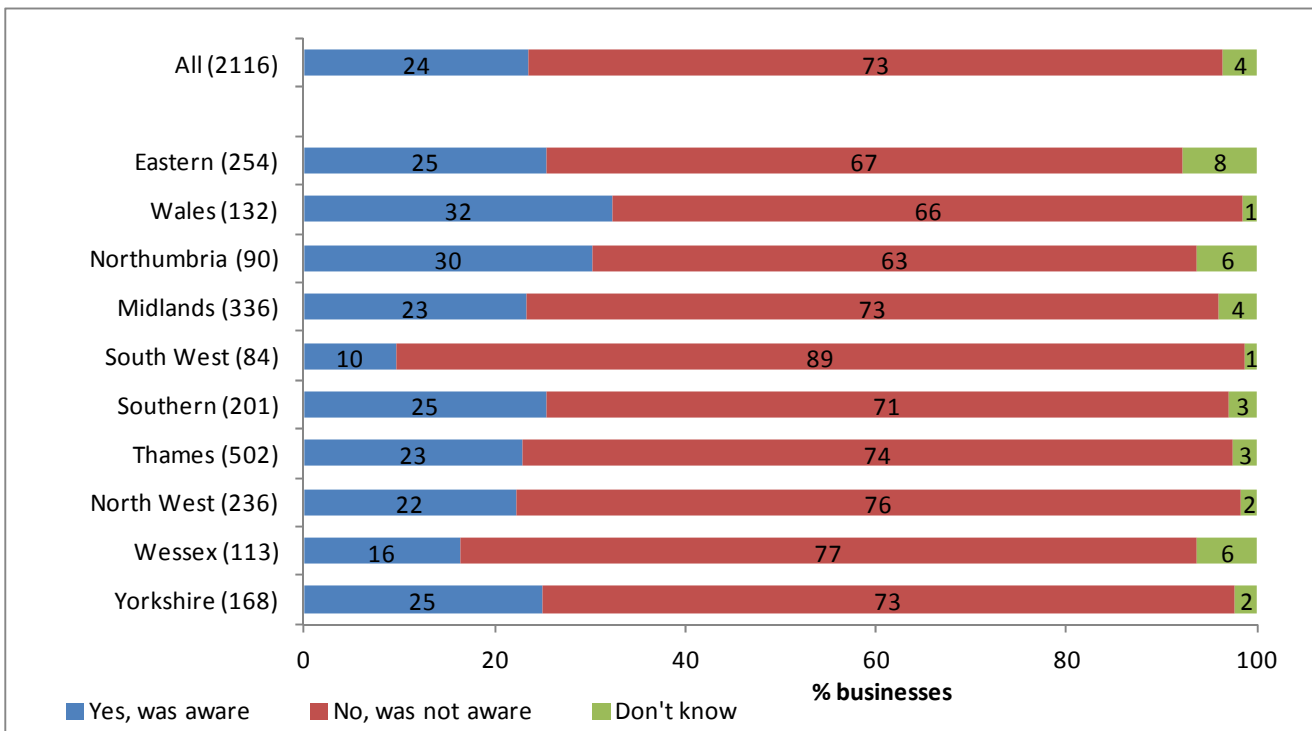
Figure 18 Awareness of GSS by business type



Weighted.

5.12.5 Awareness of GSS is highest amongst businesses in Wales (32%) and Northumbria (30%) and lowest in businesses in the Wessex region (16%) and the South West (10%) (see Figure 19).

Figure 19 Were you aware that if your water and/or sewerage company fails to meet certain customer service standards for reasons within their control you may be entitled to compensation?



Base: 2116 All businesses. Weighted.

Chapter 6 – Water Supply

6 Water Supply

6.1 Introduction

6.1.1 Businesses were asked a series of questions relating to their water supply, including satisfaction with supply, use of tap water, and actions taken to save water.

Summary

- Overall 87% of businesses are satisfied with their water supply. Just 3% are dissatisfied.
- The most likely causes of dissatisfaction are the taste and smell of tap water (64%) and the hardness / softness of the water (57%).
- Businesses were asked whether or not they use tap water or bottled / filtered water for drinking purposes. Just over three-quarters use tap water, 21% use bottled water, and 6% use filtered water.
- Overall, 26% of businesses use bottled or filtered water (but for 2% this was in addition to tap water). Just over half of these businesses (51%) do not use tap water for drinking because they prefer the taste of bottled or filtered water. A fifth (20%) mentioned the convenience of bottled or filtered water, and 19% want to offer choice for customers.
- More than one quarter of businesses (27%) have sought information on how to use water more efficiently. Of these, 14% have asked their water supplier for water saving advice, 8% looked on the Internet, and other sources, include consultants (3%), internal company discussions (2%) and the Council (1%).
- Water saving advice from water suppliers tends to focus on using less water within business processes (83%), using less water for flushing toilets, filling kettles etc. (68%) and checking for leaks on pipework (54%).
- Almost two fifths (39%) have taken actions to reduce their water use - 20% of businesses have made employees aware of the need to reduce water consumption, and 13% have introduced water efficient taps. One in ten are now using a hippo/ save a flush device in toilet cisterns. However, over half of businesses (56%) have not taken any actions.

6.2 Satisfaction with Water Supply

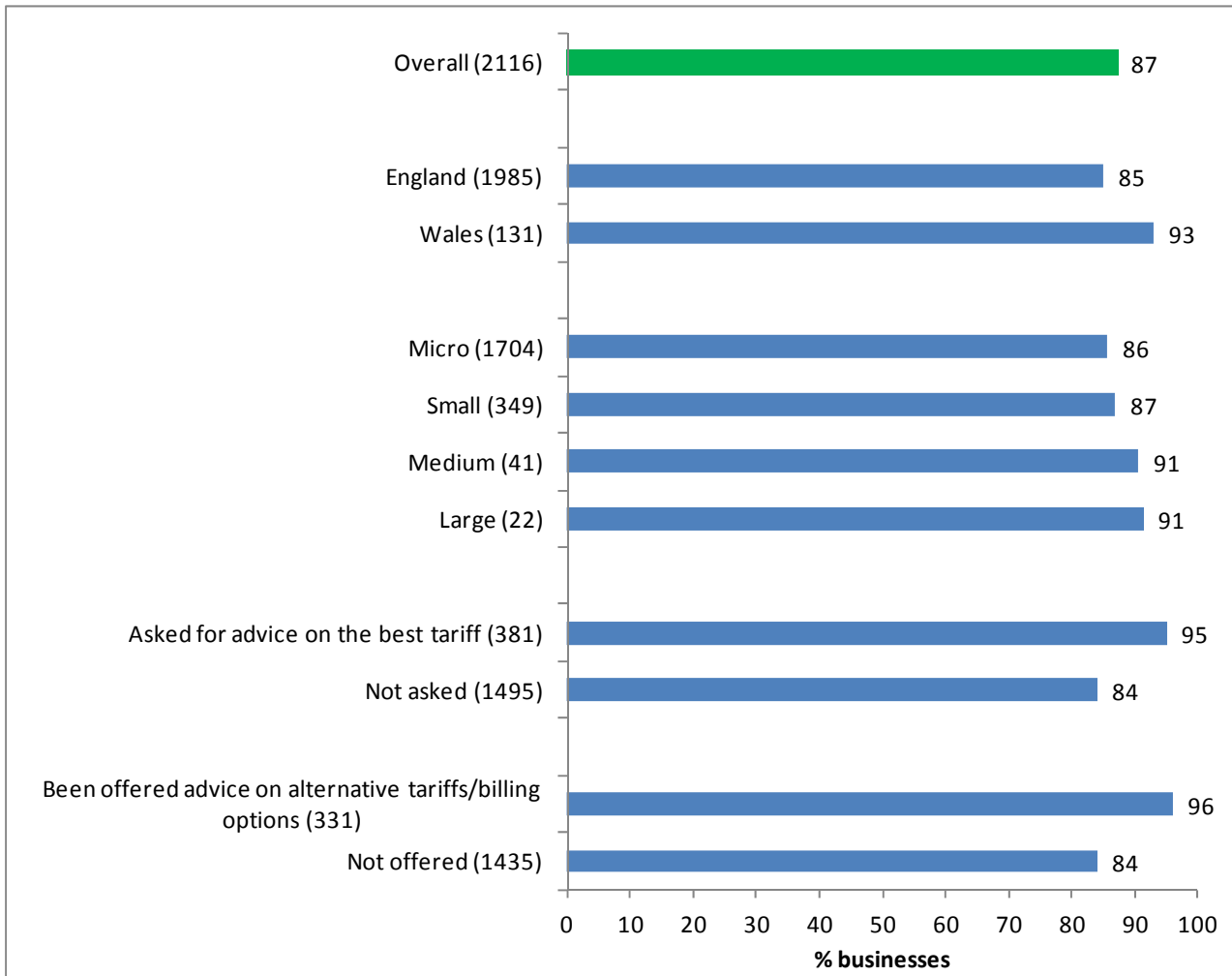
6.2.1 Businesses were asked to consider the tap water supplied to their premises where it is not treated or filtered in any way before use. Overall, 87% of businesses are satisfied with their water supply. Just 3% are dissatisfied. Figure 20 shows the proportion of businesses satisfied by business type.

Table 20 How satisfied or dissatisfied are you with your water supply?

	Overall Percent (%)
Very satisfied	48
Fairly satisfied	39
Neither satisfied nor dissatisfied	8
Fairly dissatisfied	2
Very dissatisfied	1
Don't know	3
Base	2116

Base: 2116 All businesses. Weighted.

Figure 20 Satisfaction with your water supply by business type

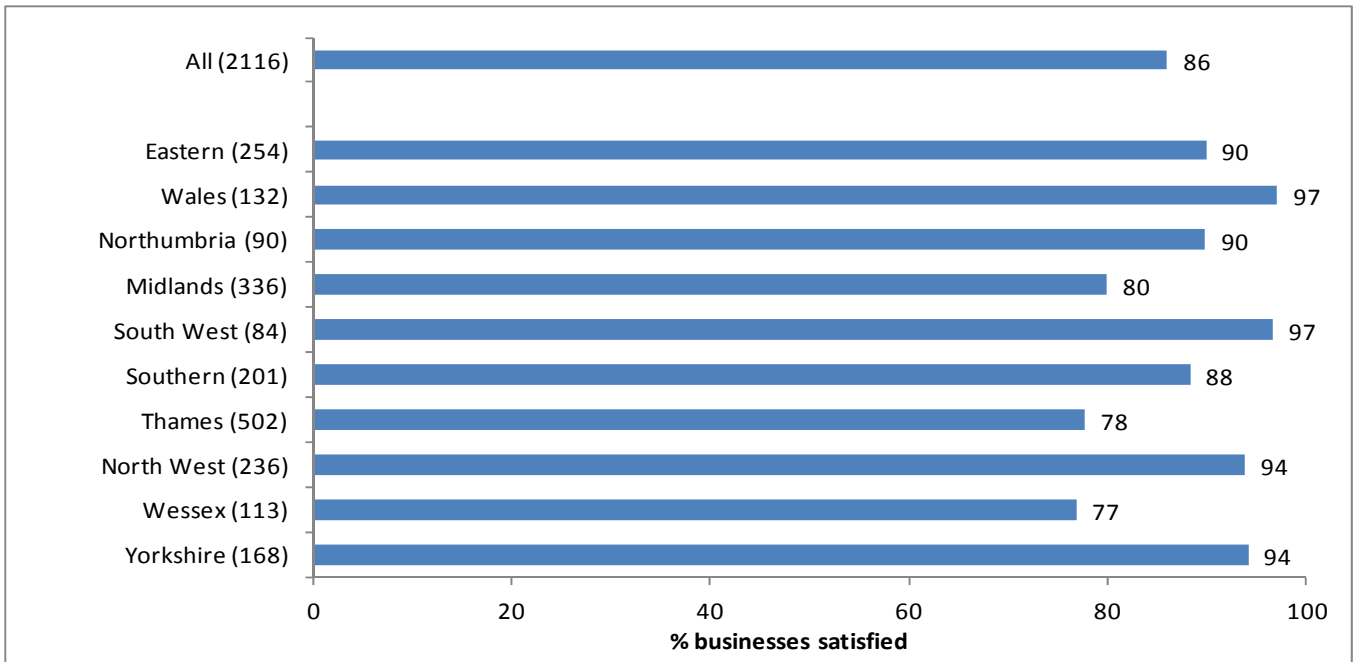


Weighted. Results by business size are not significant.

Overall proportion satisfied is 86%, figure differs to the combined total of satisfied respondents from Table 20 due to rounding.

6.2.2 Businesses in Wales (97%) and the South West (97%) are most likely to be satisfied with their water supply and those in the Wessex (77%) and Thames region (78%) least likely (see Figure 21).

Figure 21 Satisfaction with your water supply by WASC region

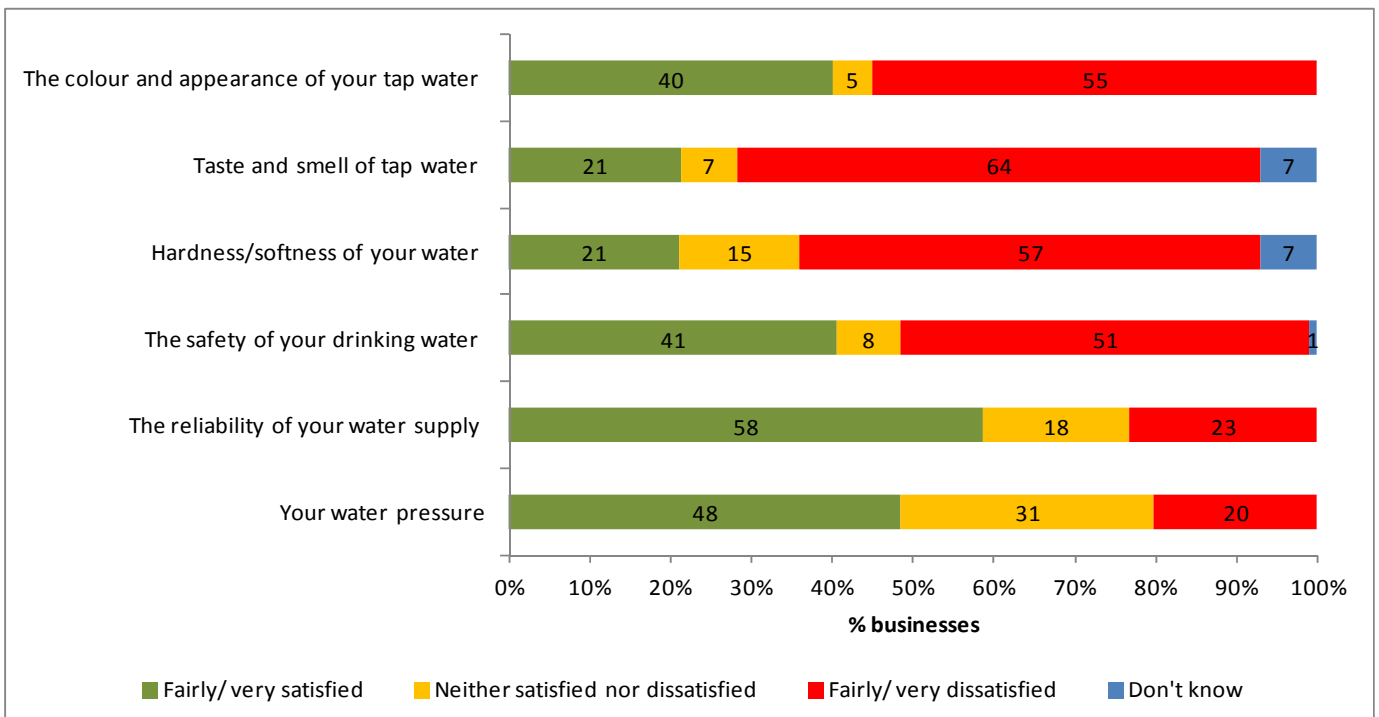


Base: 2116 All businesses. Weighted.

6.3 Satisfaction or Dissatisfaction with Different Aspects of Water Supply

6.3.1 Businesses that are dissatisfied with their water supply were asked to rate their satisfaction with different aspects. Figure 22 shows the results.

Figure 22 How satisfied or dissatisfied are you with each of the following aspects of your water supply?



Base: 61. Businesses that are dissatisfied with their water supply. Weighted.

6.3.2 Figure 22 shows that dissatisfaction is highest with the taste and smell of tap water (64%) followed by the hardness / softness of water (57%). These two aspects of water supply service are, therefore, the main causes of overall dissatisfaction with water supply for these business customers.

6.3.3 Just less than one third (29%) of dissatisfied businesses were dissatisfied with one aspect of their water supply, 21% were dissatisfied with two aspects, 8% with three, 31% with four, and 8% were dissatisfied with all six aspects listed. Three percent did not state they were dissatisfied with any of the aspects of their water supply that were presented to them.

6.4 Use of Tap Water / Bottled and Filtered Water

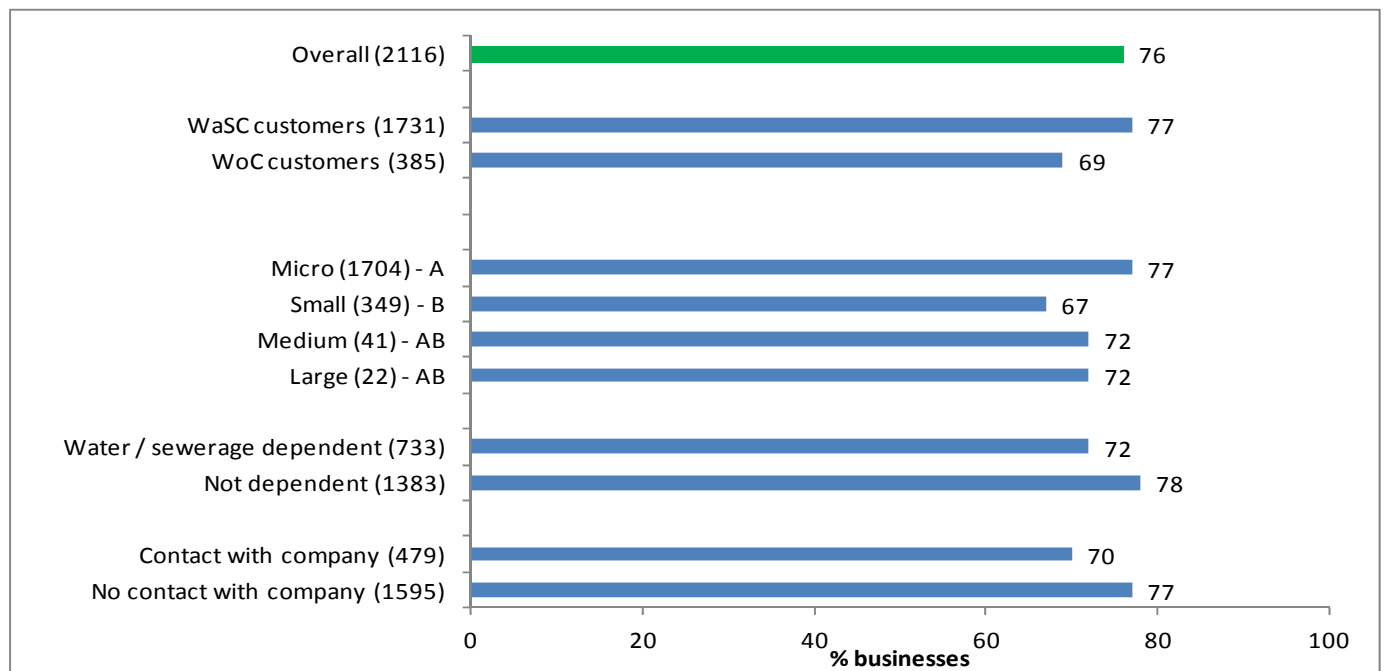
6.4.1 Businesses were asked whether they use tap water or bottled / filtered water for drinking purposes. Three quarters (76%) just use tap water, a fifth (19%) just use bottled water, and 5% just use filtered water. Just 2% use a mix of tap water and bottled and/or filtered. Figure 23 shows the use of tap water by business type.

Table 21 Does your business use tap water rather than bottled / filtered water for drinking purposes?

		Overall Percent (%)
Business use tap water or bottled/filtered water	Just use tap water	74
	Just use bottled water	19
	Just use filtered water	5
	Use bottled and filtered	1
	Use tap and bottled / filtered	2
	Base	2116

Base: 2116 All businesses. Multiple response question. Weighted.

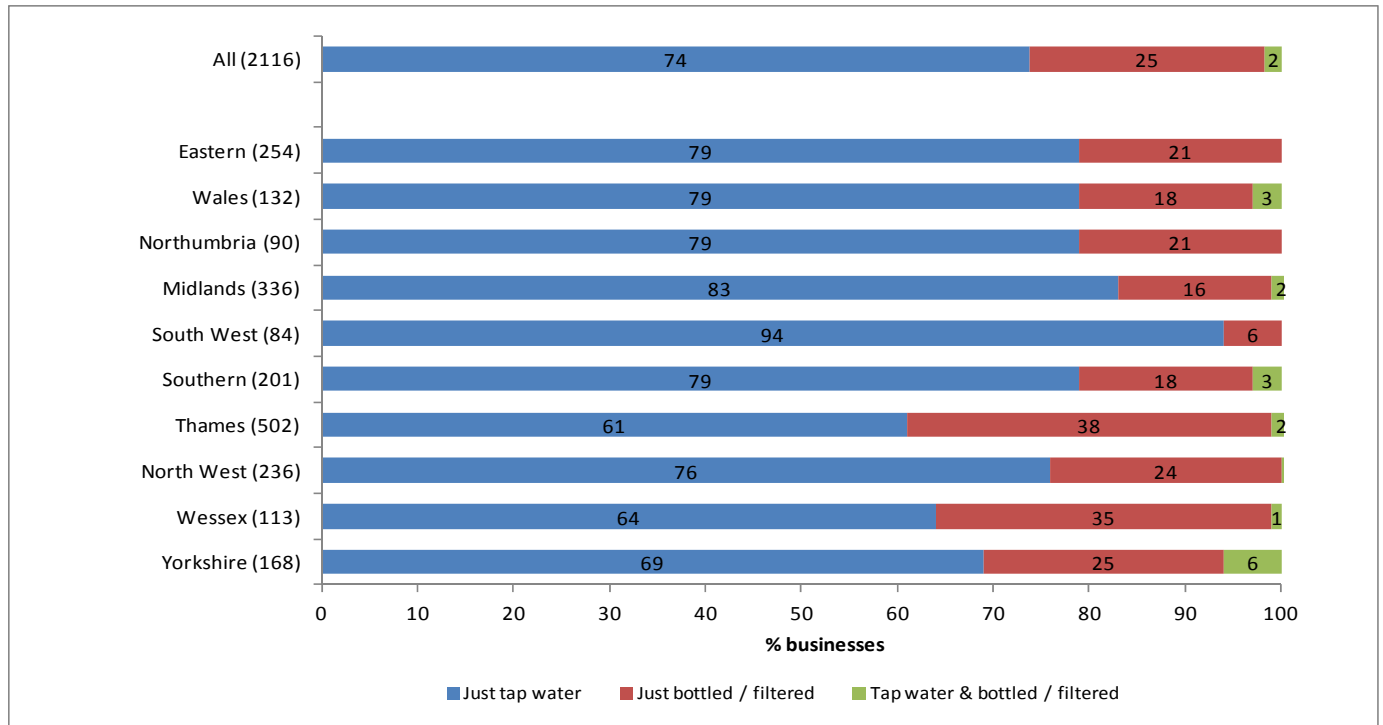
Figure 23 Use of tap water by business type



Weighted.

- 6.4.2 There are no significant differences in the proportion of businesses in England and in Wales that use tap water. However, whilst use of bottled water is higher in England (21%) than in Wales (14%), use of filtered water is higher in Wales (11%) than in England (6%).
- 6.4.3 Businesses in the South West (94%) are most likely to use tap water, and those in Thames (61%) and Wessex (64%) least likely (Figure 24).

Figure 24 Does your business use tap water rather than bottled / filtered water for drinking purposes?

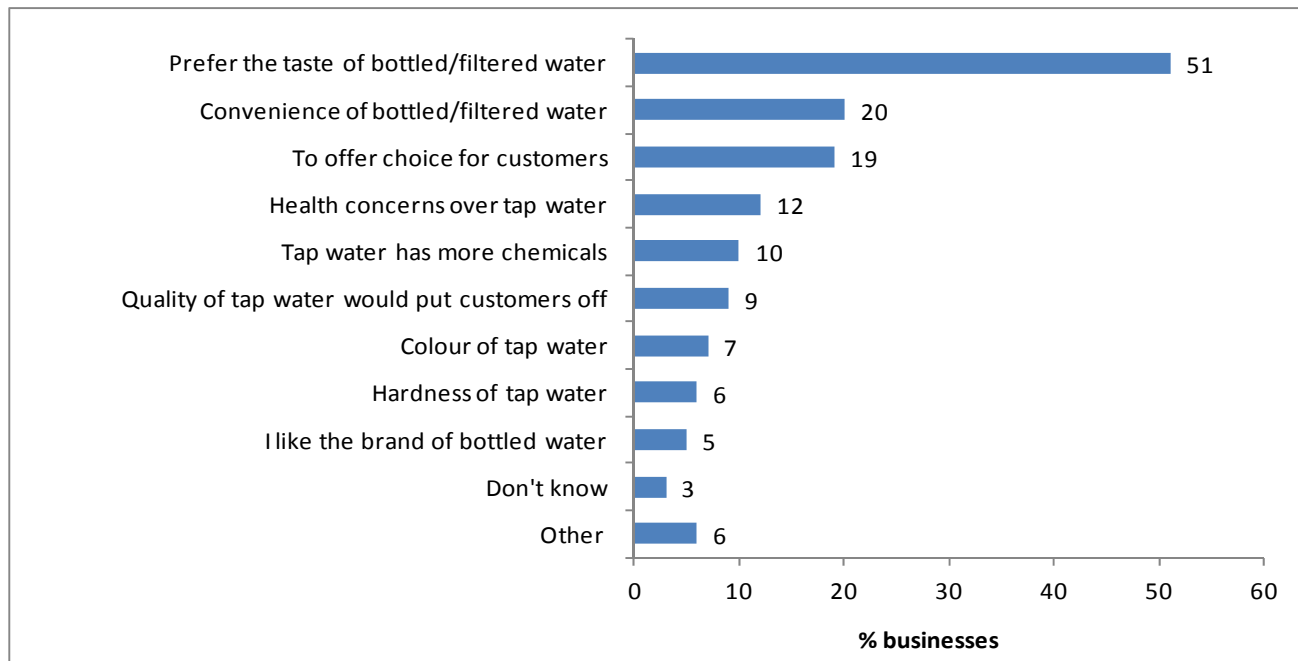


Base: 2116 All businesses. Weighted.

6.5 Why Businesses Don't use Tap Water for Drinking Purposes

- 6.5.1 Over half of businesses (51%) which do not use tap water for drinking, said this is because they prefer the taste of bottled or filtered water. A fifth (20%) mentioned the convenience of bottled or filtered water, and 19% want to offer choice for their customers. (See Figure 25.)
- 6.5.2 The following types of business are more likely to use bottled or filtered water as they prefer the taste to tap water:
 - Large (56%) and medium (40%) businesses, compared with small (34%) and micro-businesses (32%);
 - Businesses in the North West (82%) compared to businesses in Yorkshire (34%); and
 - Businesses not dependent on their water and sewerage supply (57%) compared to those that are (44%).
- 6.5.3 More businesses in England (21%) prefer the convenience of bottled or filtered water compared to those in Wales (3%).

Figure 25 Why does your business use bottled or filtered water rather than tap water for drinking purposes?



Base: 554. Businesses that don't use tap water for drinking purposes. Multiple response question. Weighted.

6.6 Interest in Water Efficiency Advice

6.6.1 Fourteen percent of businesses have asked their water supplier for advice on how to use water more efficiently, 8% said they have looked on the Internet, and 5% have used other sources. Other sources included:

- Consultants (3%);
- Internal company discussion (2%); and
- Council (1%).

Table 22 Has your business, to your knowledge, looked for advice on how to use water more efficiently?

	Overall Percent (%)
Yes - we asked our water supplier	14
Yes - we looked on the Internet	8
Yes - other source	5
No	70
Don't know	7
Base	2116

Base: 2116 All businesses. Weighted.

6.7 Offers of Water Saving Advice

6.7.1 Slightly more, but still less than one in five (18%) businesses have been offered advice from their water company on how to use less water; just over two-thirds (68%) have not.

6.8 Advice on How to use Less Water

- 6.8.1 Businesses which have been offered advice on how to use less water were asked what advice they had been given. Table 23 shows that more than eight out of ten (83%) businesses have been offered advice on using less water within business processes, and two-thirds (68%) on using less water for domestic purposes such as flushing toilets, filling kettles etc.
- 6.8.2 Over half of these businesses have also been given advice on how to check for leaks in pipework (54%).

Table 23 What was the advice your business was offered?

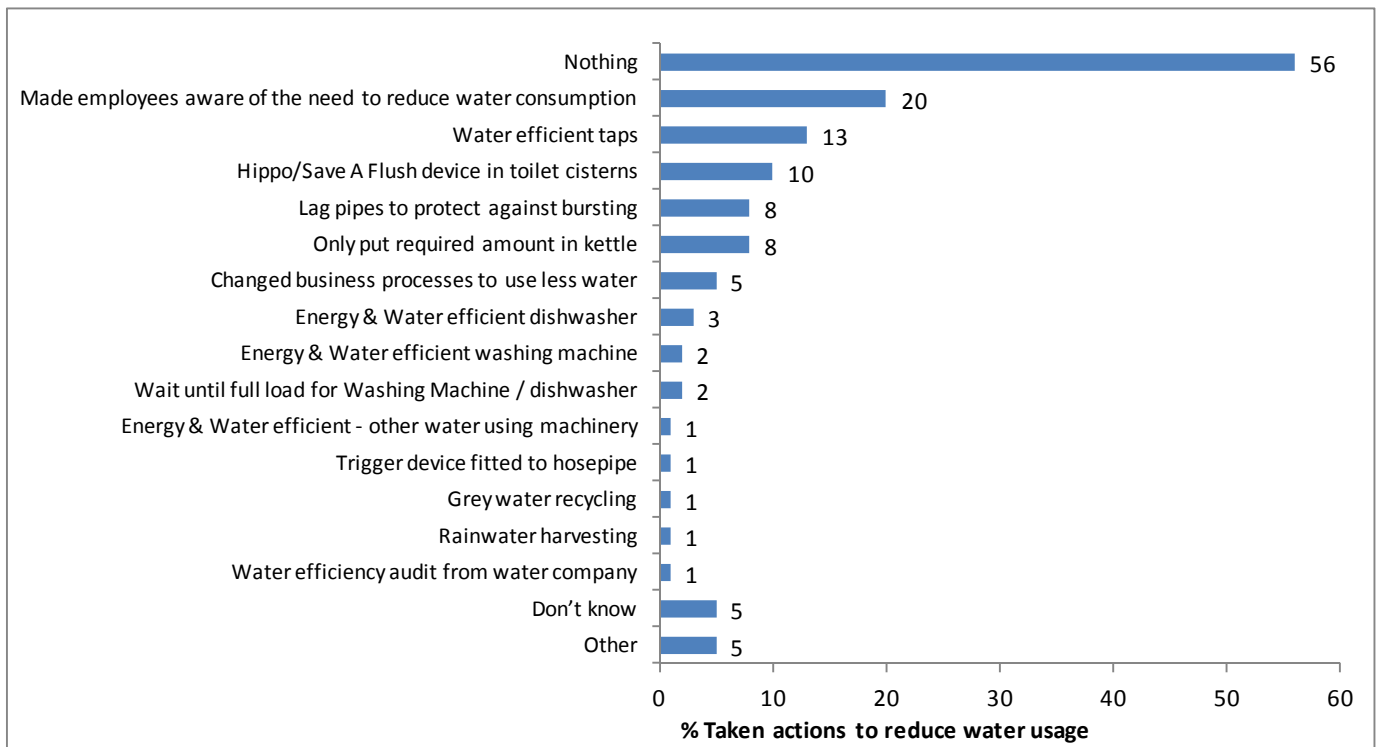
	Overall Percent (%)	Water dependent (%)	
		Yes	No
Using less water within business processes	83	78	88
Using less water for flushing toilets, filling kettles	68	59	76
How to check for leaks on pipework	54	47	61
Other	6	8	3
Base	386	188	199

Base: 386 Businesses which have been offered advice from water company on how to use less water. Weighted.

6.9 Actions Taken to Reduce Water Usage

- 6.9.1 Almost two fifths (39%) of businesses said they have taken one or more actions to reduce their water usage. A fifth (20%) said they had made employees aware of the need to reduce water consumption, and 13% had introduced water efficient taps. Just 10% of businesses are using hippo/ save a flush devices in toilet cisterns. Over half (56%) have not taken any actions.

Figure 26 What actions, if any, has your business taken to reduce its use of water?



Base: 2116 All businesses. Multiple response question. Weighted.

6.9.2 Other actions taken include:

- Toilets / urinals e.g. adjusted so they flush less, or are water-less (2%);
- New efficient / upgraded water system e.g. meters, infrastructure, shut off valves, showers (1%); and
- Turn off taps (1%).

6.9.3 The types of businesses most likely to have taken actions to reduce their water usage are:

- Businesses in Wales (55%) compared to businesses in England (38%);
- Large (77%) and medium (72%) businesses, compared with small (49%) and micro-businesses (36%); and
- Businesses in Wales are most likely to have made their employees aware of the need to reduce water consumption (42%), compared to 9% in the South West. Businesses in Southern (19%) and the Midlands (18%) are most likely to have introduced water efficient taps, and those in the South West least likely (4%).

Chapter 7 – Sewerage Services

7 Sewerage Services

7.1 Satisfaction with Sewerage Services

Summary

- Nine out of ten businesses (90%) are satisfied with their sewerage services, and 2% are dissatisfied.
- The most likely cause of dissatisfaction relates to action taken by sewerage companies to minimise sewer flooding (56%).

7.1.1 Businesses were asked how satisfied or dissatisfied they are with their sewerage services. Nine out of ten (90%) are satisfied, and just 2% are dissatisfied.

7.1.2 Businesses in Wales (99%) are more satisfied than those in England (90%). The proportion very satisfied is also far greater in Wales (85%) than in England (47%) (See Table 24).

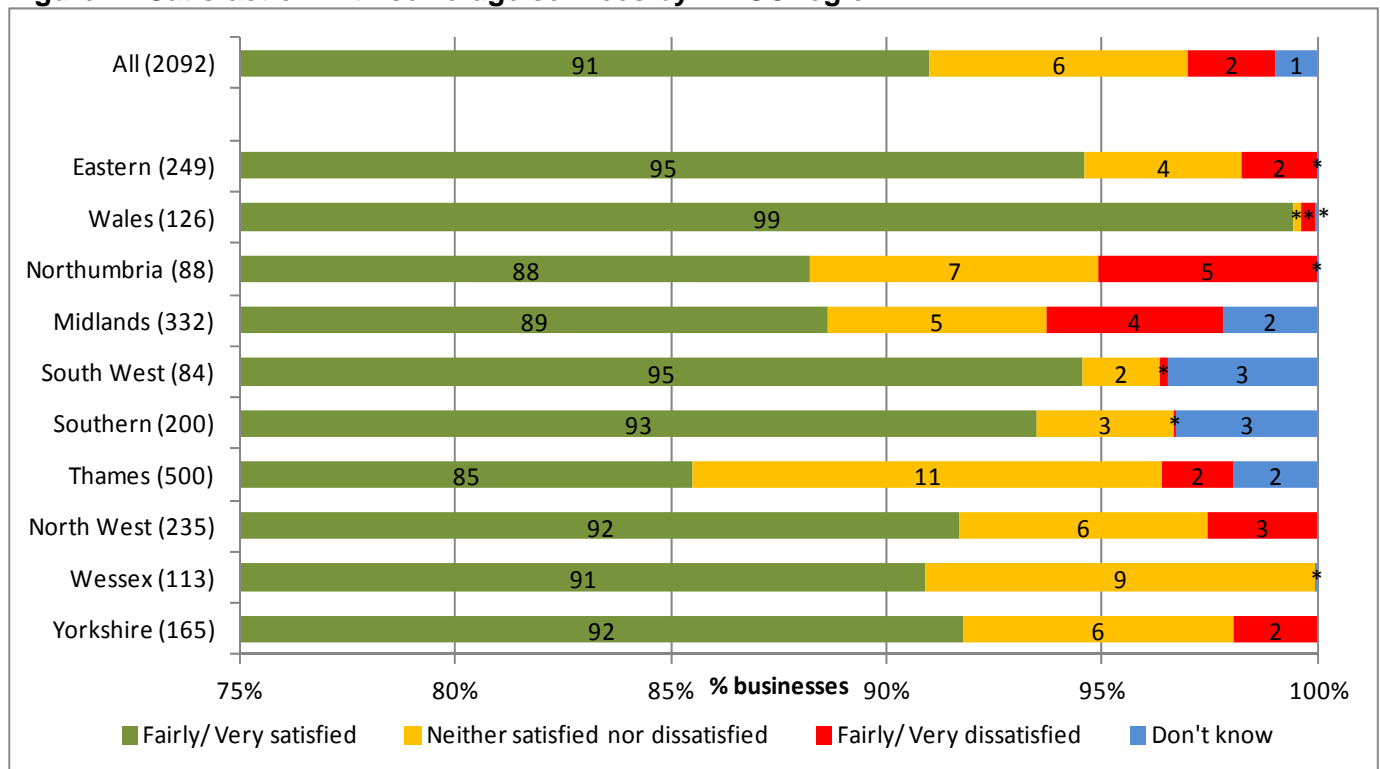
Table 24 How satisfied or dissatisfied are you with your sewerage services?

	Overall Percent (%)	England or Wales? (%)	
		England	Wales
Very satisfied	49	47	85
Fairly satisfied	41	43	15
Neither satisfied nor dissatisfied	6	7	0
Fairly dissatisfied	1	1	0
Very dissatisfied	1	1	0
Don't know	1	1	0
Base	2092	1966	125

Base: 2092 Businesses who receive sewerage services. Weighted.

7.1.3 Satisfaction is highest in the WaSC region for Wales (99%) and lowest in Thames (85%) (Figure 27).

Figure 27 Satisfaction with sewerage services by WASC region



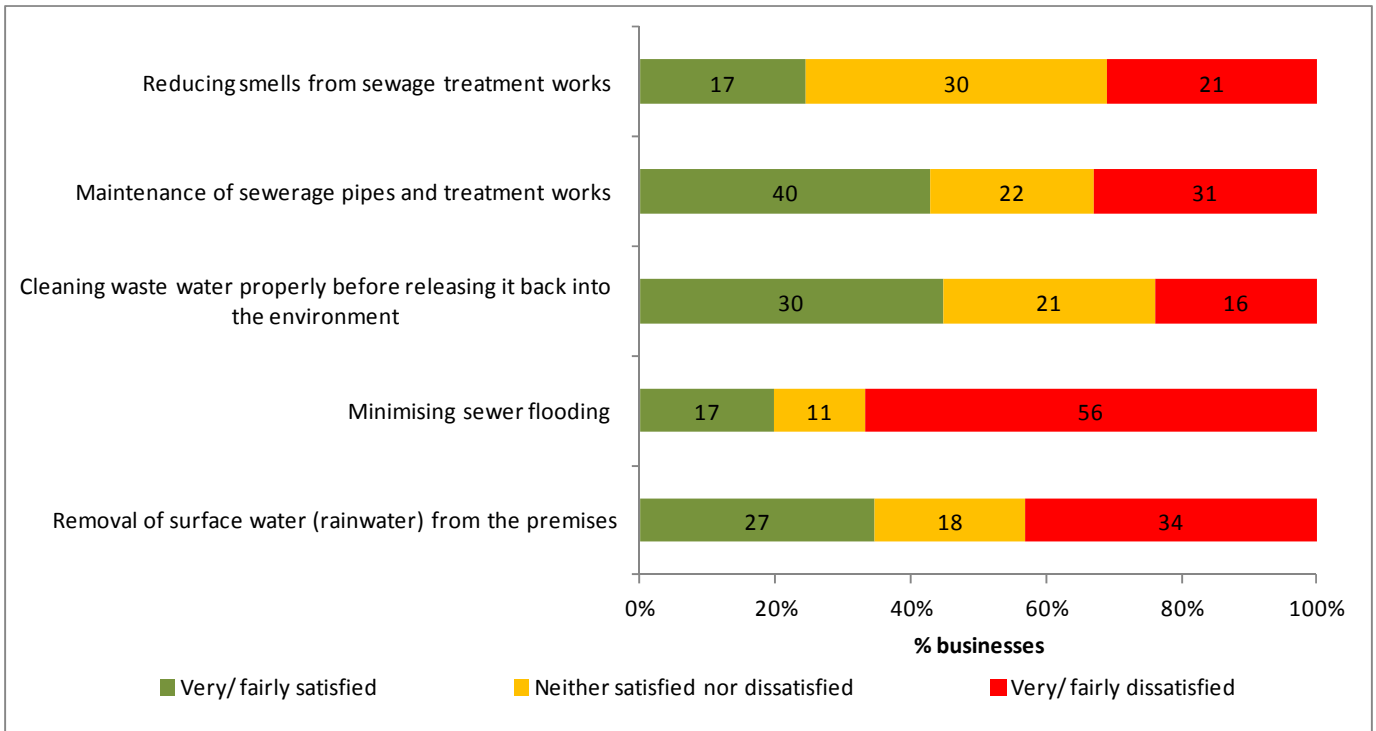
Base: 2092 Businesses who receive sewerage services. Weighted.

Overall proportion satisfied is 91%, figure differs to the combined total of satisfied respondents from Table 22 due to rounding.

7.2 Satisfaction with Management of Sewerage Services

- 7.2.1 The 2% of businesses that are dissatisfied with their sewerage services were asked how satisfied or dissatisfied they are with their sewerage company’s management of a number of service aspects. The results shown in Figure 28 are based on a low base (41 businesses).
- 7.2.2 Businesses are most likely to be dissatisfied with measures taken to minimise sewer flooding (56% of the sub-sample of businesses dissatisfied with overall sewerage service).
- 7.2.3 Around a third (34%) are dissatisfied with the removal of surface water drainage, and 31% with maintenance of sewerage pipes and treatment works.
- 7.2.4 Treatment of waste water before being released into the water environment is least likely to be a cause of dissatisfaction with sewerage services with just 16% citing this as an issue.
- 7.2.5 Nearly four in ten (39%) are dissatisfied with just one aspect of their sewerage supply, 43% are dissatisfied with two aspects, 10% with three aspects, and less than 1% with four aspects. Seven percent did not state they were dissatisfied with any of the aspects presented to them.

Figure 28 How satisfied or dissatisfied are you with your sewerage company’s management of each of the following aspects of their service...?



Base: 41 Businesses that are dissatisfied with sewerage services. Weighted.

Chapter 8 – Contact with Water and Sewerage Company

8 Contact with the Water and Sewerage Company

8.1 Introduction

8.1.1 Businesses were asked a series of questions about contact they have initiated with their water and/or sewerage company, why they contacted them and their satisfaction with the result of this contact.

Summary

- Just under a quarter (23%) of businesses have contacted their water or sewerage company to make an enquiry or complaint.
- The main reason businesses have contacted their water or sewerage company is to make a billing enquiry (50%). Sixteen percent have contacted them to make a complaint, and one in ten (10%) have reported a leak.
- Three-quarters (74%) of businesses are satisfied with the contact with their water or sewerage supplier, but 17% are dissatisfied.
- The main causes of dissatisfaction relate to being kept informed of progress with their enquiry (75%), resolution of their query (73%) and difficulty contacting someone who could help (71%).

8.2 Previous Contact with Water or Sewerage Company

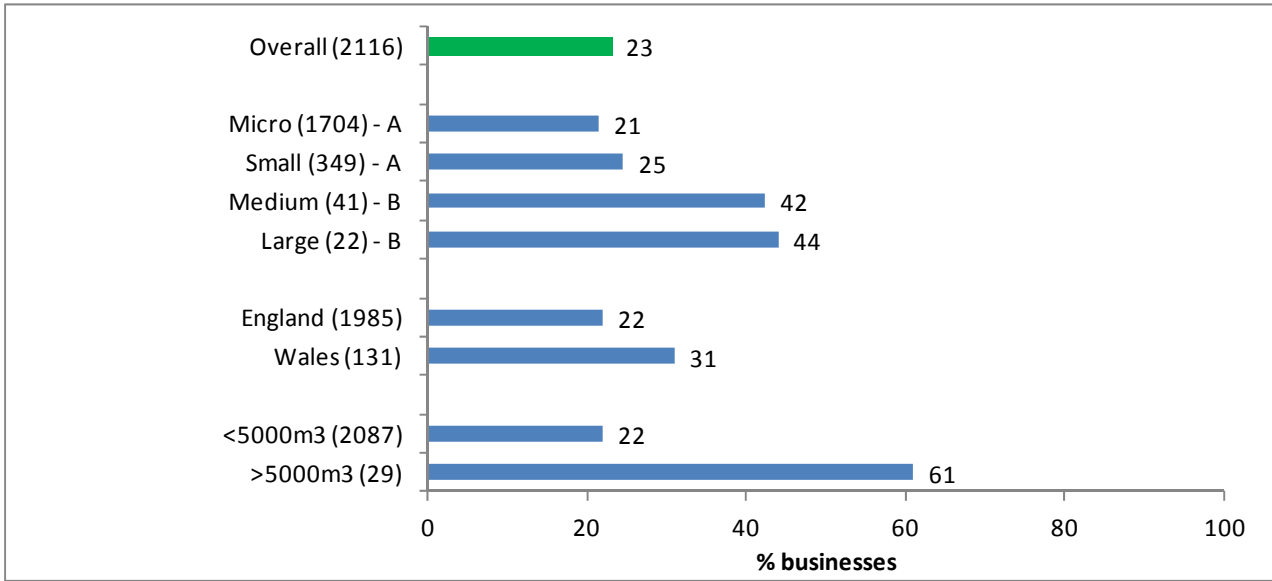
8.2.1 Just under a quarter (23%) of businesses have contacted their water or sewerage company to make an enquiry or complaint. Figure 29 shows the proportion of businesses that have contacted their water and/or sewerage company to make an enquiry or complaint in the past few years by business type.

Table 25 Have you contacted your water and / or sewerage company to make an enquiry or complaint in the past few years?

	Overall Percent (%)
Yes - water and sewerage company	10
Yes - water company	10
Yes - sewerage company	3
No	75
Don't know	2
Base	2116

Base: 2116 All businesses. Weighted.

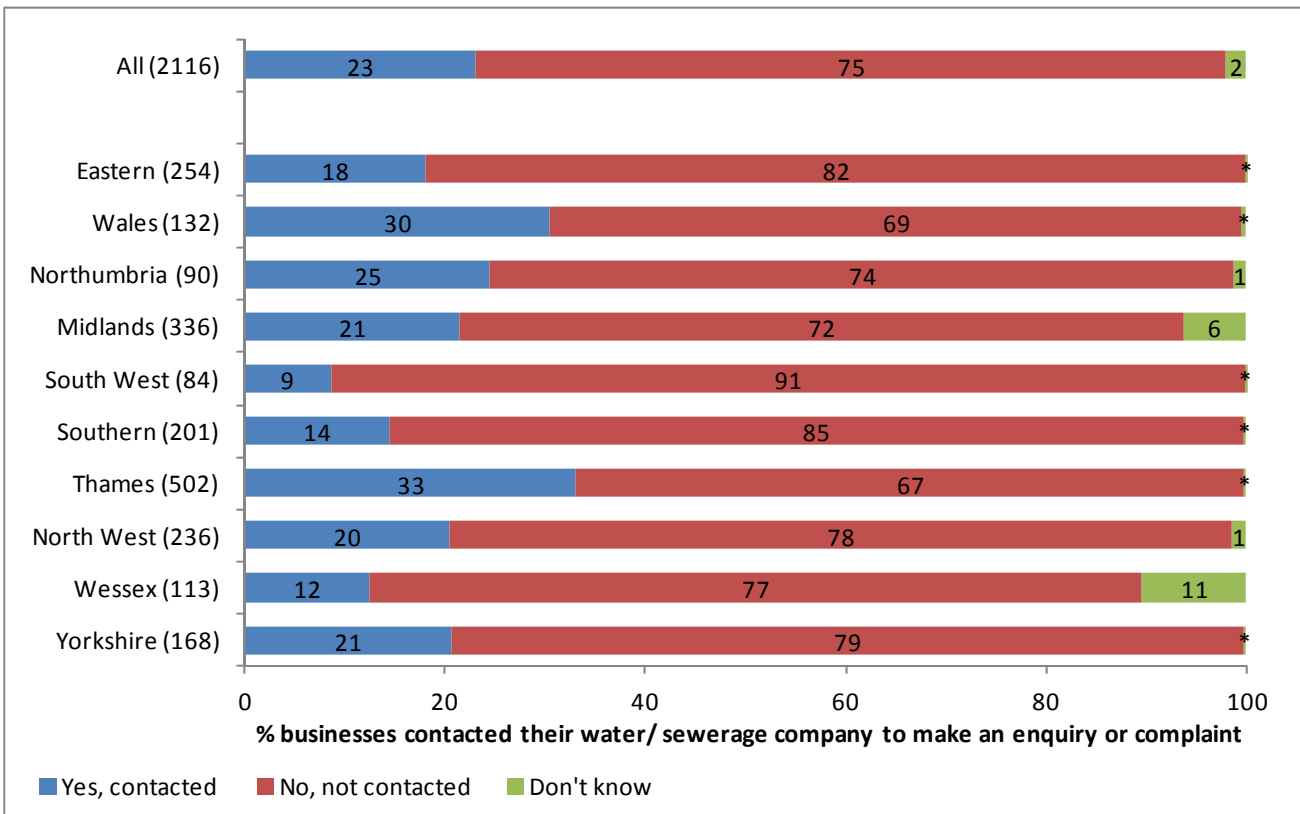
Figure 29 Reported contact by business type



Weighted.

8.2.2 A third of businesses in Thames have contacted their water and/or sewerage company with an enquiry or complaint (33%), with only 9% of businesses in the South West having done this (see Figure 30).

Figure 30 Reported contact by WASC region

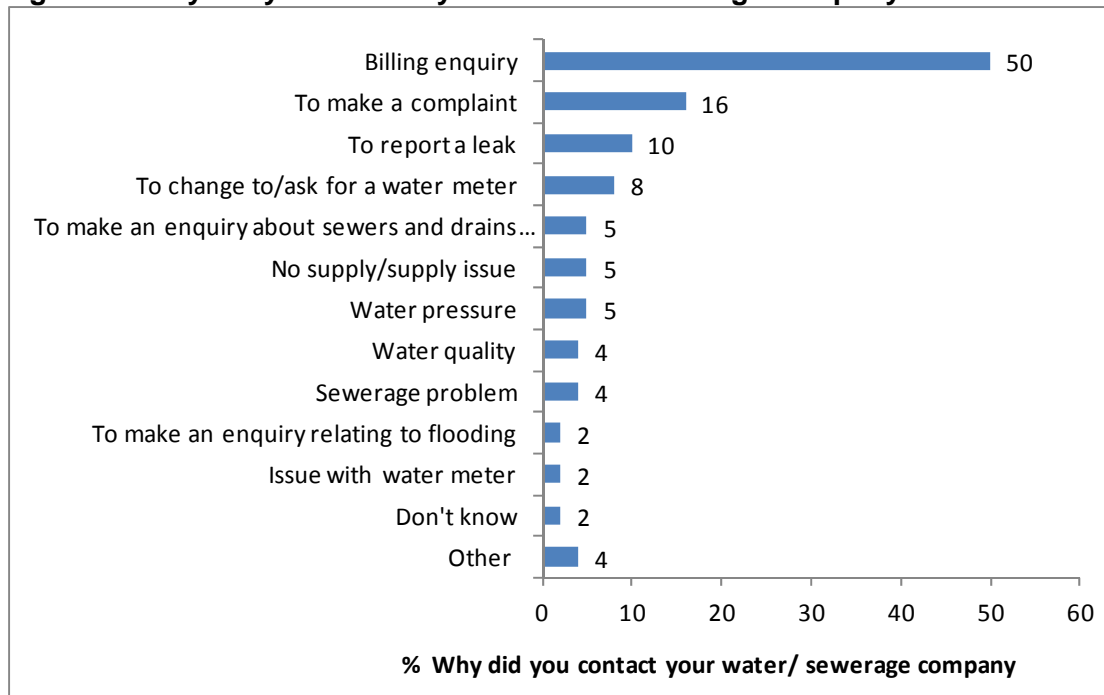


Base: 2116 All businesses. Weighted.

8.3 Reason for Contacting Water and/or Sewerage Company

8.3.1 The main cause of contact is a billing enquiry (50%), followed by making a complaint (16%) and reporting a leak (10%). (See Figure 31.)

Figure 31 Why did you contact your water or sewerage company?



Base: 479 All businesses who had had contact with their water or sewerage supplier. Multiple response question. Weighted.

8.3.2 Businesses in the South West and Wessex are most likely to have made contact about the transfer of private sewers and drains to sewerage company ownership (24% and 18% respectively), and those in Northumbria about a water supply issue (28%). Seventeen percent of businesses in the South West have also contacted their water or sewerage supplier regarding water quality issues.

8.3.3 Seventeen percent of businesses who depend on services have contacted their water or sewerage supplier with a supply issue such as loss of supply; only 6% of businesses which are not dependent (i.e. only use services for domestic purposes) have done this.

8.3.4 Businesses not dependent on their water and/or sewerage services are more likely to have contacted their supplier to ask for a water meter (32%, compared to 5% of businesses which depend on services). There are no significant differences in the proportions of businesses asking for a water meter in terms of company size or water use.

8.4 Satisfaction with Contact with Water or Sewerage Company

8.4.1 Nearly three-quarters (74%) of businesses are satisfied with the contact with their water or sewerage supplier, but 17% are dissatisfied as shown in Table 26.

Table 26 Thinking about your contact with your water and/or sewerage company, overall how satisfied or dissatisfied were you?

	Overall Percent (%)	England or Wales? (%)	
		England	Wales
Very satisfied	36	33	70
Fairly satisfied	38	41	11
Neither satisfied nor dissatisfied	9	9	8
Fairly dissatisfied	10	11	1
Very dissatisfied	7	6	10
Don't know	*	*	0
Base	479	439	40

Base: 479 All businesses who had had contact with their water or sewerage supplier. Weighted.

* denotes any value less than half a percent but greater than zero.

8.4.2 More than eight in ten businesses in Wales (81%) are satisfied with their contact, compared to 75% in England.

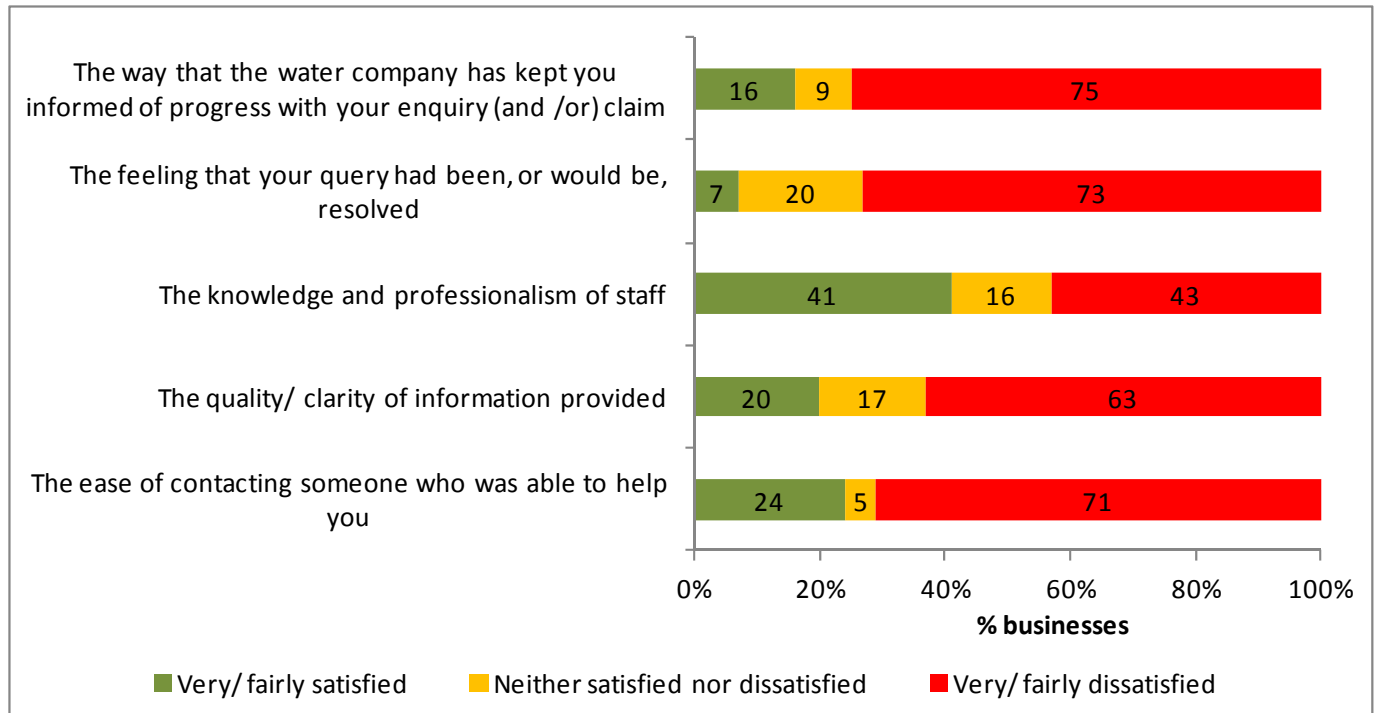
8.5 Satisfaction with Specific Aspects of Contact with Water or Sewerage Company

8.5.1 Businesses dissatisfied with the contact they had with their water or sewerage supplier were asked how satisfied or dissatisfied they are with a number of aspects regarding their contact.

8.5.2 Figure 32 shows that SMEs are most likely to be dissatisfied with:

- the way in which their water or sewerage company kept them informed of progress with their enquiry (75%);
- their query not being fully resolved (73%); and,
- the ease of contacting someone who was able to help (71%);
- knowledge and professionalism of staff are less of an issue with 43% and 41% respectively being dissatisfied with these aspects; and, almost two thirds (63%) of businesses are happy with the quality/ clarity of information provided.

Figure 32 How satisfied or dissatisfied were you with each of the following aspects...?



Base: 82 Businesses dissatisfied with contact with water or sewerage company. Excludes don't know. Weighted.

Chapter 9 – Service Failure

9 Service Failure

9.1 Introduction

9.1.1 Businesses were asked a series of questions regarding any service failure they may have experienced. They were asked which service had been affected e.g. water or sewerage, how this had affected their business, if they were satisfied with the response to the service failure, and if not, why not.

Summary

- Very few businesses have suffered a service failure of either water (7%), sewerage (2%) or both (1%).
- Three fifths (61%) said that the service failure experienced was 'minor', with 29% saying it was 'major'.
- Three quarters (76%) of these businesses are satisfied with their water and/or sewerage company's response to the service failure, but a quarter (24%) are dissatisfied.
- The main causes of dissatisfaction are that the service provider did not take responsibility for the service failure (18%) and their response was too slow (16%).

9.2 Prevalence of Service Failure

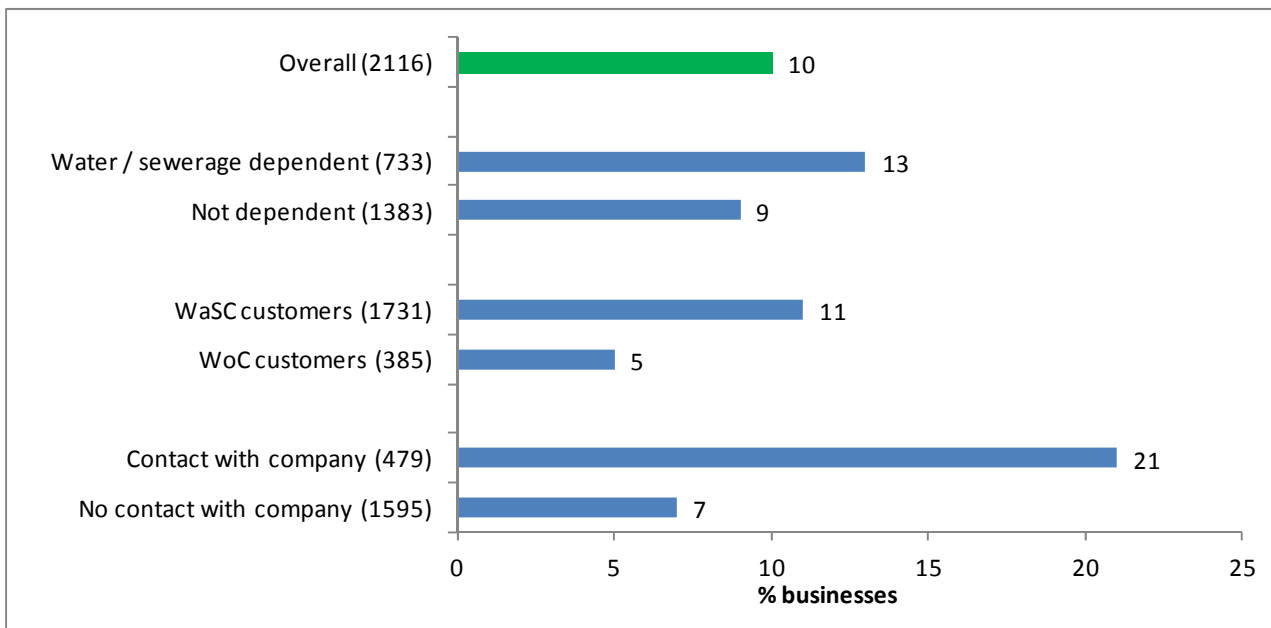
9.2.1 Few businesses have suffered a service failure of either water (7%), sewerage (2%) or both (1%). Figure 33 shows the proportion of businesses that have suffered a service failure by business type.

Table 27 Has your business site ever suffered a service failure (related to loss of water and/or sewerage services)?

	Overall Percent (%)
Yes - water	7
Yes - sewerage	2
Yes - both	1
No	89
Don't know	1
Base	2116

Base: 2116 All businesses. Weighted.

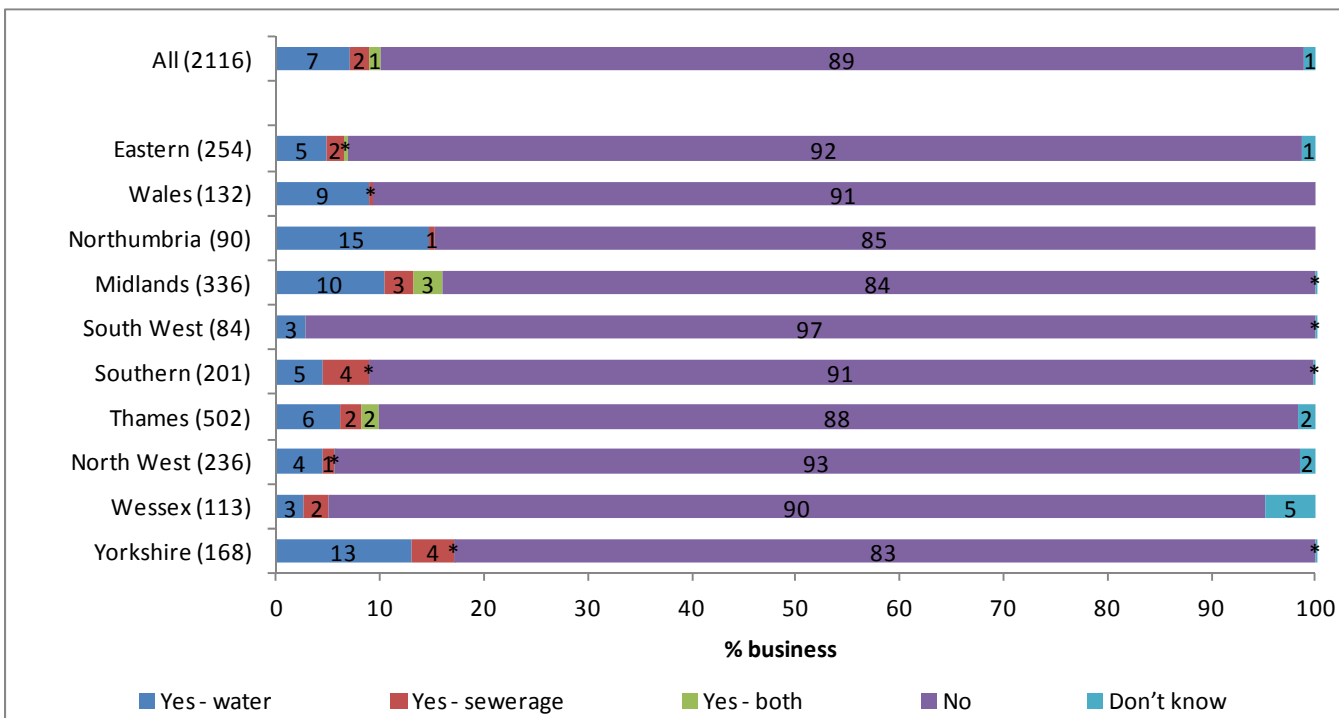
Figure 33 Has your business site ever suffered a service failure (related to loss of water and/ or sewerage services) by business type



Weighted.

9.2.2 Across the WaSC regions, businesses in Yorkshire (17%), the Midlands (16%) and Northumbria (15%) are most likely to have experienced a service failure. Businesses least likely to have suffered a service failure were in the South West (3%) and the North West (5%). (Figure 34.)

Figure 34 Has your business site ever suffered a service failure (related to loss of water and/or sewerage services) by WASC region

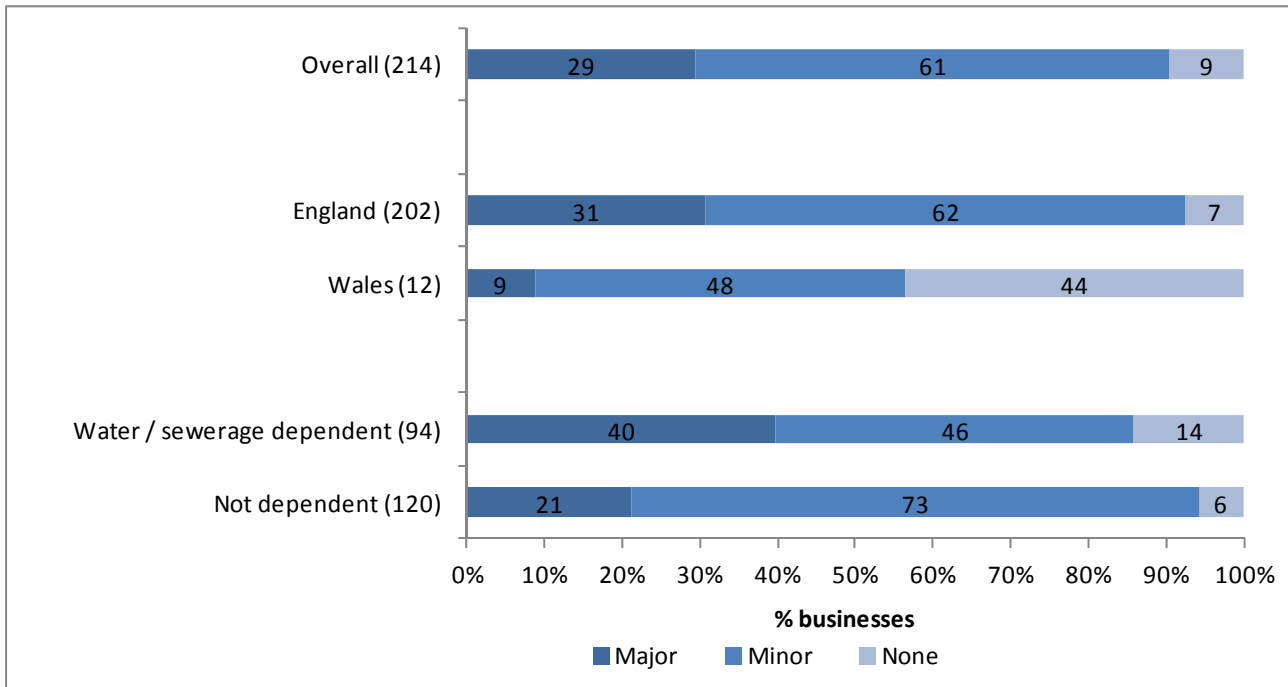


Base: 2116 All businesses. Weighted. * denotes any value less than half a percent but greater than zero.

9.3 Impact of Service Failure on Business

9.3.1 Three fifths of businesses (61%) said that the service failure experienced was ‘minor’, with 29% saying it was ‘major’ (Figure 35). No definition of ‘major’ or ‘minor’ was provided to businesses so results are based on their own interpretation of the event, and impact on the business.

Figure 35 What was the impact of the service failure on your business?



Base: 214 Businesses who have experienced service failure. Weighted.

9.4 Satisfaction with Water and /or Sewerage Company’s Response to the Service Failure

9.4.1 As shown in Table 28, three quarters (76%) of businesses are satisfied with their water and/or sewerage company’s response to the service failure. Businesses that are dependent on services are more likely to be satisfied with the water and/or sewerage company’s response to the failure (86%) than those who are not dependent (69%).

Table 28 Were you satisfied with the water and/or sewerage company’s response to the event?

	Overall Percent (%)	Water dependent (%)	
		Yes	No
Yes	76	86	69
No	24	14	31
Base	214	94	120

Base: 214 Businesses who have suffered service failure. Weighted.

- 9.4.2 The 24% of businesses that are not satisfied with their water company's response were asked reasons why.
- 9.4.3 Nine businesses feel that no responsibility has been taken.
- "They were happy that they had notified us of disruption but it was longer than they said and they should have a duty of care to make sure it comes back on so it can be used during such an extended period." (Northumbria, Wholesale and retail trade, 10 to 49 employees)*
- "They didn't come out to look at a leak we informed them about. It then caused a flood which they were very slow to respond to, they tried to avoid bothering with it all together." (Southern, Education, 100 to 20 employees)*
- 9.4.4 Eight businesses feel that the response was too slow.
- "Poor/slow response with little cooperation from them. A burst pipe meant we had to close the club on one of our busiest days of the week meaning a big loss." (Midlands, Accommodation and food service activities, 10 to 49 employees)*
- "Resolved eventually but took ages and cost loads of money and time." (Thames, Real estate activities, 50 to 99 employees)*
- 9.4.5 Five businesses that the issue is still on-going.
- "The problem has not been rectified." (Eastern, Accommodation and food service activities, 50 to 99 employees)*
- 9.4.6 Four businesses feel there was a lack of information or the information was too vague, and that they were not kept up to date on progress.
- "Their response was lacking in urgency and detail." (Southern, Wholesale and retail trade; repair of motor vehicles and motorcycles, 10 to 49 employees)*
- "Was not kept informed as to the progress and speed of the restoration of our water." (North West, Transportation and storage, 10 to 49 employees)*
- 9.4.7 Four businesses cited the cost to the business in terms of time and / or money.
- "Cost me a lot of money, and denied responsibility." (Northumbria, Accommodation and food service activities, 10 to 49 employees)*

Chapter 10 – Information Needs and Relationship with Water and Sewerage Company

10 Information Needs and Relationship with Water and Sewerage Company

10.1 Introduction

10.1.1 Businesses were asked about their relationship with their water and sewerage company, including the services they receive, knowledge of tariffs available to them, water efficiency measures and advice, and any actions taken in response to this.

Summary

- Over half of businesses (56%) agree that their water and/or sewerage company cares about the service it provides business customers.
- Two thirds of businesses (67%) are likely to read information provided by their water and/or sewerage company about the services they receive.
- Almost one fifth of businesses (18%) have asked for advice from their water and/or sewerage company on the best tariff for the size of their business or for the amount of water used (71% have not).
- Sixteen percent of businesses have been offered advice about alternative tariffs or other billing options by their water and/or sewerage company (68% have not).
- Fourteen percent of businesses have asked their water supplier for advice on how to use less water.
- Almost one fifth (18%) say they have been offered advice by their water company on how to use less water although 68% have not.
- A quarter (26%) of businesses have asked their sewerage service provider for advice on how to dispose of fats, oils and greases, just under half (49%) have not, and one quarter (25%) do not know.
- Just over half (52%) of businesses have not been offered advice from their sewerage service provider on disposal of fats, oils and greases, 18% have, and 30% are unsure.

10.2 Views on Whether Water and/or Sewerage Companies Care About Their Service to Business Customers

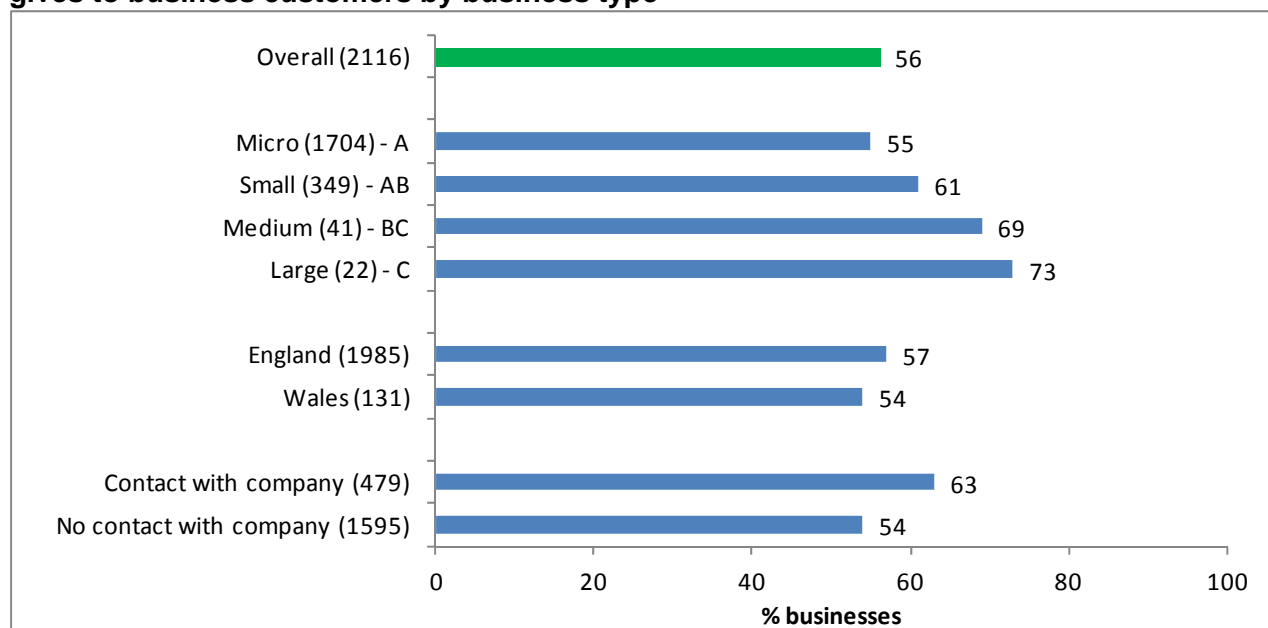
10.2.1 Over half of businesses (56%) agree that their water and/or sewerage company cares about the service they give to business customers (Table 29). Figure 36 shows the level of agreement by business type.

Table 29 How much do you agree or disagree that your water and/or sewerage company cares about the service it gives to business customers?

	Overall Percent (%)
Strongly agree	21
Tend to agree	35
Neither agree nor disagree	29
Tend to disagree	5
Strongly disagree	2
Don't know	7
Base	2116

Base: 2116 All businesses. Weighted.

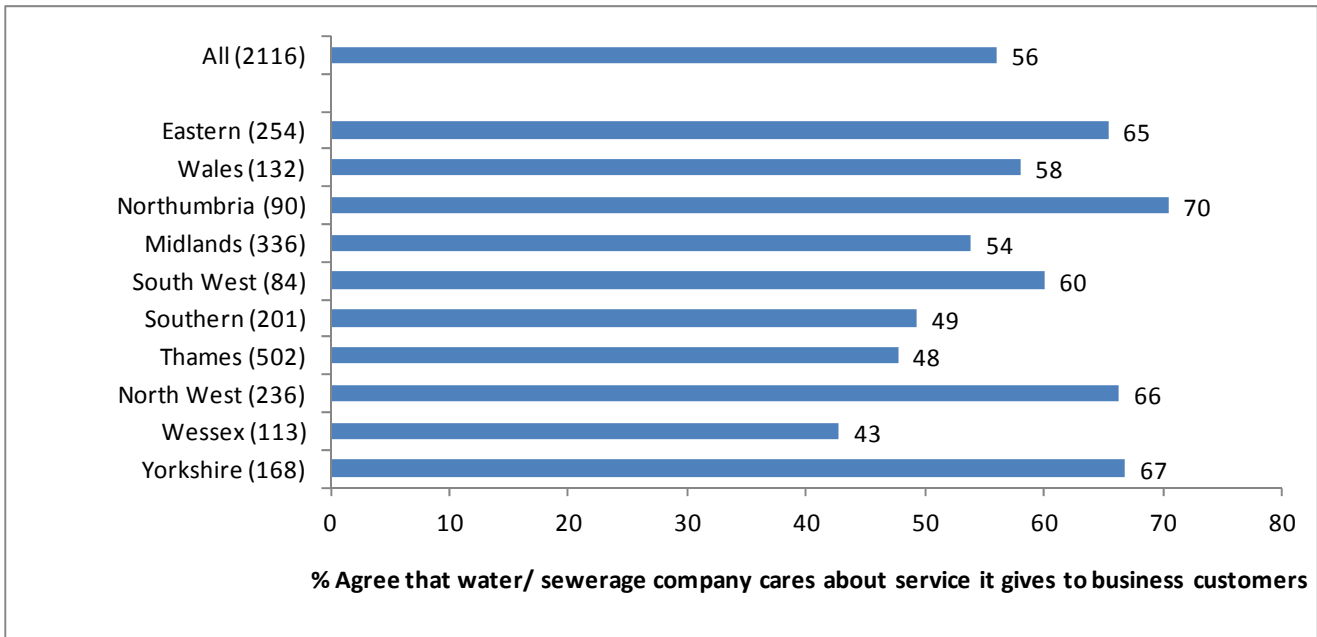
Figure 36 Level of agreement that their water and/or sewerage company cares about the service it gives to business customers by business type



Weighted. Overall proportion likely is not significantly different between England and Wales. Businesses in Wales are more likely to *strongly* agree (29%) than in England (21%).

10.2.2 Figure 37 shows that businesses in Northumbria (70%), Yorkshire (67%) and the North West (66%) are mostly likely to agree that their water and/or sewerage company cares about the service they give to business customers and businesses, and businesses in Wessex (43%) are least likely.

Figure 37 Proportion agreeing that their water and/or sewerage company cares about the service they give to business customers by WASC region



Base: 2116 All businesses. Weighted.

10.3 Likelihood of Reading Information Provided by Water and/or Sewerage Company

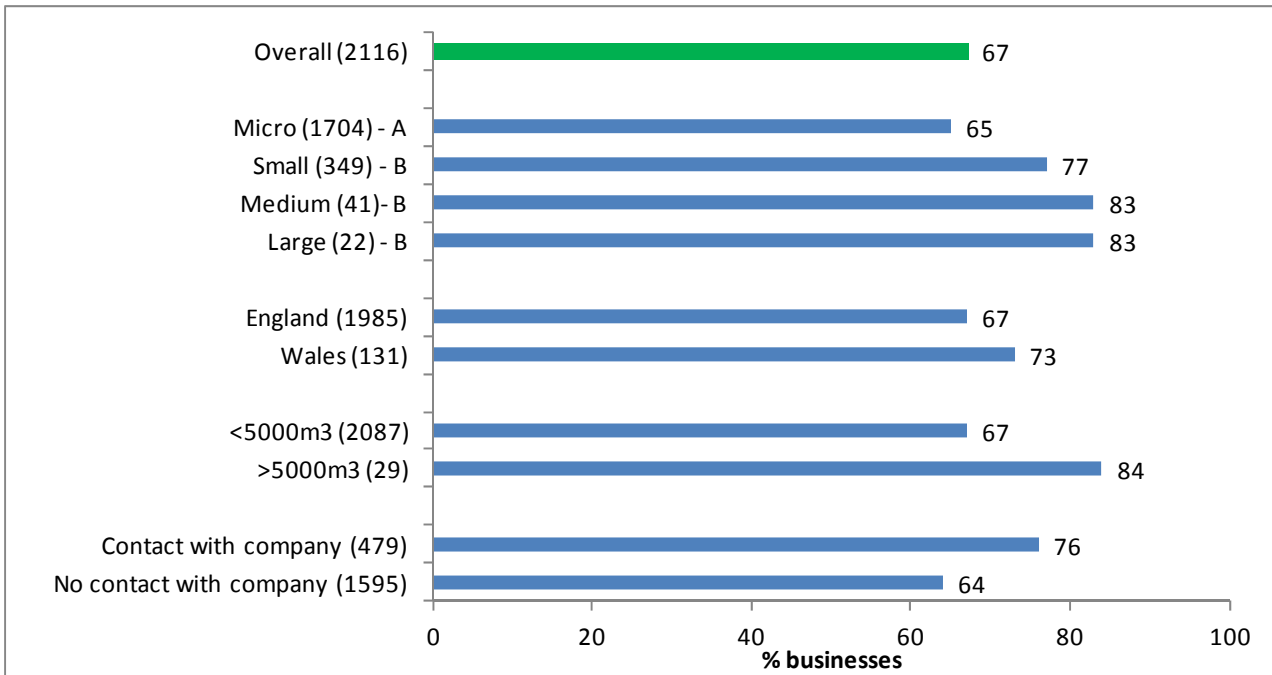
10.3.1 Table 30 shows two thirds of businesses (67%) are likely to read information provided by their water and/or sewerage company on the services they receive. Figure 38 shows the proportion of businesses likely to read information provided by their water and/or sewerage company about the services they receive by business type.

Table 30 How likely are you to read information provided by your water and/or sewerage company about the services you receive?

	Overall Percent (%)
Very likely	28
Fairly likely	39
Not very likely	25
Not at all likely	8
Base	2116

Base: 2116 All businesses. Weighted.

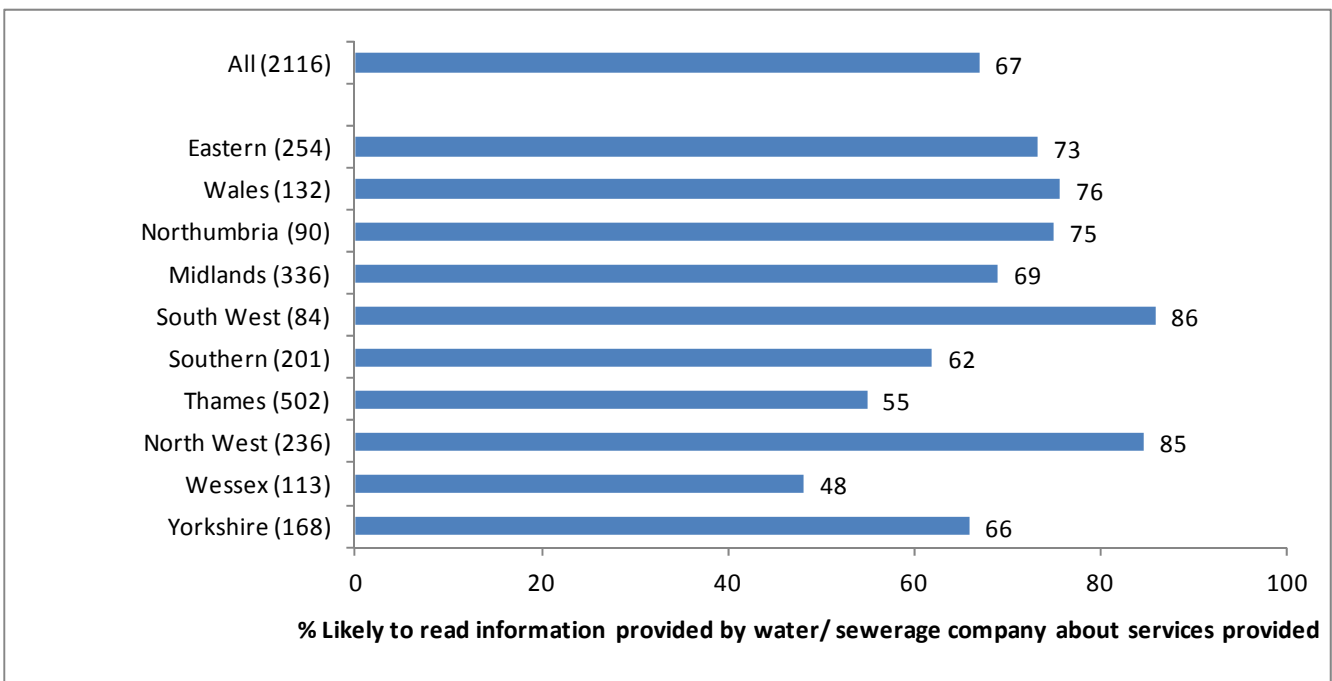
Figure 38 Proportion likely to read information provided by water and/or sewerage company by business type



Weighted. Differences between England and Wales are not significant.

10.3.2 Businesses in the South West (86%) and North West (85%) are most likely to read information provided by their water and/or sewerage company about the services they receive, and those in Wessex (48%) least likely (see Figure 39).

Figure 39 Proportion likely to read information provided by water and/or sewerage company by WASC region



Base: 2116 All businesses. Weighted.

10.4 Requests for Advice on Best Tariff for Business Size or Amount of Water Used

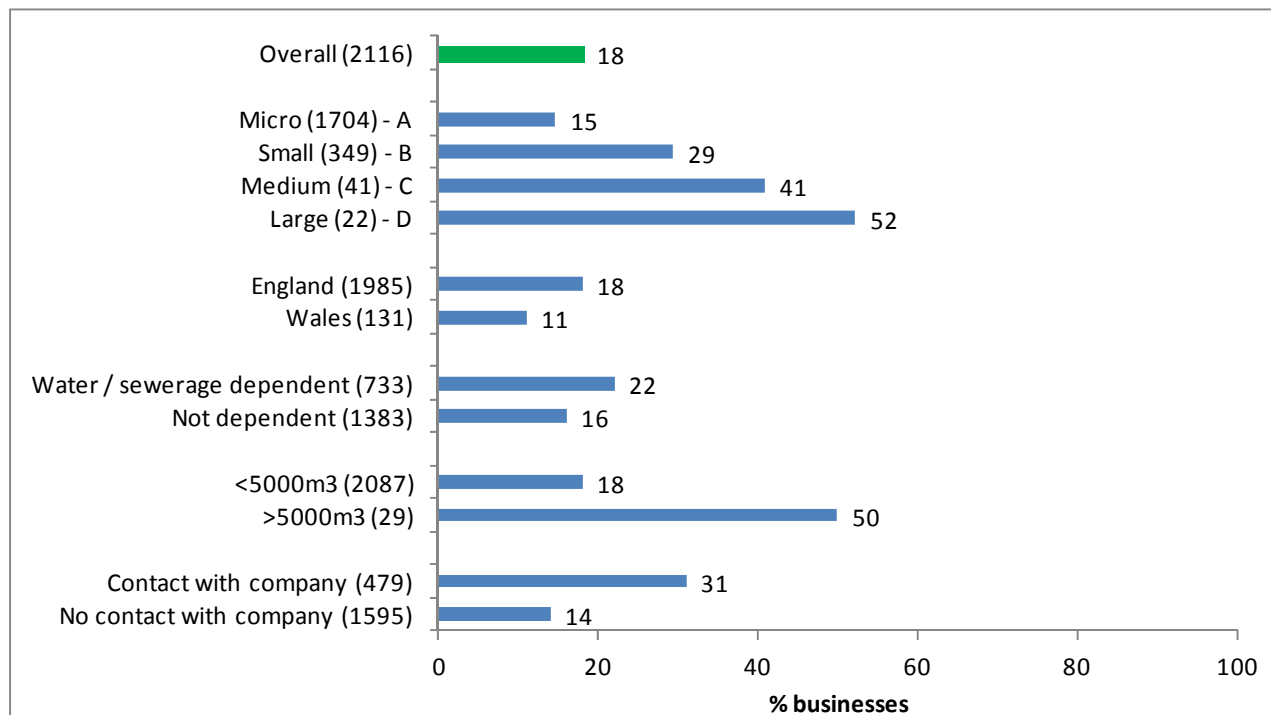
10.4.1 Table 31 shows that almost one fifth (18%) of businesses have asked for advice from their water and/or sewerage company on the best tariff for the size of their business or for the amount of water used, but 71% have not. Figure 40 shows the proportion of businesses that have asked for advice from their water and/or sewerage company on the best tariff for the size of their business or for the amount of water used, by business type.

Table 31 Has your business, to your knowledge, asked your water and/or sewerage company for advice on the best tariff for the size of the business or for the amount of water used?

	Overall Percent (%)
Yes	18
No	71
Don't know	11
Base	2116

Base: 2116 All businesses. Weighted.

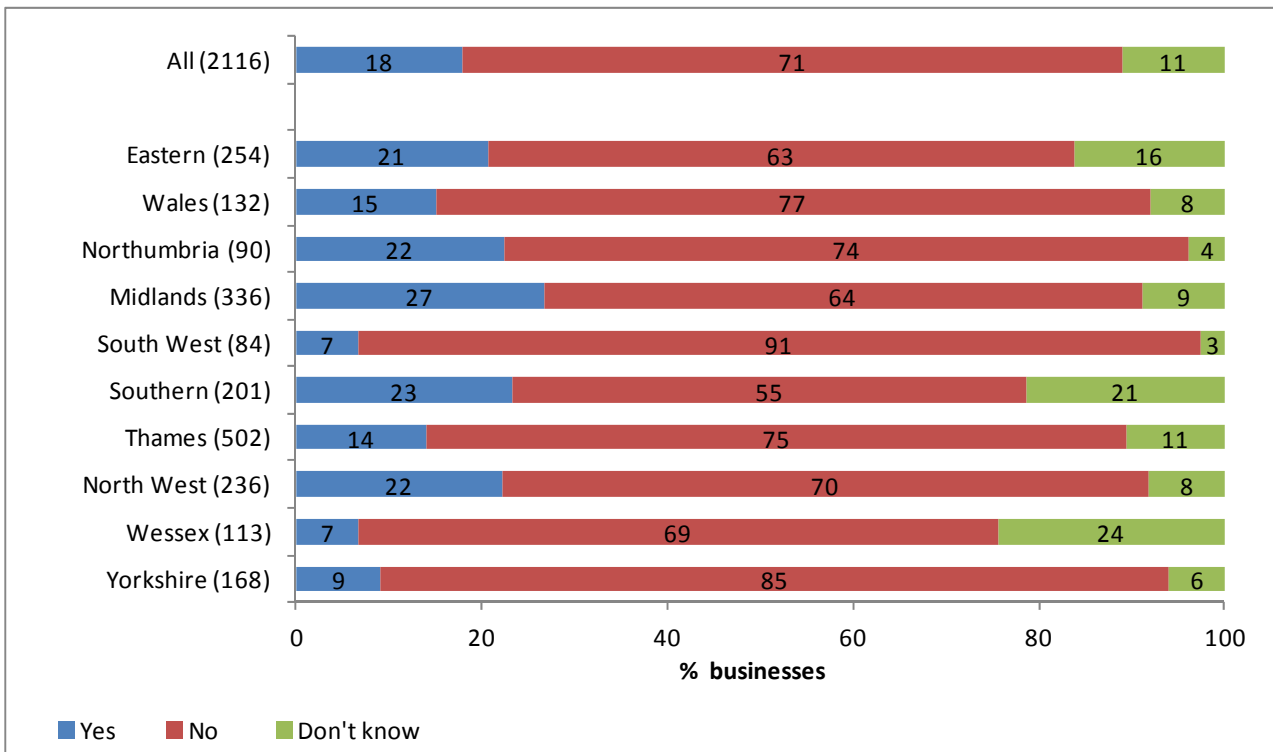
Figure 40 Proportion of businesses that have asked their water and/or sewerage company for advice on the best tariff for the size of the business or for the amount of water used by business type



Weighted. The differences by business size are likely to be linked to a wider range of tariffs being available for large users of water.

10.4.2 Figure 41 shows that businesses in the Midlands (27%) are most likely to have asked for advice on the best tariff for the size of their business or for the amount of water used, and businesses in the South West (7%) and the Wessex region (7%) are least likely.

Figure 41 Has your business, to your knowledge, asked your water and/or sewerage company for advice on the best tariff for the size of the business or for the amount of water used?



Base: 2116 All businesses. Weighted.

10.5 Offered Advice on Alternative Tariffs or Billing Options by the Water and/or Sewerage Company

10.5.1 Sixteen percent of businesses have been offered advice about alternative tariffs or other billing options by their water and/or sewerage company, but 68% have not.

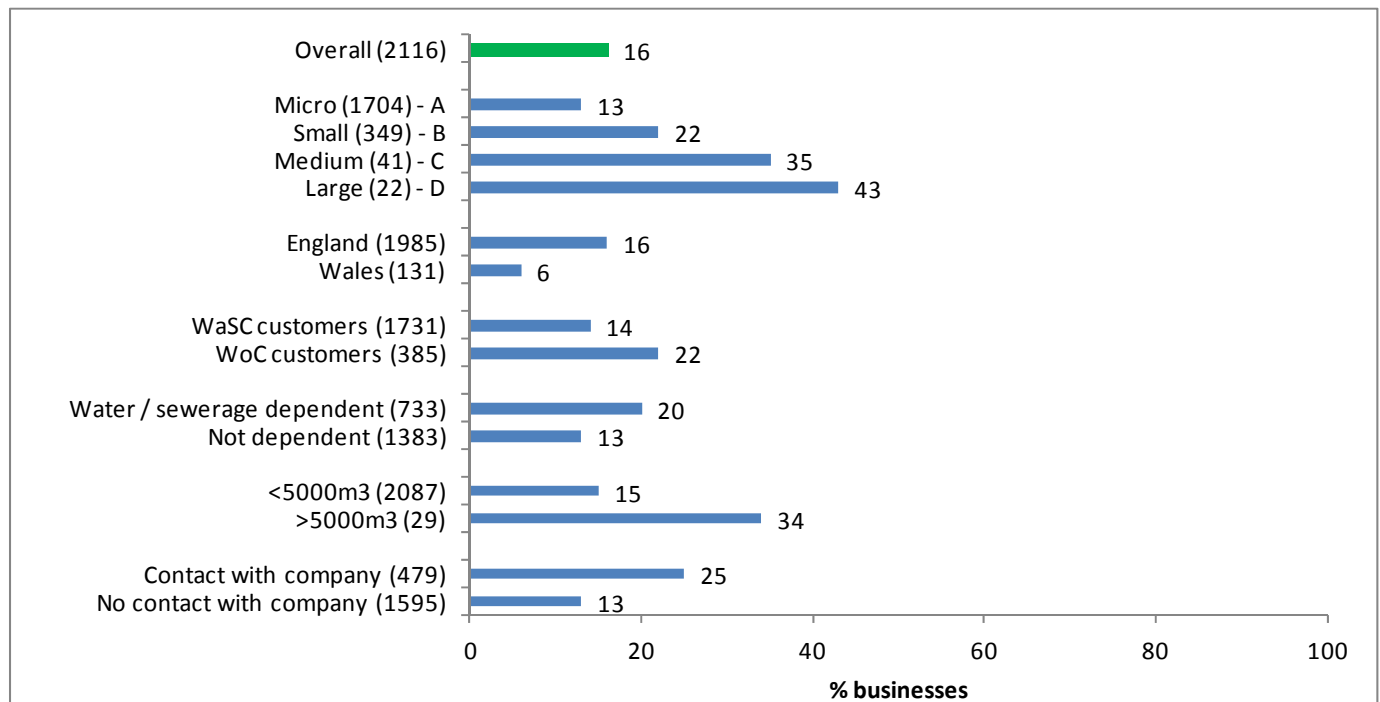
Table 32 Has your business been offered any advice about alternative tariffs or other billing options by your water and sewerage company?

	Overall Percent (%)
Yes	16
No	68
Don't know	17
Base	2116

Base: 2116 All businesses. Weighted.

- 10.5.2 Figure 42 shows the proportion of businesses that have been offered advice about alternative tariffs or other billing options by their water and/or sewerage company.
- 10.5.3 Figure 37 shows that the proportion of businesses that have asked for advice about alternative tariffs or other billing options by their water and/or sewerage company increases with business size. Figure 42 shows that the proportion being offered this advice also increases with size, although for each business size, the proportion being offered advice is lower than the proportion requesting the information. This suggests that although water companies are targeting information at those who most want it, there is still a gap between those requesting information, and those being offered information.

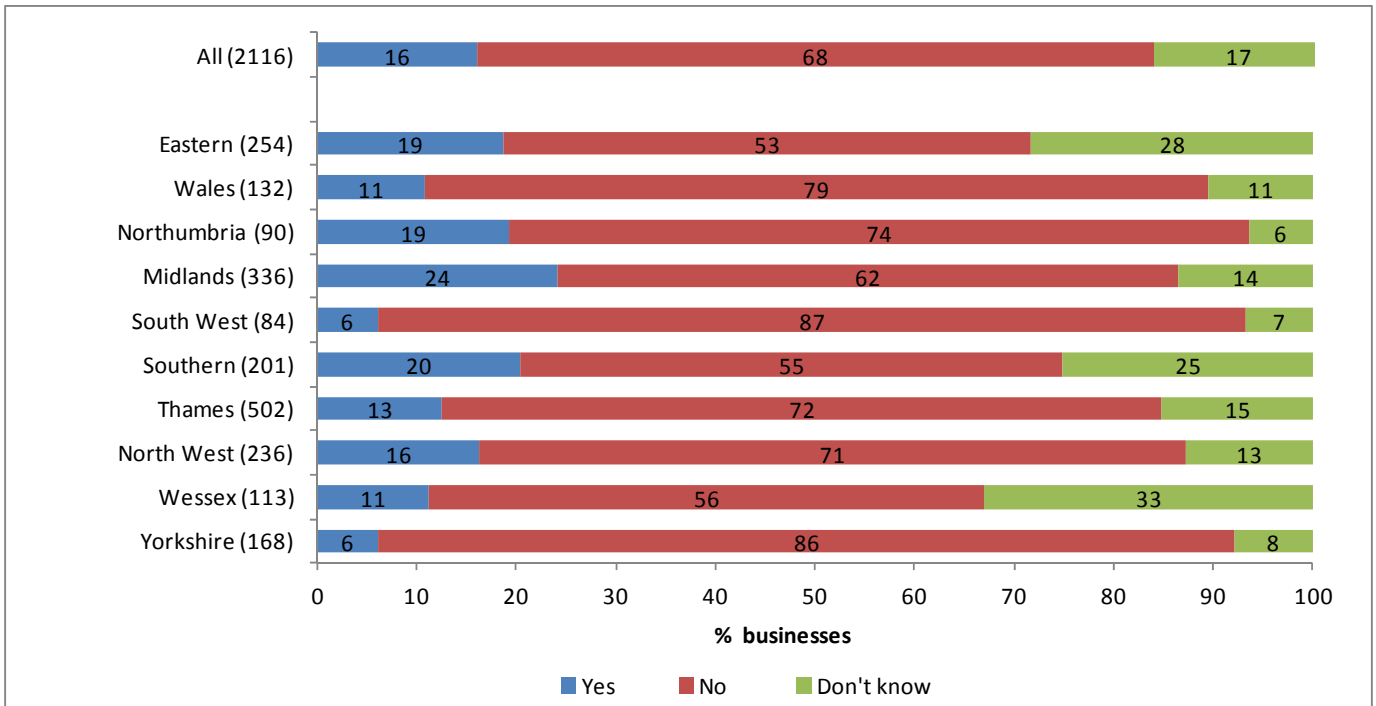
Figure 42 Businesses that have been offered any advice about alternative tariffs or other billing options by your water and sewerage company?



Weighted.

- 10.5.4 Figure 43 shows that businesses in the Midlands (24%) are most likely to have been offered advice about alternative tariffs or other billing options by their water and/or sewerage company, and those in the South West and Yorkshire are least likely (both 6%).

Figure 43 Has your business been offered any advice about alternative tariffs or other billing options by your water and sewerage company?



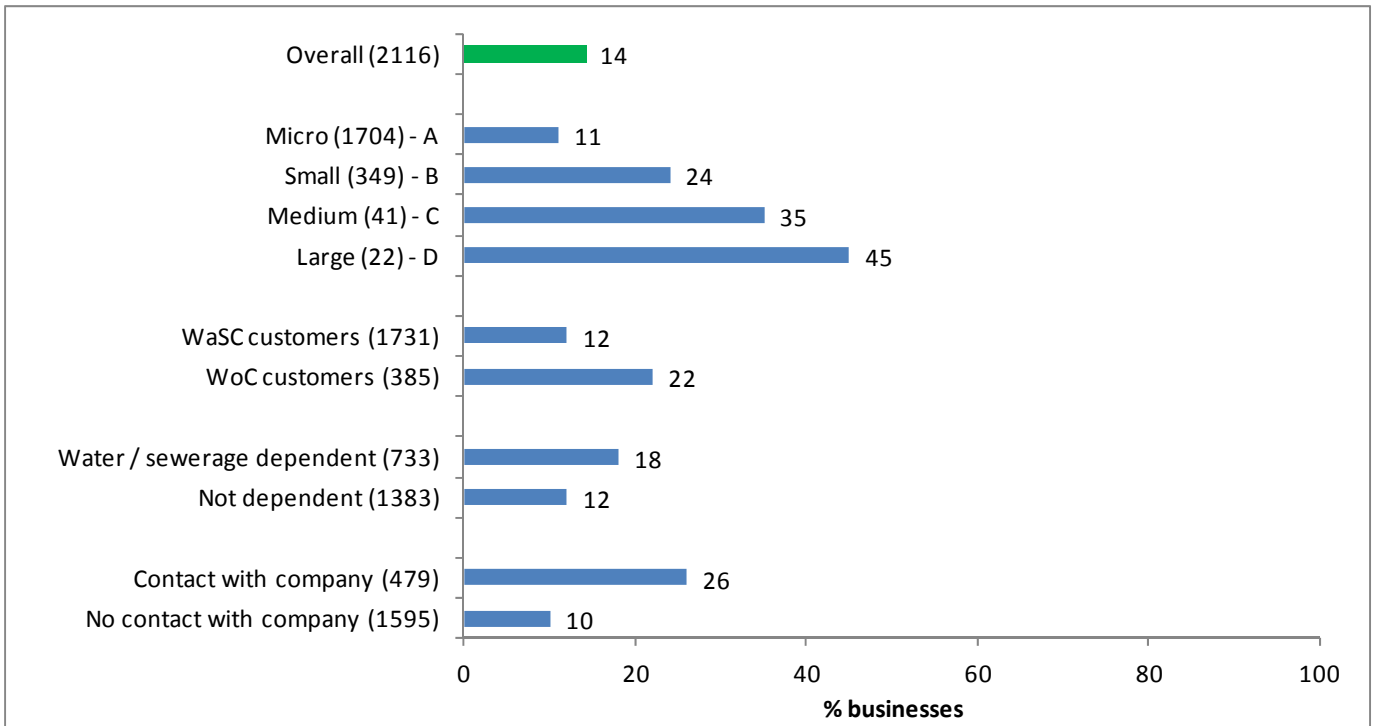
Base: 2116 All businesses. Weighted.

10.6 Requests for Water Saving Advice

10.6.1 Fourteen percent of businesses have asked their water supplier for advice on how to use water more efficiently.

10.6.2 Figure 44 shows the proportion of businesses that have asked their water supplier for advice on how to use water more efficiently.

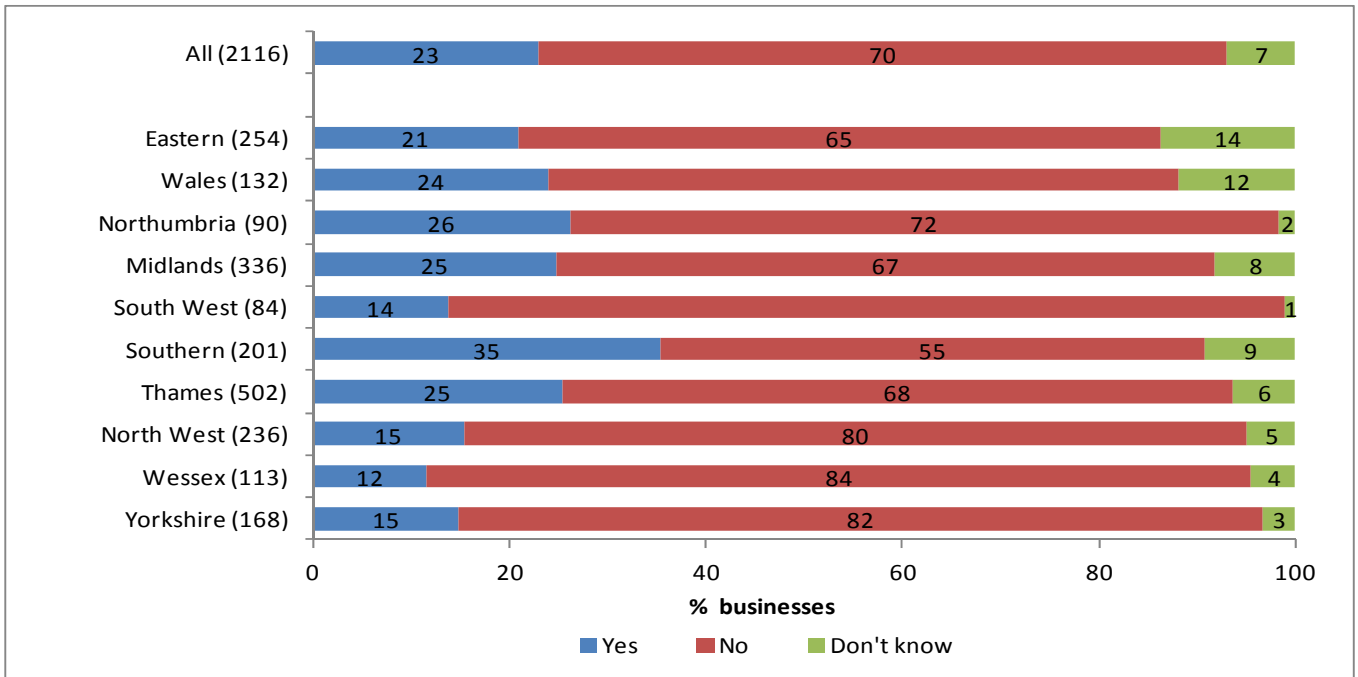
Figure 44 Proportion of businesses that have asked their water supplier for advice on how to use water more efficiently by business type



Weighted. There were no significant differences in the proportion of businesses that have asked their water supplier for advice on how to use water more efficiently by the amount of water being used.

10.6.3 Businesses in the Southern region (35%) are most likely to have asked their water supplier for information on how to use water more efficiently, and those in the Wessex region (12%) and the South West (14%) are least likely (see Figure 45). However, it should be noted that businesses surveyed in the South West in particular, and to a lesser extent the Wessex region, had a much lower proportion of water dependent companies compared to other regions i.e. they had a higher proportion using water and sewerage services for domestic purposes only.

Figure 45 Has your business, to your knowledge, looked for advice on how to use water more efficiently by WASC region



Base: 2116 All businesses. Weighted.

10.7 Offered Water Saving Advice

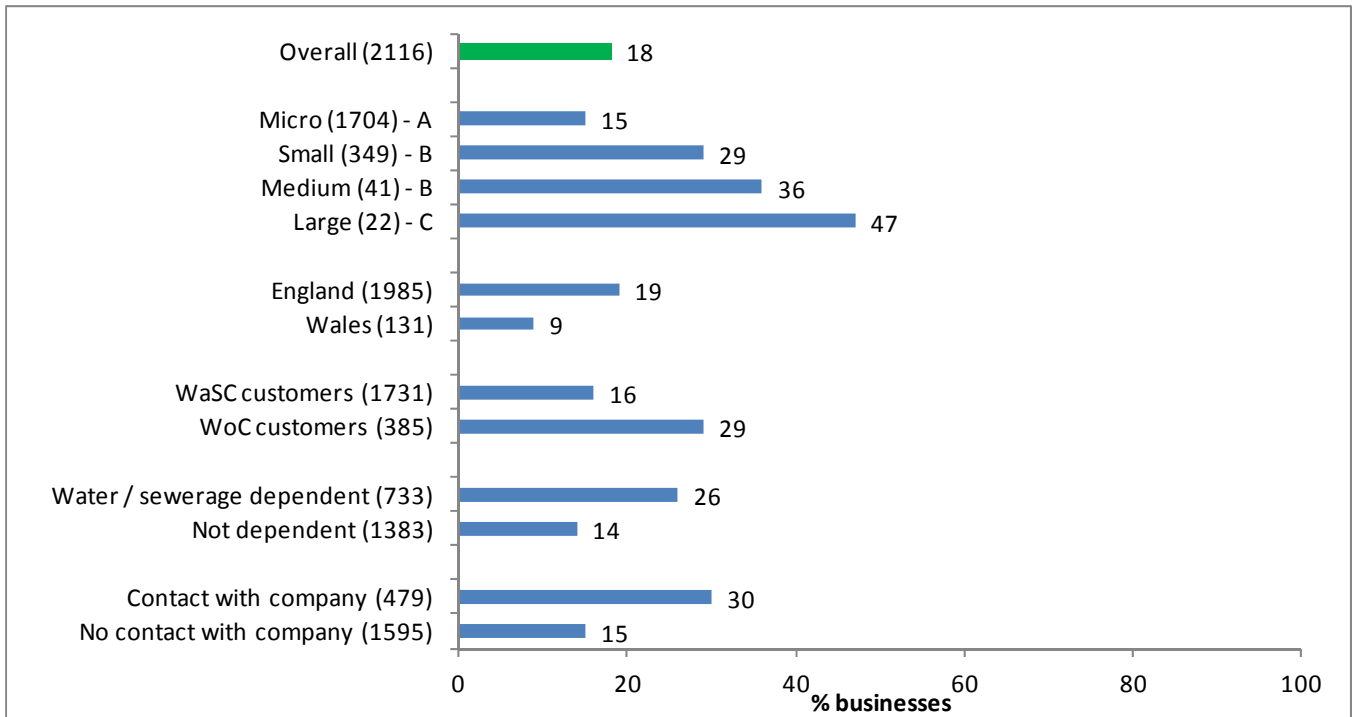
10.7.1 Less than one in five (18%) of businesses have been offered advice from their water company on how to use less water; just over two-thirds (68%) have not. The types of businesses which are more likely to have been offered advice from their water company on how to use less water are shown in Figure 46.

Table 33 Has your business been offered advice from your water company on how to use less water?

	Overall Percent (%)
Yes	18
No	68
Don't know	14
Base	2116

Base: 2116 All businesses. Weighted.

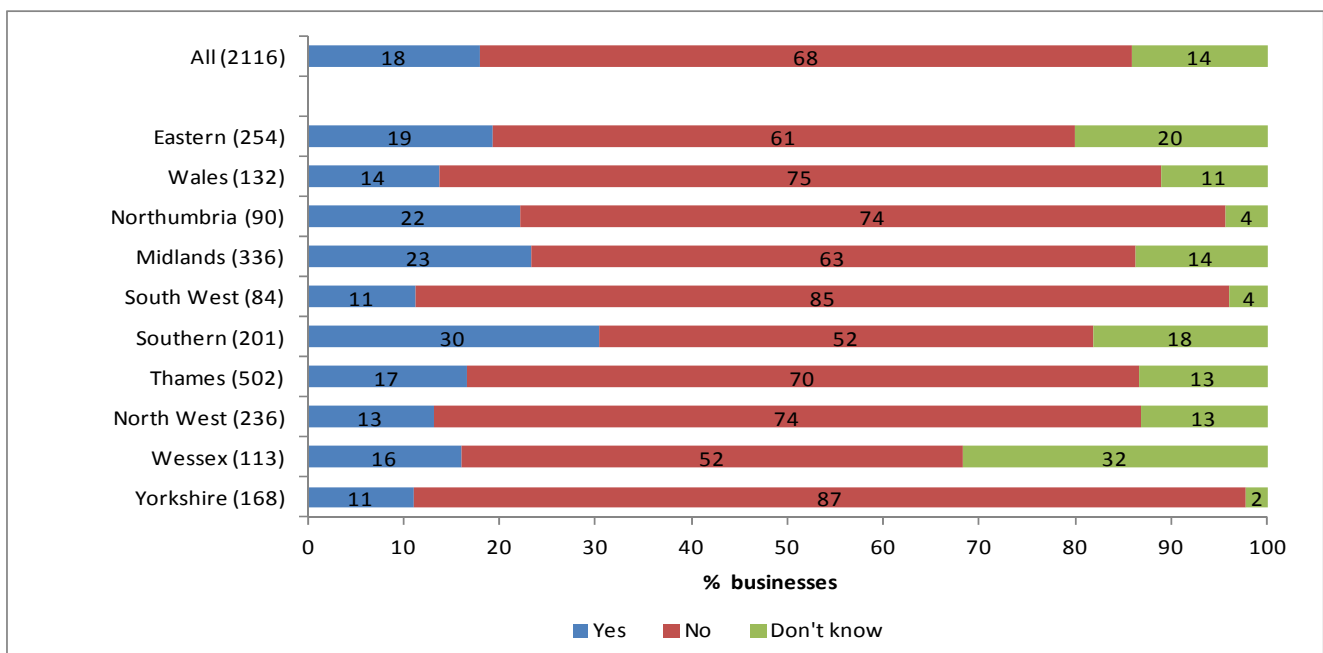
Figure 46 Businesses that have been offered advice from their water company on how to use less water by business type



Weighted. 22% of businesses using more than 5000m3 of water per year had been offered advice, compared to 18% of businesses using less than 5000m3 – although this finding is not statistically significant.

10.7.2 Businesses in the Southern region (30%) are most likely to have been offered advice from their water company on how to use less water, and those in Yorkshire (11%) and the South West (11%) least likely (Figure 47).

Figure 47 Has your business been offered advice from your water company on how to use less water? By WASC region



Base: 2116 All businesses. Weighted.

10.8 Catering Establishments

10.8.1 Businesses with catering facilities on site were asked a series of questions about information relating to the disposal of Fats, Oils and Greases (FOGs).

10.9 Requests for Advice on Disposal of Fats, Oils and Greases

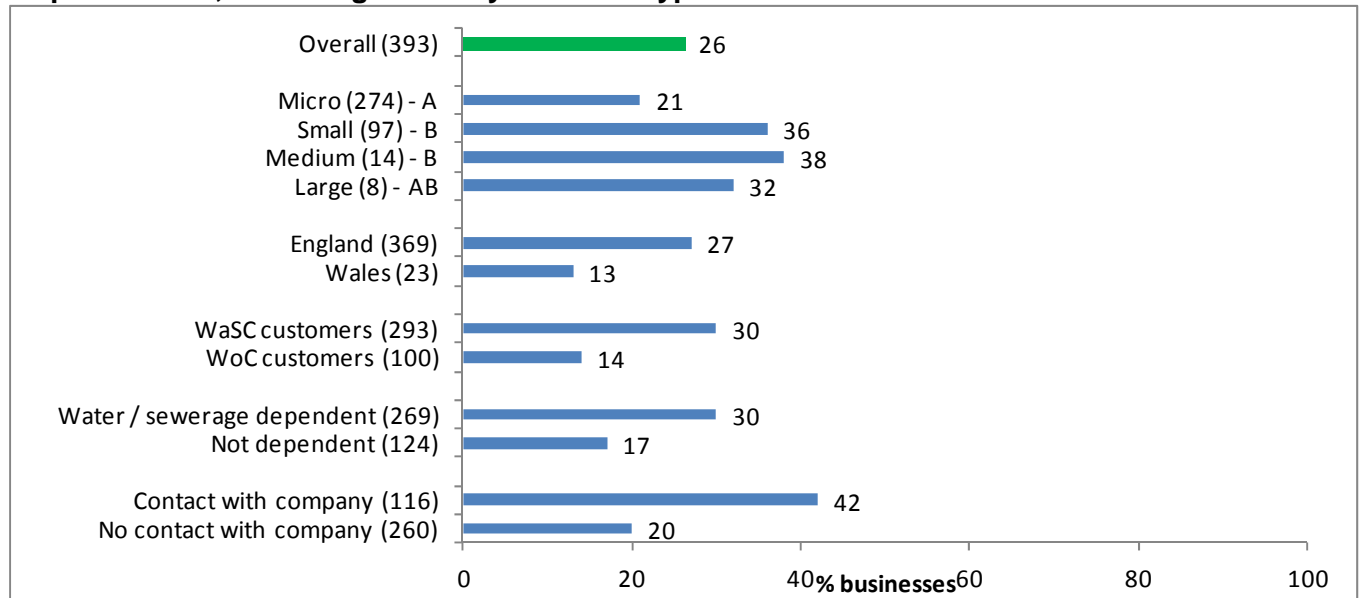
10.9.1 A quarter (26%) of businesses have asked their sewerage service provider for advice on how to dispose of FOGs, just under half (49%) have not, and one quarter (25%) do not know. Figure 48 shows the proportion of businesses that have asked their sewerage service provider for advice on how to dispose of FOGs by business type.

Table 34 Has your business, to your knowledge, asked their sewerage service provider for advice on how to dispose of fats, oils and greases?

	Overall Percent (%)
Yes	26
No	49
Don't know	25
Base	393

Base: 393 Businesses with catering departments. Weighted.

Figure 48 Businesses that have asked their sewerage service provider for advice on how to dispose of fats, oils and greases by business type



Weighted.

10.10 Offered Advice on Disposal of Fats, Oils and Greases

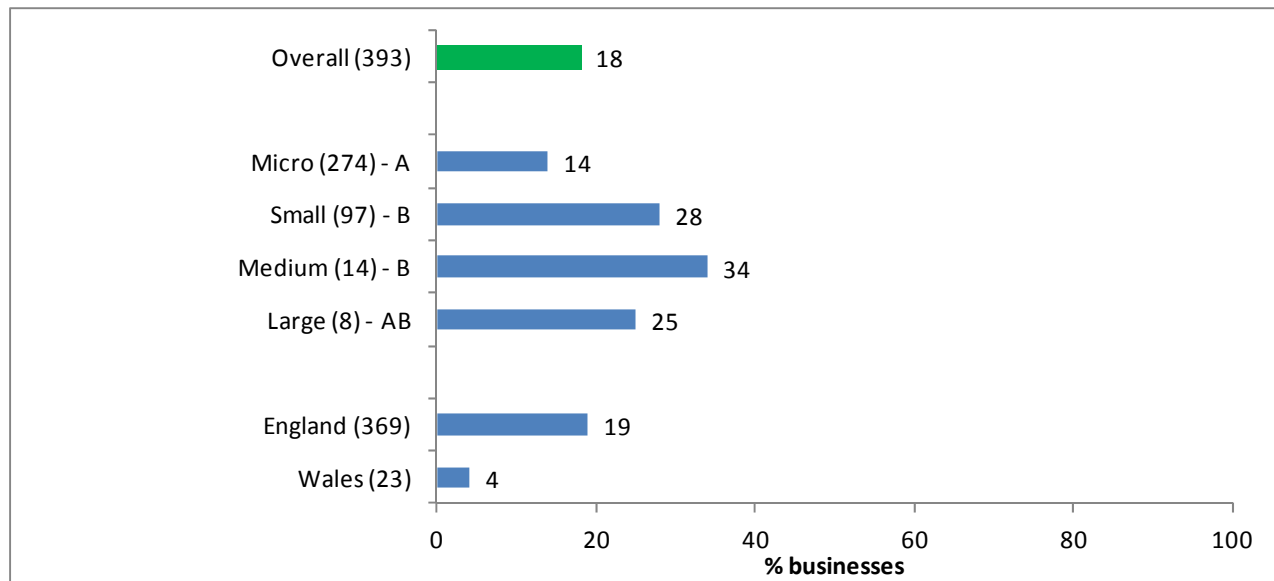
10.10.1 Just over half (52%) of businesses have not been offered advice from their sewerage service provider on the disposal of FOGs, 18% have and 30% are unsure. Figure 49 shows that small and medium businesses and businesses in England are more likely to have been offered advice about this than micro and large businesses, and businesses in Wales.

Table 35 Has your business been offered any advice from your sewerage service provider on how to dispose of fats, oils and greases?

	Overall Percent (%)
Yes	18
No	52
Don't know	30
Base	393

Base: 393 Businesses with catering departments. Weighted.

Figure 49 Businesses that have been offered advice from their sewerage service provider on how to dispose of fats, oils and greases by business type



Weighted.

Chapter 11 – Competition

11 Competition

11.1 Introduction

- 11.1.1 The Government in England has recently said it will change the law in the future so that all business customers served by water companies based in England can choose their water (and sewerage) supplier if their premises meet certain criteria.
- 11.1.2 From 15 December 2011, businesses served by water companies in England which use more than 5,000 cubic metres of water a year have been able to change their water supplier if their business premises meet certain criteria. This doesn't affect the water which businesses receive – this stays the same – but if they switch they are billed by a different company which will have its own rate of charge, and this same company produces bills and deals with customer service. (Note that at the moment sewerage services are not part of this and would still be provided by the original sewerage company).
- 11.1.3 In Wales the situation is different and businesses served by Dŵr Cymru Welsh Water and Dee Valley Water need to use more than 50,000 cubic metres of water a year to be able to change their water supplier if their business premises meet the relevant criteria.
- 11.1.4 Businesses were asked about competition within the water industry and their awareness of future changes in the law to open up competition. They were asked a number of questions regarding:
- their support for competition;
 - concerns they would have about the introduction of competition;
 - likelihood of changing supplier and what they would expect from a new supplier; and
 - what information they would like on competition and from whom they would like it.

Summary

- Just 8% of businesses are aware of the proposed change in the law for businesses relating to water companies in England, and only 6% are aware of the retail competition regime for water and sewerage services in Scotland.
- Over two thirds of businesses (69%) think the principle of competition in the water industry is a good thing.
- Around half (51%) of businesses have no concerns about competition in the water industry, however 10% have concerns about mis-selling and hard selling.
- A third of businesses (33%) are interested, in principle, in changing supplier, but half (50%) are not.
- Of those businesses interested in changing supplier in principle, nearly all (96%) said this was because they could save money. Thirteen percent would change supplier because they think they will get a better service; and a further 2% think that competition would make water companies treat their business customers better.
- These businesses were asked what better service they would expect. Forty six percent said they expect water efficiency advice / devices, and 23% said they expect environmental products/ services. Fifteen percent expect leakage detection, and 14% expect online billing.
- Just under half of businesses (47%) that are **not** interested in changing supplier said this was because they are happy with the service they were already getting from their water and sewerage company. A quarter each (26%) said it is too much hassle, or their water bill is so small the savings would not make it worthwhile.
- When asked what percentage level saving on their water and sewerage charges would prompt their businesses to switch supplier, the median level of saving was 15%, with the minimum being 5% and the maximum 80%.
- Thirty eight percent of businesses have changed their energy supplier. Of these, over a third of businesses said they change their energy supplier depending on the contract or deal they sign

with their energy company. A quarter (25%) said they change their supplier more than every two years.

- Over half of businesses are not interested in receiving information on competition in the water industry (52%). However, two fifths (40%) of all respondents would like to receive information on tariffs offered by new suppliers in their area, and 37% each want information on which new suppliers are offering services in their area, and how to switch supplier.
- Businesses that are interested in receiving information on competition in the water industry are most likely to want the information to come from Ofwat (83%) followed by CCWater (41%) and new or current suppliers (31% each).

11.2 Awareness of Proposed Changes to the Competition Regime in England

- 11.2.1 Very few (8%) businesses are aware of the proposed change in the law for businesses relating to water companies in England. (See Table 36)

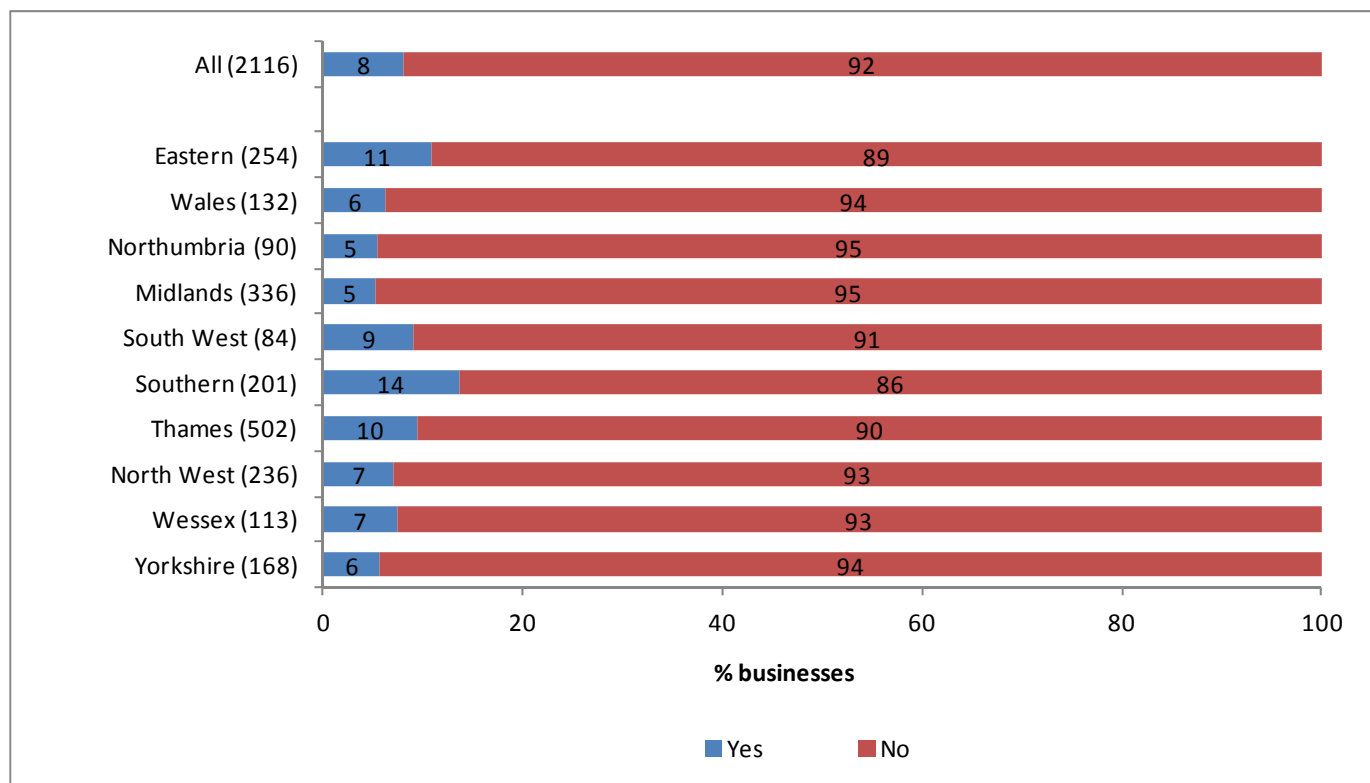
Table 36 Were you aware of this proposed change in law for businesses served by water companies based in England? Overall and by contact with the water company

	Overall Percent (%)	Contact with the water company (%)	
		Yes	No
Yes	8	12	7
No	92	88	93
Base	2116	479	1595

Base: 2116 All businesses. Weighted.

- 11.2.2 Awareness of the proposed change in law for businesses served by water companies in England is higher amongst businesses who have been in contact with their water and/or sewerage company (12% compared to 7% of 'non-contactors').
- 11.2.3 Fourteen percent of businesses in the Southern region are aware of the proposed changes in the law, compared to 5% in Northumbria and the Midlands. (See Figure 50)
- 11.2.4 Businesses which are aware of the proposed change in the law are more likely to read information provided by their water and/or sewerage company about the services they receive (87%), compared to the total sample (67%). Similarly, a higher proportion of those aware had been offered advice (e.g. via leaflets with bills, site visits) about alternative tariffs or other billing options by their water and/or sewerage company (25%) compared to the sample as a whole (16%).

Figure 50 Were you aware of this proposed change in law for businesses served by water companies based in England?



Base: 2116 All businesses. Weighted.

11.3 Awareness of Retail Competition in Scotland

11.3.1 Very few (6%) businesses are aware of the retail competition regime for water and sewerage supply in Scotland which means that all businesses can switch supplier for retail services if they wish.

Table 37 Did you know that since April 2008 all 130,000 business customers in Scotland have been able to choose their water and sewerage supplier?

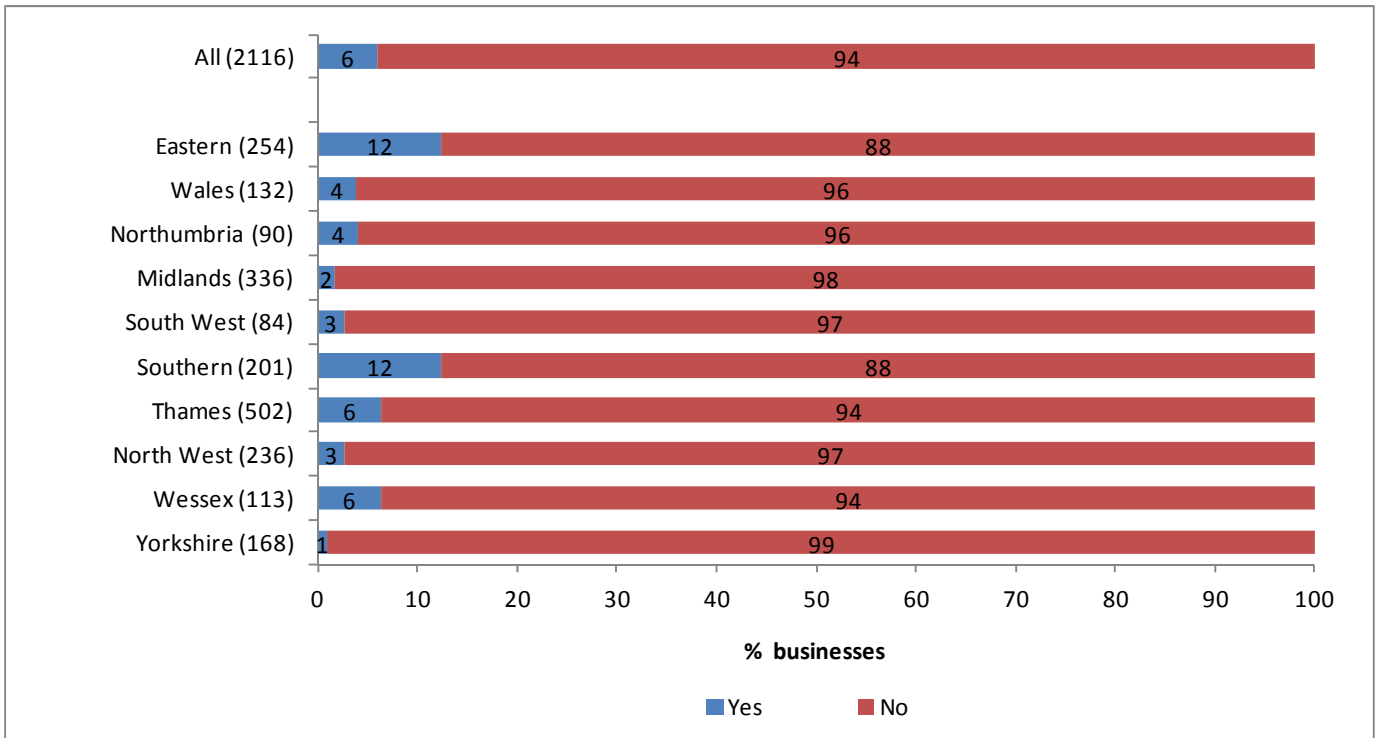
	Overall Percent (%)	WaSC or WoC (%)	
		WaSC	WoC
Yes	6	4	11
No	94	96	89
Base	2116	1731	385

Base: 2116 All businesses. Weighted.

11.3.2 More WoC customers are aware of the retail competition regime for water and sewerage in Scotland than WaSC customers (11% and 4% respectively).

11.3.3 Businesses in the Southern and Eastern regions are most likely to be aware of the retail competition regime in Scotland - both 12% compared to only 1% in Yorkshire. (Figure 51.)

Figure 51 Did you know that since April 2008 all 130,000 business customers in Scotland have been able to choose their water and sewerage supplier?



Base: 2116 All businesses. Weighted.

11.4 Views on the Principle of Competition in the Water Industry

11.4.1 Over two thirds of businesses (69%) think the principle of competition in the water industry is a good thing, as shown in Table 38 below. Figure 52 shows the proportion of respondents that agree that competition is a good thing.

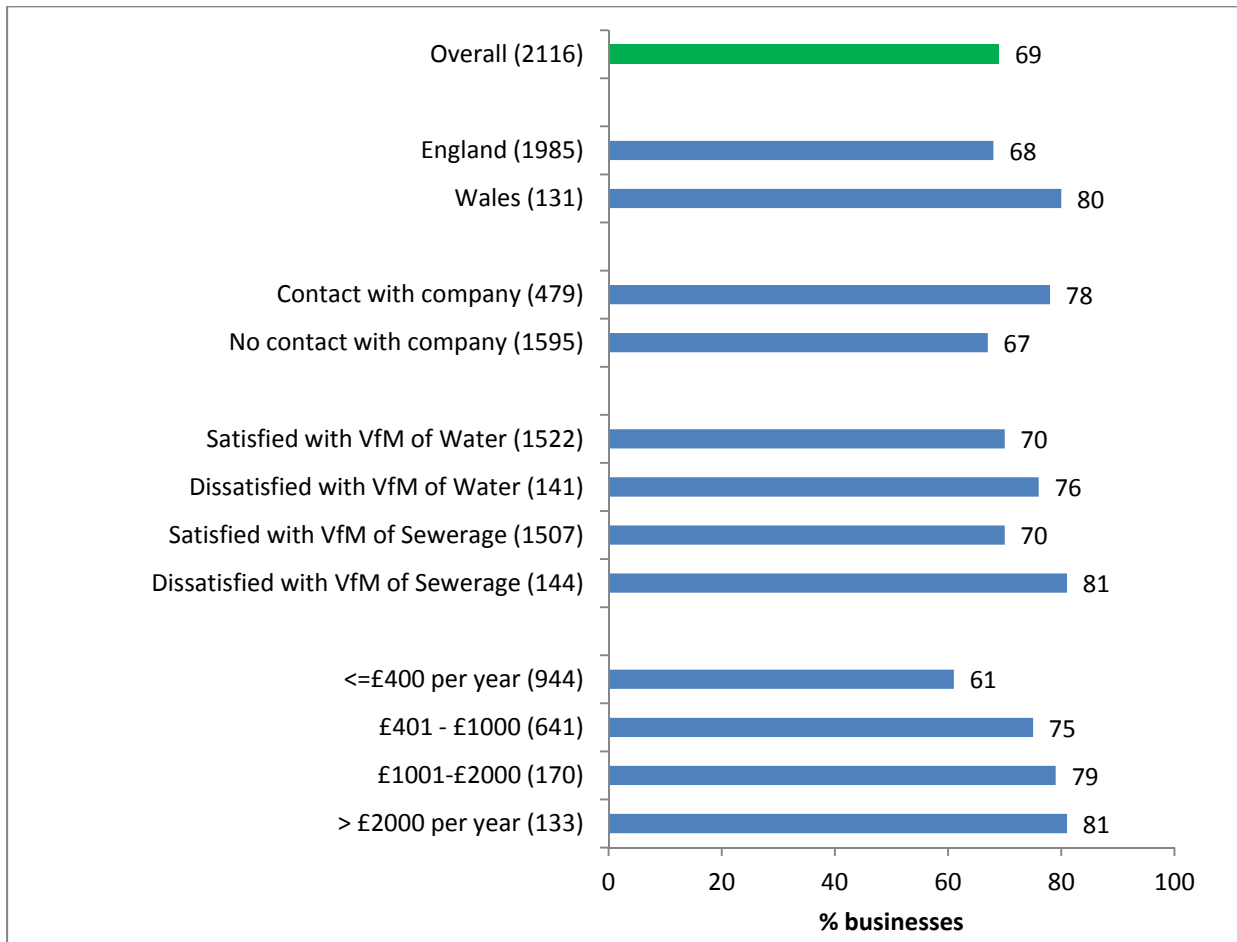
Table 38 Do you think that the principle of competition for businesses in the water industry would be a good thing, neither good nor bad, or a bad thing?

	Overall Percent (%)
A very good thing	32
Quite a good thing	37
Neither a good nor a bad thing	20
Quite a bad thing	5
A very bad thing	2
Don't know	5
Base	2116

Base: All businesses. Weighted.

* denotes any value less than half a percent but greater than zero.

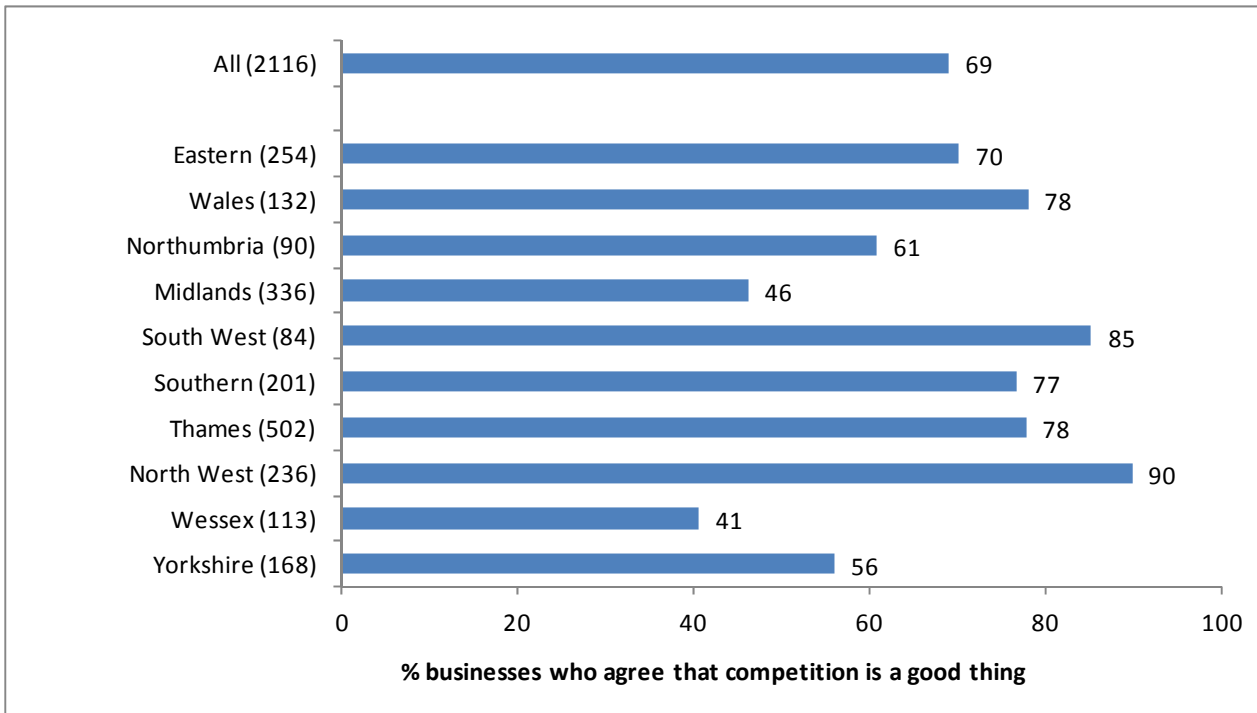
Figure 52 Proportions who agree competition is a good thing by business type



Weighted.

11.4.2 Businesses in the North West (90%) are most likely to agree that competition is a good thing, and those in the Wessex region are least likely (41%) (see Figure 53).

Figure 53 Proportions who agree competition is a good thing by WASC region

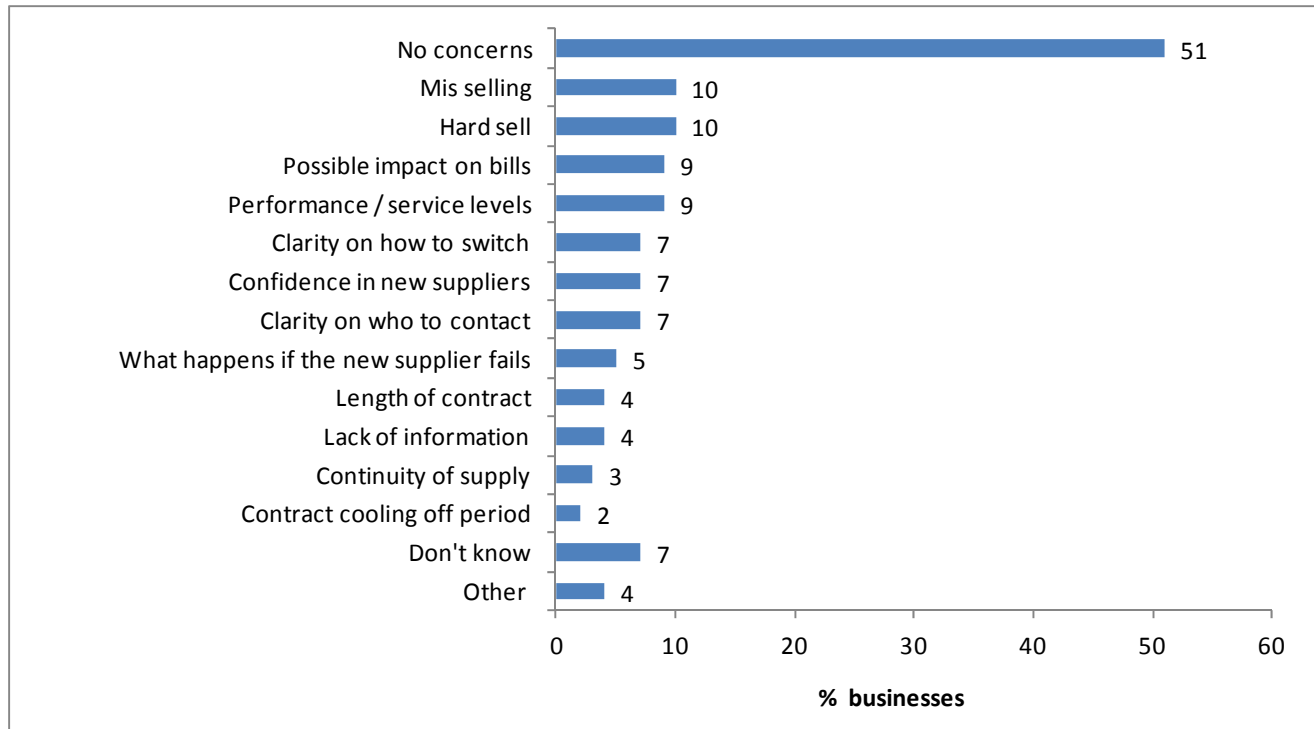


Base: 2116 All businesses. Weighted.

11.5 Concerns about Competition in the Water Industry

11.5.1 Around half (51%) of businesses have no concerns about competition in the water industry. However, 10% of businesses have concerns about sales tactics such as mis-selling and hard selling. For many, this is linked to bad experiences they have had of competition in other utilities. A further 9% have concerns about possible impact of competition on bills and performance / service levels (as shown in Figure 54).

Figure 54 What concerns would you have about further competition in the water industry?



Base: 2116 All businesses. Weighted.

11.5.2 Businesses in the North West are most likely to be unconcerned (74%) about competition in the water industry, compared to businesses in the South West who are least likely to have no concerns (19%).

11.5.3 The following are more likely to have concerns about sales tactics related to competition:

- Businesses in England are more likely to be concerned about hard selling than those in Wales (10% and 2% respectively);
- Businesses which are dependent on water and sewerage services are more concerned about hard selling (14%) than businesses which are not (8%);
- WoC customers are more likely to be concerned about mis-selling than WaSC customers (15% compared to 9%); and
- Concern about mis-selling increases with business size - 9% of micro-businesses ranging up to 21% of large businesses.

11.5.4 Seventeen percent of businesses that have contacted their water or sewerage company are concerned with the potential impact of competition on performance/ service levels, compared to 7% who have not contacted them.

11.6 Interest in Changing Supplier

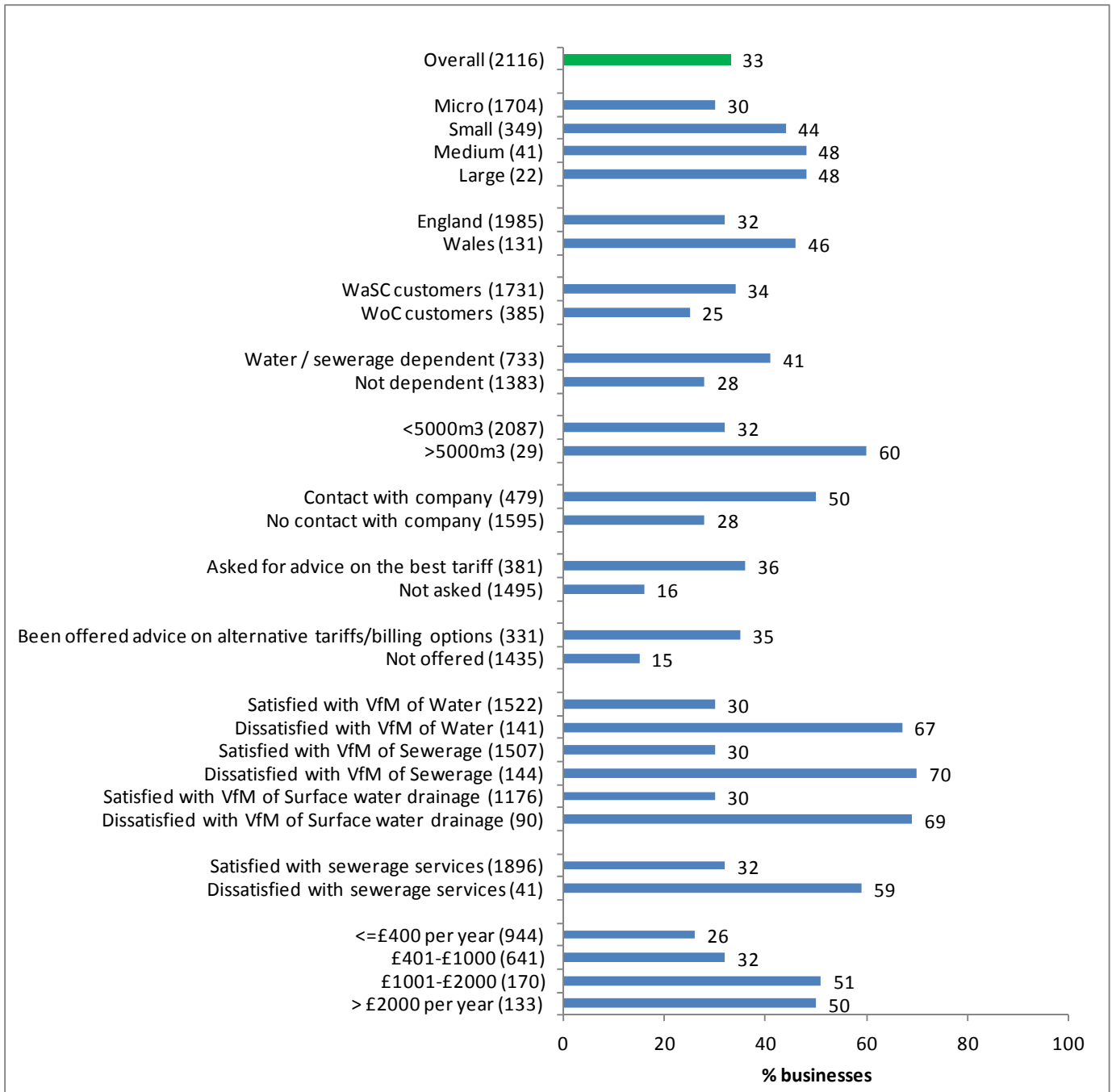
11.6.1 Businesses were asked whether, in principle, they would be interested in changing supplier. A third of businesses (33%) are interested but half (50%) are not. The proportion of businesses interested in changing supplier, by business type, is shown in Figure 55.

Table 39 In principle, would you be interested in changing supplier?

	Overall Percent (%)
Yes	33
No	50
Don't know	18
Base	2116

Base: 2116 All businesses. Weighted.

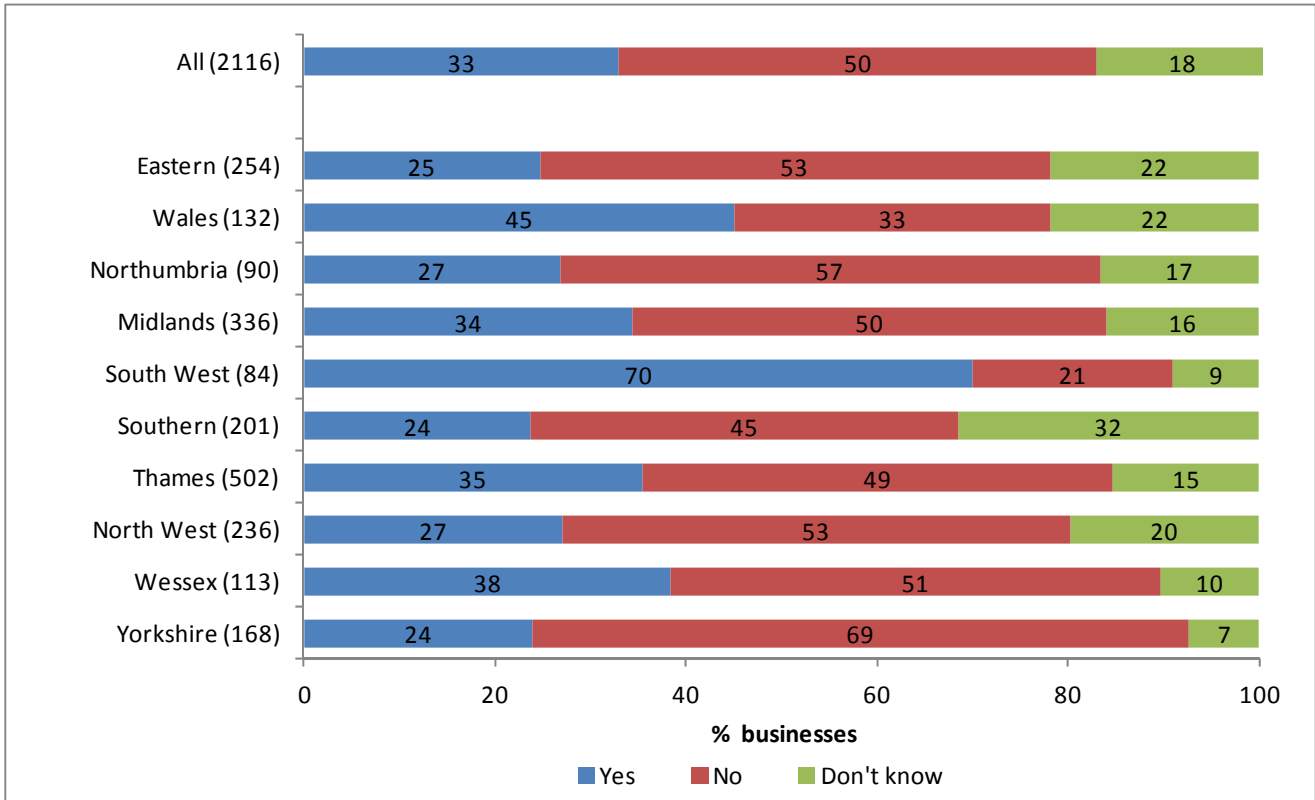
Figure 55 Interested in changing supplier by business type



Weighted.

11.6.2 Businesses in the South West (70%) are most interested in changing supplier compared to those in Southern (24%) and Yorkshire (24%) (see Figure 56).

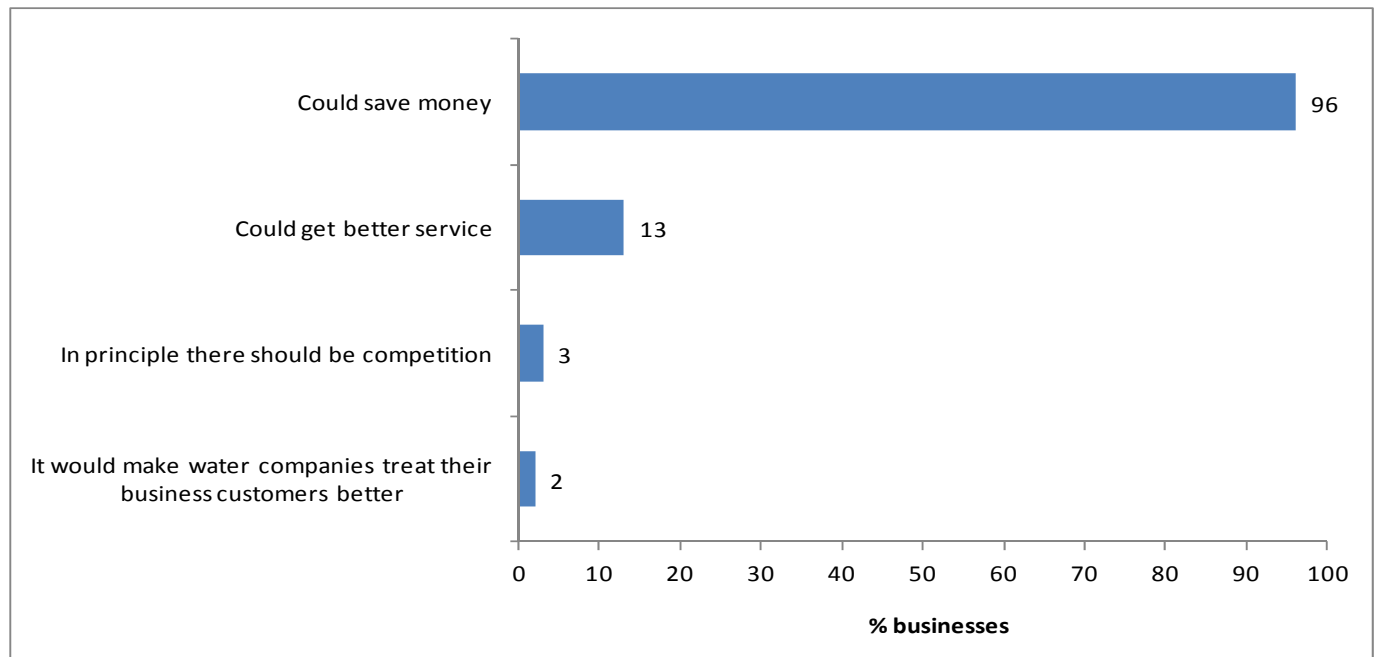
Figure 56 In principle, would you be interested in changing supplier?



Base: 2116 All businesses. Weighted.

11.7 Reasons for Changing Supplier

11.7.1 Respondents that are interested in changing supplier were asked the reasons why. The vast majority of businesses (96%) said they are interested because they could save money. Thirteen percent also feel they might get better service.

Figure 57 Why would you be interested in changing supplier?

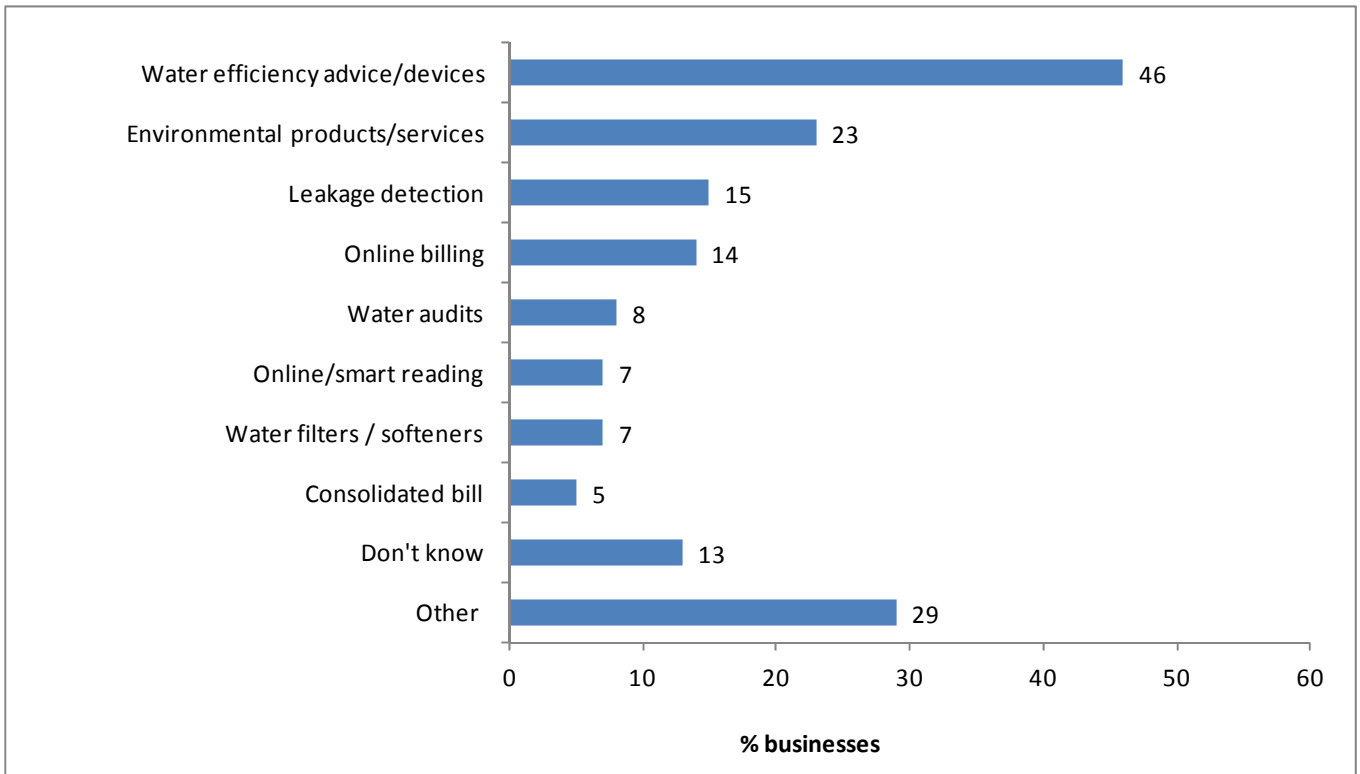
Base: 693. Businesses potentially interested in changing supplier. Weighted.

- 11.7.2 More than 9 out of 10 respondents would be interested in changing supplier to save money in every region except the North West (88%). However, it should be noted that 74% of respondents in the North West stated that they have no concerns about competition in the water industry, and 90% agree that competition is a good thing so this does not appear to have affected overall support for the idea.
- 11.7.3 Although businesses in the South West are generally satisfied with value for money of services (Chapter 5), Figure 56 shows that they would still be interested in changing supplier, and all (100%) of these businesses stated it would be in order to save money.
- 11.7.4 Of those businesses interested in changing supplier, a quarter of businesses in Northumbria think they will get better service if they changed supplier (25%), compared to 2% of businesses in Eastern.
- 11.7.5 Ninety seven percent of WaSC customers think changing supplier will save them money, compared to 92% of WoC customers.
- 11.7.6 Almost all businesses who have not contacted their water / sewerage company think changing supplier would save them money (98%), compared to 94% of businesses who have contacted their supplier.
- 11.7.7 There were no significant differences between different sized businesses.

11.8 Service Expectations from a New Supplier

- 11.8.1 Businesses that said they would change supplier to get a better service, or that competition would make water companies treat their business customers better, were asked what service improvements they would expect.
- 11.8.2 Figure 55 shows that 46% expect water efficiency advice/devices, 23% environmental products or services, 15% expect leakage detection, and 14% expect online billing. Businesses were prompted if they were unable to think of a response.

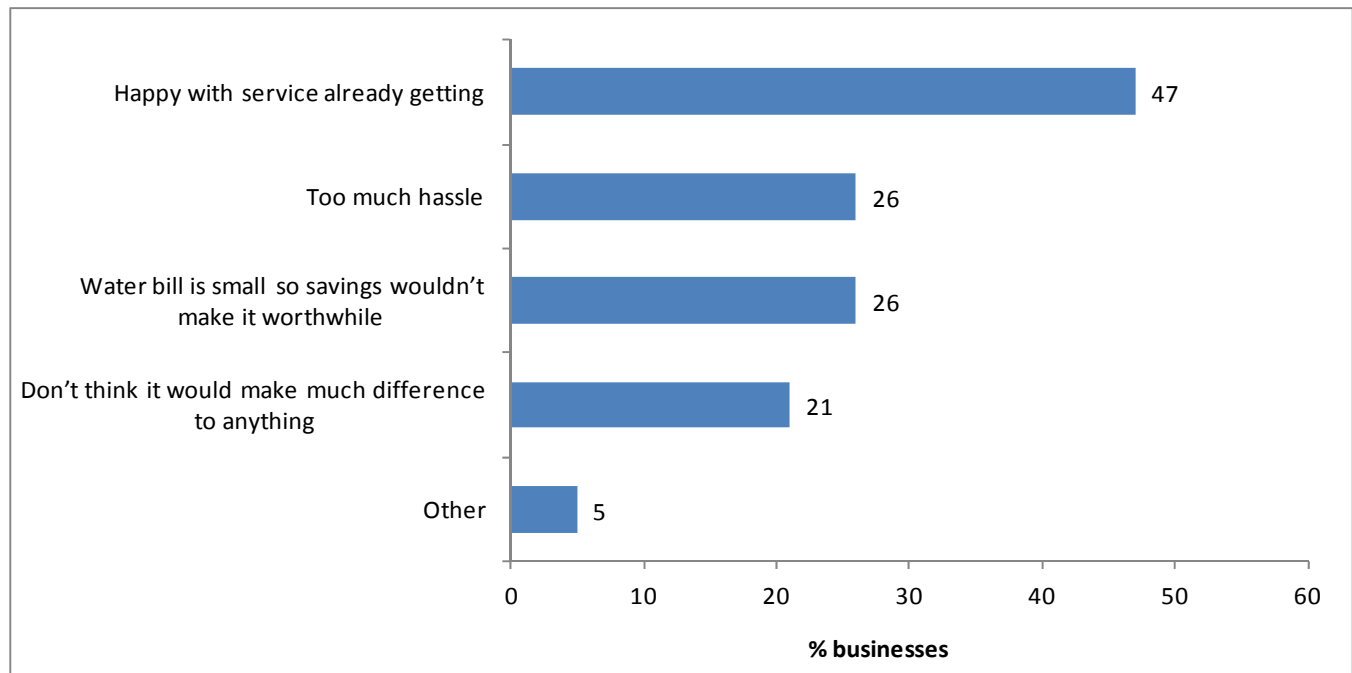
Figure 58 What better service would you expect if you changed supplier?



Base: 97 Businesses that would expect better service from changing supplier. Weighted.

11.9 Lack of Interest in Changing Supplier

11.9.1 Of the respondents not interested in changing supplier (50% - shown in Table 40) just under half (47%) said this was because they are happy with the service they were already getting. A quarter (26%) said they are not interested because it is too much hassle or their water bill is so small the savings would not make it worthwhile.

Figure 59 Why wouldn't you be interested in changing supplier?

Base: 1051 Businesses not interested in changing supplier. Weighted.

- 11.9.2 Sixty five percent of businesses in the South West said it is too much hassle to change supplier, compared to only 9% of businesses in Wales and the North West.
- 11.9.3 Twenty seven percent of businesses in England also said it is too much hassle to change supplier, compared to only 9% of those in Wales.
- 11.9.4 Over half of WoC customers said they are not interested in changing supplier because they are happy with the service they are currently getting (53%), compared to 45% of WaSC customers.
- 11.9.5 The proportion of businesses that think their water bill is so small that savings would not make it worthwhile changing supplier, declines with business size (micro 28%, small 18%, medium 11%, large 3%).

11.10 Bill Saving Required to Prompt Supplier Change

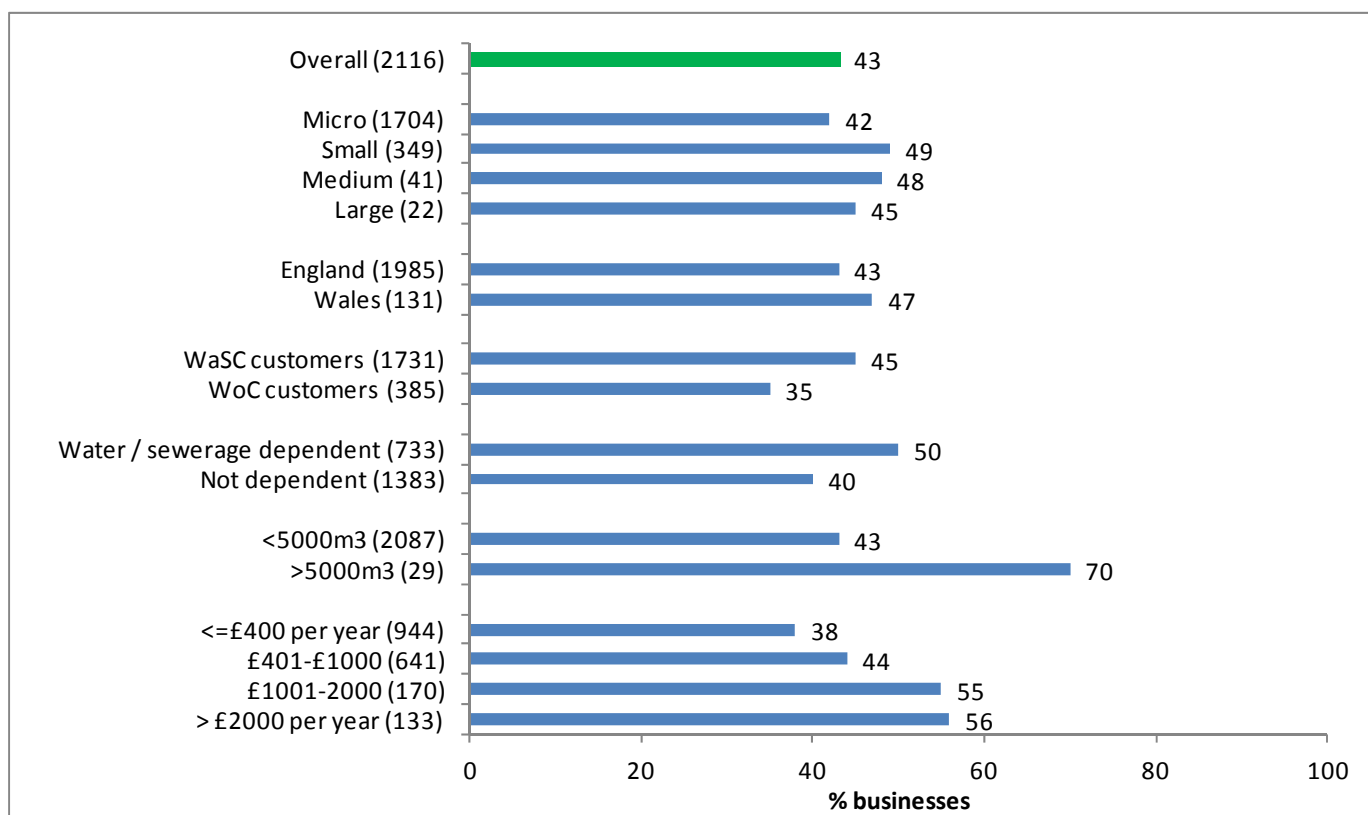
- 11.10.1 All respondents were asked what percentage saving on their water and sewerage charges would prompt them to switch supplier. Whilst a third of businesses (33%) said they would not change their water supplier to save money, over two fifths (43%) said they would switch in order to receive a cost saving. Eleven percent of businesses would change only for service and not on price.
- 11.10.2 Figure 60 shows the proportion of businesses that would switch supplier to save money by business type.

Table 40 Proportion of businesses which would switch to save money or for a better service

	Overall Percent (%)
I would not switch	33
Saving entered	43
I would not switch on price, only for service	11
Don't know	13
Base	2116

Base: 2116 All businesses. Weighted.

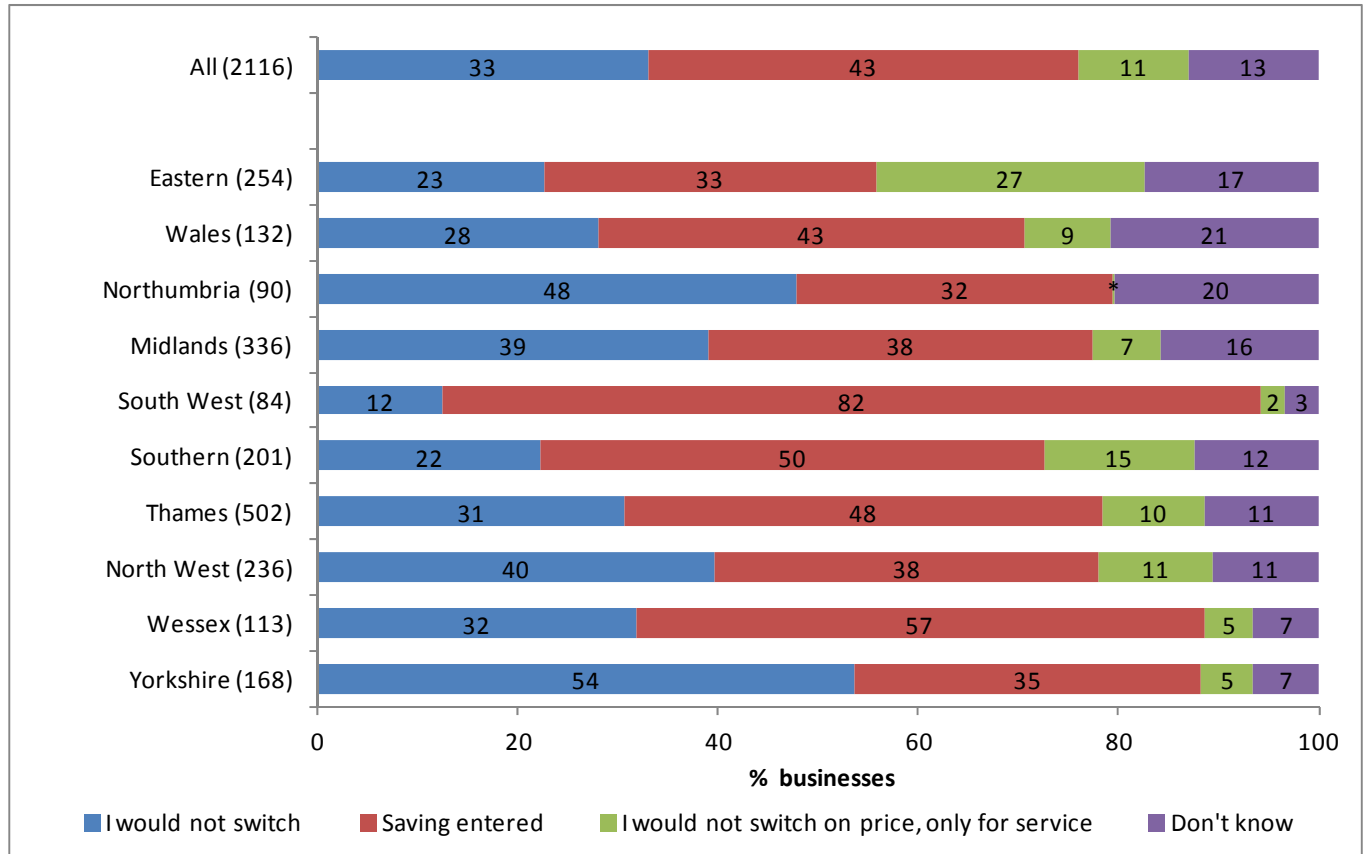
Figure 60 Proportion of businesses which would switch to save money by business type



Weighted. Results by business size are not statistically significant. Results by England and Wales are not statistically significant.

11.10.3 Businesses in the South West (82%) are most likely to switch supplier to save money, compared to businesses in Northumbria (32%) (Figure 61).

Figure 61 Proportion of businesses which would switch to save money or for a better service by WASC region



Base: 2116 All businesses. Weighted.

11.10.4 Businesses that said they would change water supplier for a cost saving, were asked what the minimum level of saving they would require was.

11.10.5 The median level of saving was 15%, with the minimum being 5% and the maximum 80%.

Table 41 Average percentage saving required to prompt change of water and sewerage supplier

Saving required to change water and sewerage supplier:		
Mean		17.9
Mode		10.0
Median		15.0
Minimum		5.0
Maximum		80.0
Count		920

Base: 920 Businesses that would switch depending on percentage saving. Weighted.

11.10.6 Almost two fifths (39%) of businesses want a 10% saving in their water and sewerage supplier, with 23% wanting a 20% saving.

Table 42 Percentage saving required to change water and sewerage supplier

Percentage saving required	Overall Percent (%)
5	7
7	1
8	*
9	*
10	39
11	0
12	0
15	7
20	23
22	*
25	9
30	5
33	*
35	1
40	1
50	5
60	1
80	*
Total	920

Base: 920 Businesses that would change supplier for a cost saving. Weighted.

* denotes any value less than half a percent but greater than zero.

11.11 Changing Energy Supplier

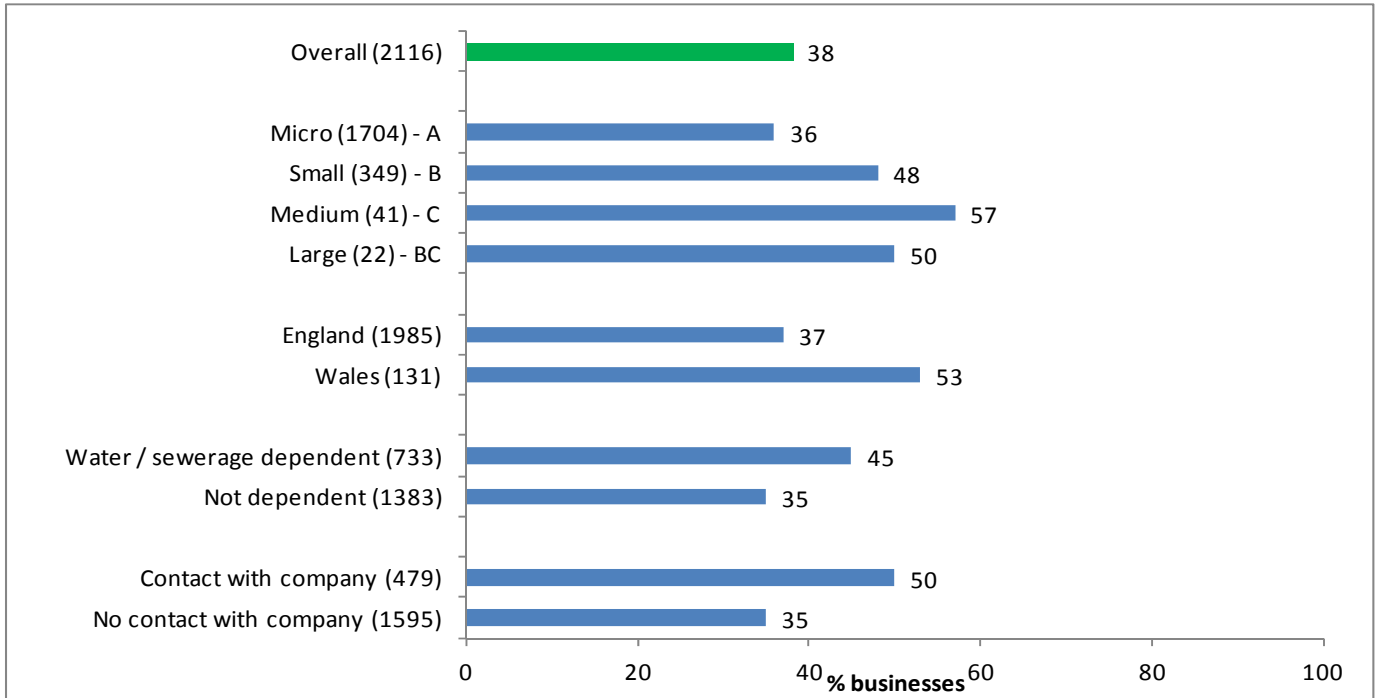
11.11.1 Just over a third (38%) of businesses have changed their energy supplier. Businesses most likely to have changed their energy supplier are shown in Figure 62.

Table 43 Has your company ever changed its energy supplier?

	Overall Percent (%)
Yes	38
No	55
Don't know	7
Base	2116

Base: 2116 All businesses. Weighted.

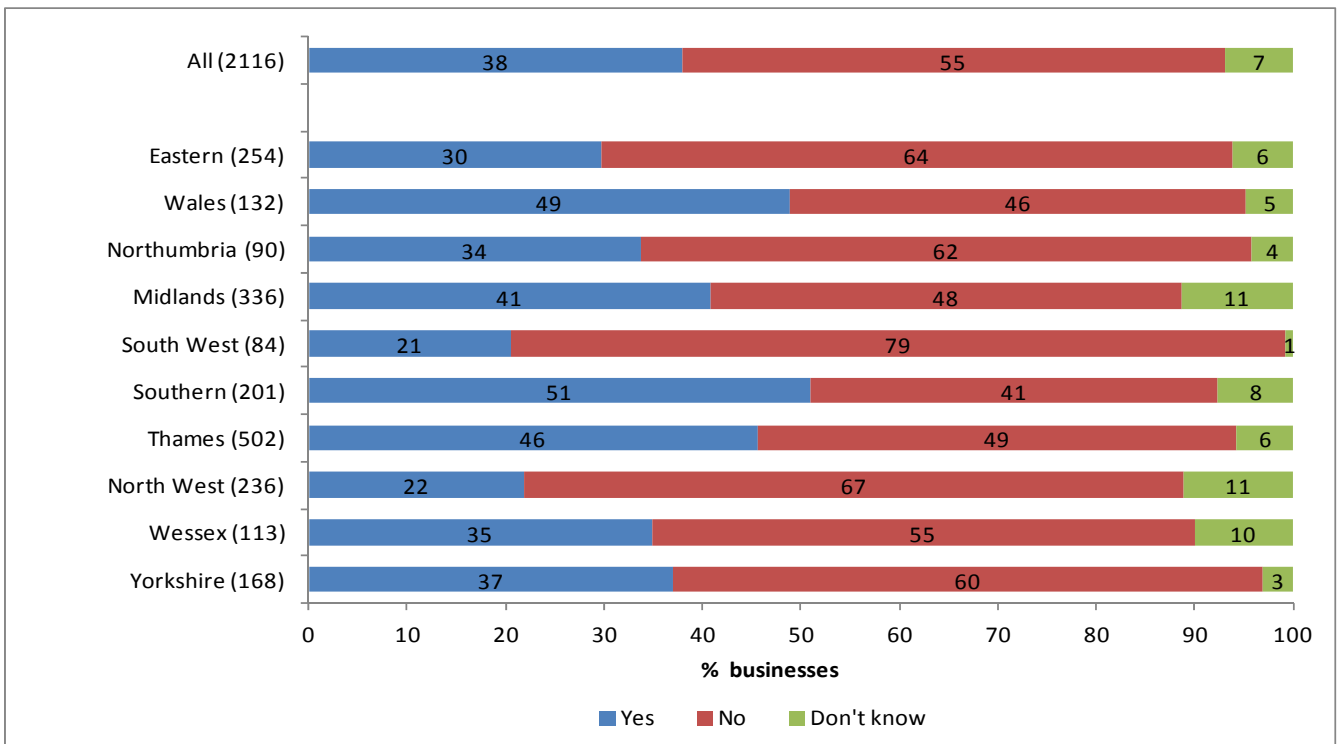
Figure 62 Proportion of businesses which have changed energy supplier by business type



Weighted

11.11.2 Businesses in the Southern region (51%) are most likely to have changed energy supplier and those in the South West (21%) least likely (see Figure 63).

Figure 63 Proportion of businesses which have changed energy supplier by WASC region



Base: 2116 All businesses. Weighted.

11.12 Frequency of Changing Energy Supplier

11.12.1 Businesses which have switched energy supplier were asked how often they did this on average. Over a third (36%) of businesses said they change their energy supplier depending on the contract or deal they sign with their energy company. A quarter (25%) said they change more than every two years.

Table 44 On average, how often does your business switch its energy supplier?

	Overall Percent (%)	England or Wales? (%)	
		England	Wales
Less than every 6 months	1	1	*
6 Monthly	*	*	*
Yearly	16	16	17
Every two years	17	19	1
More than every two years	25	26	15
Depends on what contract/deal we sign with energy companies	36	35	55
Don't know	4	4	11
Base	810	740	70

Base: 810 Businesses which have changed energy supplier. Weighted.

* denotes any value less than half a percent but greater than zero.

11.12.2 Businesses in Wales are more likely to change their energy supplier, depending on the contract or deal they had, than those in England (55% compared to 35%).

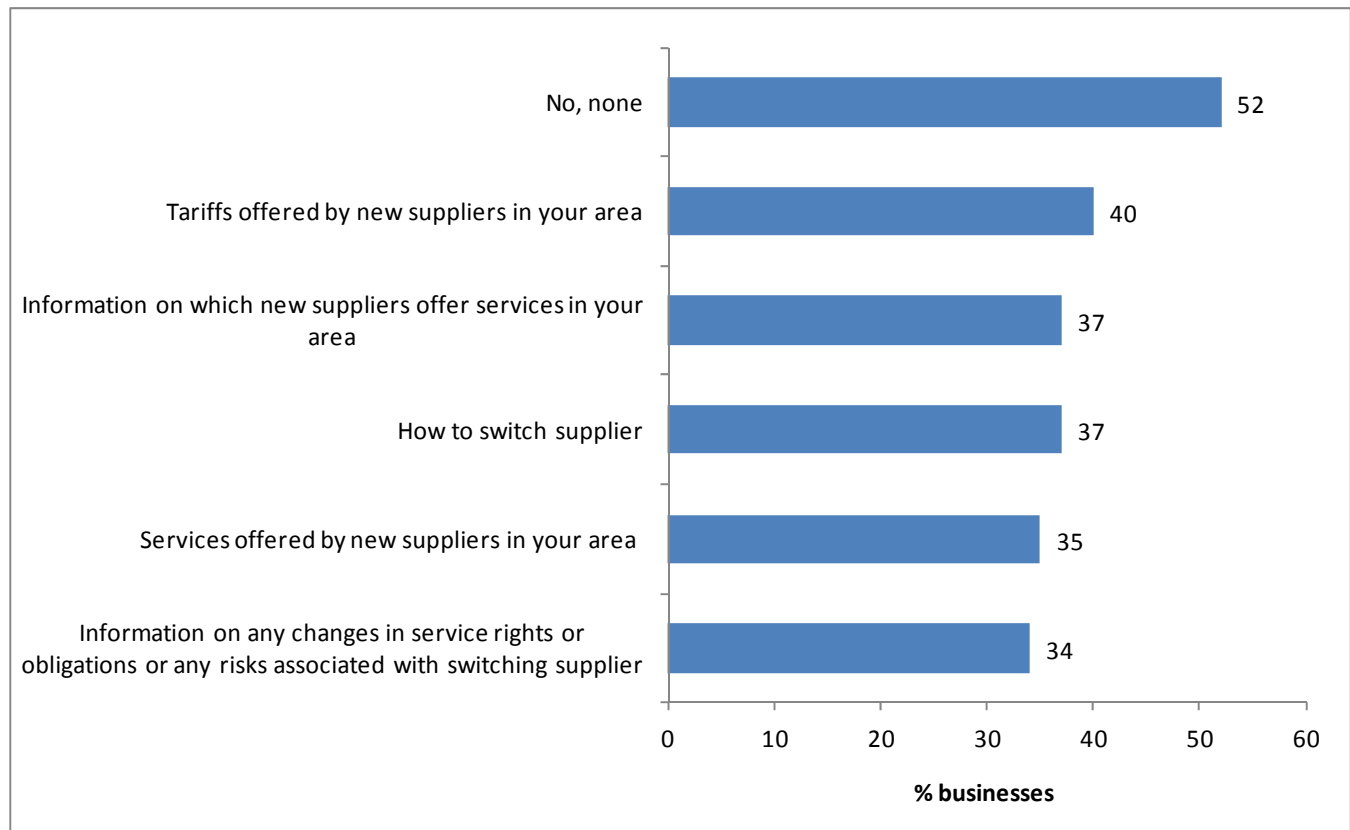
11.12.3 Six out of ten businesses (60%) in Wales have changed their energy supplier, depending on the contract or deal they have with them, compared to 22% of businesses in the Thames region.

11.13 Interest in receiving information on competition in water industry

11.13.1 Businesses were asked if, in principle, they would be interested in receiving any information about competition in the water industry. Figure 64 shows that over half (52%) of businesses are not interested in receiving information on competition in the water industry.

11.13.2 Overall, two fifths of businesses (40%) would like to receive information on tariffs offered by new suppliers in their area, and 37% each want information on which new suppliers are offering services in their area, and how to switch supplier.

Figure 64 In principle, would you be interested in receiving any of the following types of information about competition in the water industry?



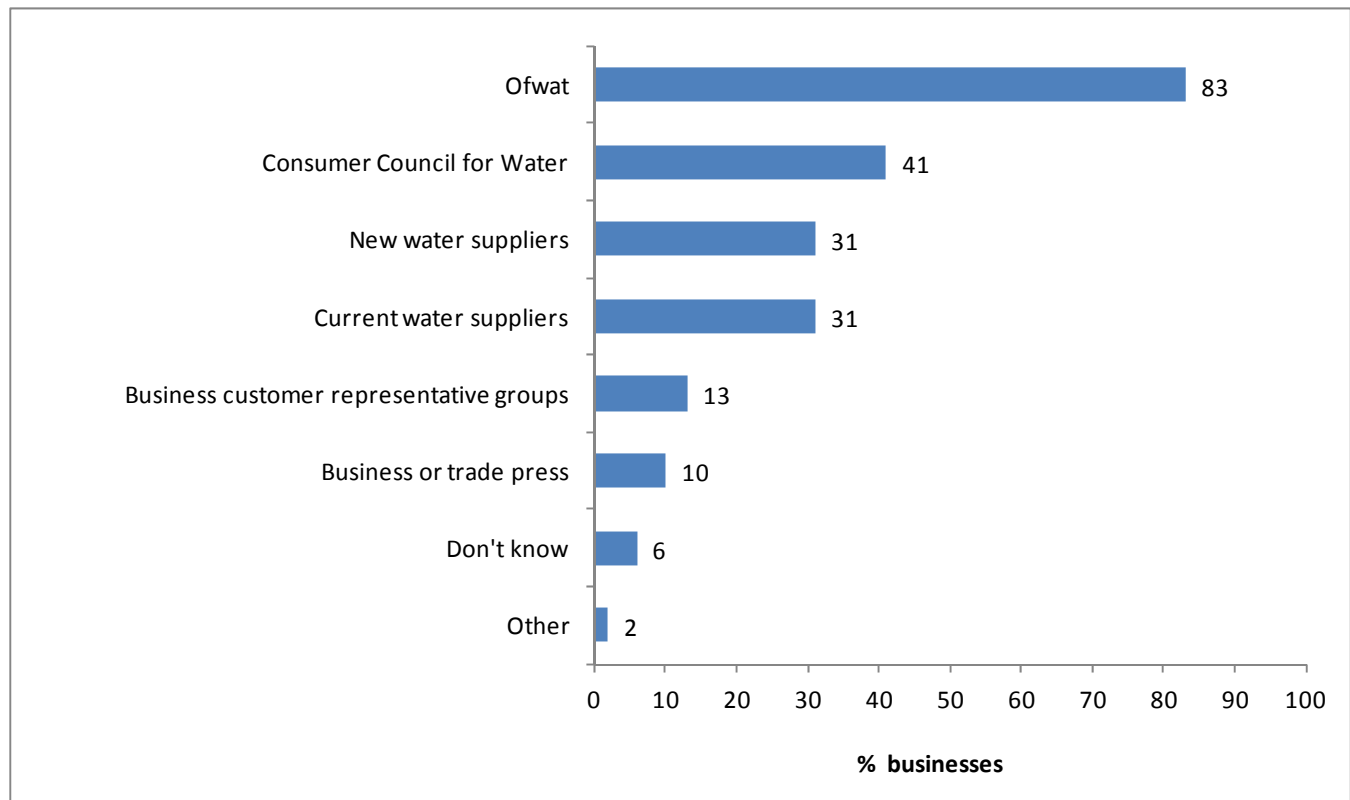
Base: 2116 All businesses. Weighted.

11.13.3 The following variations existed amongst different business types:

- Businesses in Northumbria, Yorkshire and the North West are least likely to be interested in information (65%, 63% and 62% respectively). Businesses in the South West are more likely to be receptive to information than other WaSC regions with the lowest proportion - 30% - stating they do not want to receive any information;
- Seven out of ten businesses in the South West (70%) want information on tariffs offered by new suppliers in their area, compared to 26% in Northumbria;
- Over half of micro-businesses do not want any information on competition in the water industry (55%), compared to 41% of small and medium businesses and 34% of large businesses; and
- WaSC customers are more likely than WoC customers to want information on tariffs offered by new suppliers in the area (41% compared to 34%).

11.14 Provider of Information on Competition in Water Industry

11.14.1 Businesses that are interested in receiving information on competition were asked who they would like to provide it. Responses were prompted. The majority (83%) of businesses would like Ofwat to provide them with information; two fifths would like the information to be provided by CCWater (41%), and 31% each want new or current water suppliers to inform them.

Figure 65 Who would you like to provide you with this information?

Base: 1009 Businesses interested in receiving information on competition in the water industry. Weighted.

11.14.2 The following variation resulted across different business types:

- Businesses in the South West are more likely than those in Wales to want Ofwat to provide them with information (99% and 69% respectively). Ninety three percent in the South West want CCWater to provide them with information, compared to just over a fifth in the Eastern region (22%);
- Eighty three percent of businesses in England want Ofwat to provide them with information on competition in the water industry, compared to 70% of businesses in Wales;
- Businesses that have contacted their water or sewerage company are more likely to prefer CCWater to provide them with information (46% compared to 38% of non-contactors); and
- Businesses that are dependent on water and sewerage services are more likely to want CCWater to provide them with information (48%), compared to those that are not dependent (39%).

11.15 Improvements to the Overall Service Provided by the Water and/or Sewerage Company

11.15.1 Finally, businesses were asked if they could make one single overall improvement to the service provided by their water and/or sewerage company, what it would be. Just over half (53%) did not specify an improvement, either because they felt there were no problems to address, things were okay or they are happy, or they felt they did not know or could not comment. However, 47% specified an improvement, as shown in Table 45.

Table 45 If you could make one single improvement to the overall service provided by your water company what would it be?

Other Comments	Frequency (n)	Overall Percent (%)
Nothing / No problems	688	34
Cheaper bills	500	25
OK / happy as is	172	8
Better communication	81	4
Better customer relations / service	75	4
Better water quality / taste	67	3
More information	65	3
Clearer / more accurate billing	54	3
Better water pressure	37	2
Quicker / efficient service / repairs	34	2
Water / smart meters	21	1
Sewerage concerns	17	1
Electronic readings / billings	10	*
Improvement infrastructure	5	*
No comment	126	6
Don't know	101	5
Other	93	5
Base (unweighted)	2029	-

Base: 2029 All businesses. Unweighted. Some responses fall into more than one category.

* denotes any value less than half a percent but greater than zero.

11.15.2 Over a third of businesses (34%) have no problems or improvements they want to make to the service provided by their water company.

“Don't think there is anything to change at all, we seem quite happy with the company right now.” (Midlands, Administrative and support service activities, 100-250 employees)

“No problems with them, we haven't had a service failure and everything seems ok so we don't need really need anything improving.” (Thames, Professional, scientific and technical activities, 1-9 employees)

“Nothing at all, great company and I have no problems with it.” (Midlands, Accommodation and food service activities, 1-9 employees)

11.15.3 A quarter (25%) want a cheaper service.

“Be cheaper, because looking at the amount we use and spend its horrendously expensive” (Yorkshire, Accommodation and food service activities, 10-49 employees)

“Cost. We all want to have a fair deal but understand that everything costs money- it would make a huge difference to us if bills were lower” (Wessex, Education, 50-99 employees)

“Costs are the main concern otherwise happy with service” (Midlands, Professional, scientific and technical activities, 10-49 employees)

“I would only want cheaper water. The cost of water supplied should be less and subsidized for businesses” (Southern, Manufacturing, 100-250 employees)

11.15.4 Four percent of businesses each want better communications or better customer relations / service.

“Better communication needed between the customer and people dealing with enquires, sometimes get pushed from pillar to post.” (North West, Education, 100-250 employees)

“Better customer relations and faster response to problems.” (Southern, Education, 100-250 employees)

“I would prefer better customer service from the water and sewerage company. They should take the opinions of their customers more often.” (Southern, Accommodation and food service activities, 50-99 employees)

“Provide a better and more understanding customer service.” (Midlands, Accommodation and food service activities, 10-49 employees)

Chapter 12 – Profile of Businesses

12 Profile of Businesses

12.1 Introduction

12.1.1 This chapter pulls together findings for business size by number of employees. Generally, findings for different sized businesses are consistent on key measures such as satisfaction with service and value for money of services. The exception is value for money of surface water drainage services where large businesses are significantly more satisfied than other business sizes (Figure 15). However there are some trends by business size which are evident and these are summarised below in stand-alone summaries and illustrated in Figures 66 and 67.

12.2 Micro-businesses – A General Perspective

- 12.2.1 Micro-businesses have 1 to 9 employees, and formed 27% of the sample before weighting. They constitute 81% of all businesses in England and Wales, and so the micro-business sample was weighted to represent 81% of the research sample.
- 12.2.2 Micro-businesses are a very diverse group in terms of business type and requirements for water and sewerage services. Whilst bearing this in mind, we can make some generalisations about them based on the findings of this research.
- 12.2.3 Micro-businesses are significantly less likely to consider they are dependent on water and sewerage services to operate than small, medium and large businesses. Even so, more than three-quarters (77%) say that they depend on services (compared to 90% plus for other business types).
- 12.2.4 Bill clarity is a bigger issue for micro-businesses than it is for medium and large businesses although less so than for small businesses. Around three quarters of micro-businesses think their bills are clear about how much needs to be paid and when (77% compared to 86% and 88% for medium and large), and how the amount payable has been calculated (74% compared to 80% and 87% of medium and large).
- 12.2.5 Evidence from the qualitative interviews suggests that many businesses, particularly low water users and micro-businesses, do not study their bill in detail, or give much attention to how costs have been calculated. Despite initially claiming bills were transparent, on closer inspection of their bills they were unable to understand what they had been charged for.
- 12.2.6 In terms of awareness of information and billing options, micro-businesses are significantly less likely than small, medium and large businesses to read information sent to them by their water and/or sewerage company (65% compared to 77% to 83% for small, medium and large businesses).
- 12.2.7 They are also significantly less likely than other businesses types to have asked for advice/information from their water and/or sewerage service provider on the following;
- The best tariff for them (15% compared to 29% to 52% of small to large businesses),
 - Disposal of fats, oils and greases (21% compared to 33% of small and medium businesses, and 38% of large businesses); and
 - Advice on using water more efficiently (19% compared to 36% to 65% of small to medium businesses).
- 12.2.8 And they are significantly less likely to say they have been offered advice/information by their water and/or sewerage company about;
- Tariffs and billing options (13% compared to 22% of small, 35% of medium and 43% of large businesses);
 - Disposal of fats, oils and greases (14% compared to 28% of small, 34% of medium and 25% of large businesses); and
 - Using water more efficiently (15% compared to 29% of small, 36% of medium and 47% of large businesses).

- 12.2.9 Micro-businesses are also significantly least likely to be aware of the Guaranteed Standards Scheme which gives compensation for certain service failures.
- 12.2.10 Micro-businesses are less likely to have made contact than other business types. Twenty one percent of micros have made contact, less compared to small (25%) businesses, and significantly less than medium (42%) and large businesses (44%).
- 12.2.11 In summary, micro-businesses are least likely to read or ask for information about services and to make contact with their service provider – they are less engaged on these measures than other types of business. This could be because they are generally happy and have few issues. However, micro-businesses are also least likely to agree that their water and/or sewerage company cares about the service they give to business customers (55% agreeing compared to 61% of small, 69% of medium and 73% of large businesses). So there is a sense that the overall picture for micro-businesses is not as positive as it is for other business types. It's difficult to pin down exactly why this is because there are no significant differences between micro-businesses and other business types in views on value for money of services and satisfaction with services, or in terms of the likelihood of having experienced a service failure of some kind.
- 12.2.12 Finally, micro-businesses are significantly least likely to be interested in changing their water/and or sewerage service provider (30% compared to 44% of small, 48% of medium and 48% of large businesses). This is mainly because their water bills are smaller so they do not think it is worthwhile (28% micro, 18% small, 11% medium and 3% large).

12.3 Small businesses – A General Perspective

- 12.3.1 Small businesses have 10 to 49 employees, and formed 28% of the sample before weighting. They constitute 16% of all businesses in England and Wales, and so the small business sample was weighted to represent 16% of the research sample.
- 12.3.2 Nine out of ten (90%) small businesses consider they are dependent on water and sewerage services to operate; this is significantly more than micro-businesses (77%), but significantly less than medium (98%) and large businesses (97%).
- 12.3.3 Like micro-businesses, bill clarity is a bigger issue for small businesses than it is for medium and large businesses. Three quarters (75%) of small businesses think their bills are clear about how much needs to be paid and when, similar to those of micro-businesses (77%), but significantly less compared to medium (86%) and large (88%) businesses. Similarly, just less than a quarter (72%) of small businesses feel it is clear how the amount payable has been calculated, only slightly lower than micro-businesses (74%), but significantly less than medium (80%) and large (87%) businesses.
- 12.3.4 In terms of awareness of information and billing options, small businesses are similar to medium and large businesses in terms of likelihood of reading information sent to them by their water and/or sewerage company (77% compared 83% of medium and large businesses). However, they are significantly more likely to read information than micro-businesses (65%).
- 12.3.5 Small businesses are generally more likely than micro-businesses, but less likely than medium and large to have asked for advice/information from their water and/or sewerage service provider on the following;
- The best tariff for them (29% - significantly more compared to micro-businesses (15%), but significantly less than medium (41%) and large (52%) businesses,
 - Disposal of fats, oils and greases (36% - significantly more than micro-businesses (21%), and similar to medium (38%) and large businesses (32%); and
 - Advice on using water more efficiently (36% - significantly more than micro-businesses (19%) but significantly less than medium (50%) and large (65%) businesses.
- 12.3.6 And they are generally more likely to say they have been offered advice/information by their water and/or sewerage company around the following aspects compared to micro-businesses (but similar or less likely than medium and large businesses);
- Tariffs and billing options (22% - significantly more than micro-businesses (13%), but significantly less than medium (35%) and large businesses (43%);

- Disposal of fats, oils and greases (28% - significantly more than micro-businesses (14%), and similar to medium (34%) and large (25%) businesses; and
- Using water more efficiently (29% - significantly more than micro-businesses (15%), similar to medium businesses (36%) but significantly less than large businesses (47%).

- 12.3.7 Small businesses are significantly more likely to be aware of the Guaranteed Standards Scheme (33%) than micro-businesses (21%), but similar awareness exists amongst medium (33%) and large (38%) businesses.
- 12.3.8 One quarter of small businesses have made contact with their water and/or sewerage company, similar to micro-businesses (21%) but significantly less than medium (42%) and large (44%) businesses.
- 12.3.9 In summary, small businesses are generally more likely to read or ask for information about services and to make contact with their service provider than micro-businesses, but less than medium and large businesses. This could be because they are generally happy and have few issues – 61% agree that their water and/or sewerage company cares about the service they give to business customers (slightly higher than micro-businesses (55%) but less than medium (69%) and large (73%) businesses).
- 12.3.10 Finally, small businesses are similar to medium and large businesses in terms of interest in changing their water/and or sewerage service provider (44% compared to 48% of medium and large businesses), but significantly more interested than micro-businesses (30%). This is mainly as they see it as an opportunity to save money.

12.4 Medium Businesses – A General Perspective

- 12.4.1 Medium businesses have 50 to 99 employees, and formed 22% of the sample before weighting. They constitute 2% of all businesses in England and Wales, and so the medium business sample was weighted to represent 2% of the research sample.
- 12.4.2 Medium businesses (98%), alongside large businesses (97%), are significantly more likely to consider they are dependent on water and sewerage services to operate than small (90%) and micro-businesses (77%).
- 12.4.3 Bill clarity is less of an issue for medium and large businesses than it is for small and micro-businesses. Eighty-six percent of medium businesses think their bills are clear about how much needs to be paid and when, similar to large businesses (88%), but significantly more compared to small (75%) and micro-businesses (77%). Similarly, 80% of medium businesses feel it is clear how the amount payable has been calculated, less than large businesses (87%), but significantly more than small (72%) and micro-businesses (74%).
- 12.4.4 In terms of awareness of information and billing options, medium businesses are similar to small and large businesses in terms of likelihood of reading information sent to them by their water and/or sewerage company (83% compared 77% of small and 83% of large businesses). However, they are significantly more likely to read information than micro-businesses (65%).
- 12.4.5 Medium businesses are generally more likely than small and micro-businesses to have asked for advice/information from their water and/or sewerage service provider on the following;
- The best tariff for them (41% - significantly more compared to micro (15%) and small (29%) businesses, but significantly less than large (52%) businesses,
 - Disposal of fats, oils and greases (38% - significantly more than micro-businesses (21%), and similar to small (36%) and large businesses (32%); and
 - Advice on using water more efficiently (50% - significantly more than micro (19%) and small businesses (36%) but significantly less than large (65%) businesses.
- 12.4.6 And they are generally more likely to say they have been offered advice/information by their water and/or sewerage company around the following aspects compared to micro and small businesses;
- Tariffs and billing options (35% - significantly more than micro (13%) and small (22%) businesses, but significantly less than large businesses (43%);

- Disposal of fats, oils and greases (34% - significantly more than micro-businesses (14%), and similar to small (28%) and large (25%) businesses; and
- Using water more efficiently (36% - significantly more than micro-businesses (15%), similar to small businesses (36%) but significantly less than large businesses (47%).

- 12.4.7 Medium businesses are significantly more likely to be aware of the Guaranteed Standards Scheme (33%) than micro-businesses (21%), but similar awareness exists amongst small (33%) and large (38%) businesses.
- 12.4.8 More than two-fifths (42%) of medium businesses have made contact with their water and/or sewerage company, similar to large businesses (44%) but significantly more than small (25%) and micro-businesses (21%).
- 12.4.9 In summary, medium businesses are generally more likely to read or ask for information about services and to make contact with their service provider than micro and small businesses, but less than large businesses. This could be because they are generally less happy and have more issues than small and micro-businesses. However, 69% agree that their water and/or sewerage company cares about the service they give to business customers (significantly higher than micro-businesses (55%), but similar to small (61%) and large (73%) businesses).
- 12.4.10 Finally, medium businesses are similar to small and large businesses in terms of interest in changing their water/and or sewerage service provider (48% - the same as large businesses, and similar to small (44%) businesses), but significantly more interested than micro-businesses (30%). This is mainly as they see it as an opportunity to save money.

12.5 Large Businesses – A General Perspective

- 12.5.1 Large businesses have 100 to 250 employees, and formed 24% of the sample before weighting. They constitute 1% of all businesses in England and Wales, and so the large business sample was weighted to represent 1% of the research sample.
- 12.5.2 Large businesses (97%), alongside medium businesses (98%), are significantly more likely to consider they are dependent on water and sewerage services to operate than small (90%) and micro-businesses (77%).
- 12.5.3 Bill clarity is less of an issue for large and medium businesses than it is for small and micro-businesses. Eighty-eight percent of large businesses think their bills are clear about how much needs to be paid and when, similar to medium businesses (86%), but significantly more compared to small (75%) and micro-businesses (77%). Similarly, 87% of large businesses feel it is clear how the amount payable has been calculated, slightly more than medium businesses (80%), but significantly more than small (72%) and micro-businesses (74%).
- 12.5.4 In terms of awareness of information and billing options, large businesses are similar to small and medium businesses in terms of likelihood of reading information sent to them by their water and/or sewerage company (83% - the same for medium, and 77% for small businesses). However, they are significantly more likely to read information than micro-businesses (65%).
- 12.5.5 Large businesses are generally more likely than small and micro, and in most instances medium businesses, to have asked for advice/information from their water and/or sewerage service provider on the following;
- The best tariff for them (52% - significantly more than micro (15%), small (29%) and medium (41%) businesses,
 - Disposal of fats, oils and greases (32% - significantly more than micro-businesses (21%), and similar to small (36%) and medium businesses (38%); and
 - Advice on using water more efficiently (65% - significantly more than micro (19%), small (36%) and medium (50%) businesses.
- 12.5.6 And they are generally more likely to say they have been offered advice/information by their water and/or sewerage company around the following aspects compared to micro and small businesses (and in most instances medium businesses);
- Tariffs and billing options (43% - significantly more than micro (13%), small (22%) and medium businesses (35%);

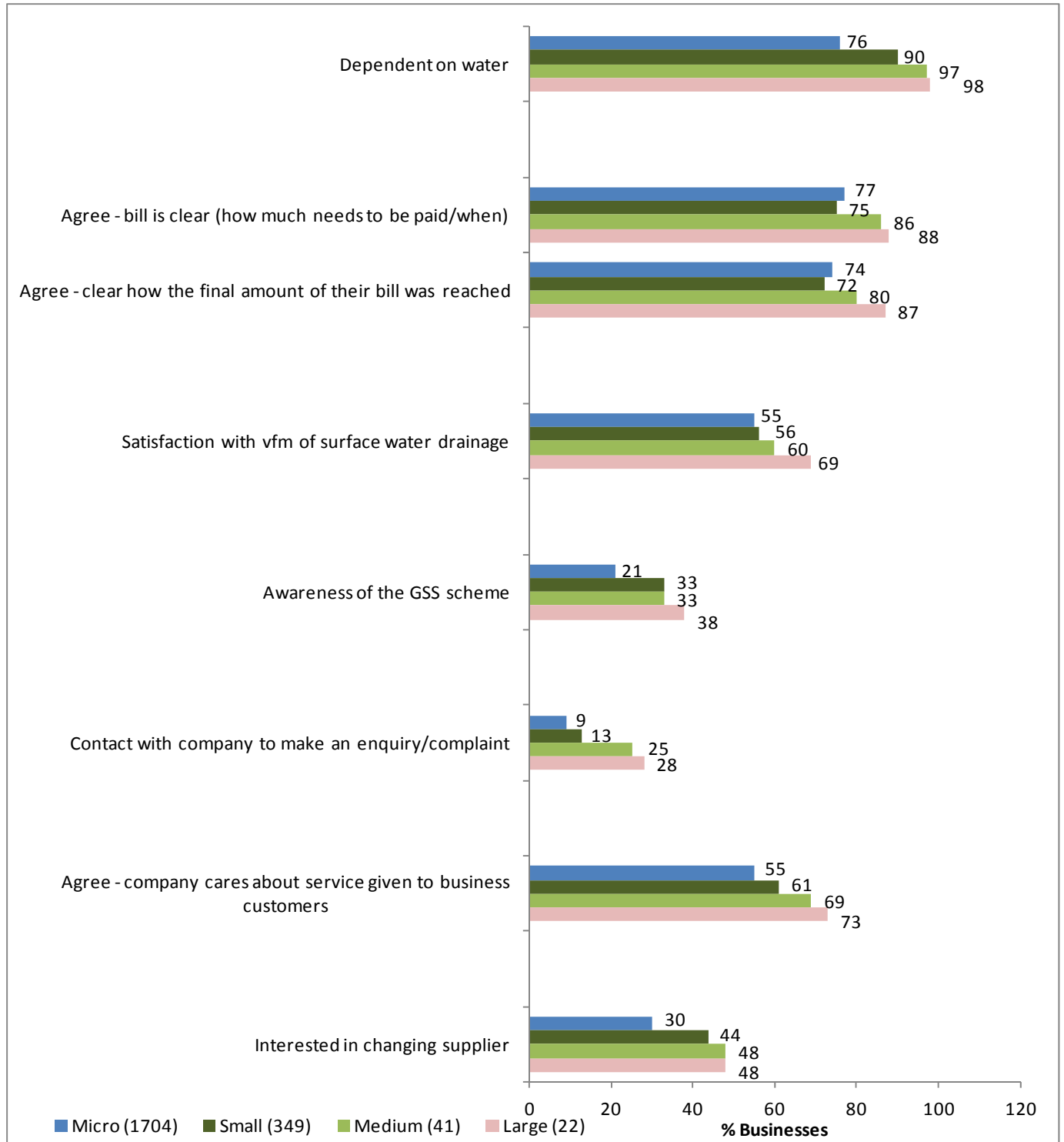
- Disposal of fats, oils and greases (25% - significantly more than micro-businesses (14%), and similar to small (28%) and medium (34%) businesses; and
- Using water more efficiently (47% - significantly more than micro (15%), small (29%) and medium (36%) businesses.

- 12.5.7 Awareness of the Guaranteed Standards Scheme which gives compensation for certain service failures is highest amongst large businesses (38%). Although not significantly higher than medium and small businesses (both 33%), it is significantly more than for micro-businesses (21%).
- 12.5.8 More than two-fifths (44%) of large businesses have made contact with their water and/or sewerage company, similar to medium businesses (42%) but significantly more than small (25%) and micro-businesses (21%).
- 12.5.9 In summary, large businesses are most likely to read or ask for information about services and to make contact with their service provider – they are more engaged on these measures than other types of business. Large businesses are most likely to agree that their water and/or sewerage company cares about the service they give to business customers (73% agreeing, similar to medium businesses (69%) but significantly more than small (61%) and micro-businesses (55%). So the overall picture for large businesses is more positive than it is for other business types. It's difficult to pin down exactly why this is because there are no significant differences between large businesses and other business types in views on value for money of services and satisfaction with services, or in terms of the likelihood of having experienced a service failure of some kind.
- 12.5.10 Finally, large businesses are similar to medium and small businesses in terms of interest in changing their water/and or sewerage service provider (48% - the same as medium businesses, and similar to small (44%) businesses), but significantly more interested than micro-businesses (30%). This is mainly as they see it as an opportunity to save money.

12.6 Differences Between Different Businesses Sizes

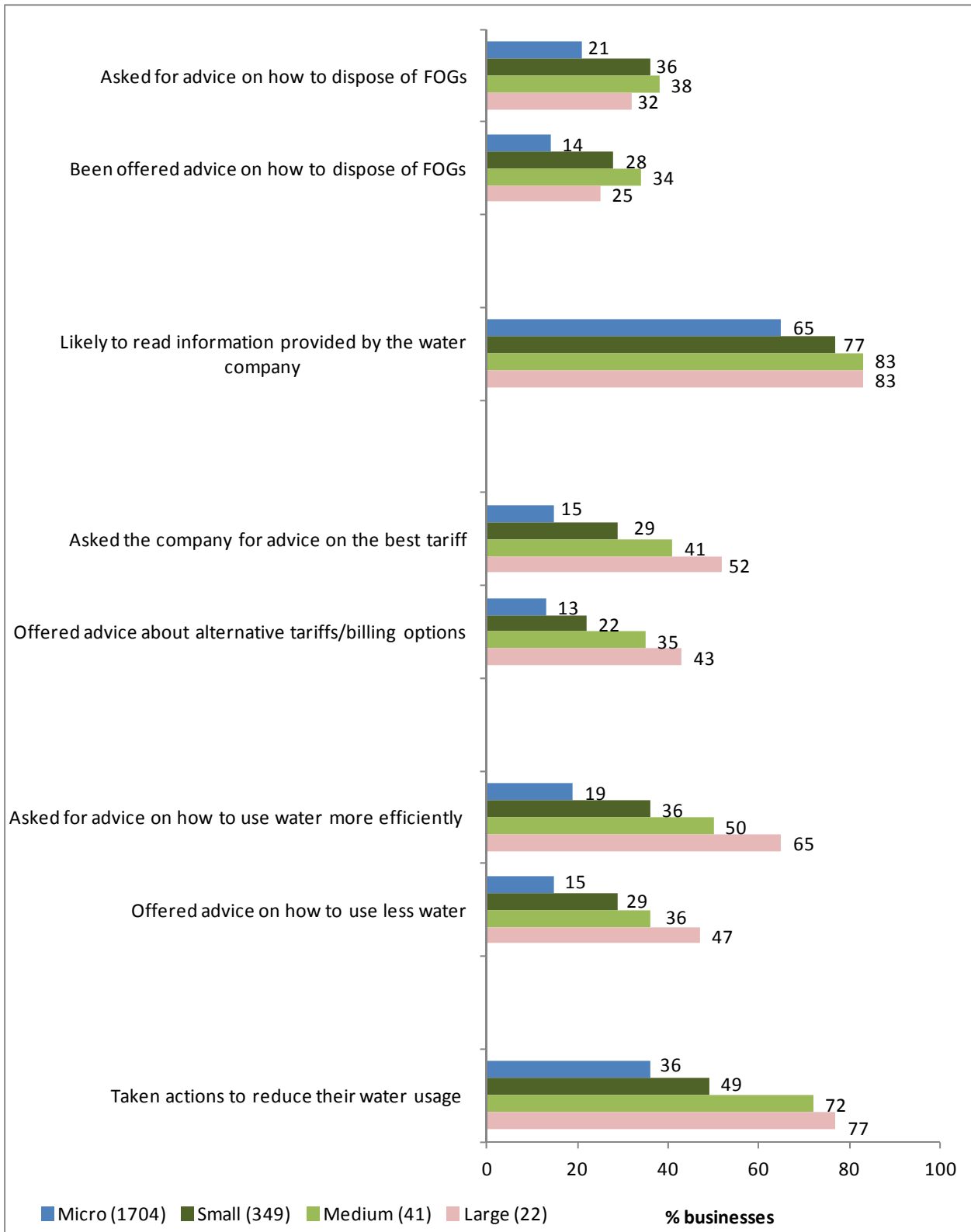
- 12.6.1 The proportion of businesses satisfied with services, value for money, and contact with their water and/or sewerage company (for a variety of reasons) generally increases with the size of business, as shown in Figures 63 and 64.

Figure 66 Key findings – Business size part 1



Figures in the chart are on weighted data (Base: Micro 1704, Small 349, Medium 41, Large 22). (Unweighted base: Micro 538, Small 571, Medium 441, Large 479).
 Dependency on water is self reported by businesses in this Figure.

Figure 67 Key findings (information aspects) – Business size part 2



Figures in the chart are on weighted data (Base: Micro 1704, Small 349, Medium 41, Large 22)
 (Unweighted base: Micro 538, Small 571, Medium 441, Large 479)

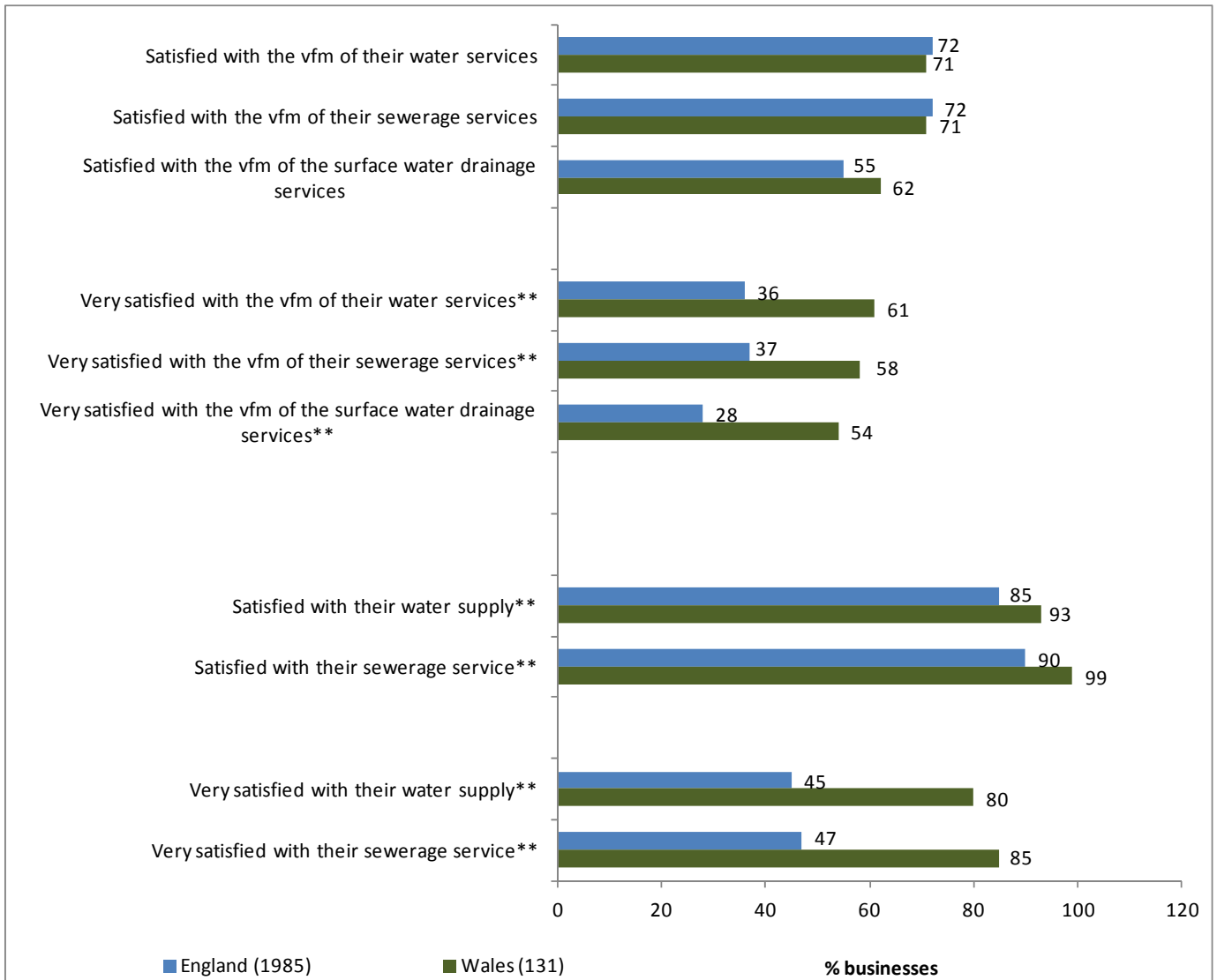
Chapter 13 – Significant differences between England and Wales

13 Significant differences between England and Wales

13.1 Significant differences between England and Wales

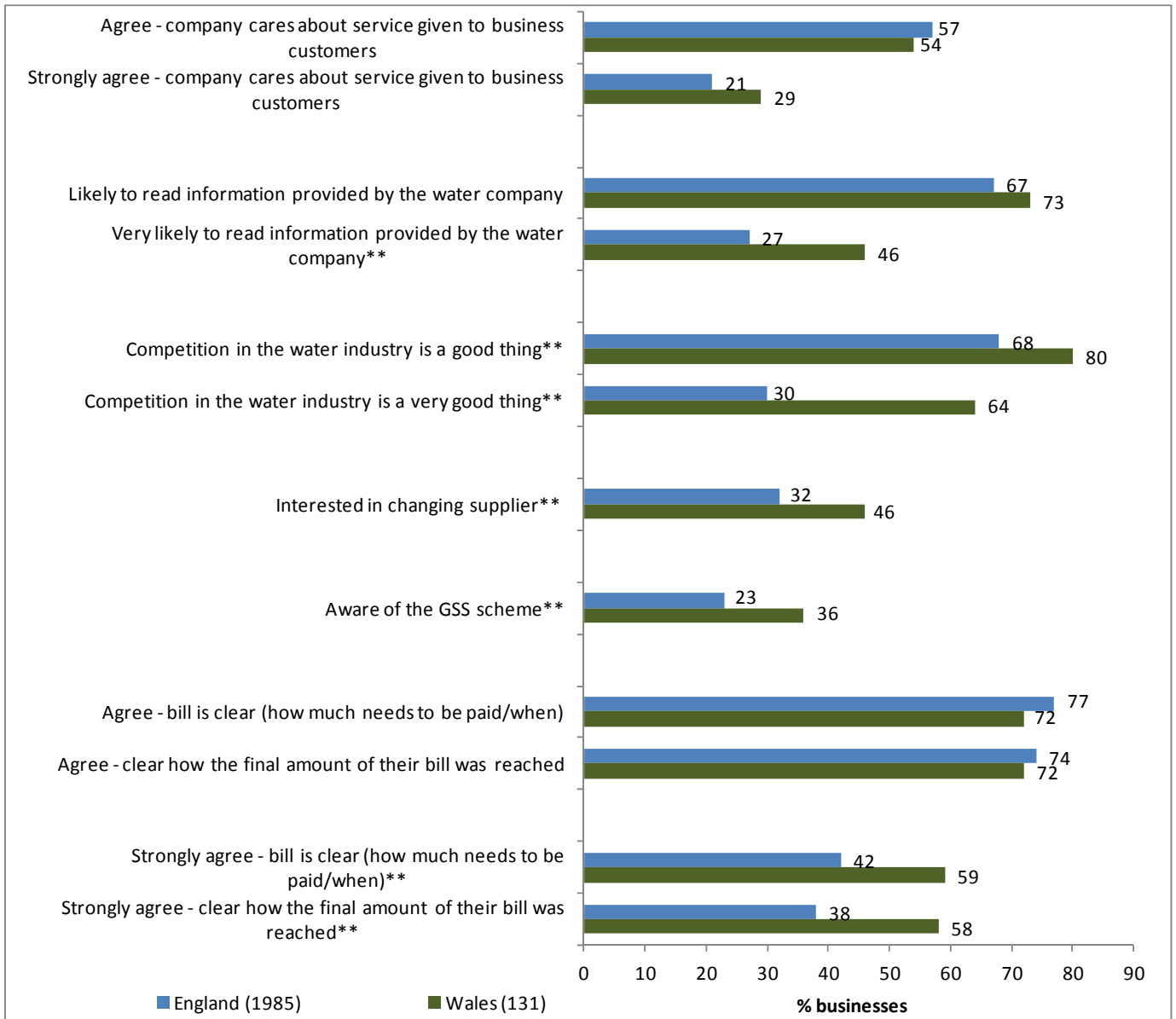
- 13.1.1 Overall, businesses based in Wales have a more positive view of water and sewerage companies, both with regards to satisfaction with services and value for money. Businesses in Wales are also more supportive of competition within the industry (see Figures 68 and 69).
- 13.1.2 Figure 68 shows that at an overall level, there is little difference (and none significant) between England and Wales in terms of satisfaction with water and sewerage services, and value for money of these services. However, a significantly higher proportion of businesses in Wales are very satisfied with their water and sewerage services, and the value for money of water, sewerage and surface water drainage services.
- 13.1.3 Figure 69 shows that a significantly higher proportion of respondents in Wales:
- Are very likely to read information provided by the water company (46% compared to 27% in England);
 - Think competition in the water industry is a very good thing (64% compared to 30% in England);
 - Are interested in changing supplier (46% compared to 32% in England);
 - Are aware of the GSS scheme (36% compared to 23% in England);
 - Strongly agree that their bill makes it clear how much needs to be paid and when (59% compared to 42% in England); and
 - Strongly agree that it is clear how the final amount of their bill was reached (58% compared to 38% in England).

Figure 68 Key findings – differences between England and Wales part 1



Figures in the chart are based on weighted data (Base: England 1985, Wales 131). (Unweighted base: England 1837, Wales 192) **significant difference

Figure 69 Key findings – differences between England and Wales part 2



Figures in the chart are based on weighted data (Base: England 1985, Wales 131). (Unweighted base: England 1837, Wales 192) **significant difference

Chapter 14 – Conclusions

14 Conclusions

14.1 Water and Sewerage Service Use and Dependency

- 14.1.1 All businesses have a water service, 94% a waste water service, and 28% a surface water drainage service (self reported). Only 1% has a dedicated account manager, or a special business tariff.
- 14.1.2 Almost eight out of ten (79%) businesses feel that they depend on their water and sewerage services to operate. One in ten (10%) do not depend on water and sewerage services – mostly because they have domestic usage requirements rather than business processes.

14.2 Water and Sewerage Bills

- 14.2.1 Around three quarters (77%) of businesses find the bill payment process easy and that bills make it clear how much is to be paid and when. Similarly, just less than three quarters (74%) of businesses agree that it is clear how the final amount of their bill was reached.

14.3 Satisfaction with Value for Money of Water and Sewerage Services

- 14.3.1 Just over seven in ten (72%) businesses are satisfied with the value for money of the water services supplied to their business. Similarly, just over seven in ten businesses (72%) are satisfied with the value for money of sewerage services in their area.
- 14.3.2 Fewer businesses, just over half (56%), are satisfied with the value for money of surface water drainage services for their premises. Approximately one quarter of businesses (26%) do not know, suggesting that they are unaware of how much they are paying for this service, or even if it is a service they pay for.

14.4 Guaranteed Standards Scheme (GSS)

- 14.4.1 Nearly three-quarters (73%) of businesses are not aware that if their water and / or sewerage company fails to meet certain service standards for reasons within their control, they may be entitled to compensation under GSS.

14.5 Satisfaction with Water Services

- 14.5.1 Satisfaction with water services is high, with 87% of SMEs saying they are satisfied with their water supply. Just 3% are dissatisfied; the most likely cause of dissatisfaction is the taste and smell or hardness/softness of tap water.

14.6 Use of Tap Water

- 14.6.1 Overall, 26% of businesses use bottled or filtered water (for some this was in addition to tap water). The main reason for not using tap water is a preference for the taste of bottled or filtered water (51%).

14.7 Water Efficiency / Saving Water

- 14.7.1 More than one quarter of businesses (27%) have sought information on how to use water more efficiently – most of which asked their water supplier for advice (14%) and 8% looked on the Internet.
- 14.7.2 Almost one fifth (18%) have been offered advice by their water company on how to use less water - most of which (83%) focussed on using less water within business processes. Almost two fifths (39%) have taken actions to reduce their water-use, 20% of businesses have made employees aware of the need to reduce water consumption, and 13% have introduced water efficient taps.

14.8 Satisfaction with Sewerage Services

- 14.8.1 Satisfaction with sewerage services is slightly higher than water (90% compared with 87% for water services) with just 2% being dissatisfied. The main cause of dissatisfaction relates to flooding from public sewers.

14.9 Contact with Water and Sewerage Companies

- 14.9.1 Just under a quarter (23%) of businesses have contacted their water or sewerage company to make an enquiry or complaint. The main reason for contact is to make a billing enquiry (50%). A further 16% made contact to make a complaint, and 10% to report a leak.
- 14.9.2 Just less than three quarters (74%) of businesses are satisfied with the contact they had and 17% are dissatisfied. The main causes of dissatisfaction are lack of information about progress with their enquiry, lack of resolution, and ease of making contact with someone who can help. Therefore, if the water industry wanted to improve service to business customers, these are areas of service which could be useful to focus on and where the biggest impact on satisfaction can be made.

14.10 Effects of Service Failure on Businesses

- 14.10.1 Businesses that use water for business processes feel that the impact of a cut to their water supply would be severe, often leading to temporary closure.
- 14.10.2 One in ten businesses have suffered a service failure of either water (7%), sewerage (2%) or both (1%). Three fifths of these businesses (61%) said the service failure experienced was 'minor', with 29% saying it was 'major'.
- 14.10.3 Over three quarters of businesses (76%) are satisfied with their water and/or sewerage company's response to the service failure, and 24% are dissatisfied. The main cause of dissatisfaction is that the water or sewerage company did not, in the view of their customer, take responsibility for the service failure. This is another area which could be looked at to see where customer perception could be improved.

14.11 Information Needs and Relationship with Water and Sewerage Company

- 14.11.1 Over half of businesses (56%) agree that their water and/or sewerage company cares about the service it provides business customers.
- 14.11.2 Two thirds of businesses (67%) are likely to read information provided by their water and/or sewerage company about the services they receive.
- 14.11.3 Almost one fifth of businesses (18%) have asked for advice from their water and/or sewerage company on the best tariff for the size of their business or for the amount of water used. Sixteen percent of businesses have been offered advice about alternative tariffs or other billing options by their water and/or sewerage company.
- 14.11.4 Businesses with catering facilities are more likely to have contacted their sewerage company for information about the disposal of fats oils and greases than to recall having been offered this information (26% and 18% respectively).

14.12 Views on Competition

- 14.12.1 Awareness of competition in the water industry is very low. Just 8% of businesses are aware of the proposed change in the law for businesses relating to water companies in England, and 6% are aware of the retail competition regime for water and sewerage services in Scotland.
- 14.12.2 Generally there is a high level of support for competition in the water industry. Over two thirds of businesses (69%) think the principle of competition in the water industry is a good thing.
- 14.12.3 Around half (51%) of businesses have no concerns about competition in the water industry. However 10% are concerned about mis-selling and 10% about being on the receiving end of 'hard sell'.
- 14.12.4 A third of businesses (33%) would, in principle, be interested in changing supplier, but half (50%) of businesses would not. Of those businesses interested in changing supplier, 96% said that this was because they expected they could save money.
- 14.12.5 Over half of businesses (52%) are not interested in receiving any information on competition in the water industry. Two fifths (40%) of all businesses would like to receive information on tariffs offered by new suppliers in their area. Thirty seven percent each want information on which new suppliers are offering services in their area and how to switch supplier.
- 14.12.6 Of the 48% of businesses that are interested in receiving information on competition, more than eight out of ten (83%) would like Ofwat to provide them with information, two fifths (40%) would like the information to be provided by CCWater, and 31% want new or current water suppliers to provide the information.

14.13 Significant Differences Between Other Customer Segments

- 14.13.1 Businesses in South West England are most positive towards their water and sewerage company in terms of value for money and satisfaction. They are also one of the areas most supportive of competition. This finding contradicts earlier research into SME customer views on competition, which found the South West WaSC region had the lowest mean score for satisfaction with value for money. Given this previous research, and that average bill levels are the highest in the South West, high levels of satisfaction is an unexpected finding.
- 14.13.2 Businesses in Yorkshire are most likely to say they think competition would be a bad thing (14%), although 56% are still supportive of competition within the industry.
- 14.13.3 Satisfaction with services and value for money are generally more positive amongst businesses that:
- Use over 5,000 cubic metres of water per year;
 - Are dependent on their water and sewerage services; and
 - Have had contact with their water / sewerage supplier.
- 14.13.4 These groups of businesses are also more in favour of competition.

Appendix A – Depth Interview Sampling Note

Project: **Understanding the needs of Small and Medium Enterprise Customers** Job No:

Subject: **Sampling Note – Depth Interviews** Date: **03 January 2012**

Our proposed approach to the depth interview sampling is outlined below.

The main stratification variable will be water company region. Within each of the ten WaSC regions we will interview 4 SMEs to provide geographical representation. Water only Company (WoC) areas will not be excluded from the sample, but any SME interviewed within a WoC area will be noted in the depth interview report.

Water and Sewerage Company (WaSC)	Total number
Anglian Water	4
Dŵr Cymru Welsh Water	4
Northumbrian Water	4
Severn Trent Water	4
Southern Water	4
South West Water	4
Thames Water	4
United Utilities	4
Wessex Water	4
Yorkshire Water	4
Total	40

If a regional contact refers us to a representative at their head office based in an alternative region, then the interview will count towards the target in the region where the selected company (and thus issues related to water usage) is based (which may not be the same region as the head office).

Within each area we will split SMEs into four bands by size in terms of number of employees (0-9, 10-49, 50-99, 100-250) to ensure a range of different sized SMEs are included.

Water usage at individual site level (not combined for multi-location companies) will be established. 50% of the sample will be with companies using greater than 5ML.

The depth interview will establish if the company representative has had 'unwanted' contact with their water company in the last 12 months (for example due to service failure). We will aim to achieve 50% of the sample with those who have had 'unwanted' contact. This will however be monitored and if any problems achieving the sample are encountered we will discuss and agree a way forward with CCWater/Ofwat.

Within each area we will split the SMEs by sectors most likely to be reliant on water for their business (two strata). For the depth interviews this will be self defined by the respondent. Examples are likely to include: manufacturing, hotels and restaurants, catering, agricultural, gyms, medical centres, schools and for micro businesses hairdressers, cafes, dentists etc.

The sample selected will be examined to ensure it includes representation from both urban and rural based SMEs.

Any organisation sampled must trade from a business premises. Companies based out of people's homes will not be included in the sample.

We will aim to sample some establishments in England and Wales who also have company premises in Scotland, in order to establish any views or experiences they have on the competitive market in Scotland.

The sample frame across all WaSC regions is shown in the Table below.

Company size				Water usage		Unwanted contact with water company		Water dependent?
0-9	10-49	50-99	100-250	>5ML	<5ML	Yes	No	Yes / No
10	10	10	10	20	20	20	20	Mix – self defined

Appendix B – Depth Interview Discussion Guide

**Understanding the needs of Small and Medium Enterprise Customers
CCWater and Ofwat
Depth Interviewer Discussion Guide**

Introduction

This guide outlines the topic areas and questions, which need to be covered during the interview. The guide will be used to check that all relevant issues have been covered.

- Introduce self/ AECOM independent research agency.
- Conducting research on behalf of the Consumer Council for Water (CCWater) and Ofwat.

NOTE: The respondent will need to have their current water bill(s) to hand to check consumption.

Is the business on a water meter?

Yes

No

If yes: How many water metres are based on site?

Note: Some larger sites have more than one water meter and they will get separate charges for each meter. These may all be shown on one bill, but sometimes they get a separate bill for each meter.

Interviewer to check if there is more than one water meter on the site, and if so ensure that the bill covers all, or that all bills are to hand.

About you / your company

Record / confirm details:

Contact Name _____

Contact Position / Job Title _____

Company Address / Post Code _____

NOTE: The respondent must be the person responsible for paying the bill/handling queries and complaints/contacts, on behalf of the business. This may be more than one person.

Record location.

England

Wales

Record capacity in which respondent is taking part in the interview.

- Company representative on-site
- Head office company representative
- Other (specify) _____

What is the nature of the business?

How would you classify the nature of the business?

- Agriculture, hunting and forestry
- Mining and quarrying
- Manufacturing (food and drinks products)
- Manufacturing (others including chemicals and textiles)
- Construction
- Wholesale and retail trade
- Hotels and restaurants
- Transport, storage and communications
- Public administration and defence
- Education
- Health and social work
- Other (specify)

How many employees are based on this site?

Your current water supply services

How is water used in your business (probe all reasons)?

Would you say your company is dependent on water for operation of your business? Why/how?

What would the impact be to your business if there was no water supply to your premises for a couple of hours/an afternoon or morning/ a day or longer?

Who is your supplier of water and sewerage services at this site? (which water company does your business pay its water and sewerage bill to?)

Note: There may be a separate supplier for water (WoC) and sewerage (WaSC), although this is usually presented on one bill. Please record both companies below.

- | | | | |
|-----------------------|--------------------------|---------------------------------------|--------------------------|
| Anglian Water | <input type="checkbox"/> | Sembcorp Bournemouth Water | <input type="checkbox"/> |
| Dŵr Cymru Welsh Water | <input type="checkbox"/> | Bristol Water | <input type="checkbox"/> |
| Northumbrian Water | <input type="checkbox"/> | Cambridge Water | <input type="checkbox"/> |
| Severn Trent Water | <input type="checkbox"/> | Cholderton Water | <input type="checkbox"/> |
| Southern Water | <input type="checkbox"/> | Dee Valley Water | <input type="checkbox"/> |
| South West Water | <input type="checkbox"/> | Essex & Suffolk Water | <input type="checkbox"/> |
| Thames Water | <input type="checkbox"/> | Hartlepool Water | <input type="checkbox"/> |
| United Utilities | <input type="checkbox"/> | Portsmouth Water | <input type="checkbox"/> |
| Wessex Water | <input type="checkbox"/> | South East Water | <input type="checkbox"/> |
| Yorkshire Water | <input type="checkbox"/> | South Staffordshire Water | <input type="checkbox"/> |
| | | Sutton and East Surrey Water | <input type="checkbox"/> |
| | | Veolia Central | <input type="checkbox"/> |
| | | (formerly Three Valleys Water) | |
| | | Veolia Water East | <input type="checkbox"/> |
| | | (formerly Tendring Hundred Water) | |
| | | Veolia Water South East | <input type="checkbox"/> |
| | | (formerly Folkestone and Dover Water) | |
| | | Other | <input type="checkbox"/> |

Approximately how much water does your company use at this site each year?

(Note: note that the information shown on the water bill may be monthly / quarterly or half year – record which level information is supplied at and multiply up to a year)

Eligible to change supplier? For quick reference: Customers of Dwr Cymru Welsh Water and Dee Valley Water must use >50,000m³ a year and customers of all the other companies must use >5,000m³ a year, plus meet the other eligibility criteria related to the layout of the site they are on.

Yes

No

Note: Having the different thresholds in England and Wales means that some customers in Wales that are currently supplied by Severn Trent Water whose premises are expected to use at least 5 megalitres (5,000 cubic metres) of water a year and meet the eligibility criteria may be eligible to switch away to a water supply licensee. Alternatively, some customers in England that are currently supplied by Dee Valley Water or Dwr Cymru Welsh Water whose premises are expected to use at least 50 megalitres (50,000 cubic metres) of water and meet the eligibility criteria may be eligible to switch away to a water supply licensee.

How much was your last water and sewerage bill for this site? (check what period this covers (e.g. monthly)

Do you expect your level of usage at the site to stay about the same in the short-term (1-2 years)? If increase / decrease – why? What about longer term (5-10 years)?

Approximately what percentage does your water and sewerage bill make up of your own operating costs?

Note: This may also include trade effluent costs for larger businesses with manufacturing processes, possibly laundrettes too.

Views on your current water supply services

How satisfied are you with the price of your water and sewerage services in terms of **value for money**? Why?

(probes: service provision / reliability of water supply / speed of response to problems / customer relations / improvements to service/comparison to other services/utilities)

Note: this should exclude costs of private water treatment

What tailored services do you currently receive from your water and sewerage company? (probes: dedicated point of contact / account manager / regular meetings / water efficiency audits / leakage detection on site / special business tariffs / any others?)

For any of the above services not received: Would your organisation like to see these provided?

How satisfied are you with the **quality of service** you have received from your current water and sewerage service supplier? Why?

(probes: reliability of water supply / speed of response to problems / customer relations / option for flexible arrangements tailored to needs / willingness to consider / suggest ways of reducing usage / reactive or proactive nature of supplier / value for money)

Contact with water supply and/or sewerage service provider

Have you had any contact with your water and sewerage supplier in the past 12 months?

Note: Will need to establish this at recruitment stage to ensure sample includes those who have had contact for reasons other than paying a bill.

Note: These might be separate suppliers, if so note which (or if both) were the contact made with

If yes, for what reason?

(probe and record fully: to pay or query a bill / highlight service failure / blockages / leakage / disruption to business through other means (e.g. roadworks due to company maintenance)

Ask following questions to respondent who has had any customer initiated contact with the exception of a simple bill paying transaction: those with no contact, or no contact except simple bill paying transaction should skip to All (1)

What prompted this contact:

- Request for information – e.g. of wider service options / schemes available to them (e.g. metering, water efficiency, advice),
- terms and conditions of sale (e.g. what you're going to get, when etc),
- a query over payment for services (e.g. transparency and accuracy of bills etc),
- a problem with service

Who initiated the contact? (e.g. business or water company)

What forms of communication were used? (email / phone / letter / site visit etc)

How easy/difficult was it to locate the relevant person to deal with your issue from your water supplier?

How long did it take for the issue to be resolved? Or is it on-going?

If the issue is now resolved, were you satisfied with how the issue was dealt with?

What was the impact, if any, to your business in terms of the time taken to deal with the issue?

What level of seniority was the staff that resolved the issue?

What was the overall impact to your business of the issue?

How (if at all) could the contact with your water supplier have been improved?

All (1)

How easy / difficult do you find the process of paying the water and sewerage bill for the site? Why?

Note: Interviewer to probe any issues if the respondent receives more than one bill for a specific site

How clear / transparent is your water and sewerage bill for the site in terms of what service you received from the water company?

Competition in the Water Industry

Are you aware of any opportunities open to your company or other companies with regards to switching water supplier? If yes, describe.

Interviewer read out, but tailor to level of current awareness:

As things stand, in England and Wales, only those business customers that use more than the 'threshold' amount can look to switch water supplier. They can switch away from their current supplier to a water supply licensee.

On 15 December 2011, UK Government reduced that threshold for business customers in England to 5,000 cubic metres of water a year.

In Wales the situation is different and business customers using (or likely to use) at least 50,000 cubic metres of water a year may be able to change their water supplier if their business premises meet the relevant criteria.

This means that around 26,000 businesses across England and Wales are now able to change their water supplier if their business premises meet certain criteria. This doesn't affect the water which businesses receive – this stays the same – but they can be billed by a different company which will have its own rate of charge and will deal with customer service. Note that sewerage services are not part of this and stay with the original sewerage company.

The Government has recently said it plans to change the law in England so that in future all businesses in England will be able to choose their water (and sewerage) supplier if their premises meet certain criteria. Depending on how things develop, customers may be able to switch to water supply licensees, between 'traditional' water companies or to new companies entering the market.

Those not aware: You were unaware of this, is this something you feel your company should have been informed about? If yes, how? If no, why not?

What do you think about this move to competition in England and in Wales?

Do you think it will affect your business in any way – how?

How do you feel about potentially being able to change your water supplier?

Only those aware about the competition answer the next section, those not aware until now skip

Have you received or actively sought any information about being able to change your water supplier within the last year? If yes describe.

If yes: Who has provided you with this information?

(Probes: New suppliers / Ofwat / CCWater / Current Water supplier/ Other)

If sought: What information have you sought? How and from where? Views on information received?

Are you aware of any new suppliers in the water industry? If yes who? How did you become aware?

Note – new suppliers are: Avon Valley Water, Osprey Water Services, Satec, Scottish Water Business Stream, Severn Trent Select, United Utilities Water Sales, YorWater.

Do any of the new suppliers that you are aware of offer anything different to your current water supplier?

(probes: tariff structures tailored to your business / customer service tailored to business needs / better service / lower bills / more accurate/tailored billing)

ESTABLISH AND CONFIRM IF THE RESPONDENT'S COMPANY IS ELIGIBLE

Interviewer confirms whether on the basis of bill consumption the company may be able to choose its water supplier now or whether they will in the future. – check your current water supplier section

Those that are not currently eligible:

If your business were to become eligible to change supplier, how likely would you be to do this? Why?

Do you think that having more competition in the water industry will affect your water and sewerage services, even if you decide to stay with your current supplier if your business were to become eligible? If so how? Why? (prompts bills changing, service improvements or worsening)

Those that are eligible:

How likely do you think it is that your business will consider a change in water service supplier?

Do you think that having more competition in the water industry will affect your water and sewerage services, even if you decide to stay with your current supplier? If so how? Why? (prompts bills changing, service improvements or worsening)

Those likely to change:

For what reasons are you likely to change your water supplier?

(probes: lower bills / better service / new suppliers reputation and reliability / poor current service)

If prices selected: How much cheaper would a competitor's service need to be for you to switch water supplier? (record percentage and/or amount)

Note: If respondent gives percentage, convert to amount using bill lever for write up

If you switch supplier, do you expect to establish a long term relationship with your new supplier, or are you likely to switch more than once? Why?

Those not likely to change:

Why are you likely to remain with your current supplier?

(probes: *happy with current supplier / too much effort to switch / lack of information to make decision / unsure of the process / unsure of the benefits*)

All (2)

Do you think that the recent threshold drop in water usage to 5,000 cubic meters of water a year in England will encourage a competitive market in water services? Why?

Do you think there are any practical problems or barriers which might discourage a competitive market in water services? If yes what are these?

How confident are you that the current competition regime in water will deliver benefits to customers? If confident: what benefits do you think it will deliver?

In your opinion, how does the current competitive water market compare with the market for suppliers of energy and other utilities?

On average, how often does your business switch its energy supplier?

Do you think anything could be done to further develop the competitive market in the water and sewerage industry?

Information

Would you be interested in receiving any information about competition in the water industry? (unprompted, but probe for types if they say yes) If no, why?

If interested: Would you be interested in receiving any of the following types of information about competition in the water industry:

- Information on which new suppliers offer services in your area
- Tariffs offered by new suppliers in your area
- Services offered by new suppliers in your area
- How to switch water supplier / how to switch back
- Information on any changes in service rights or obligations or any risks associated with switching supplier
- Anything else?

Who would you like to provide you with this information?

(probes: Ofwat / CCWater / New suppliers / Current water supplier / Business customer representative groups/business or trade press)

How would you prefer to receive any information?

(probes: emails / websites / newsletters / letters / face to face meetings/ business or trade press – which ones?)

Wales and Scotland

What are your views on the different threshold in Wales compared to England? Does it affect other company sites within your business? If yes how?

Note: Re-iterate the different threshold level in England and Wales

In Scotland all non-household customers have been able to switch water and sewerage supplier for retail services since 1 April 2008. Are you aware of this?

What are your views / experiences on the competitive market in Scotland? (probe to see if respondents business has any premises in Scotland)

Appendix C – Telephone Survey Questionnaire

Understanding the needs of Small and Medium Enterprise Customers - CCWater and Ofwat Telephone Survey

Serial number (write in from sample sheet)

About you / your company

Record / confirm details:

Contact Name

Contact Position / Job Title

Company Address / Post Code

Interviewer record if the sampled site is in England or Wales: Code one only

England 1

Wales 2

NOTE: The respondent must be the person responsible for paying the water bill/handling queries and complaints/contacts, on behalf of the business.

Screening questions

Firstly I would like to ask you some questions to ensure that you are eligible to take part in the survey:

S1 Capacity in which respondent is taking part in the interview:

- | | |
|------------------------------------|---|
| Company representative on-site | 1 |
| Head office company representative | 2 |
| Other (specify) | 3 |

S2 Does your business have premises in England, Wales, or both?

England..... 1 Wales..... 2 Both..... 3

NOTE: If a head office representative is completing the survey, then all questions should relate to the site location/premises sampled, and not the head office location

S3 How would you classify the nature of the business?

- | | |
|---------------------------------------|----|
| Agriculture, hunting and forestry | 1 |
| Mining and quarrying | 2 |
| Manufacturing | 3 |
| Construction | 4 |
| Wholesale and retail trade | 5 |
| Hotels and restaurants | 6 |
| Transport, storage and communications | 7 |
| Public administration and defence | 8 |
| Education | 9 |
| Health and social work | 10 |
| Other (specify)_____ | 11 |

S4 How many employees are based on this site? _____

S5 From which sources do you obtain your water: **Read out options**

- | | |
|--|----------------|
| 100% from public water supply (e.g. water company) | 1 |
| Mix of public and private supply | 2 |
| Private supply only | 3 CLOSE |

S6 Approximately how much water does your company use at this site each month?
(Note: this information will be on the water bill, and may be monthly / quarterly or half year – record which level information is supplied at)

_____ cubic metres per _____ month/quarter/6 months (delete as applicable)

S6b. Is the consumption on the bill typical for a month/quarter/half year or does your water use vary significantly over time?

- | | |
|---|---|
| Typical for a month/quarter etc..... <input type="checkbox"/> 1 | Is generally lower..... <input type="checkbox"/> 3 |
| Varies significantly over time..... <input type="checkbox"/> 2 | Is generally higher..... <input type="checkbox"/> 4 |

S6c How much do you pay for water and sewerage?
(Note: this information will be on the water bill, and may be monthly / quarterly/ half year /yearly – record which level information is supplied at)

£_____ per month/quarter/6 months/yearly (delete as applicable)

S7 How many water meters are based on the business premises?

_____ (write in number)

Views on your current water supply services
--

1a Who is your water company? (This may be a company that deals with your sewerage too) **SINGLE CODE – PROMPT WITH HIGHLIGHTED COMPANIES IF NECESSARY**

Anglian Water	1
Dwr Cymru (Welsh Water)	2
Northumbrian Water	3
Severn Trent Water	4
South West Water	5
Southern Water	6
Thames Water	7
United Utilities	8
Wessex Water	9
Yorkshire Water	10

Water only companies

Sembcorp Bournemouth Water	11
Bristol Water	12
Cambridge Water	13
Cholderton Water	14
Dee Valley Water	15
Essex & Suffolk Water	16
Hartlepool Water	17
Portsmouth Water	18
South East Water	19
South Staffordshire Water	20
Sutton & East Surrey Water	21
Veolia Water Central (formerly Three Valleys Water)	22
Veolia Water East (formerly Tendring Hundred Water)	23
Veolia Water Southeast (formerly Folkestone & Dover Water)	24

1b. And who is your sewerage company?

ADD IF NECESSARY: the bill from your water company will also say who provides your sewerage services.

SINGLE CODE – PROMPT WITH HIGHLIGHTED RESPONSES IF NECESSARY

Anglian Water Services Ltd	1
Dwr Cymru (Welsh Water)	2
Northumbrian Water Ltd	3
Severn Trent Water Ltd	4
South West Water Ltd	5
Southern Water Services Ltd	6
Thames Water Utilities Ltd	7
United Utilities Water Plc (North West Water)	8
Wessex Water Services Ltd	9
Yorkshire Water Services Ltd	10
<i>I have a private facilities/septic tank</i>	11
<i>Other (specify) _____</i>	12
Don't know	13

Interviewer note: If respondent answers codes 11 or 12, do not ask Section on Sewerage in the questionnaire (Q11 and Q12).

2 Which water and sewerage services does your business take? **MULTI CODE**

- Water 1
- Sewerage – waste water 2
- Surface water drainage 3
- Trade Effluent removal 4 if yes go to 2b
- A dedicated account manager 5
- *Special business tariff (shown on bill) 6
- Other – specify _____ 7

**this might include high user tariffs, seasonal tariffs*

2b If code 4 at Q2: Do you receive a separate bill for the removal of trade effluent?

- Yes..... 1 No..... 2 Don't know..... 3

3a How much do you agree or disagree that on a day to day basis, your business depends on its **water supply and sewerage services** (e.g. removal and treatment of used/waste water) in order to operate?

- Strongly agree..... 1 Tend to disagree..... 4
 Tend to agree..... 2 Strongly disagree..... 5
 Neither agree nor disagree..... 3 Don't know..... 6

If Strongly/Tend to agree ask Q3b, if Strongly/Tend to disagree go to Q3c otherwise go to Q4

3b. How/why is it dependent? **DO NOT READ OUT. MULTI-CODE**

- Need it for drinking, toilets etc. for staff (i.e. domestic type usage) 1
- Need it for used/waste water, toilets etc. from staff (i.e. domestic type usage) 2
- Need it as our customers depend on it (e.g. café, restaurant, hair-dresser, launderette, garage, car-wash) 3
- Need it as our customers depend on it (e.g. waste from café, restaurant, hair-dresser, launderette, garage, car-wash) 4
- Need it for business processes (e.g. input to manufacturing) 5
- Need it for business processes (e.g. output from manufacturing) 6
- Need water supply for cleaning (hygiene) (e.g. café, restaurant, dentist) 7
- Need waste water services for cleaning (hygiene) (e.g. café, restaurant, dentist) 8
- Need it for livestock 9
- Other-specify _____ 10
- Don't know 11

If Strongly/Tend to disagree

3c. Why? **DO NOT READ OUT. MULTI-CODE**

- Only use it for drinking, hand washing etc for staff (i.e. domestic type usage) 1
- Only use it for removal of waste water, toilets etc for staff (i.e. domestic type usage) 2
- Other-specify _____ 3
- Don't know 4

4 How much do you agree or disagree that your general water and sewerage bills makes it clear how much needs to be paid and when? **SINGLE CODE**

- | | |
|--|---|
| Strongly agree..... <input type="checkbox"/> 1 | Tend to disagree..... <input type="checkbox"/> 4 |
| Tend to agree..... <input type="checkbox"/> 2 | Strongly disagree..... <input type="checkbox"/> 5 |
| Neither agree nor disagree..... <input type="checkbox"/> 3 | Don't know..... <input type="checkbox"/> 6 |

5 And do you agree or disagree that it is clear how the final amount of your bill was reached? **SINGLE CODE**

- | | |
|--|---|
| Strongly agree..... <input type="checkbox"/> 1 | Tend to disagree..... <input type="checkbox"/> 4 |
| Tend to agree..... <input type="checkbox"/> 2 | Strongly disagree..... <input type="checkbox"/> 5 |
| Neither agree nor disagree..... <input type="checkbox"/> 3 | Don't know..... <input type="checkbox"/> 6 |

6. How satisfied or dissatisfied are you with the value for money of:

READ OUT EACH STATEMENT & SINGLE CODE

Scale: 1= Very satisfied, 2= Fairly satisfied, 3= Neither satisfied nor dissatisfied, 4=Fairly dissatisfied, 5= very dissatisfied, 6= don't know 7 = not applicable.

Write in code after each option

- a) The **water** services supplied to your business
- b) The **sewerage** service in your area
- c) The **surface water (rainwater) drainage** services for your premises?
 The charge for this service could be determined either by the site area of your business premises or the business rate

IF YES TO Q2b (i.e. they have a separate cost for trade effluent) ASK Q6d

- d) The **trade effluent** services

If respondent answers fairy/very dissatisfied to Q6a, b, c, or d ask Q6i

6i. Why do you think you don't get value for money? **DO NOT READ OUT. MULTICODE**

- Cost/prices have risen 1
- Poor/inefficient service/issues not resolved 2
- Poor water quality 3
- Problems with sewers/drains 4
- Removal of surface water is too expensive 5
- Leaking pipes 6
- Water meter issues/problems 7
- Some businesses have an account manager at their water and sewerage company but we can't 8
- Site area tariff unfair 9
- Trade effluent services too expensive 10
- Other (specify)_____ 11

7 Were you aware that if your water [and/or sewerage] company fails to meet certain customer service standards for reasons within their control you may be entitled to compensation?

- Yes, was aware 1 No, was not aware 2 Don't know..... 3

Your water supply

Thinking about tap water supplied to your premises for offices, toilets, or for business processes where it is not treated or filtered in any way before use.

8. How satisfied or dissatisfied are you with your water supply? **SINGLE CODE**

- Very satisfied..... 1 Fairly dissatisfied..... 4
 Fairly satisfied..... 2 Very dissatisfied..... 5
 Neither satisfied nor dissatisfied.. 3 Don't know..... 6

If fairly or very dissatisfied for Q8 ask Q9, otherwise go to Q10

9. How satisfied or dissatisfied are you with **each** of the following aspects of your water supply: **READ OUT EACH STATEMENT & SINGLE CODE**

Scale: 1= Very satisfied, 2= Fairly satisfied, 3= Neither satisfied nor dissatisfied, 4=Fairly dissatisfied, 5= very dissatisfied, 6= don't know 7= not applicable.

- a) The colour and appearance of your tap water
- b) Taste and smell of tap water
- c) Hardness/softness of your water
- d) The safety of your drinking water
- e) The reliability of your water supply
- f) Your water pressure

10. Does your business use tap water rather than bottled/filtered water for drinking purposes? **READ OUT. Multicode**

- Yes use tap water 1
- No – use bottled water 2 Q10a
- No – use filtered water 3 Q10a
- Don't know 4

ALL WHO SAID NO AT Q10

10a. Why does your business not use tap water for drinking purposes? **INTERVIEWER: PROBE FOR WHAT'S WRONG WITH TAP WATER?**

- Prefer the taste of bottled/filtered water 1
- Colour of tap water 2
- Health concerns over tap water 3
- Hardness of tap water 4
- Convenience of bottled/filtered water 5
- I like the brand of bottled water 6
- Has more chemicals 7
- Quality of tap water would put customers off 8
- To offer choice for customers (cafes, restaurants etc) 9
- Other (specify)_____ 10
- Don't know 11

Your sewerage services

11. How satisfied or dissatisfied are you with your sewerage services? **SINGLE CODE**

- Very satisfied..... 1
- Fairly satisfied..... 2
- Neither satisfied nor dissatisfied.. 3
- Fairly dissatisfied..... 4
- Very dissatisfied..... 5
- Don't know..... 6

If fairly or very dissatisfied for Q11 ask Q12, otherwise go to Q13

12. How satisfied or dissatisfied are you with your sewerage company's management of **each** of the following aspects of their service:

Scale: 1= very satisfied, 2= Fairly satisfied, 3= Neither satisfied nor dissatisfied, 4= Fairly dissatisfied, 5= very dissatisfied, 6= don't know 7= not applicable.

READ OUT EACH STATEMENT AND SINGLE CODE

- a) Reducing smells from sewage treatment works
- b) Maintenance of sewerage pipes and treatment works
- c) Cleaning waste water properly before releasing it back into the environment
- d) Minimising sewer flooding
- e) Removal of Trade effluent (**only ask if Yes to Q2b**)
- f) Removal of surface water (rainwater) from the premises

Catering establishments

ASK CATERING ESTABLISHMENTS (cafes, restaurants, hotels etc)

13. Has your business, to your knowledge, asked their sewerage service provider for advice on how to dispose of fats, oils and greases?

Yes..... 1 No..... 2 Don't know..... 3

14. Has your business been offered any advice (e.g. leaflets with bills, site visit) from your sewerage service provider on how to dispose of fats, oils and greases?

Yes..... 1 No..... 2 Don't know..... 3

Contact with your water and sewerage company

15 Have you contacted your water [and/or sewerage] company to make an enquiry or complaint in the past few years?

Yes – water and sewerage company	1	Q16
Yes – water company	2	Q16
Yes – sewerage company	3	Q16
No	4	Q19
Don't know	5	Q19

ASK IF YES AT Q15

16. Why did you contact them? **DO NOT READ OUT. MULTICODE**

Billing enquiry	1
To make a complaint	2
To make an enquiry relating to drought/water shortage	3
To make an enquiry relating to flooding	4
To make an enquiry about sewers and drains (transfer)	5
No supply/supply issue	6
To report a leak	7
To change to/ask for a water meter	8
Water quality	9
Water pressure	10
Sewerage problem	11
Other (please specify) _____	12
Don't know	13

ASK IF YES AT Q15

17. Thinking about your contact with your water [and/or sewerage] company, overall how satisfied or dissatisfied were you? **SINGLE CODE**

Very satisfied..... <input type="checkbox"/> 1	Fairly dissatisfied <input type="checkbox"/> 4
Fairly satisfied..... <input type="checkbox"/> 2	Very dissatisfied..... <input type="checkbox"/> 5
Neither satisfied nor dissatisfied.. <input type="checkbox"/> 3	Don't know..... <input type="checkbox"/> 6

Relationship with your water and sewerage company
--

ASK ALL

23. How much do you agree or disagree that your water [and sewerage] company cares about the service it gives to **business** customers? **READ OUT. SINGLE CODE**

Strongly agree..... <input type="checkbox"/> 1	Tend to disagree..... <input type="checkbox"/> 4
Tend to agree..... <input type="checkbox"/> 2	Strongly disagree..... <input type="checkbox"/> 5
Neither agree nor disagree... <input type="checkbox"/> 3	Don't know..... <input type="checkbox"/> 6

24. How likely are you to read information provided by your water/ water and sewerage company about the services you receive?

Very likely..... <input type="checkbox"/> 1	Not very likely..... <input type="checkbox"/> 3
Fairly likely..... <input type="checkbox"/> 2	Not at all likely..... <input type="checkbox"/> 4

25. Has your business, to your knowledge, asked your water and/or sewerage company for advice on the best tariff for the size of the business or for the amount of water used?

Yes..... <input type="checkbox"/> 1	No..... <input type="checkbox"/> 2	Don't know <input type="checkbox"/> 3
-------------------------------------	------------------------------------	---

26. Has your business been offered any advice (e.g. via leaflets with bills, site visits) about alternative tariffs or other billing options by your water and/or sewerage company?

Yes..... <input type="checkbox"/> 1	No..... <input type="checkbox"/> 2	Don't know <input type="checkbox"/> 3
-------------------------------------	------------------------------------	---

27. Has your business, to your knowledge, looked for advice on how to use water more efficiently? **MULTICODE**

Yes – we asked our water supplier	1
Yes – we looked on the Internet	2
Yes – other source (specify)_____	3
No	4
Don't know	5

28. Has your business been offered any advice (e.g. leaflets with bills, site visits/water audit) from your water company on how to use less water?

Yes..... <input type="checkbox"/> 1	Q28a	No..... <input type="checkbox"/> 2	Don't know..... <input type="checkbox"/> 3
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YES AT Q2828a Was this advice on: **MULTICODE**

Using less water within business processes	1
Using less water for flushing toilets, filling kettles	2
How to check for leaks on pipework	3
Other (specify) _____	4

ASK ALL

29. What actions, if any, has your business taken to reduce its use of water?

DO NOT READ OUT. MULTICODE.

Water efficient taps	1
Energy & Water efficient dishwasher	2
Energy & Water efficient washing machine	3
Energy & Water efficient – other water using machinery	4
Trigger device fitted to hosepipe	5
Hippo/Save A Flush device in toilet cisterns	6
Lag pipes to protect against bursting	7
Wait until full load for Washing Machine / dishwasher	8
Only put required amount in kettle	9
Grey water recycling	10
Rainwater harvesting	11
Changed business processes to use less water	12
Made employees aware of the need to reduce water consumption	13
Water efficiency audit from water company	14
Other (specify) _____	15
Nothing	16
Don't know	17

Competition

The Government in England has recently said it will change the law in the future so that all business customers served by water companies based in England can choose their water (and sewerage) supplier if their premises meet certain criteria.

From 15 December 2011, businesses served by water companies in England which use more than 5000 cubic metres of water a year have been able to change their water supplier if their business premises meet certain criteria. This doesn't affect the water which businesses receive – this stays the same – but they are billed by a different company which will have its own rate of charge, and this same company produces bills and deals with customer service. (Note that at the moment sewerage services are not part of this and would still be provided by the original sewerage company).

In Wales the situation is different and for customers served by Dŵr Cymru Welsh Water and Dee Valley Water businesses need to use more than 50000 cubic metres of water a year to be able to change their water supplier if their business premises meet the relevant criteria.

30. Were you aware of this proposed change in law for businesses served by water companies based in England?

Yes 1 No 2

31. Did you know that since April 2008 **all** 130,000 business customers in Scotland have been able to choose their water **and** sewerage supplier?

Yes 1 No 2

32. Do you think that the principle of competition for businesses in the water industry would be a good thing, neither good nor bad, or a bad thing?

A very good thing..... 1 Quite a bad thing 4
 Quite a good thing..... 2 A very bad thing..... 5
 Neither a good nor bad thing..... 3 Don't know..... 6

33. What (if any) concerns would you have about further competition in the water industry?
DO NOT PROMPT, MULTICODE

- Clarity on how to switch 1
- What happens if the new supplier fails – how to switch back 2
- Length of contract 3
- Contract cooling off period 4
- Miss selling 5
- Hard sell 6
- Continuity of supply 7
- Possible impact on bills 8
- Performance / service levels 9
- Lack of information 10
- Confidence in new suppliers 11
- Clarity on who to contact 12
- No concerns 13
- Other (specify) _____ 14
- Don't know 15

34. In principle would you be interested in changing supplier?

Yes..... 1 **Q35** No 2 **Q36** Don't know 3 **Q37**

YES AT Q34

35. Why would you be interested in changing supplier? **Do not read out. MULTICODE**

- Could save money 1
- Could get better service 2 Q35a
- It would make water companies treat their business customers better 3 Q35a
- In principle there should be competition 4
- Other (specify)_____ 5

35a. If better service/better customer treatment selected at Q35: What better service would you expect? **Prompt if unsure**

- Water audits 1
- Water efficiency advice/devices 2
- Leakage detection 3
- Online billing 4
- Online/smart reading 5
- Environmental products/services 6
- Water filters / softeners 7
- Consolidated bill* 8
- Other (specify)_____ 9
- Don't know 10

*Interviewer note – one bill for a multi site business

NO AT Q34

36. Why wouldn't you be interested in changing supplier? **DO NOT READ OUT**

- Too much hassle 1
- Water bill is small so savings wouldn't make it worthwhile 2
- Happy with service already getting 3
- Don't think it would make much difference to anything 4
- Other (specify)_____ 5

ASK ALL

37. What percentage level of saving on your water and sewerage charges would prompt your business to switch supplier?

- I would not switch 1
- (enter saving required)% 2
- I would not switch on price, only for service 3

38. Has your company ever changed its energy (e.g. electricity and gas) supplier?

- Yes..... 1 **Q39** No..... 2 **Q40** Don't know..... 3 **Q40**

39. On average, how often does your business switch its energy supplier?

- Less than every 6 months 1
- 6 Monthly 2
- Yearly 3
- Every two years 4
- More than every two years 5
- Depends on what contract/deal we sign with energy companies 6
- Don't know 7

40. In principle would you be interested in receiving any of the following types of information about competition in the water industry? **Read out, MULTICODE**

- Information on which new suppliers offer services in your area 1
- How to switch supplier 2
- Tariffs offered by new suppliers in your area 3
- Services offered by new suppliers in your area 4
- Information on any changes in service rights or obligations or any risks associated with switching supplier 5
- Not interested in receiving any 6 **Q42**

41. Who would you like to provide you with this information? **Read out, MULTICODE**

- Ofwat 1
- Consumer Council for Water 2
- New water suppliers 3
- Current water suppliers 4
- Business customer representative groups 5
- Business or trade press 6
- Other (specify)_____ 7
- Don't know 8

42. If you could make one single improvement to the overall service provided by your water company what would it be? **OPEN**

Appendix D – Telephone Survey Sampling Note

Project: **Understanding the needs of Small and Medium Enterprise Customers** Job No:

Subject: **Sampling Note – Telephone Survey** Date: **23rd January 2012**

Our proposed approach to the telephone survey sampling is outlined below.

The main stratification variable will be water company region. Within each of the ten WaSC regions we will interview 200 SMEs to provide geographical representation. Water only Company (WoC) areas will not be excluded from the sample, but any SME interviewed within a WoC area will be noted in the report.

New appointment and variation customers will be excluded from the sample.

Water and Sewerage Company (WaSC)	Total number
Anglian Water	200
Dŵr Cymru Welsh Water	200
Northumbrian Water	200
Severn Trent Water	200
Southern Water	200
South West Water	200
Thames Water	200
United Utilities	200
Wessex Water	200
Yorkshire Water	200
Total	2000

If a regional contact refers us to a representative at their head office based in an alternative region, then the interview will count towards the target in the region where the selected company (and thus issues related to water usage) is based (which may not be the same region as the head office).

Within each area we will split SMEs into four bands by size in terms of number of employees (0-9, 10-49, 50-99, 100-250) to ensure a range of different sized SMEs are included.

Water usage at individual site level (not combined for multi-location companies) will be established. We will monitor the sample and feedback the number of companies using greater than 5ML.

The telephone sample will establish if the company representative has had 'unwanted' contact with their water company in the last 12 months (for example due to service failure). We will aim to achieve 200 of the sample with those who have had 'unwanted' contact. This will however be monitored and if any problems achieving the sample are encountered we will discuss and agree a way forward with CCWater/Ofwat.

We will split the SMEs by sectors most likely to be reliant on water for their business (two strata). We propose that the definition of those dependent on water is those businesses that use water for purposes other than just domestic (e.g. staff drinks, toilets etc) use. Examples likely to be dependent on water include: manufacturing, hotels and restaurants, catering, agricultural, gyms, medical centres, schools and for micro businesses hairdressers, cafes, dentists etc.

The sample selected will be examined to ensure it includes representation from both urban and rural based SMEs. The urban/rural spread will be examined throughout the fieldwork period and fed back to CCWater to allow monitoring of surveys achieved.

Any organisation sampled must trade from a business premises. Companies based out of people's homes will not be included in the sample.

We will aim to sample some establishments in England and Wales who also have company premises in Scotland, in order to establish any views or experiences they have on the competitive market in Scotland.

The sample frame across all WaSC regions is shown in the Table below.

Company size				Water usage		Unwanted contact with water company		Water dependent?	
0-9	10-49	50-99	100-250	>5ML	<5ML	Yes	No	Yes / No	
500	500	500	500	1000	1000	Minimum 200		1000	1000

Appendix E – Pilot Note 1

Project:	Understanding the needs of Small and Medium Enterprise Customers	Job No:	
Subject:	Pilot survey – feedback note	Date:	26th January 2012

This note presents the feedback from the telephone survey pilot.

Pilot Testing Method

The main purpose of the pilot survey was to:

- Identify any potential issues with sampling and provide an indication of likely refusal rates for the main survey;
- Ensure that the questionnaire structure flowed easily, thereby maintaining the interest of the respondent;
- Ensure that the routing of questions was complete;
- Ensure that the questions were understood by a range of respondents;
- Ensure that interviewers understood and were able to administer the questions;
- Check on interview length; and
- Identify any other issues.

The pilot interviews were conducted by a team of trained and experienced social research interviewers who will work on the main survey.

Interviewers recorded at the end of each interview if they and/or the respondent experienced any difficulties with the survey process and questionnaire. Feedback on the pilot is presented below.

Survey length - the survey is taking on average 13 minutes to complete (some have taken longer). Interviewers have reported instances of respondent fatigue (see further note below). Therefore if possible we need to reduce the length – possible suggestions are given further in this note.

Serial number – we've added a serial number box to the questionnaire to allow identification of businesses from the sample database.

Water use – interviewers have had problems trying to get respondents to locate a copy of their most recent water bill. Respondents are happy to take part in the survey as it is short and doesn't require a huge time commitment, but most will only do the survey there and then and don't have time to look for a bill.

AECOM response: we have added a further question (S6c) to record the cost of the last bill, as respondents have been able to recall this instead of usage. From this we can estimate usage and whether the respondent is using more/less than 5,000 cubic meters per year,

Please note: interviewers have been informed that company policies prohibit them from disclosing information on usage or costs. In these instances we will collect as much information about the company as possible to identify if they are a high or low volume user.

Other changes – the survey 'introduction' has been removed from the questionnaire, and is on a separate briefing sheet, to reduce the length of the questionnaire (for printing). The questionnaire has also been formatted to be reduced in length and to aid data entry.

Interviewer comprehension - a couple of interviewers did not understand some of the terms used (e.g. the difference between public versus private water, and surface water drainage). We have expanded the briefing on these issues to ensure all interviewers are aware of the terms.

Nature of business – some interviewers fed back that they were unsure which category to tick for some of the businesses interviewed. Interviewers have been instructed to use the 'other' box if unsure, and recoding will take place on return of the surveys to the office.

S5 – Respondents do not understand what is meant by this question.

AECOM response: rephrase question as:

From which sources do you obtain your water – a water company, private supply or both?

Q10 – interviewers reported that companies use both. Need to make it clear that this is a multicode question (questionnaire will be updated).

Q32 – some respondents are not sure what is meant by this question.

AECOM response: rephrase question as:

In principle, are you supportive of competition in the water industry: therefore allowing businesses to change water supplier if they wish?

Q39 – No option to tick for 'not interested' in receiving any of the types of information.

AECOM response: new option added, and routing past the subsequent question.

Respondent comprehension – a number of respondents do not understand what is meant by surface water drainage, and have never considered that it's something they pay for.

Interviewer fatigue – interviewers felt that the survey came across as repetitive and respondents felt they were repeating their answers. This mainly occurs where respondents are asked about water, and then again for sewerage issues. Most respondents don't consider their bill / services as separate, or think about it in detail. This was also felt in the depth interviews, particularly amongst the smaller SMEs. It only tended to be the larger manufacturing firms who paid large sewerage / trade effluent costs that saw the bill as covering different services.

AECOM response:

The main questions where fatigue was reported are Q8 and Q11. In particular respondents are finding Q11 difficult to answer as many of them are not services that occur on the premises – e.g. reducing smells from sewage works, maintenance of sewerage pipes and treatment works, cleaning waste water, minimising sewer flooding. These may be issues that domestic respondents can comment on, but are they suitable for a business representative to comment on from the business perspective?

In Q8 respondents are not seeing a difference in the first 4 options – as feel they all just relate to water quality in general.

One possibility to reduce Q8 and Q11, would be to ask one question for each as follows:

Q8. How satisfied or dissatisfied are you with your water supply, for example the water quality, reliability and pressure?

If dissatisfied, why? (unprompted)

Concerns with the colour and appearance of the tap water

Poor taste / smell of tap water

Hardness/softness of your water

Concerns with the safety of your drinking water

Issues with the reliability of your water supply

Poor water pressure

Q11. How satisfied or dissatisfied are you with your sewerage service, for example your sewerage company's maintenance of sewerage pipes, efforts to minimise sewer flooding, removal of surface water (rainwater)

If dissatisfied, why? (unprompted)

Concerns over smells from sewage treatment works

Poorly maintained sewerage pipes and treatment works

Poor cleaning of waste water properly before releasing it back into the environment

Issues with sewer flooding

Issues with removal of Trade effluent

Issues with removal of surface water (rainwater) from the premises

Alternatively, we could keep the lists in but simplify as follows (although note that not everyone would be asked the trade effluent question so this would mean we are only asking about one aspect, which then might seem repetitive with asking about the 'overall' service.

Q8 How satisfied are you with the following aspects of your water supply: READ OUT EACH STATEMENT & SINGLE CODE

Scale: 1= Very satisfied, 2= Fairly satisfied, 3= Neither satisfied nor dissatisfied, 4=Fairly dissatisfied, 5= very dissatisfied, 95= don't know 99= not applicable.

- a) Water quality (e.g. colour, appearance, taste, smell, hardness/softness)
- b) The reliability of your water supply
- c) Your water pressure

Q11. How satisfied are you with your sewerage company's management of the following aspects of their service:

Scale: 1= very satisfied, 2= Fairly satisfied, 3= Neither satisfied nor dissatisfied, 4= Fairly dissatisfied, 5= very dissatisfied, 95= don't know 99= not applicable.

READ OUT EACH STATEMENT AND SINGLE CODE

- a) Removal of Trade effluent
- b) Removal of surface water (rainwater) from the premises

We also propose to merge Q3a and Q3b into one question, asking if the business is dependent on water and sewerage (as one question) as views are unlikely to differ for the two (e.g. if they are dependent on water, then likely to also be dependent on removing it).

Appendix F – Pilot Note 2

Project: **Understanding the needs of Small and Medium Enterprise Customers** Job No:
Subject: **Pilot 2 survey – feedback note** Date: **1st February 2012**

Following the initial pilot, a number of changes were made to the questionnaire. In light of the changes, it was decided that the new questionnaire should also be piloted before the main fieldwork starts.

This note presents the feedback from the 2nd telephone survey pilot.

Pilot Testing Method

The main purpose of the additional pilot survey was to:

- Ensure that the new questionnaire structure flowed easily, thereby maintaining the interest of the respondent;
- Ensure that the routing of questions was complete;
- Ensure that the revised questions were understood by a range of respondents;
- Ensure that interviewers understood and were able to administer the revised questions;
- Check on interview length; and
- Identify any other issues.

The pilot interviews were conducted by a team of trained and experienced social research interviewers who will work on the main survey. Interviewers recorded at the end of each interview if they and/or the respondent experienced any difficulties with the survey process and questionnaire. Feedback on the 2nd pilot is presented below.

Survey length - the survey is taking on average 11 minutes to complete. Interviewers have reported far fewer instances of respondent fatigue. Therefore the current survey length is satisfactory.

Respondent comprehension – although interviewers are now explaining what is meant by surface water drainage (and therefore respondents understand what is meant), some are still commenting that it's not something they have every really considered that that are paying for.

S5 – This question is now clearly understood by respondents and interviewers following simplification of the question and further interviewer briefing.

S5 *From which sources do you obtain your water: **Read out options***

<i>100% from public water supply (e.g. water company)</i>	1
<i>Mix of public and private supply</i>	2
<i>Private supply only</i>	3 CLOSE

Water use – interviewers have again reported some problems trying to get respondents to locate a copy of their most recent water bill.

However, in most instances respondents are able to provide approximate costs of the last bill. From this information, and based on the depth interviews, and other information collected we can estimate usage and whether the respondent is using more/less than 5,000 cubic meters per year (and therefore if they are currently eligible to change supplier).

In instances where interviewers have been informed that company policies prohibit them from disclosing information on usage or costs, again we will collect as much information about the company as possible to identify if they are a high or low volume user.

The table below provides example of cases of data where some information has been provided regarding water use/cost. We propose to use this, and additional information collected, to estimate usage where information is not recorded. Usage will be estimated at the end of the survey period when we have collated a large amount of information on companies, which can then be confidently used to classify companies with missing data.

Employees	Business type	Water (cm3) per year	Cost per year £	Eligible
2	Health/beauty industry	Rates	£400.00	No
2	Wholesale & Retail	21	£145.00	No
3	Hotel / B&B	520	£1,000.00	No
4	Restaurant / cafe / pub	240		No
5	Wholesale & Retail	Rates	£1,114.00	No
6	Manufacturing	1000	£5,000.00	No
6	Health (e.g. Dentist, opticians, doctors)	400	£610.00	No
7	Engineering	<5000		No
7	Health/beauty industry	Don't know - bill not clear	£385.00	No
9	Office	180	£840.00	No
10	Chemical company	56 + 5 x hydros	£250 (+ £64+vat per hydro per month)	No
10	Wholesale & Retail	Rates	£744.00	No
10	Health/beauty industry	52	£82.00	No
10	Office	Rates	£750.00	No
12	Restaurant / cafe / pub	Don't know - bill not clear	£800.00	No
13	Hotel / B&B	2500	£2,026.21	No
13	Health (e.g. Dentist, opticians, doctors)	Rates	£4,500.00	No
15	Hotel / B&B	Don't know - bill not clear	£4,200.00	No
20	Manufacturing	>5000	£9,354.00	Yes
20	Office	130	£700.00	No
20	Garage	106		No
21	Health Centre	120		No
25	Education	Don't know - bill not clear	£2,000.00	No
25	Education	1368		No
27	Education	92	£600.00	No
35	Medical Centre	144		No
36	Gym / Leisure	6000	£7,500.00	Yes
45	Wholesale & Retail	250	£480.00	No
50	Gym / Leisure	>5000		Yes
50	Manufacturing	10000	£20,000.00	Yes
50	Entertainment (e.g. Theatre /	250	£1,750.00	No

	Cinema / Bowling alley)			
50	Wholesale & Retail	3400	£6,500.00	No
55	Education	2468		No
75	Mining and quarrying	4100	£4,500.00	No
98	Education	1920		No
105	Education	2800		No
120	Manufacturing	>5000		Yes
150	Transport, storage and communications	4105	£4,702.48	No
150	Agriculture	8000	£7,000.00	Yes
180	Manufacturing	24000		Yes
200	Manufacturing	91,250	£100,000.00	Yes
200	Manufacturing	83000	£126,654.00	Yes
200	Education	5280		Yes
230	Education	10000		Yes

Q3a - Merging Q3a and Q3b into one question (asking if the business is dependent on water and sewerage) has decreased the length of time in this section and reduced respondent fatigue. No respondents have reported that they are dependent on one service but not the other.

Q32 – Interviewers have reported no issues with this question, and respondents are happy to answer without requiring clarification.

32. Do you think that the principle of competition for businesses in the water industry would be a good thing, neither good nor bad, or a bad thing?

- | | |
|--|---|
| A very good thing..... <input type="checkbox"/> 1 | Quite a bad thing..... <input type="checkbox"/> 4 |
| Quite a good thing..... <input type="checkbox"/> 2 | A very bad thing..... <input type="checkbox"/> 5 |
| Neither a good nor bad thing..... <input type="checkbox"/> 3 | Don't know..... <input type="checkbox"/> 6 |

Interviewer fatigue – Changes made to shorten the survey (particularly on Q8/9 and Q11/12) have resulted in surveys being quicker to administer, and less repetitive for respondents. Most respondents are satisfied with their water (Q8) and sewerage (Q11) services so few go on to answer Q9 and Q12.

8. How satisfied or dissatisfied are you with your water supply? **SINGLE CODE**

- | | |
|---|---|
| Very satisfied..... <input type="checkbox"/> 1 | Fairly dissatisfied..... <input type="checkbox"/> 4 |
| Fairly satisfied..... <input type="checkbox"/> 2 | Very dissatisfied..... <input type="checkbox"/> 5 |
| Neither satisfied nor dissatisfied.. <input type="checkbox"/> 3 | Don't know..... <input type="checkbox"/> 6 |

If fairly or very dissatisfied for Q8 ask Q9, otherwise go to Q10

9. How satisfied or dissatisfied are you with **each** of the following aspects of your water supply: **READ OUT EACH STATEMENT & SINGLE CODE**

Scale: 1= Very satisfied, 2= Fairly satisfied, 3= Neither satisfied nor dissatisfied, 4= Fairly dissatisfied, 5= very dissatisfied, 6= don't know 7= not applicable.

- | | | |
|--|--|--|
| a) The colour and appearance of your tap water | | |
| b) Taste and smell of tap water | | |
| c) Hardness/softness of your water | | |
| d) The safety of your drinking water | | |
| e) The reliability of your water supply | | |

f) Your water pressure

11. How satisfied or dissatisfied are you with your sewerage services? **SINGLE CODE**

- | | |
|---|--|
| Very satisfied..... <input type="checkbox"/> 1 | Fairly dissatisfied <input type="checkbox"/> 4 |
| Fairly satisfied..... <input type="checkbox"/> 2 | Very dissatisfied..... <input type="checkbox"/> 5 |
| Neither satisfied nor dissatisfied.. <input type="checkbox"/> 3 | Don't know..... <input type="checkbox"/> 6 |

If fairly or very dissatisfied for Q11 ask Q12, otherwise go to Q13

12. How satisfied or dissatisfied are you with your sewerage company's management of **each** of the following aspects of their service:

Scale: 1= very satisfied, 2= Fairly satisfied, 3= Neither satisfied nor dissatisfied, 4= Fairly dissatisfied, 5= very dissatisfied, 6= don't know 7= not applicable.

READ OUT EACH

STATEMENT AND SINGLE CODE

- a) Reducing smells from sewage treatment works
- b) Maintenance of sewerage pipes and treatment works
- c) Cleaning waste water properly before releasing it back into the environment
- d) Minimising sewer flooding
- e) Removal of Trade effluent (**only ask if Yes to Q2b**)
- f) Removal of surface water (rainwater) from the premises

Appendix G – Contact with the Waste and Sewerage Company

Contact with the water and sewerage company

Just less than half the respondents have contacted their water and/or sewerage provider in the past few years.

A summary of each contacted is presented below.

Request for information – e.g. of wider service options / schemes available to them (e.g. metering, water efficiency, advice)

Case study 1 – Installation of a water meter

Business contacted their water company to enquire about having a water meter installed. The business was not happy with the contact:

“It was more than they could be bothered to do.”

The business felt that the issue was out sourced.

“A man came to inspect the property and made a series of demands about what needed to be done such as taking up carpets, digging up the floor etc. in the property.”

The business was not happy that no help was given with the cost of this.

Although the initial response time was acceptable (the water company made a site visit within one month, and provided costs two weeks later) overall the business consider the issue unresolved as no water meter was installed.

“The price they quoted was far too expensive.”

The impact is that the business is still paying water rates, rather than having a meter, so they believe they are paying more than necessary, which is impacting overhead costs.

Case study 2 – Trade effluent

Business contacted the water company to discuss disposal of trade effluent. The contact was straightforward and easy to speak to relevant staff. However, when trying to query a bill, discuss cost saving or additional charges it is *“impossible – nobody seems to be interested”*.

The business felt that the water company had poor customer relations which needed to be improved. The business was complimentary about some of the water company staff who had visited the business regarding trade effluent, however other staff at the water company *“give the indication they have bigger fish to fry”*.

The business felt that it was very difficult to get past the first point of contact on the phone when contacting the water company, and very difficult to find the relevant person. The business eventually gave up trying to contact the water company regarding a bill enquiry, resulting in a loss of revenue for the water company.

“Several occasions in February, sent emails and tried to chase people up, and after the third or fourth attempt, thought that’s it I’m not going back to them again...and this was to their benefit by the way..I was trying to pay a bill and nobody would respond.”

Case study 3 – Trade effluent

When the business first got an effluent permit, a water company representative came to discuss restrictions on water discharged. Occasionally when the water company carry out checks, the business is outside limits set. However the business feels that the water company are understanding and helpful in these instances.

The water company initiated the contact *“Because we had breached the terms of their (effluent) permit”*.

“They did come down and visit and I was also able to speak to someone on the phone who I’ve spoken to before and knows the situation. They weren’t too heavy handed. They were reasonably appreciative of the needs of a small producer”.

“For a big company I was reasonably impressed.” [with the customer service]

“Took a while to explain to them that maybe a spike of effluent for a brewery of our size will be lost once it gets down to the sewage works as opposed to a big brewery who would completely foul up the effluent plant.” “Took a while for them to get their head round that, but once they did they were good.”

Case study 4 - Discharged water

The water company contacted the business because they realised that they were discharging a lot of water, and so felt they needed to get it checked. The issue was initiated by telephone, followed up by an email and a visit.

The issue was dealt with quickly. It was difficult for the business as it meant making changes to their practice, but no concerns over the contact with the water company and was dealt with very effectively. New methods resulted in higher bills for the business, but they understood this was fair and accepted that.

Terms and conditions of sale (e.g. what you’re going to get, when etc)

Case study 5 – Water company request for a meeting.

Business had been contacted (via the Services Manager) recently by email. The business has not yet responded to the water company.

“Our account manager contacted us to say we hadn’t spoken for a while, and wanted to set up a meeting just to check we’re still on the right tariffs etc etc.”

Case study 6 - Building work

Business had contact with the water company when undertaking building work to extend their property.

“The water company came and put loads of restrictions on how we disposed of our water, because we’ve got tub tables that dogs are washed in and so they don’t want back flow...they came and advised on how to structure pipework...we did everything they told us to do and they were quite helpful...and came and sorted it quite promptly.”

Case study 7 - New business

Business had contact with their water company when they initially started to rent the business unit. Previously the building had been one unit but it was being split into two and the business was only renting half. A dividing wall was put in, but the water meter was on the side of the divide that the business was not renting.

A request was made to have a meter installed on their side of the unit, and "had numerous conversations with Wessex water".

The business spoke to at least 13 people about the issue before it was resolved. However, after finally having a water meter set up for their side of the rented unit, they didn't then get a bill for 12 months.

"I think there was a bit of confusion with what was going on, and I'm 99% certain the bills were getting sent to the unit next door for what we were using."

Although the business stated they had 'kept quiet' for a while, they had eventually got in touch with the water company as didn't want them to suddenly realise the business hadn't been paying for their water usage and subsequently then send them a large bill charging them for water over the last 12 months.

"Was aware that we use a lot of water in a hairdressing salon and didn't suddenly want a bill for thousands of pounds."

The water company did finally come and check the meter and so they received a bill in the end, but the respondent noted it was and still is, for quite low amounts. Although they don't know anyone else with a hairdressers salon they sometimes feels that the bills don't "seem enough at times."

"I have rung them back...but initially I rang them back and said we've had our first bill, and it's lovely, but are you sure you've got us right?"

The water company informed them that if someone had come and read the meter and that was what they'd been billed, then that was correct.

Case study 8 – New premises

Business contacted their water company (phone and followed up with letters) when they moved premises and needed to register/set up the account. The contact was very straightforward and easy, and no improvements were suggested.

Case study 9 – New premises

Business contacted their water company (by phone) when they took over a premises previously rented by another business. The contact was "very straightforward", instantly resolved and with minimal impact to the business.

Case study 10 - Trade effluent

Business had contact with their sewerage supplier because of their trade effluent (which means they are obliged to have regular contact. They have contact every two to three months and have no complaints about their contact to date.

"Have a lot of contact with them [water company] because we have trade effluence subject to consent levels...they do spot check levels and we have to monitor our own."

"They're very good, it's all to do with contaminants, so they keep a close eye on us and we take it very seriously."

A query over payment for services (e.g. transparency and accuracy of bills etc)

Case study 11 – Bill query

The water company made contact with one business to inform them the meter was stuck and not moving round. It was approximately one month before they got someone through to fix the water meter *“but it wasn’t an issue for us because the water kept coming through, they just couldn’t bill us until they’d sorted it out and then they were very fair with the bill, because they had to estimate it.”*

Case study 12 – Bill query

Business contacted the water company to query a bill. The issue was dealt with very quickly and there was no impact to the business. No improvement to the handling of the situation was suggested.

“Query the billing – they’re always very helpful.”

Case study 13 – Bill query – backdated bill

Business phoned the water company to query a back dated bill received.

“We had this horrendous bill [for £5,000] last summer, as they decided to backdate what we owed since September 2009, saying there was a problem with the meter.”

The business followed up the phone call (and confirmation letter), but had to call back a week later having not received a reply. Although it was fairly easy to find the correct person to talk to, they felt there should have been acknowledgement of the first phone call, and the business should not have had to have chased up the issue. The issue was finally dealt with just over one month from receiving the backdated bill. The business would have liked a letter confirming the water company’s mistake, and that they did not owe any money, rather than just having a new bill issued.

“I queried it [the back dated bill] and they came back and said, on no we’ve made a mistake, you’re actually in credit. That really scared me that they could do that [backdate bills]. How many other companies have they gone back to and said your meter has gone wrong so we’ve recalculated how much you owe us? And how many of them would just pay it because they don’t check, as they are not domestic users.”

“It would have been nice for them to have dealt with the first phone call, rather than me having to chase them. I would have liked a letter immediately acknowledging that they were looking into the issue. That would have been reassuring, rather than me having to chase them again a week later.”

“I was a bit upset that they just sent out a new bill as their way of saying the issue had been sorted out. They should have enclosed a letter explaining what had happened. I also considered writing back asking for confirmation that they wouldn’t try and do it again [backdate a bill]. They never did explain why it happened.”

Having to chase and query something that was the mistake of the water company took up time of the businesses administration staff, which they found inconvenient.

“It took time to sort, time I haven’t got. Usually a bill arrives on my desk and I just process it. Whereas this obviously involved phone calls and letters being written.”

Case study 14 – Bill query

The business received a bill for three times the usual amount, which included a letter saying that the bill was a lot higher than usual, possibly due to the water company having taken a water reading and the previous estimates being incorrect.

The business was also informed however that the increase in the bill may be due to other things, for example if there was a leak on the premises, if there had been an increase in the numbers of staff on site or a change in their business type.

As a follow up to this letter, the business had then received a phone call the following week from a representative of the water company asking them if they had received the water bill, telling them where to find the meter so they could register if there was a leak and also asking whether they would like any other advice or had other concerns regarding the bill.

The business hasn't yet had chance to read the meter and establish if there is a link.

The respondent felt that the water company in this case had 'gone above and beyond', taking a very proactive stance and encouraging actions that were not necessarily in their best interests if they reduced the amount of money they received.

"Great, because what they're saying is here you've used quite a lot of water, let's see why that is, have you got a leak...and see if you're paying money that you don't need to, so, at the moment, very good."

No impact to business, has been hassle free. Has taken minimal time to deal with and no extra costs.

Could have improved the service/ contact if the meter had generally been read on a more frequent basis so didn't have such a large payment this time.

A problem with service

Case study 15 - Interrupted supply

Business suffered interrupted supply when there was a problem with the water network system. A pumping system near to the business failed, resulting in a local reservoir running dry. Because the network is old, *"it took almost two and a half days for the water company to bleed the system and fully restore the water supply back to business"*.

"Initially short term the relationship got very strained because there was no way we could get through to anybody in [water company] to tell us what was happening. Any information we got proved to be wholly unreliable. There was a service team locality and we spoke to them, and there was a huge disparity between what [water company] thought – what their customer service team thought was happening, and what their service team said had happened."

"We've 'loosely' got a business manager, but they have re-titled them and we made strong complaints and in the end we did get somebody to co-ordinate, who controlled our destiny by going to Water Direct and having water bought in, and we're sending the invoices off to [water company]."

"After a little bit of me getting hot under the collar they made a site visit. But that wasn't because of [water company]'s customer service, it was due to this individual's conscientious approach to his job."

"We just couldn't get any solid information. If [water company] had been more honest with us then we could have made decisions to have interim management and a supply of water to the site a lot quicker."

Although the issue is now dealt with, the water company informed the business that they could not guarantee that it wouldn't happen again, and therefore the business have made a decision that if the supply is interrupted and is not restored within 10 minutes, then they will initiate water supply from water direct and invoice the water company.

"They have been honest with us and said that what happened could happen again due to their fragile network. At least they have been honest with us there and told us what they've got is not"

up to scratch.”

The impact to the business was severe, with staff sent home, and a huge cost to the business. Due to the seriousness of the issue it was dealt with by the businesses operations director (senior level).

“We had to cease production, terminate shifts, send staff home.”

As a result of the incidence, the water company has now designated the business as a ‘major customer’ and given them a phone number and ID to use in future circumstances. This will allow the business quick/direct access to a senior member of the water company.

Case study 16 - Leak

Business had recent contact with the water company who felt they were responsible for a leak in the street. However, when the water had been turned off at the business, the leak had still continued. The business felt that although it wasn't anything to do with them, they had been served with a written notice to say they has 14 days to take action and solve the problem “so we now await his taking action.”

“They were banging on the door the other day to say there was a leak outside and what were we doing about getting it fixed...in fact the leakage was nothing to do with us, there was no leakage in the theatre.”

The business are unhappy with how the water company representative had spoken to their staff.

“The man who came was a jobsworth and we were a bit unhappy about the way he spoke to our staff.”

Case study 17 - Leak

Business had an issue due to leaking in the neighbourhood, which required their car park to be dug up. The issue took about six months to be solved. The issue was passed around several people in the water company before finally being passed to someone who took ownership of it. The business felt that the work was eventually outsourced from the water company. Overall though, the business was happy with the response from the water company.

Case study 18 - Water quality

Business contacted their water company (by phone) because they had sediment coming through the pipes making the water appear dirty. They found it easy to locate the person to speak too (by looking them up on the Internet). The issue was dealt with quickly (water company upgraded the water mains) and they haven't had any more problems. There was no impact to the business, and no suggested improvements to how the issue was dealt with.

“They solved the problem very quickly.”

Appendix H – Profile of Businesses

Appendix H - Profile of Survey Businesses

Presented below is an overview of the profile of businesses interviewed in the telephone survey. Figures quoted in the commentary are based on unweighted data, but all tables show weighted and unweighted figures

Table H1 shows the number of completed interviews per WaSC region – a minimum of 200 was achieved in each WaSC region.

Table H1: Number of Surveys Achieved by WaSC Region

	Frequency	Percent (%)	Frequency	Percent (%)
	Unweighted		Weighted	
Anglian	204	10	254	12
Dŵr Cymru	200	10	132	6
Northumbrian	200	10	90	4
Severn Trent	204	10	336	16
South West	200	10	84	4
Southern	200	10	201	9
Thames	201	10	502	24
United Utilities	211	10	236	11
Wessex	200	10	113	5
Yorkshire	209	10	168	8
Total	2029	100	2116	100

One percent (n=25) of businesses have private sewerage services / a septic tank. One percent (n=15) of business were unable to specify which company provides their sewerage services, these businesses were located in the following WaSC regions:

- Southern Water (n=5);
- Thames (n=3);
- Yorkshire Water (n=3);
- Anglian (n=2); and
- Severn Trent Water (n=2).

Ninety six percent of businesses receive their water from public supply, whereas 4% receive a mix of public and private supply.

Table H2: Water Supply (Public or Private)

	Frequency	Percent (%)	Frequency	Percent (%)
	Unweighted		Weighted	
100% from public water supply (e.g. water company)	1957	96	2068	98
Mix of public and private supply	72	4	48	2
Total	2029	100	2116	100

Just over three quarters (76%) of businesses have one water meter based on site, and 11% have two. 5% of businesses did not think that they are on a meter.

Table H3: Number of Water Meters on Site

	Frequency	Percent (%)	Frequency	Percent (%)
	Unweighted		Weighted	
0	96	5	137	6
1	1537	76	1822	86
2	215	11	121	6
3	95	5	25	1
4	54	3	7	*
5 or more	32	2	4	*
Total	2029	100	2116	100

Table H4 shows that less than one in ten businesses (9%) have an annual water and sewerage cost of less than £200, 17% pay between £201 and £400, and 11% between £401 and £600. Just over four in ten (42%) pay more than £1401 per year.

Table H4: Annual Water and Sewerage Cost

	Frequency	Percent (%)	Frequency	Percent (%)
	Unweighted		Weighted	
Up to £100	24	2	57	3
£101-£200	105	7	302	16
£201-£400	273	17	585	31
£401-£600	173	11	353	19
£601-£800	89	6	104	5
£801-£1000	113	7	184	10
£1001-£1200	109	7	67	4
£1201-£1400	40	3	31	2
£1401 or more	673	42	205	11
Total (excludes don't know)	1599	100	1887	100

Just less than nine in ten (89%) businesses use less than 5,000 cubic metres of water per year. Where businesses were unable to specify usage themselves, they have been classified using other information about the company, including company type, size and annual bill cost.

Table H5: Water usage per year

	Frequency	Percent (%)	Frequency	Percent (%)
	Unweighted		Weighted	
Less than 5,000 cubic metres	1807	89	2087	99
More than 5,000 cubic metres	222	11	29	1
Total	2029	100	2116	100

Ninety one percent of sampled businesses were located in England and 9% in Wales.

Table H6: Location of Sampled Site

	Frequency	Percent (%)	Frequency	Percent (%)
	Unweighted		Weighted	
England	1837	91	1985	94
Wales	192	9	131	6
Total	2029	100	2116	100

Eighty nine percent of businesses had premises solely in England, 8% in Wales, and 3% in both countries.

Table H7: Business Premises

	Frequency	Percent (%)	Frequency	Percent (%)
	Unweighted		Weighted	
England	1799	89	1972	93
Wales	172	8	122	6
Both	58	3	21	1
Total	2029	100	2116	100

Just over three quarters (76%) of businesses are based in an urban area, and 24% in a rural area.

Table H8: Urban / Rural Area

	Frequency	Percent (%)	Frequency	Percent (%)
	Unweighted		Weighted	
Urban	1548	76	1683	80
Rural	481	24	433	20
Total	2029	100	2116	100

Table H9 shows the SIC 2007 employment categories of the businesses. The majority of businesses were based in the following categories:

- Wholesale and retail trade; repair of motor vehicles and motorcycles (17%);
- Education (14%);
- Manufacturing (11%); and
- Accommodation and food service activities (10%).

Table H9: SIC 2007 Employment Categories

	Frequency	Percent (%)	Frequency	Percent (%)
	Unweighted		Weighted	
A - Agriculture, Forestry and Fishing	5	*	5	*
B - Mining and Quarrying	3	*	0	*
C - Manufacturing	225	11	141	7
D - Electricity, gas, steam and air conditioning supply	8	*	5	*
E - Water supply, sewerage, waste management and remediation activities	20	1	16	1
F - Construction	100	5	289	14
G - Wholesale and retail trade; repair of motor vehicles and motorcycles	349	17	489	23
H - Transportation and storage	102	5	74	4
I - Accommodation and food service activities	201	10	285	13
J - Information and communication	50	2	35	2
K - Financial and insurance activities	23	1	8	*
L - Real estate activities	31	2	34	2
M - Professional, scientific and technical activities	169	8	206	10
N - Administrative and support service activities	93	5	103	5
O - Public administration and defence; compulsory social security	15	1	8	*
P - Education	284	14	75	4
Q - Human health and social work activities	183	9	114	5
R - Arts, entertainment and recreation	89	4	74	3
S - Other service activities	79	4	154	7
Total	2029	100	2116	100

Table H10 shows the number of employees located at the premises interviewed.

Table H10: Number of Employees

	Frequency	Percent (%)	Frequency	Percent (%)
	Unweighted		Weighted	
1-9	538	27	1704	81
10-49	571	28	349	16
50-99	441	22	41	2
100-250	479	24	22	1
Total	2029	100	2116	100

The majority (94%) of interviews were undertaken with a company representative on-site.

Table H11: Interviewee position

	Frequency	Percent (%)	Frequency	Percent (%)
	Unweighted		Weighted	
Company representative on-site	1899	94	2011	95
Head office company representative	130	6	105	5
Total	2029	100	2116	100

Appendix I – Weighting Figures

Population	1 to 9	10 to 49	50 to 99	100 to 250	Total
Anglian	159668	32401	3798	2148	198015
Northumbrian	51562	11972	1499	776	65809
Severn Trent	213942	45197	5664	3099	267902
South West Water	58069	9509	1003	514	69095
Southern	122233	24404	2693	1566	150896
Thames	305327	71166	9033	5398	390924
United Utilities	157385	34844	4255	2362	198846
Welsh	84439	16240	1837	899	103415
Wessex	73788	14263	1660	962	90673
Yorkshire	107785	23291	2966	1603	135645
Total	1334198	283287	34408	19327	1671220

	1 to 9	10 to 49	50 to 99	100 to 250	Total
Anglian	9.55%	1.94%	0.23%	0.13%	11.85%
Northumbrian	3.09%	0.72%	0.09%	0.05%	3.94%
Severn Trent	12.80%	2.70%	0.34%	0.19%	16.03%
South West Water	3.47%	0.57%	0.06%	0.03%	4.13%
Southern	7.31%	1.46%	0.16%	0.09%	9.03%
Thames	18.27%	4.26%	0.54%	0.32%	23.39%
United Utilities	9.42%	2.08%	0.25%	0.14%	11.90%
Welsh	5.05%	0.97%	0.11%	0.05%	6.19%
Wessex	4.42%	0.85%	0.10%	0.06%	5.43%
Yorkshire	6.45%	1.39%	0.18%	0.10%	8.12%
Total	79.83%	16.95%	2.06%	1.16%	100.00%

	1 to 9	10 to 49	50 to 99	100 to 250	
Anglian	80.63429538	16.3629018	1.918036512	1.084766306	100
Northumbrian	78.35098543	18.1920406	2.277803948	1.179170022	100
Severn Trent	79.8583064	16.87072138	2.114205941	1.15676628	100
South West Water	84.04226066	13.76221145	1.451624575	0.743903322	100
Southern	81.00479801	16.17272824	1.784672887	1.037800869	100
Thames	78.10392813	18.2045615	2.310679314	1.380831057	100
United Utilities	79.14919083	17.52310834	2.139846917	1.187853917	100
Welsh	81.65063095	15.70371803	1.776338055	0.869312962	100
Wessex	81.37813903	15.7301512	1.830754469	1.060955301	100
Yorkshire	79.46109329	17.17055549	2.186589996	1.181761215	100

Size Weight for each WaSC

IF (WASC = 1 &	SizeWeight =	80.63429538 /	24.019608 .
IF (WASC = 1 &	SizeWeight =	16.3629018 /	26.960784 .
IF (WASC = 1 &	SizeWeight =	1.918036512 /	24.019608 .
IF (WASC = 1 &	SizeWeight =	1.084766306 /	25.00 .
IF (WASC = 2 &	SizeWeight =	81.65063095 /	27.5 .
IF (WASC = 2 &	SizeWeight =	15.70371803 /	23.5 .
IF (WASC = 2 &	SizeWeight =	1.776338055 /	20 .
IF (WASC = 2 &	SizeWeight =	0.869312962 /	29.00 .
IF (WASC = 3 &	SizeWeight =	78.35098543 /	30.00 .
IF (WASC = 3 &	SizeWeight =	18.1920406 /	25.50 .
IF (WASC = 3 &	SizeWeight =	2.277803948 /	25.00 .
IF (WASC = 3 &	SizeWeight =	1.179170022 /	19.50 .
IF (WASC = 4 &	SizeWeight =	79.8583064 /	28.43 .
IF (WASC = 4 &	SizeWeight =	16.87072138 /	30.39 .
IF (WASC = 4 &	SizeWeight =	2.114205941 /	16.67 .
IF (WASC = 4 &	SizeWeight =	1.15676628 /	24.51 .
IF (WASC = 5 &	SizeWeight =	84.04226066 /	28.00 .
IF (WASC = 5 &	SizeWeight =	13.76221145 /	37.50 .
IF (WASC = 5 &	SizeWeight =	1.451624575 /	18.50 .

IF (WASC =	5 &	BusinessSize =	4)	SizeWeight =	0.743903322 /	16.00 .
IF (WASC =	6 &	BusinessSize =	1)	SizeWeight =	81.00479801 /	18.00 .
IF (WASC =	6 &	BusinessSize =	2)	SizeWeight =	16.17272824 /	31.50 .
IF (WASC =	6 &	BusinessSize =	3)	SizeWeight =	1.784672887 /	16.00 .
IF (WASC =	6 &	BusinessSize =	4)	SizeWeight =	1.037800869 /	34.50 .
IF (WASC =	7 &	BusinessSize =	1)	SizeWeight =	78.10392813 /	20.90 .
IF (WASC =	7 &	BusinessSize =	2)	SizeWeight =	18.2045615 /	28.36 .
IF (WASC =	7 &	BusinessSize =	3)	SizeWeight =	2.310679314 /	25.37 .
IF (WASC =	7 &	BusinessSize =	4)	SizeWeight =	1.380831057 /	25.37 .
IF (WASC =	8 &	BusinessSize =	1)	SizeWeight =	79.14919083 /	29.38 .
IF (WASC =	8 &	BusinessSize =	2)	SizeWeight =	17.52310834 /	27.01 .
IF (WASC =	8 &	BusinessSize =	3)	SizeWeight =	2.139846917 /	20.38 .
IF (WASC =	8 &	BusinessSize =	4)	SizeWeight =	1.187853917 /	23.22 .
IF (WASC =	9 &	BusinessSize =	1)	SizeWeight =	81.37813903 /	25.50 .
IF (WASC =	9 &	BusinessSize =	2)	SizeWeight =	15.7301512 /	23.50 .
IF (WASC =	9 &	BusinessSize =	3)	SizeWeight =	1.830754469 /	30.00 .
IF (WASC =	9 &	BusinessSize =	4)	SizeWeight =	1.060955301 /	21.00 .
IF (WASC =	10 &	BusinessSize =	1)	SizeWeight =	79.46109329 /	33.01 .
IF (WASC =	10 &	BusinessSize =	2)	SizeWeight =	17.17055549 /	27.27 .
IF (WASC =	10 &	BusinessSize =	3)	SizeWeight =	2.186589996 /	21.53 .
IF (WASC =	10 &	BusinessSize =	4)	SizeWeight =	1.181761215 /	18.18 .

Sample	1 to 9	10 to 49	50 to 99	100 to 250	Total
Anglian	49	55	49	51	204
Northumbria	60	51	50	39	200
Severn Trent	58	62	34	50	204
South West	56	75	37	32	200
Southern	36	63	32	69	200
Thames	42	57	51	51	201
United Utilities	62	57	43	49	211
Dwr Cymru	55	47	40	58	200
Wessex	51	47	60	42	200
Yorkshire	69	57	45	38	209
Total	538	571	441	479	2029

2.41%	2.71%	2.41%	2.51%	10.05%
2.96%	2.51%	2.46%	1.92%	9.86%
2.86%	3.06%	1.68%	2.46%	10.05%
2.76%	3.70%	1.82%	1.58%	9.86%
1.77%	3.10%	1.58%	3.40%	9.86%
2.07%	2.81%	2.51%	2.51%	9.91%
3.06%	2.81%	2.12%	2.41%	10.40%
2.71%	2.32%	1.97%	2.86%	9.86%
2.51%	2.32%	2.96%	2.07%	9.86%
3.40%	2.81%	2.22%	1.87%	10.30%
26.52%	28.14%	21.73%	23.61%	100.00%

24.019608	26.96078	24.01961	25.00	100
30	25.5	25	19.50	100
28.431373	30.39216	16.66667	24.51	100
28	37.5	18.5	16.00	100
18	31.5	16	34.50	100
20.895522	28.35821	25.37313	25.37	100
29.383886	27.01422	20.37915	23.22	100
27.5	23.5	20	29.00	100
25.5	23.5	30	21.00	100
33.014354	27.27273	21.5311	18.18	100

- 1 Anglian
- 2 Dwr Cymru
- 3 Northumbrian
- 4 Severn Trent
- 5 South West
- 6 Southern
- 7 Thames
- 8 United Utilities
- 9 Wessex
- 10 Yorkshire

Population	SECTION A	SECTION B	SECTION C	SECTION D	SECTION E	SECTION F	SECTION G	SECTION H	SECTION I	SECTION J	SECTION K
Anglian	1276	168	17669	456	940	17912	39790	9859	16140	5329	2813
Northumbrian	275	41	5222	98	277	5571	13663	3201	6748	1406	1063
Severn Trent	1549	162	25016	597	1325	23290	56103	12246	21965	6846	4150
South West	462	54	5470	128	289	6257	13703	3160	7900	1499	906
Southern	686	70	12479	370	671	13892	30439	6586	13211	4338	2330
Thames	1378	140	26188	792	1634	30058	79016	16790	34706	15669	7696
United Utilities	862	86	16605	368	933	16800	41551	9123	19496	4794	3322
Dwr Cymru	592	93	7761	180	472	8189	20447	4910	10788	2212	1667
Wessex	502	87	7795	177	430	8194	17842	3833	8213	2813	1401
Yorkshire	618	61	12186	258	609	11393	28789	6393	13575	3254	2072
Total	8200	962	136391	3424	7580	141556	341343	76101	152742	48160	27420

Sample	A - Agricult	B - Mining	C - Manufa	D - Electrici	E - Water supply	F - Construction	G - Wholes	H - Transpo	I - Accom	J - Informa	K - Financie
Anglian	0	0	31	1	1	7	45	10	11	6	1
Dwr Cymru	0	0	17	0	4	12	34	11	21	2	4
Northumbrian	0	0	19	2	0	4	37	8	21	5	3
Severn Trent	1	1	29	2	3	11	33	12	18	3	2
South West	3	2	21	1	2	21	29	11	28	3	4
Southern	0	0	18	1	3	6	35	11	26	5	2
Thames	0	0	20	0	2	11	32	8	11	6	1
United Utilities	0	0	27	1	2	8	41	9	19	3	2
Wessex	0	0	21	0	1	12	28	12	18	8	2
Yorkshire	1	0	22	0	2	8	35	10	28	9	2
Total	5	3	225	8	20	100	349	102	201	50	23

SECTION C	SECTION D	SECTION E	SECTION F	SECTION G	SECTION H	SECTION I	SECTION J	SECTION K	SECTION L	SECTION M	SECTION N	SECTION O	SECTION P
1.06%	0.03%	0.06%	1.07%	2.38%	0.59%	0.97%	0.32%	0.17%	0.15%	1.38%	0.84%	0.06%	0.58%
0.31%	0.01%	0.02%	0.33%	0.82%	0.19%	0.40%	0.08%	0.06%	0.05%	0.40%	0.23%	0.02%	0.20%
1.50%	0.04%	0.08%	1.39%	3.36%	0.73%	1.31%	0.41%	0.25%	0.18%	1.77%	1.09%	0.08%	0.81%
0.33%	0.01%	0.02%	0.37%	0.82%	0.19%	0.47%	0.09%	0.05%	0.04%	0.54%	0.26%	0.02%	0.17%
0.75%	0.02%	0.04%	0.83%	1.82%	0.39%	0.79%	0.26%	0.14%	0.12%	0.95%	0.65%	0.04%	0.44%
1.57%	0.05%	0.10%	1.80%	4.73%	1.00%	2.08%	0.94%	0.46%	0.40%	2.78%	1.77%	0.10%	1.18%
0.99%	0.02%	0.06%	1.01%	2.49%	0.55%	1.17%	0.29%	0.20%	0.15%	1.24%	0.78%	0.05%	0.59%
0.46%	0.01%	0.03%	0.49%	1.22%	0.29%	0.65%	0.13%	0.10%	0.05%	0.84%	0.37%	0.04%	0.29%
0.47%	0.01%	0.03%	0.49%	1.07%	0.23%	0.49%	0.17%	0.08%	0.07%	0.66%	0.37%	0.03%	0.25%
0.73%	0.02%	0.04%	0.68%	1.72%	0.38%	0.81%	0.19%	0.12%	0.09%	0.89%	0.50%	0.04%	0.39%
8.16%	0.20%	0.45%	8.47%	20.42%	4.55%	9.14%	2.88%	1.64%	1.31%	11.46%	6.84%	0.48%	4.90%

C - Manufa	D - Electrici	E - Water s	F - Constru	G - Wholes	H - Transpc	I - Accom	J - Informal	K - Financia	L - Real est	M - Profess	N - Admini	O - Public a	P - Educat
1.53%	0.05%	0.05%	0.34%	2.22%	0.49%	0.54%	0.30%	0.05%	0.15%	1.33%	0.59%	0.05%	0.79%
0.84%	0.00%	0.20%	0.59%	1.68%	0.54%	1.03%	0.10%	0.20%	0.20%	0.84%	0.39%	0.10%	1.53%
0.94%	0.10%	0.00%	0.20%	1.82%	0.39%	1.03%	0.25%	0.15%	0.10%	0.99%	0.20%	0.25%	1.48%
1.43%	0.10%	0.15%	0.54%	1.63%	0.59%	0.89%	0.15%	0.10%	0.20%	0.74%	0.49%	0.10%	1.38%
1.03%	0.05%	0.10%	1.03%	1.43%	0.54%	1.38%	0.15%	0.20%	0.25%	0.54%	0.39%	0.00%	1.08%
0.89%	0.05%	0.15%	0.30%	1.72%	0.54%	1.28%	0.25%	0.10%	0.05%	0.54%	0.20%	0.05%	2.12%
0.99%	0.00%	0.10%	0.54%	1.58%	0.39%	0.54%	0.30%	0.05%	0.20%	1.28%	0.49%	0.00%	1.33%
1.33%	0.05%	0.10%	0.39%	2.02%	0.44%	0.94%	0.15%	0.10%	0.20%	0.64%	0.64%	0.05%	2.07%
1.03%	0.00%	0.05%	0.59%	1.38%	0.59%	0.89%	0.39%	0.10%	0.05%	0.79%	0.79%	0.05%	0.94%
1.08%	0.00%	0.10%	0.39%	1.72%	0.49%	1.38%	0.44%	0.10%	0.15%	0.64%	0.39%	0.10%	1.28%
11.09%	0.39%	0.99%	4.93%	17.20%	5.03%	9.91%	2.46%	1.13%	1.53%	8.33%	4.58%	0.74%	14.00%

SECTION L	SECTION M	SECTION N	SECTION O	SECTION P	SECTION Q	SECTION R	SECTION S	SECTION U	Total	SECTION A	SECTION B	
2432	23111	13961	925	9684	11428	7117	16940	65	198015	Anglian	0.08%	0.01%
878	6629	3829	414	3344	4317	2640	6138	55	65809	Northumbr	0.02%	0.00%
3054	29652	18138	1298	13495	15356	9725	23851	84	267902	Severn Trei	0.09%	0.01%
649	8986	4397	306	2868	3913	2791	5304	53	69095	South Wes	0.03%	0.00%
2080	15903	10868	749	7337	9990	5672	13163	62	150896	Southern	0.04%	0.00%
6605	46499	29575	1664	19711	24896	13591	34225	91	390924	Thames	0.08%	0.01%
2563	20721	13020	916	9806	12154	7151	18515	60	198846	United Util	0.05%	0.01%
914	14023	6206	630	4887	6299	4152	8932	61	103415	Dwr Cymru	0.04%	0.01%
1209	11113	6105	452	4159	5277	3436	7604	31	90673	Wessex	0.03%	0.01%
1513	14891	8285	606	6599	7931	4649	11911	52	135645	Yorkshire	0.04%	0.00%
21897	191528	114384	7960	81890	101561	60924	146583	614	1671220	Total	0.49%	0.06%

L - Real est. M	Profess N	Admini: O	Public a P	Educatio Q	Human R	Arts, en S	Other se U	Activitie Total	A - Agricult B	Mining	
3	27	12	1	16	22	4	6	0	Anglian	0.00%	0.00%
4	17	8	2	31	18	10	5	0	Dwr Cymru	0.00%	0.00%
2	20	4	5	30	25	4	11	0	Northumbr	0.00%	0.00%
4	15	10	2	28	11	9	10	0	Severn Trei	0.05%	0.05%
5	11	8	0	22	16	8	5	0	South Wes	0.15%	0.10%
1	11	4	1	43	18	8	7	0	Southern	0.00%	0.00%
4	26	10	0	27	21	13	9	0	Thames	0.00%	0.00%
4	13	13	1	42	14	6	6	0	United Util	0.00%	0.00%
1	16	16	1	19	22	11	12	0	Wessex	0.00%	0.00%
3	13	8	2	26	16	16	8	0	Yorkshire	0.05%	0.00%
31	169	93	15	284	183	89	79	0	Total	0.25%	0.15%

SECTION Q SECTION R SECTION S SECTION U Total

0.68%	0.43%	1.01%	0.00%	11.85%
0.26%	0.16%	0.37%	0.00%	3.94%
0.92%	0.58%	1.43%	0.01%	16.03%
0.23%	0.17%	0.32%	0.00%	4.13%
0.60%	0.34%	0.79%	0.00%	9.03%
1.49%	0.81%	2.05%	0.01%	23.39%
0.73%	0.43%	1.11%	0.00%	11.90%
0.38%	0.25%	0.53%	0.00%	6.19%
0.32%	0.21%	0.45%	0.00%	5.43%
0.47%	0.28%	0.71%	0.00%	8.12%
6.08%	3.65%	8.77%	0.04%	100.00%

Q - Human R - Arts, en S - Other se U - Activitië Total

1.08%	0.20%	0.30%	0.00%	10.05%
0.89%	0.49%	0.25%	0.00%	9.86%
1.23%	0.20%	0.54%	0.00%	9.86%
0.54%	0.44%	0.49%	0.00%	10.05%
0.79%	0.39%	0.25%	0.00%	9.86%
0.89%	0.39%	0.34%	0.00%	9.86%
1.03%	0.64%	0.44%	0.00%	9.91%
0.69%	0.30%	0.30%	0.00%	10.40%
1.08%	0.54%	0.59%	0.00%	9.86%
0.79%	0.79%	0.39%	0.00%	10.30%
9.02%	4.39%	3.89%	0.00%	100.00%

Population	Manufactu	Constructic	Retail	Accommoc	Professional	Other
Anglian	8.923061	9.045779	20.09444	8.150898	11.67133803	42.11448628
Northumbrian	7.935085	8.465407	20.7616	10.25392	10.07309031	42.51090276
Severn Trent	9.337743	8.693477	20.94161	8.198894	11.06822644	41.76004658
South West	7.916637	9.055648	19.83212	11.43353	13.00528258	38.75678414
Southern	8.269934	9.206341	20.17217	8.755037	10.53904676	43.05747005
Thames	6.699	7.688963	20.21262	8.87794	11.89463937	44.62683284
United Utilities	8.350683	8.448749	20.89607	9.804572	10.42062702	42.07929755
Dwr Cymru	7.504714	7.91858	19.77179	10.43176	13.55992844	40.81322826
Wessex	8.596826	9.036869	19.6773	9.057823	12.25612917	41.37505101
Yorkshire	8.983744	8.39913	21.22378	10.00774	10.97792031	40.40768182
IF (WASC =	1 &	SIC =		1)		sicweight =
IF (WASC =	1 &	SIC =		2)		sicweight =
IF (WASC =	1 &	SIC =		3)		sicweight =
IF (WASC =	1 &	SIC =		4)		sicweight =
IF (WASC =	1 &	SIC =		5)		sicweight =
IF (WASC =	1 &	SIC =		6)		sicweight =
IF (WASC =	2 &	SIC =		1)		sicweight =
IF (WASC =	2 &	SIC =		2)		sicweight =
IF (WASC =	2 &	SIC =		3)		sicweight =
IF (WASC =	2 &	SIC =		4)		sicweight =
IF (WASC =	2 &	SIC =		5)		sicweight =
IF (WASC =	2 &	SIC =		6)		sicweight =
IF (WASC =	3 &	SIC =		1)		sicweight =
IF (WASC =	3 &	SIC =		2)		sicweight =
IF (WASC =	3 &	SIC =		3)		sicweight =
IF (WASC =	3 &	SIC =		4)		sicweight =
IF (WASC =	3 &	SIC =		5)		sicweight =
IF (WASC =	3 &	SIC =		6)		sicweight =
IF (WASC =	4 &	SIC =		1)		sicweight =
IF (WASC =	4 &	SIC =		2)		sicweight =
IF (WASC =	4 &	SIC =		3)		sicweight =
IF (WASC =	4 &	SIC =		4)		sicweight =

IF (WASC =	4 &	SIC =	5)	sicweight =	11.06823 /	7.352941 .
IF (WASC =	4 &	SIC =	6)	sicweight =	41.76005 /	48.03922 .
IF (WASC =	5 &	SIC =	1)	sicweight =	7.916637 /	10.5 .
IF (WASC =	5 &	SIC =	2)	sicweight =	9.055648 /	10.5 .
IF (WASC =	5 &	SIC =	3)	sicweight =	19.83212 /	14.5 .
IF (WASC =	5 &	SIC =	4)	sicweight =	11.43353 /	14 .
IF (WASC =	5 &	SIC =	5)	sicweight =	13.00528 /	5.5 .
IF (WASC =	5 &	SIC =	6)	sicweight =	38.75678 /	45 .
IF (WASC =	6 &	SIC =	1)	sicweight =	8.269934 /	9 .
IF (WASC =	6 &	SIC =	2)	sicweight =	9.206341 /	3 .
IF (WASC =	6 &	SIC =	3)	sicweight =	20.17217 /	17.5 .
IF (WASC =	6 &	SIC =	4)	sicweight =	8.755037 /	13 .
IF (WASC =	6 &	SIC =	5)	sicweight =	10.53905 /	5.5 .
IF (WASC =	6 &	SIC =	6)	sicweight =	43.05747 /	52 .
IF (WASC =	7 &	SIC =	1)	sicweight =	6.699 /	9.950249 .
IF (WASC =	7 &	SIC =	2)	sicweight =	7.688963 /	5.472637 .
IF (WASC =	7 &	SIC =	3)	sicweight =	20.21262 /	15.9204 .
IF (WASC =	7 &	SIC =	4)	sicweight =	8.87794 /	5.472637 .
IF (WASC =	7 &	SIC =	5)	sicweight =	11.89464 /	12.93532 .
IF (WASC =	7 &	SIC =	6)	sicweight =	44.62683 /	50.24876 .
IF (WASC =	8 &	SIC =	1)	sicweight =	8.350683 /	12.79621 .
IF (WASC =	8 &	SIC =	2)	sicweight =	8.448749 /	3.791469 .
IF (WASC =	8 &	SIC =	3)	sicweight =	20.89607 /	19.43128 .
IF (WASC =	8 &	SIC =	4)	sicweight =	9.804572 /	9.004739 .
IF (WASC =	8 &	SIC =	5)	sicweight =	10.42063 /	6.161137 .
IF (WASC =	8 &	SIC =	6)	sicweight =	42.0793 /	48.81517 .
IF (WASC =	9 &	SIC =	1)	sicweight =	8.596826 /	10.5 .
IF (WASC =	9 &	SIC =	2)	sicweight =	9.036869 /	6 .
IF (WASC =	9 &	SIC =	3)	sicweight =	19.6773 /	14 .
IF (WASC =	9 &	SIC =	4)	sicweight =	9.057823 /	9 .
IF (WASC =	9 &	SIC =	5)	sicweight =	12.25613 /	8 .
IF (WASC =	9 &	SIC =	6)	sicweight =	41.37505 /	52.5 .
IF (WASC =	10 &	SIC =	1)	sicweight =	8.983744 /	10.52632 .

IF (WASC =	10 &	SIC =	2)	sicweight =	8.39913 /	3.827751 .
IF (WASC =	10 &	SIC =	3)	sicweight =	21.22378 /	16.74641 .
IF (WASC =	10 &	SIC =	4)	sicweight =	10.00774 /	13.39713 .
IF (WASC =	10 &	SIC =	5)	sicweight =	10.97792 /	6.220096 .
IF (WASC =	10 &	SIC =	6)	sicweight =	40.40768 /	49.2823 .

Sample	Manufactu	Constructic	Retail	Accommoc	Profession	Other
Anglian	15.19608	3.431373	22.05882	5.392157	13.23529	40.68627
Northumb	9.5	2	18.5	10.5	10	49.5
Severn Tre	14.21569	5.392157	16.17647	8.823529	7.352941	48.03922
South Wes	10.5	10.5	14.5	14	5.5	45
Southern	9	3	17.5	13	5.5	52
Thames	9.950249	5.472637	15.9204	5.472637	12.93532	50.24876
United Util	12.79621	3.791469	19.43128	9.004739	6.161137	48.81517
Dwr Cymru	8.5	6	17	10.5	8.5	49.5
Wessex	10.5	6	14	9	8	52.5
Yorkshire	10.52632	3.827751	16.74641	13.39713	6.220096	49.2823

- | | |
|--------------------|-----------------|
| 1 Anglian | 1 Manufacturing |
| 2 Dwr Cymru | 2 Construction |
| 3 Northumbrian | 3 Retail |
| 4 Severn Trent | 4 Accomodation |
| 5 South West | 5 Professional |
| 6 Southern | 6 Other |
| 7 Thames | |
| 8 United Utilities | |
| 9 Wessex | |
| 10 Yorkshire | |

Weight for each WaSC

WaSCweight = sizeweight * Sicweight .

Weight for WaSC size

IF (WASC =	1)	wascpop	=	11.84852982 /	10.0542139 .	1	Anglian
IF (WASC =	2)	wascpop	=	6.187994399 /	9.857072449 .	2	Dwr Cymru
IF (WASC =	3)	wascpop	=	3.93778198 /	9.857072449 .	3	Northumbrian
IF (WASC =	4)	wascpop	=	16.03032515 /	10.0542139 .	4	Severn Trent
IF (WASC =	5)	wascpop	=	4.134404806 /	9.857072449 .	5	South West
IF (WASC =	6)	wascpop	=	9.029092519 /	9.857072449 .	6	Southern
IF (WASC =	7)	wascpop	=	23.39153433 /	9.906357812 .	7	Thames
IF (WASC =	8)	wascpop	=	11.89825397 /	10.39921143 .	8	United Utilities
IF (WASC =	9)	wascpop	=	5.425557377 /	9.857072449 .	9	Wessex
IF (WASC =	10)	wascpop	=	8.116525652 /	10.30064071 .	10	Yorkshire

Overallweight = WaSCweight * wascpop .