Testing the Waters

Business customers' views on their water and sewerage services 2016

On behalf of CCWater

October 2016

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Foreword

In 2012 and 2014 the Consumer Council for Water (CCWater) undertook a large scale survey of business customers to measure how they felt about water and sewerage issues that affect them and gauge their perceptions of the industry.

This year, we partnered with DJS Research which interviewed nearly 4,000 business customers as part our third survey of their views. For the first time, we extended our survey to businesses with over 250 employees. We have also been able to look more closely at trend data at an industry level and the reasons behind differences between individual water companies.

Overall, our research has shown that compared to 2014, business customers:

- Report higher levels of trust and perceive that their water companies care about them,
- but satisfaction with the value for money of standard water and sewerage services is lower than two years ago.
- However, surface water drainage and trade effluent charges are perceived to be better value.
- Fewer business customers feel their water bills are clear.
- Just over a tenth of customers have experienced a service failure, but more customers than before (57%) feel they are kept informed of progress with their query.

We also surveyed customers on their attitudes and awareness of retail water competition, which will be open to all non-household customers in England from April 2017. We learned that customers still feel that competition is a good thing in principle, although their general awareness is still low (around 1 in 10) and it would take sizeable bill savings in some cases to prompt customers to switch.

We will continue to seek business customer feedback directly through research as their views form a key part of the messages we use in our work to influence the water industry to provide a good service to customers. They will also inform our ongoing work with Ofwat, Defra and Welsh Government.

1 Executive Summary

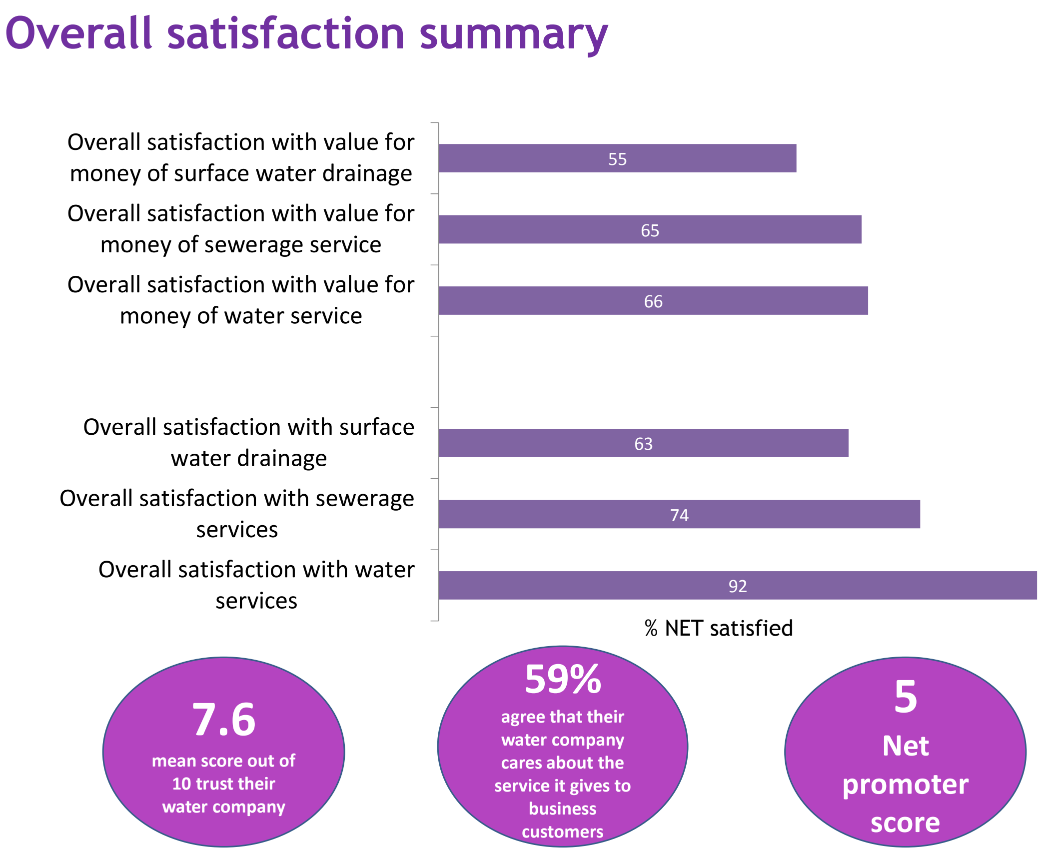
1.1 Research rationale and methodology

1.1.1 The Consumer Council for Water (CCWater) represents the interests of business and household water and sewerage customers in England and Wales. In order to be effective in this role, CCWater recognises that it is essential to have an understanding of the views and opinions of water consumers.

1.1.2 A total of 3,907 telephone interviews were conducted with business customers across England and Wales from 11 December 2015 to 3 May 2016. Around 200 interviews were conducted with customers of each of the ten WaSCs (water and sewerage companies) and around 150 interviews with the customers of each of 13 WoC (water only companies). The sample is representative of businesses in England and Wales.

1.2 Headlines

Figure 1: Satisfaction summary 2016



1.2.2 Awareness of business spend on water and sewerage services is low; half of all businesses do not know what they spend each year although it is possible that someone else in the business would have known about spend levels, but the interview was not being conducted with the person who manages the bills[1].

1.2.3 All businesses that took part in this survey receive water services and the vast majority receive sewerage services (92%). Significantly fewer businesses report that they pay for surface water drainage charges as one of the services they receive (23% in 2016 compared to 36% in 2014) although this could be low awareness of the service rather than an indication that they do not receive it. There is an increase in the number receiving trade effluent services (8% compared to 2% in the 2014 survey).

1.2.4 Three quarters (76%) believe that water is essential to the day to day running of their business.

Perceptions of bill clarity have fallen since 2014

1.2.5 In 2016, 80% of business customers think their bills are clear, a significant fall from 84% in 2014.

1.2.6 The fall in perceived bill clarity is significant in England compared with 2014 (80% in 2016 compared to 84% in 2014); whilst there has been a drop in Wales, this is not significant (78% in 2016 compared 83% in 2014)[2].

1.2.7 Those who disagree that their water bill is clear would like to see greater clarity and accuracy in their billing.

Satisfaction with water services has increased since 2014; but satisfaction with sewerage services has fallen

1.2.8 Across England and Wales, overall satisfaction with water services has increased significantly from 88% in 2014, to 92% in 2016. This is driven by an increase in satisfaction in England from 87% to 92%; satisfaction in Wales is still significantly higher than in England, but little has changed since 2014 (95% in 2016 compared to 94% in 2014).

1.2.9 Notably, businesses in Wales are significantly more likely to be satisfied with all aspects of their water supply service than those in England.

1.2.10 Overall satisfaction with sewerage services has fallen significantly across England and Wales, from 78% in 2014 to 74% in 2016. There are significant falls in England (74% in 2016 compared to 78% in 2014) and in Wales (71% in 2016 compared to 83% in 2014).

1.2.11 Business size appears to be a key determinant of satisfaction with sewerage services, with satisfaction significantly higher amongst large businesses (250+ employees) (77%) and lowest amongst micro businesses (0-9 employees) (72%).

[1] Respondents were asked whether they were the person in their business who deals with utility suppliers and/or pays the water bill and could be one or both.

[2] It is not significant because of the difference in sample sizes for England and Wales. Wales has a much smaller sample size (n=344) so it takes a bigger change in findings to register as significant than it does for the sample size of England (n=3,577).

Trust in water companies and perceptions that water companies care about their service have both increased significantly since 2014.

1.2.12 Around three fifths (59%) of business customers agree that their water company cares about the service it provides to customers. This is a significant increase from 2014 (56%).

1.2.13 The level of trust that businesses have in their water company has increased significantly to 7.6 in 2016 from 7.3 in 2014[3]. Businesses also trust their water company more (7.6/10) than their main energy supplier (6.8/10).

Satisfaction with value for money has fallen since 2014 for water and sewerage services but increased for surface water drainage and trade effluent services

1.2.14 Satisfaction with value for money has fallen significantly since 2014 for both:

- Water services (66% in 2016 compared to 74% in 2014), and
- Sewerage services (65% in 2016 compared to 68% in 2014).

1.2.15 Satisfaction with value for money has increased significantly since 2014 for both:

- Surface water drainage services (55% in 2016 compared to 47% in 2014), and
- Trade effluent services (67% in 2016 compared to 49% in 2014).

Business customer awareness of their right to compensation for service failure and the availability of reduced surface water drainage charge have both increased significantly since 2014

1.2.16 Awareness of the Guaranteed Standards Scheme (GSS) compensation entitlement has increased significantly to 45% in 2016, from 39% in 2014.

1.2.17 Awareness of the availability of a reduced sewerage bill where rainwater from the business site does not drain into the public sewer has increased to 31% from 23% in 2014.

Satisfaction with contact handling has increased since 2014

1.2.18 Satisfaction with contact has risen significantly since 2014 (69% in 2016 compared to 56% in 2014).

1.2.19 Satisfaction with every contact-related aspect of service has significantly increased since 2014. Customers are most satisfied with:

- The knowledge and professionalism of staff (73%).
- The ease of contacting someone who was able to help you (72%).
- The quality and clarity of the information provided (69%).
- The feeling that their query has been, or would be, resolved (65%).

[3] Respondents scored their trust from 0 to 10, where 0 was not trust at all and 10 was complete trust.

1.2.20 Customers are least satisfied with the way in which they are kept informed of progress with their query, although this too has increased significantly to 57% from 50% in 2014. Businesses in Wales are significantly more satisfied than those in England with the ease of contacting someone who was able to help them (86% compared to 70%) and the way that their water company keeps them informed of progress (77% compared to 55%).

Around two-fifths of businesses that have experienced a service failure of some kind feel it had a major impact on the business

1.2.21 In line with 2014, just over one in ten businesses (12%) have experienced a service failure at some point in the past.

- Service failure occurs mainly as a consequence of burst and/or blocked pipes.
- The majority (76%) are satisfied with their company's response but a significant minority are not (24%).

Just under half of businesses (46%) agree that they receive the advice and support that they need from their water company

1.2.22 Businesses in Wales are significantly more likely to agree than those in England (58% compared to 45%).

1.2.23 Few business customers (5%) have been offered information by their water company, and few have asked for it (5%). However, two thirds of those who received advice/information subsequently took it up.

1.2.24 Just over two fifths (43%) of business customers claim to routinely read information enclosed with their water/sewerage bill, similar to that seen in 2014 (42%).

Awareness of Market Reform has increased but is still very low; once made aware, two fifths of businesses are open to switching and 75% would renegotiate.

1.2.25 Less than one in ten (8%) business customers are aware at a spontaneous level, although this is significantly greater than in 2014 (compared to 2%). Once prompted, awareness increases to 13%, with awareness significantly greater amongst large businesses with more than 250 employees (51%).

1.2.26 The majority (61%) of customers believe that competition in the market will be a good thing; only 12% feel it will be a bad thing.

1.2.27 Around two fifths (39%) of customers say they are likely to switch once the market opens with an average saving of 17% being required to entice them to switch (although this varies considerably depending on businesses' annual bill amount).

1.2.28 However, once informed of the option to negotiate on price and service, 75% say they would negotiate new terms and conditions with their supplier.

Very few are aware that CCWater is the consumer body in the water industry.

1.2.29 Although 18% claim to be aware there is a consumer body in the water industry; it is almost universally believed to be Ofwat. Just 1% recalled the Consumer Council for Water spontaneously.

The average Net Promoter Score [4] for the water industry in England and Wales is 5

1.2.30 Business customers were asked how likely they would be to recommend their water and sewerage company on a scale of 0 to 10, where 0 means highly unlikely to recommend and 10 means extremely likely.

1.2.31 The higher the NPS score, the more positive customers are. A negative score is possible where there are more detractors than promoters. For the industry there is an average NPS of 5 (2 for England[5] and 31 for Wales). The NPS of 5 has been derived by averaging out the NPS score across the whole of England and Wales.

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[4] NPS segments respondents into three categories; those giving scores of 0 to 6 are classified as Detractors, scores of 7-8 as Passives and 9 or 10 as Promoters. Detractors are more likely to be unhappy customers who can affect a brand through negative word-of-mouth. Passives are satisfied but unenthusiastic customers who are vulnerable to competitive offerings and Promoters are loyal enthusiasts who will keep buying and refer others, fuelling growth.

[5] It is worth remembering here the difference in sample sizes between England (n=3,577) and Wales (n=344).

2 Introduction

2.1 Background

2.1.1 The Consumer Council for Water (CCWater) was set up in 2005 to represent the interests of business and household water and sewerage consumers in England and Wales.

2.1.2 Understanding the views and opinions of businesses and household consumers is essential for CCWater in meeting its business objectives, in order to ensure that it continues to provide a strong national voice for water industry consumers throughout England and Wales.

2.1.3 In order to keep up-to-date with business customers' thinking, in 2012 CCWater and Ofwat conducted research among SMEs, and in 2014 it was recognised that there was a need to update this research. This resulted in CCWater being provided with updated information about SME perceptions of the water industry.

2.1.4 Now in 2016, there is a need to track key metrics and update the research again. Previously this survey has been based on the nine Water and Sewerage Company (WaSC) regions in England and the region in Wales[6]. This year, for the first time, the survey was carried out at water company level. For continuity most of the findings are presented at WaSC region level, although some are presented at company level where appropriate.

2.1.5 Currently the household market and a large proportion of the business market operate as regional monopolies, with the water and sewerage service provider being determined by the location of the premises which services are supplied to. However, the market for businesses is becoming more competitive. Since 2003, in England and Wales, businesses using at least 50 million litres (50,000m^3) of water a year have been allowed to switch water supplier. In 2011 the eligibility threshold in England reduced so that those using at least 5 million litres of water a year could switch water supplier. The threshold in Wales remains at 50 million litres. In April 2017 the water and sewerage market in England will open so that all businesses will be able to choose to switch their retailer, regardless of their consumption.

2.2 Research aims

2.2.1 The business objectives of this piece of research are for each of the 23 water companies, to establish a benchmark for business customers' views on all aspects of water and sewerage services and to measure changes in business customers' views over time and since the last survey.

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[6] Water suppliers provide either water only or both water and sewerage services for general domestic and business use by the UK's homes and businesses. Suppliers are responsible for all customers in an agreed geographical region. A WaSC region is the area which a water and sewerage company covers. Within this there are usually one or sometimes more water only companies supplying water to customers who take sewerage services from the WaSC.

2.2.2 The main research objectives are to:

Measure and track, for England and Wales, England, Wales, each WaSC region, each water only company (WoC), and also for micro, small, medium and large business customers:

- Perceptions of value for money across all aspects of water and sewerage services.
- Satisfaction with service delivery by the water industry including:
  - Satisfaction with contact.
  - Awareness and availability of advice/information and wider service options.
  - Identify the impacts of service failures on routine business activity.
  - Identify satisfaction with supplier response to service failures.
  - Perceptions of supplier attitude to business customers – specifically, trust and care.
- Perceptions of Market Reform, including awareness of market liberalisation.

2.3 Approach

2.3.1 As in 2012 and 2014, a quantitative methodology was followed, using telephone interviewing across England and Wales.

2.4 Fieldwork

2.4.1 The study was carried out using CATI (Computer Aided Telephone Interviewing) from DJS's in-house telephone unit.

2.4.2 A total of 3,907 interviews was achieved across England and Wales. Interviewing took place from 11 December 2015 to 3 May 2016.

2.5 Sample

2.5.1 The way the samples for the 2012 and 2014 surveys were constructed was different. In 2012, equal numbers of the different size bands of businesses were interviewed. In 2014, the sample was made more representative of the actual population in that more interviews were carried out with smaller SMEs than before which resulted in much less weighting being needed, which made the sample more robust.

2.5.2 Also in 2014, to improve the robustness of the data and reduce the use of weighting, the sample was re-structured within WaSC region[7] so that the SMEs interviewed within each region were broadly representative of the profile of business sectors in each WaSC.

[7] Ten companies and organisations provide water and sewerage services, each over a wide area, to the whole United Kingdom.

2.5.3 For 2016, quotas were set on business size and at company level by WaSC and WoC to move away from WaSC region level reporting and enable analysis of company level data. A list of WaSCs and WoCs is provided below:

WaSCs	WoCs
Anglian Water	Affinity Water (Central)
Dŵr Cymru (Welsh Water)	Affinity Water (East)
Northumbrian Water	Affinity Water (Southeast)
Severn Trent Water	Bournemouth Water
South West Water	Bristol Water
Southern Water	Cambridge Water
Thames Water	Cholderton Water*
United Utilities	Dee Valley Water
Wessex Water	Essex & Suffolk Water
Yorkshire Water	Hartlepool Water
	South East Water
	South Staffordshire Water
	Sutton & East Surrey Water

***Customers of Cholderton Water were screened out of the survey due to having so few connections that it would render statistical analysis irrelevant due to large error margins.**

2.5.4 Businesses were split by size due to the importance size plays in determining many attitudes, behaviours and views when it comes to water. Separate quotas were set to ensure a good spread of businesses by size, and that separate analysis was conducted to see how these groups compared. Also, for the first time, businesses with more than 250 employees have been included in the sample for this research. These have been allocated pragmatically across water companies, as the distribution of these very large businesses across England and Wales is not even.

2.5.5 Quotas were set as follows:

Figure 2: Interview quotas

Number of employees (business size)	Interview quota (WaSC)	Interview quota (WoC)
0-9 (micro)	100[8]	75[1]
10-49 (small)	50	37
50-99 (medium A)	26	20
100-249 (medium B)	16	12
250+ (large)	8[9]	6[2]
TOTAL	200	150

2.5.6 Quotas were also set on business sector within each specific water company (see Appendix 1 for detailed breakdown). These quotas varied depending on the company in question. In a few instances the quotas on business sector were not achieved and so in these cases the data were weighted (a list of the weighting factors can be found in Appendix 2).

2.5.7 Separate quotas were set within the 'medium' business size category to ensure a good spread of businesses with 50 to 249 employees. This has enabled us to understand what differences there are between smaller medium (Medium A) and larger medium (Medium B) businesses. The key finding is that there are few significant differences between Medium A and B, with the exception of market reform.

2.5.8 Therefore they are reported as one group 'Medium' throughout except for one or two questions, and for Chapter 10 on market reform.

2.5.9 Respondents were screened to ensure that they were responsible for the utility bills of the business.

2.5.10 A quota of 15 sole traders was initially included in the sample for each water company. However nearly all those contacted were based in household premises and a pragmatic decision was made to remove this quota. A total of 45 sole traders operating out of business premises was achieved[10].

[8] For 2016 we tried to get some sole traders within each WaSC and WoC however these were collapsed into the overarching 'micro' size band during fieldwork.

[9] Although these are the broad size quotas that we were aiming for some bands varied slightly depending on the 'firmographics' of the area in question. For instance, in Hartlepool there are only a handful of 250+ businesses and so achieving six interviews with this size band was not feasible.

[10] Sole traders are those who work simply by themselves, without any other employees. They proved difficult due to the fact that many of them work from home which was a screen out criteria.

2.6 Questionnaire

2.6.1 In order to track customers' views and opinions since 2012 and 2014 the questions are largely the same as in the previous surveys. Additional questions were also included, in particular around net promoter score which are included in this report.

2.6.2 The questionnaire focuses on the following eight key themes:

1. Views on current services.
2. Value for money.
3. Water services.
4. Sewerage services.
5. Contact with water and sewerage company.
6. Service failure.
7. Information needs and relationship with water and sewerage company.
8. Market reform.

2.6.3 The interviews lasted an average of 17 and a half minutes. A copy of the questionnaire is included in Appendix 3.

2.7 Data processing and computer tables

2.7.1 Weighting has been applied to the data to ensure that it is representative of businesses in England and Wales. A sample profile is included in Appendix 3, which shows the actual number of interviews achieved against the weighted data.

2.7.2 The weighting applied to this year's results was lighter than that of previous years meaning that we should be able to have more confidence in the data.

2.8 Interpretation of data

2.8.1 Results are based on a sample of businesses (as this is not a census of all businesses). This means all data is subject to sampling tolerances.

2.8.2 Where percentages do not add to 100, this may be due to rounding, the exclusion of 'don't know' categories, or multiple answers.

2.8.3 Where findings are described as 'significantly' greater or less than, this refers to statistical significance. Where findings are simply described as greater or less than, the difference is not significantly different.

2.8.4 For illustrative purposes, Figure 3 below shows the statistical reliability of results for the sample of 3,907 for England and Wales (the total number of interviews), and the samples for England, Wales and for each business size.

2.9 Statistical reliability

Figure 3: Statistical reliability

	Approximate sampling tolerances applicable to percentages at or near these levels		
Base size	10% or 90%	30% or 70%	50%
3,907 (total sample: England and Wales)	± 0.8%	± 1.3%	± 1.4%
3,577 (England)	± 0.9%	± 1.4%	± 1.5%
344 (Wales)	± 3.1%	± 4.8%	± 5.2%
2,005 (micro 0-9 employees)	± 1.3%	± 1.9%	± 2.1%
1,033 (small 10-49 employees)	± 1.9%	± 2.8%	± 3.1%
437 (medium A 50-99 employees)	± 2.8%	± 4.3%	± 4.6%
262 (medium B 100-249 employees)	± 3.6%	± 5.5%	± 6.0%
699 (medium A and B 50-249 employees)	± 2.2%	± 3.3%	± 3.6%
170 (large 250+ employees)	± 4.5%	± 6.9%	± 1.5%

2.9.1 The report highlights changes in findings for England and Wales since 2014, noting if they are significantly different, as well as differences between England and Wales this year[11].

2.9.2 Throughout the report, the term ‘water company’ is used as shorthand to refer to a water and/or sewerage company. Businesses are described as ‘micro’ (0 to 9 employees), ‘small’ (10 to 49 employees), ‘medium’ (50 to 249 employees), and large (250+ employees). Where the ‘medium’ is split into medium A and B this is noted in the text, otherwise it is reported as one combined category.

2.9.3 All the data presented at either an overall level or for England or Wales in this report is weighted whereas sub-group analysis (i.e. by company size and water company, etc) is unweighted.

[11] The data in this report is reliable subject to the margins of error in Figure 3.

3 Net promoter score (NPS)

3.2.1 For the first time in this survey, business customers were asked how likely they would be to recommend their water and sewerage company on a scale of 0 to 10, where 0 means highly unlikely to recommend and 10 means extremely likely.

3.2.2 NPS segments respondents into three categories; those giving scores of 0 to 6 are classified as Detractors, scores of 7-8 as Passives and 9 or 10 as Promoters. Detractors are more likely to be unhappy customers who can damage a brand through negative word-of-mouth. Passives are satisfied but unenthusiastic customers who are vulnerable to competitive offerings. Promoters are loyal enthusiasts who will keep buying and refer others, fuelling growth.

3.2.3 The overall NPS is arrived at by subtracting the proportion of Detractors from the proportion of Promoters.

3.2.4 The higher the NPS score, the more positive customers are. A negative score is possible where there are more detractors than promoters. For the industry there is an average **NPS of 5 (2 for England / 31 for Wales)** although there are a range of NPS scores across WaSCs and WoCs which are displayed in the table below.

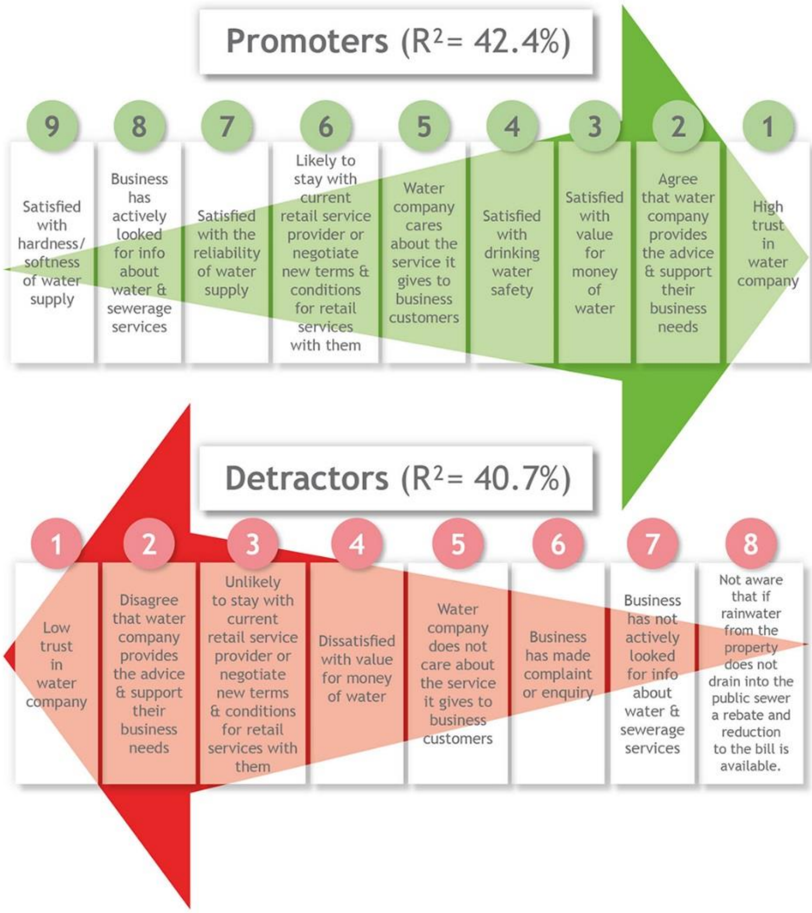
Figure 4: Net promoter score (NPS)

WaSCs	NPS	WoCs	NPS
Welsh Water	30	Dee Valley Water	31
Yorkshire Water	27	Portsmouth Water	14
Northumbrian Water	24	Cambridge Water	14
Wessex Water	14	Bristol Water	13
Anglian Water	9	Bournemouth Water	11
Thames Water	-8	South Staffordshire Water	10
Severn Trent Water	-8	Hartlepool Water	9
United Utilities	-14	Essex and Suffolk Water	0
Southern Water	-15	Sutton & East Surrey	-2
South West Water	-19	Affinity East	-3
		Affinity South East	-4
		South East Water	-8
		Affinity Central	-8

3.1 Key driver analysis

3.1.1 Key drivers analysis was carried out to determine which aspects of service and reputation most influenced NPS in a positive way (likelihood to be a promoter) or a negative way (likely to be a detractor).

Figure 5: What are the key drivers (promoters and detractors) of NPS[12]?



3.1.2 Figure 5 outlines the strongest influences on Net Promoter Score. These have been ranked by strength of influence (or importance).

3.1.3 The key finding is that 'trust' is the strongest driver for both negative and positive NPS (also the case for household water customers[13]) with 'water company supports business' the second biggest influence.

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[12] R^2 is an index ranging from 0 to 100%. It is the proportion of Promoters which is explained by aspects of the water service provision. When R^2 is a small number e.g. less than 20% this means that the drivers (i.e. aspects of water service) do not explain a high proportion of the Promoters and are less useful in predicting and modelling NPS. In market research, an R^2 between 40% and 60% means that the aspects tested are a good explanation for the findings, greater than 60% means the tested aspects are very good.
The R^2 value achieved by the model of NPS promoters is 42.4% which is rated as good. The R^2 value achieved by the model of NPS detractors is 40.7% which is also rated as good.

[13] Water Matters, CCWater's household customer satisfaction tracking survey can be accessed at the link below:
http://www.ccwater.org.uk/blog/2016/06/28/water-matters-household-customers-views-on-their-water-and-sewerage-services-2015/

3.1.4 Views on value for money also factor in the decision on whether to recommend or not, although not as much as views on trust and support.

3.1.5 Aspects of water supply (safety, reliability and hardness/softness of water) are important in influencing positive NPS but do not influence people negatively (i.e. they do not encourage respondents to be detractors).

3.1.6 Interestingly, overall satisfaction with water services is not a key driver of Net Promoter Score (positive or negative), and is towards the bottom of the list of drivers. This suggests that people can be satisfied with the overall water service they receive, but this does not have a high impact on their likelihood to recommend. The same is true of overall satisfaction of sewerage services.

3.1.7 The following were found to not have a strong influence on NPS:

- Whether businesses had suffered from a supply failure.
- Awareness of compensation.
- Awareness of market reform.
- Satisfaction with colour/appearance of water, taste & smell, water pressure and overall satisfaction.
- How essential a business's water supply was.
- Clarity of bill.

4 Views on current services

4.0.1 Business customers were asked a number of questions to establish which water and sewerage services they currently receive and their attitudes towards water usage.

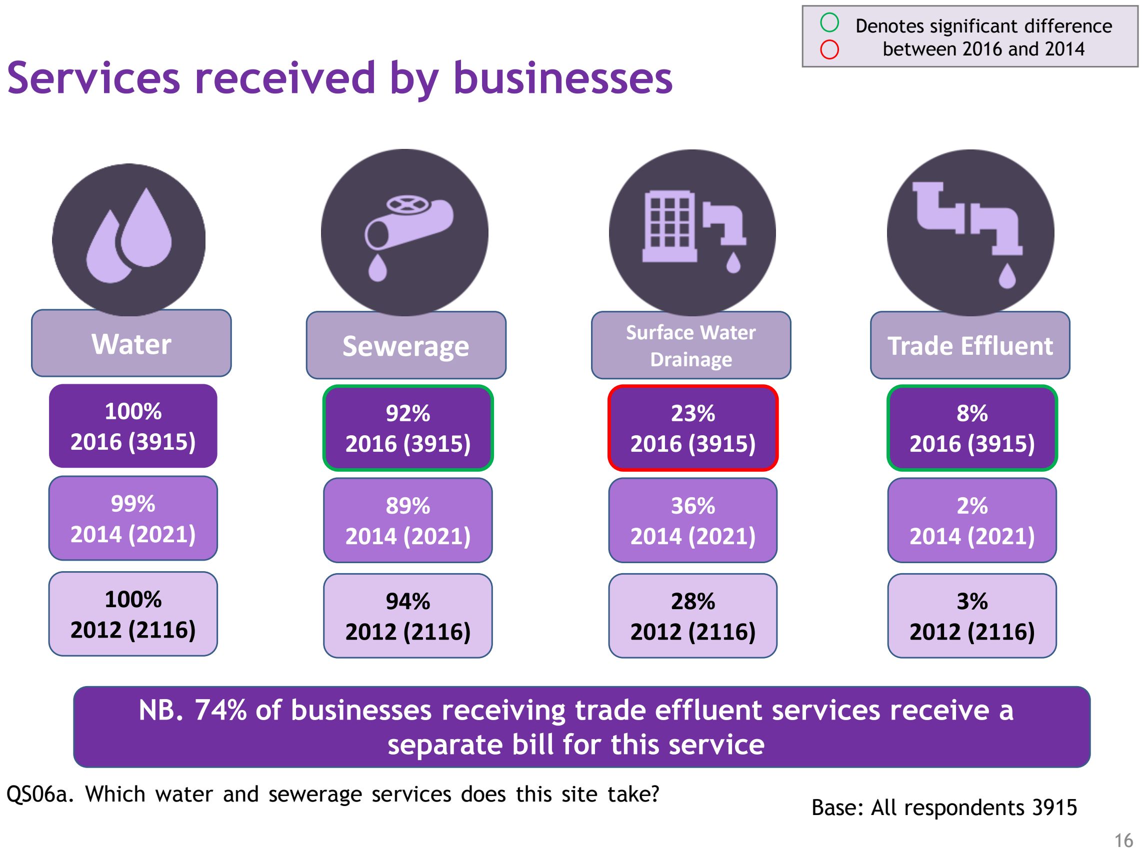
Summary

- **All businesses in this sample are receiving water services. The vast majority (92%) are receiving sewerage services.**
- **Around a quarter (23%) receive surface water drainage services while less than one in ten (8%) receive trade effluent services.**
- **Although half did not know how much they spent a year on water and sewerage services, around one third (32%) of businesses pay £2,000 or less for the bill at the site at which they were interviewed. A further 8% pay between £2,000 and £4,999 and 10% pay more than £5,000.**
    - **It is possible that someone else in the business was closer to the payment of bills than the person being interviewed, especially for larger businesses where bill payment and utility decision making may be the responsibility of different employees.**
- **Over three quarters (76%) rated their business need for water and wastewater services as 9 or 10 (out of 10), indicating that they are essential for the day to day running of their business.**

4.1 Services used

4.1.1 All businesses in this sample receive water services, and the vast majority (92%) receive sewerage services. Only around a quarter (23%) report that they receive surface water drainage services which is significantly less than in 2014 (compared to 36%). However, it is possible that it is awareness of the surface water drainage service which is low, and that many more businesses receive it than they realise. Less than one in ten (8%) receive trade effluent services (although this is significantly more than in 2014 compared to 2%).

Figure 6: Water and sewerage services used



4.1.2 Those receiving trade effluent services are significantly more likely to be from the industrial (12%) than the commercial (7%) or public (7%) sectors, and large and medium sized businesses:

Figure 7: Trade Effluent by business size

Micro	Small	Medium	Large
3%	9%	14%	28%

4.2 Spend across all water and sewerage services

4.2.1 Half the businesses interviewed (50%) did not know how much they spend on water and sewerage services[14]. Those who could are shown in the table below:

Figure 8: Annual business spend on water and sewerage services

Pay less than £2,000 a year	Pay between £2,000 and £4,999	Pay between £5,000 and £9,999	Pay between £10,000 and £49,999	Pay over £50,000
32%	8%	4%	5%	2%

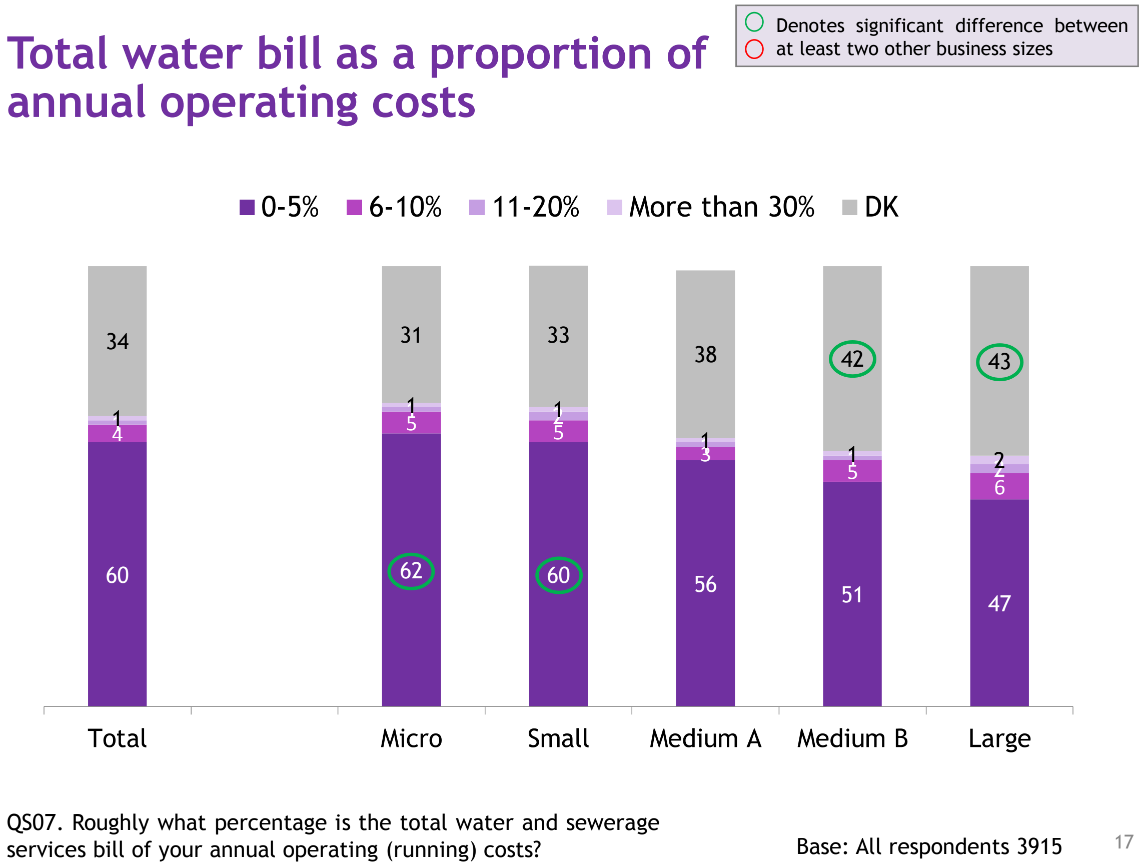
4.2.2 Of those who could say how much they pay, the majority (60%) claim that their total water and sewerage services bill represents between 0-5% of their annual operating (running) costs. Four per cent claim their water and sewerage bill represents between 6-10% whilst only 2% claim it is over 11%.

4.2.3 Those claiming that their total water and sewerage services bills represent between 0-5% of their annual operating are more likely to be smaller businesses (micro, 62%; small, 60% compared to medium, 54%; large, 47%), and from the Industrial (63%) and Commercial (60%) sectors (compared to Public 50%).

4.2.4 Around one third (34%) of respondents could not say what their water bill was as a proportion of running costs. These tend to be the larger businesses where the bill payer and business decision maker may be separate roles (large businesses 43% and medium businesses 40% compared to small 33% and micro 31%), and often from the Public sector (42% compared to Industrial, 31%; Commercial, 33%).

[14] It is possible that someone else in the business was closer to the payment of bills than the person being interviewed – especially for larger businesses where bill payment and utility decision making may be the responsibility of different employees.

Figure 9: Proportion of annual operating costs spent on water



4.3 Water dependency

4.3.1 Respondents were asked on a scale of 1 to 10, how essential the supply of water and wastewater services is to the day to day running of their business.

4.3.2 Over three quarters (76%) gave a rating of 9 or 10 (out of 10). The following sectors are most likely to rate water and waste water services as essential: Education (97%), Accommodation and Food Services (96%), Human Health and Social Work (93%), Arts, Entertainment and Recreation (92%), Agriculture (81%), and Other Service Activities (81%).

4.3.3 Larger businesses were significantly more likely to rate water and waste water services as essential to their day to day operations (large 83%, medium 86% and small 82% compared to 68% of micro businesses).

4.3.4 While these results may initially suggest that water is essential for the day to day running of the majority of businesses, what is essential can be subjective. One business may deem water *essential* to keep a nuclear reactor cool whilst another may do the same in order to allow café customers to use the toilet. This is supported by the fact that 50% of respondents who claimed water was essential did so for domestic staff use whilst only 22% claimed they could not operate without it (i.e. schools, care homes etc). Some customers may have more flexibility in the way they run their businesses and therefore may be better placed to cope with service interruptions than others which use water for the same business processes.

5 Value for money perceptions

5.0.1 As in 2012 and 2014, value for money was established with each of the different components of water and sewerage bills. In this section, we also cover perceptions of bill clarity.

Summary

- Perceived clarity of the bill (how much needs to be paid and when) has decreased significantly since 2014 (80% in 2016 compared to 84% in 2014).

- The language used, and the lack of a clear explanation of the charges are the main things which cause confusion amongst businesses (73%).

- Perceptions of value for money of water and sewerage services have both fallen significantly since 2014:

  - water services (66% in 2016 compared to 74% in 2014)
  - sewerage services (65% in 2016 compared to 68% in 2014)

- However, satisfaction with value for money of surface water drainage services has increased (47% in 2014 compared to 55% in 2016) along with trade effluent services (49% in 2014 compared to 67% in 2016) since 2014.

- Increasing prices are the main cause of dissatisfaction with value for money across all services.

- Awareness of the Guaranteed Service Standards (GSS) scheme has increased significantly in 2016 to 45% (compared to 39% in 2014).

- The majority (68%) are unaware that they could be entitled to a reduced bill if none of the rainwater that runs off their property drains into the public sewer, although this awareness is still significantly higher than it was in 2014 (31% aware in 2016 compared to 23% in 2014).

5.1 Clarity of bill

5.1.1 The majority (80%) of business customers feel that their bills clearly show how much needs to be paid and when. However, this is significantly lower than in 2014 (84%).

5.1.2 There has been a significant drop in perceived bill clarity in England since 2014 (80% in 2016 compared to 84% in 2014). Whilst there has been a drop in Wales, this is not significant (78% in 2016 compared to 83% in 2014).

Figure 10: Clarity of bill: how much needs to be paid and when

Q4a. How much do you agree or disagree that the main water and sewerage bill makes it clear how much needs to be paid and when?

5.1.3 At WaSC region level, businesses in the North West of England are significantly more likely to disagree that their bills are clear than any other region (8% disagree in the North West compared to 3% overall).

5.1.4 Of the 3% who disagree that their bills are clear about how much needs to be paid and when, the main reason is the language used and the lack of a clear explanation of the charges (73%).

5.1.5 When asked what could be done to improve their bill, over two thirds (69%) stated 'nothing', whilst 13% said they could be cheaper, and 3% wanted them to be more accurate.

5.2 Perceptions of value for money

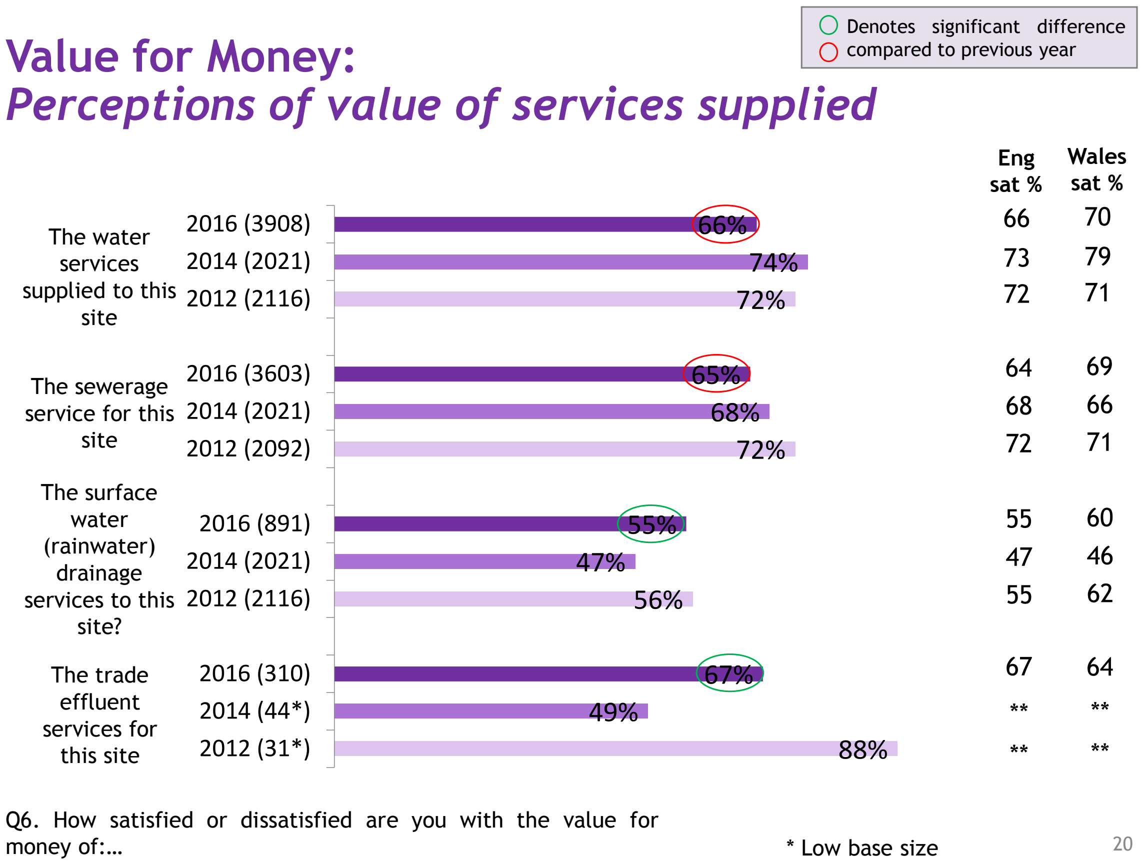
5.2.1 Satisfaction with the value for money of water services (66% in 2016 compared to 74% in 2014) and sewerage services (65% in 2016 compared to 68% in 2014) has fallen significantly since 2014.

5.2.2 Satisfaction with the value for money of surface water drainage services (55% in 2016 compared to 47% in 2014) and trade effluent services (67% in 2016 compared to 49% in 2014) has improved significantly.

5.2.3 Businesses in Wales are significantly more likely to be *very* satisfied than those in England with the value for money of the:

- Water services supplied (41% compared to 31%).
- Sewerage services supplied (41% compared to 30%).

Figure 11: Value for money perceptions with services supplied

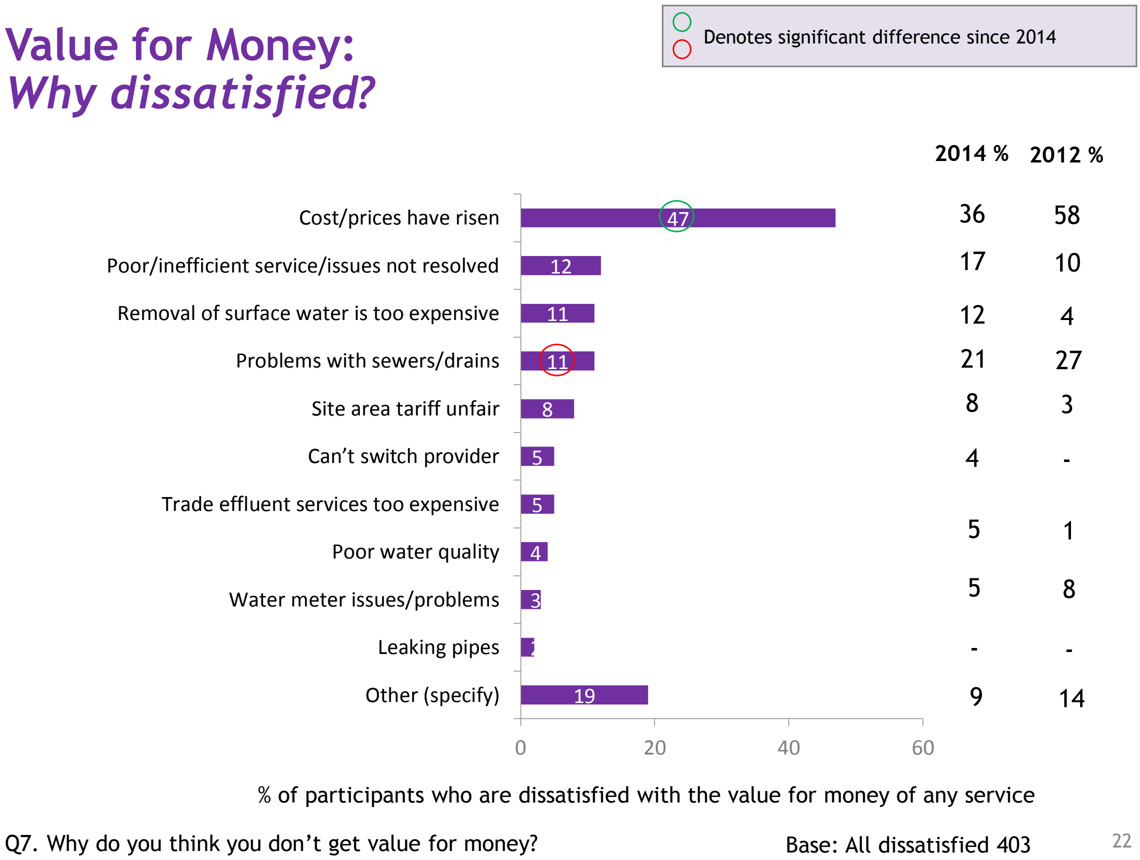


5.2.4 There were differences by region across the services:

- Businesses in the North West are significantly more likely to be dissatisfied than all other regions with the water services supplied (16%)[15], sewerage services (17%) and the surface water (rainwater) drainage services provided (31%).

5.2.5 Dissatisfaction with value for money is a result of perceived price increases; nearly half (47%) of business customers that are dissatisfied with value for money say that this is because prices have risen (compared to 36% in 2014). Another 12% say they are dissatisfied with value for money because of unresolved issues, whilst 11% say that it is because surface water drainage is too expensive and because of problems with sewers or drains.

Figure 12: Causes of dissatisfaction with value for money



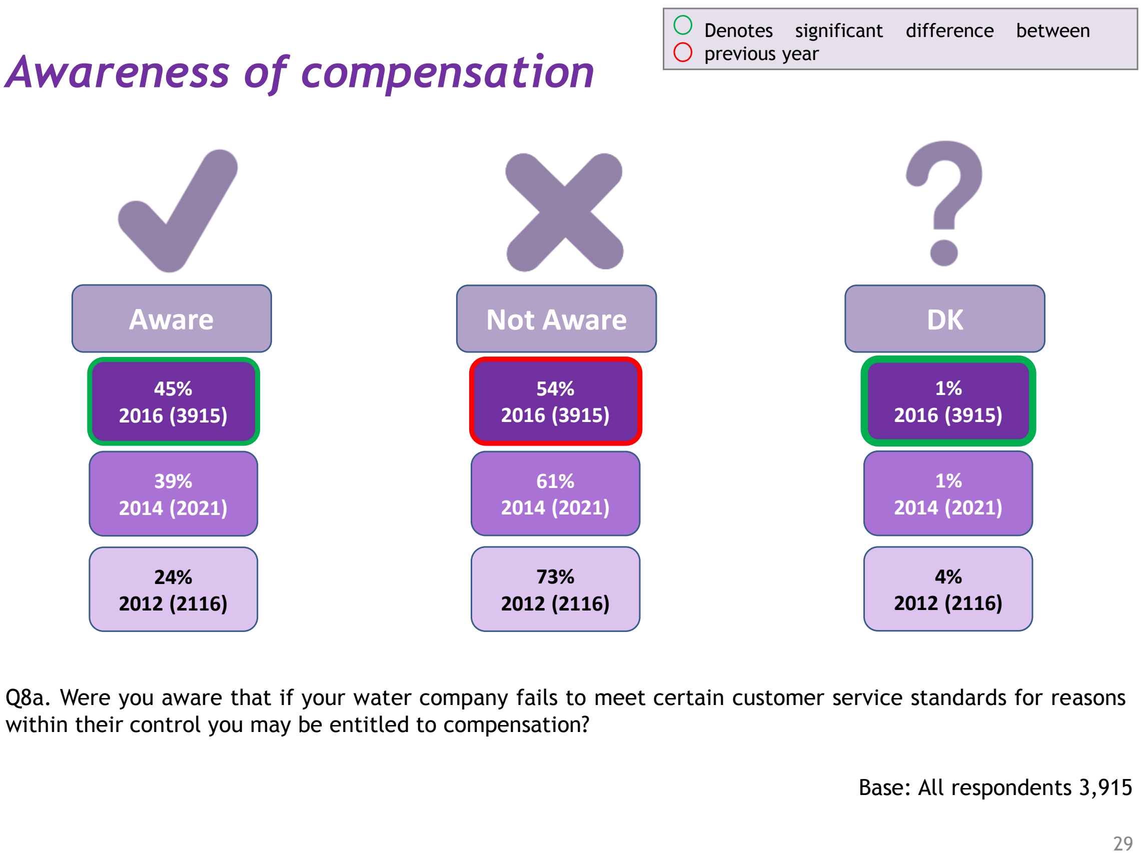
[15] In August 2015, portions of the North West region were affected by a cryptosporidium incident. Precautionary boil water notices were issued to some 300,000 customers. Link to press notice - http://corporate.unitedutilities.com/3958.aspx

5.3 Awareness of industry compensation scheme and surface water drainage rebate

5.3.1 Business customers were asked about their awareness of compensation should their water company *fail to meet certain customer service standards for reasons within their control*.

5.3.2 Awareness of the industry's statutory Guaranteed Standards Scheme (GSS) has significantly increased since 2014 (45% compared to 39%).

Figure 13: Awareness of GSS compensation scheme



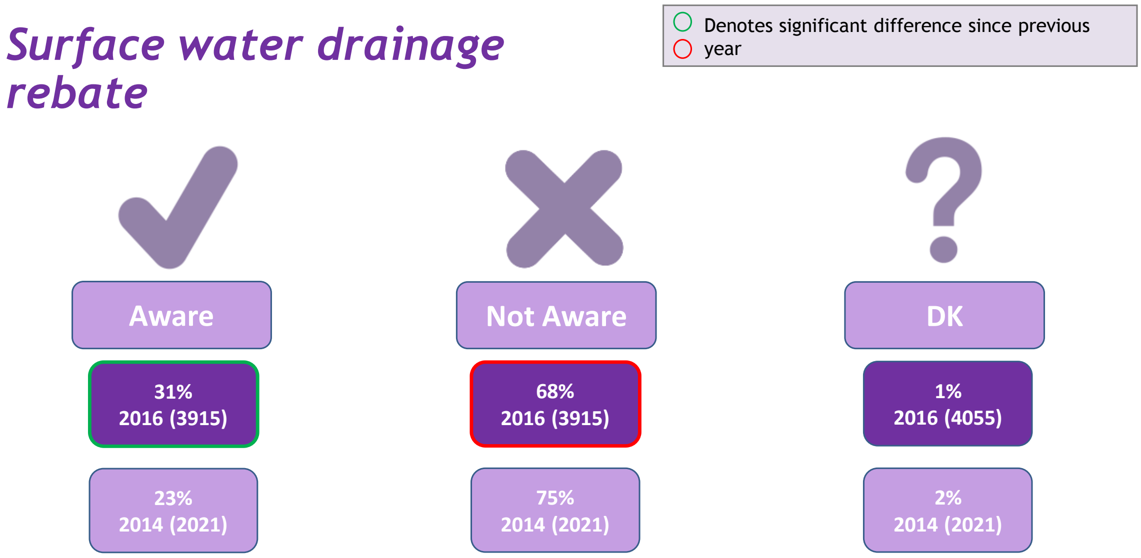
5.3.3 Awareness is significantly greater amongst large businesses (58%) than all other sizes (micro 40%, small 46%, medium 52%).

5.3.4 Previous experiences of service failure can lead to enhanced awareness of the GSS compensation scheme as those who had been through a failure were significantly more likely to be aware of it (52% compared to 44%). Awareness in the North West is significantly higher (55%) than in any other region; this could be due to the Cryptosporidium outbreak that occurred in 2015 which subsequently triggered GSS compensation payments to the affected customers.

5.3.5 Respondents were also asked if they were aware that *if none of the rainwater that runs off a property drains into the public sewer a reduced sewerage bill is available*.

5.3.6 Awareness of the surface water drainage rebate has also significantly increased since 2014 (31% in 2016 compared to 23% in 2014).

Figure 14: Awareness of surface water drainage rebate



Q8b. Are you aware that if none of the rainwater that runs off a property drains into the public sewer (e.g. it may drain into a soakaway or the ground), a reduced sewerage bill is available?

Base: All respondents 3,915

5.3.7 Awareness is significantly greater amongst large businesses (56%) than all other sizes (micro 27%, small 29%, medium 35%).

5.3.8 Regional differences are apparent with awareness being significantly higher in the South West (38%), North West (36%) and the Midlands (35%).

6 Satisfaction with water and sewerage services

6.0.1 Respondents were asked questions about satisfaction with their water and sewerages services.

Summary

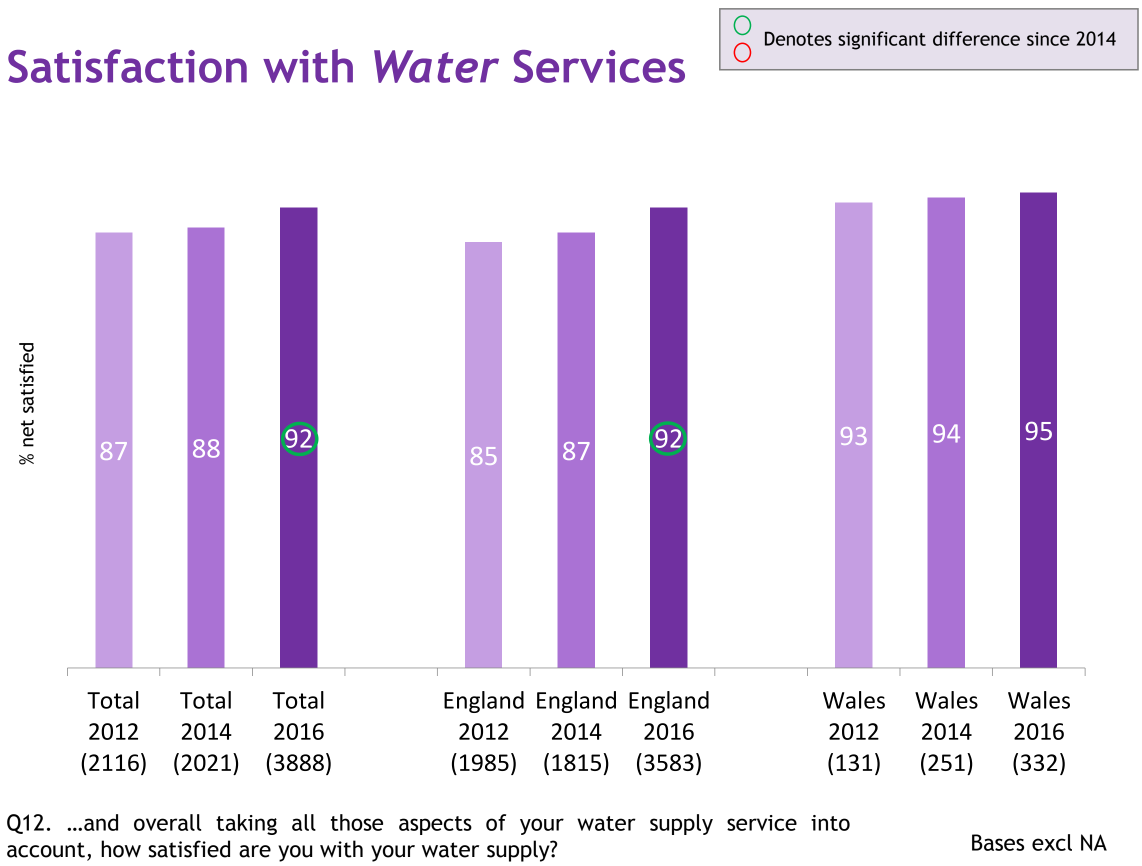
- **Overall satisfaction with water services is significantly greater than it was in 2014 (92% compared to 88% in 2014).**
    - **Customers are most satisfied with the reliability of their water supply (96% satisfied).**
    - **Customers are least satisfied with the hardness/softness of their water (62% satisfied).**
- **Business customers are generally satisfied with sewerage services (74%) though not as satisfied as they were in 2014 (78%).**

6.1 Water services

6.1.1 Overall satisfaction with water services has significantly increased with over nine out of ten customers now satisfied with their water supply (92% in 2016 compared to 88% in 2014).

6.1.2 Satisfaction has significantly increased in England (92% in 2016 compared to 87% in 2014); it is stable in Wales and slightly higher (not significantly) than in England (95% in 2016 compared to 94% in 2014).

Figure 15: Overall satisfaction with water services



6.1.3 When considering the different aspects of water supply, customers are most satisfied with:

- The reliability of their water supply (96%).
- The colour and appearance of their tap water (92% - which is significantly greater than in 2014 compared to 90%).
- The water pressure (90%).
- The safety of their drinking water (88%).
- Taste and smell of their tap water (84%).

6.1.4 Although the majority (62%) are satisfied with the hardness/softness of their tap water there has been a significant fall in satisfaction with this since 2014 (compared to 65%).

6.1.5 Differences by country are apparent with businesses in Wales being more satisfied with all aspects of their water supply than those in England:

- The hardness/softness of their water (Wales 81% compared to England 60%).
- The safety of their drinking water (Wales 90% compared to England 88%).
- Taste and smell of their tap water (Wales 89% compared to England 83%).

6.1.6 There are also some differences by region when looking at *net satisfaction*, with customers in Yorkshire and Wales feeling the most positive about aspects of their water supply (see Figure 16).

Figure 16: Satisfaction with aspects of water supply, by WaSC region

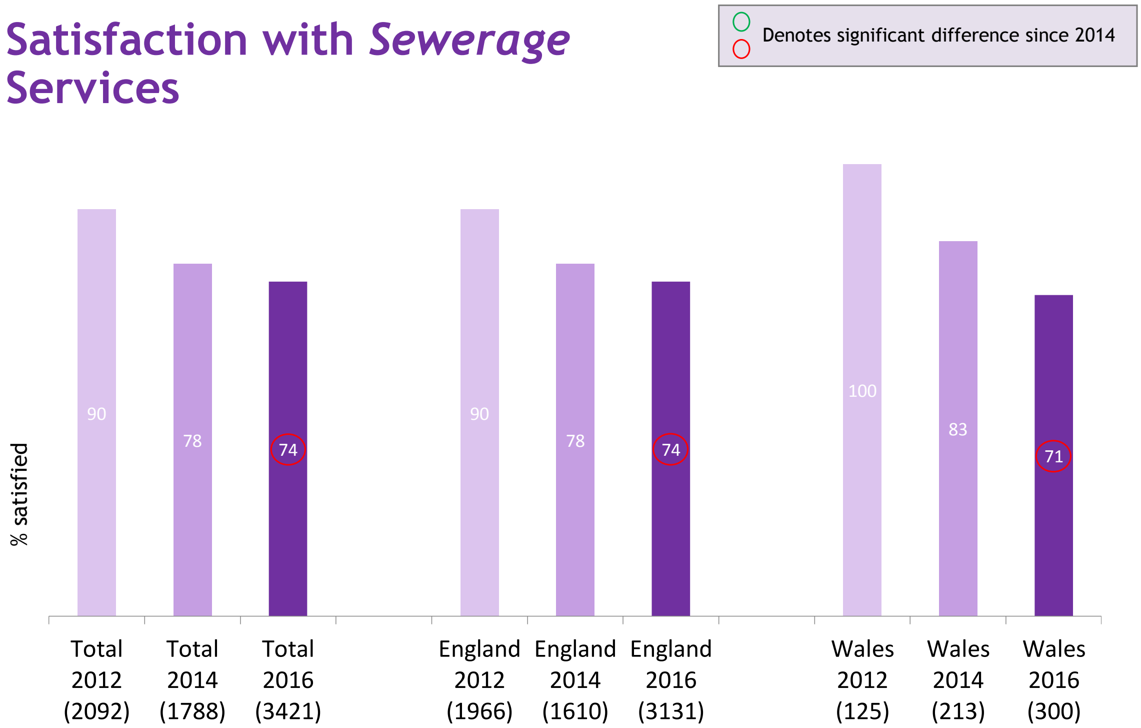
	The colour and appearance of tap water	Taste and smell of tap water	Hardness/ softness of tap water	The safety of drinking water	The reliability of water supply	The water pressure
Eastern	92%	82%	54%	88%	96%	88%
Midlands	92%	82%	67%	89%	97%	91%
North West	88%	86%	72%	89%	92%	87%
Northumbrian	94%	84%	70%	89%	97%	92%
South West	91%	84%	62%	87%	96%	90%
Southern	91%	82%	56%	89%	96%	90%
Thames	91%	81%	51%	86%	97%	89%
Wales	93%	89%	80%	90%	95%	92%
Yorkshire	93%	89%	72%	90%	97%	93%

% Net Satisfied Key = 2 least satisfied regions / / 2 most satisfied regions

6.2 Sewerage services

6.2.1 Overall satisfaction with sewerage services is high, with almost three quarters of respondents being satisfied (74%). However, it has fallen significantly compared to 2014 (78%) and 2012 (90%). Satisfaction in England (74% compared to 78% in 2014) and in Wales (71% compared to 83% in 2014) has also declined significantly since 2014 and 2012.

Figure 17: Overall satisfaction with sewerage services



Q14. …and overall taking all those aspects into account, how satisfied are you with your sewerage provider?

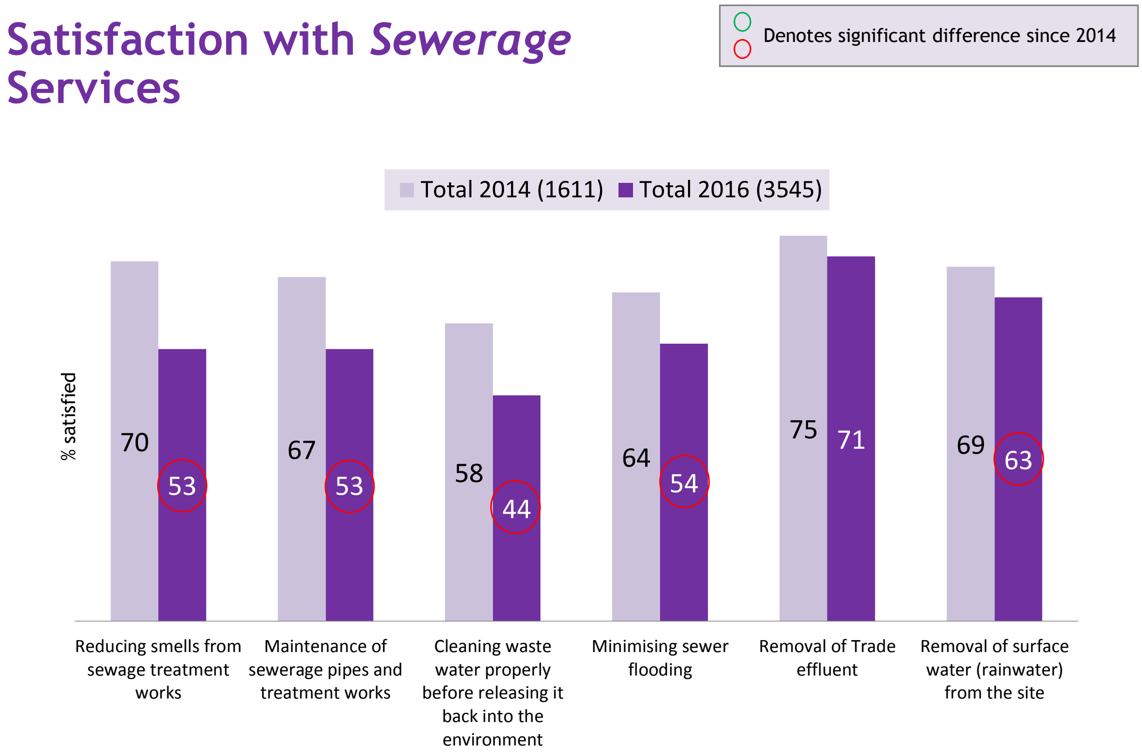
Bases excl NA

6.2.2 Business size appears to be a key determinant of overall satisfaction with sewerage service, which is highest amongst large businesses (77%) and lowest amongst micro businesses (72%).

6.2.3 When considering the different aspects of sewerage services, business customers are most likely to be satisfied with the removal of trade effluent (71% - note there was a smaller base size for this aspect). For all other aspects of the sewerage service, there have been significant decreases in satisfaction since 2014. (Figure 18).

6.2.4 Business customers are least satisfied with how their sewerage company cleans waste water before releasing it back into the environment (44%).

Figure 18: Satisfaction with aspects of sewerage services



Q14. Using a scale from 1 to 5 where 1 equals very satisfied and 5 equals very dissatisfied, how satisfied or dissatisfied are you with each of the following aspects of their service?

Bases 2,488 excl NA

6.2.5 Medium sized businesses are most satisfied with the way their sewerage company manages smells from treatment works (57%), the maintenance of sewerage treatment works (58%), the management of cleaning waste water properly before releasing it back into the environment (48%) and the management of minimising sewer flooding (56%).

6.2.6 The Eastern WaSC region has the highest levels of satisfaction, appearing in the top two highest rated regions across all aspects, whilst the North West and Yorkshire are in the bottom two WaSC regions in four of the five service aspects (see Figure 19).

Figure 19: Satisfaction with aspects of sewerage supply, by region

	Reducing smells from sewage treatment works	Maintenance of sewerage pipes and treatment works	Cleaning waste water before releasing it into the environment	Minimising sewer flooding	Removal of trade effluent	Removal of surface Removal of trade effluent water from the site
Eastern	58%	56%	48%	59%	79%	66%
Midlands	56%	56%	45%	53%	67%	68%
North West	48%	47%	46%	51%	64%	60%
Northumbrian	51%	52%	43%	53%	78%	57%
South West	51%	53%	42%	54%	74%	62%
Southern	55%	52%	45%	54%	73%	63%
Thames	51%	53%	44%	52%	64%	62%
Wales	50%	50%	45%	51%	83%	59%
Yorkshire	49%	45%	37%	49%	65%	61%

% Net Satisfied Key = 2 least satisfied regions / 2 most satisfied regions

7 Satisfaction with contact

7.0.1 Respondents were asked a range of questions about their most recent contact with their water company and their satisfaction with this contact.

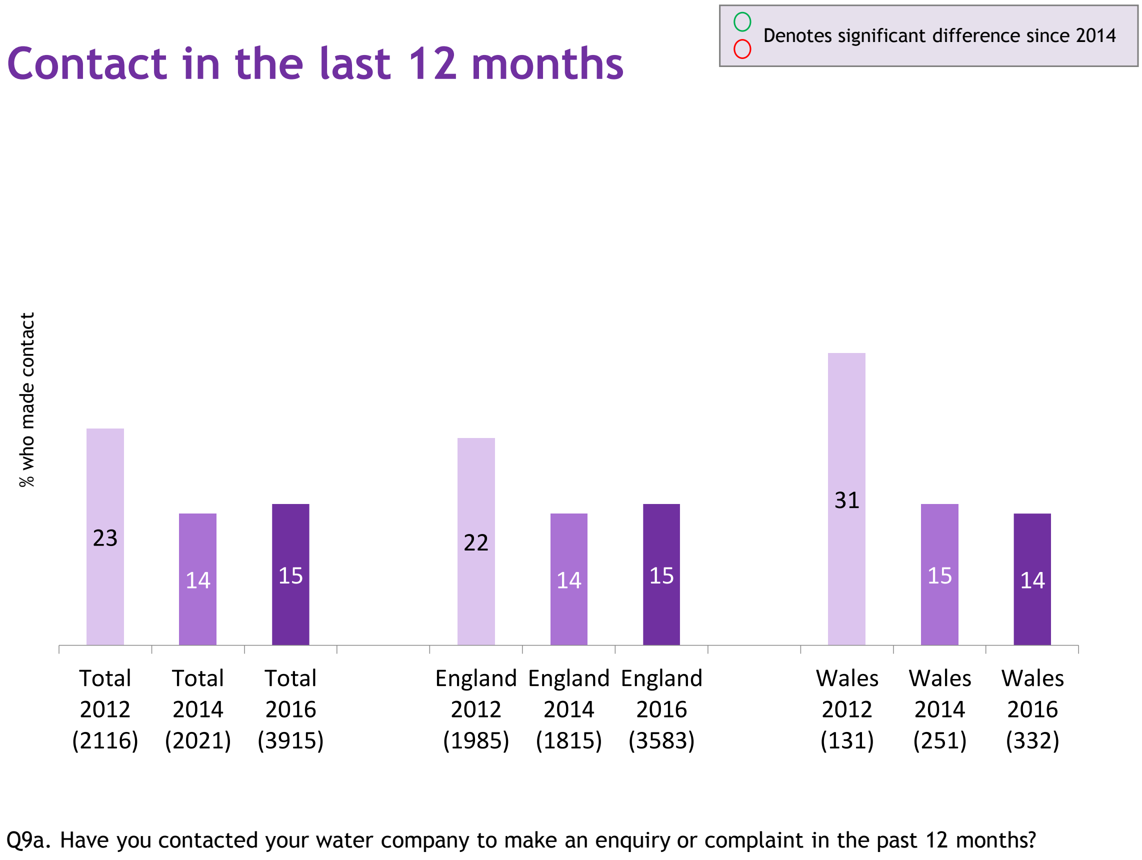
Summary

- The proportion of businesses contacting their water company is similar to 2014 (15% in 2016 compared to 14% in 2014).
- Most customers contacted their water/sewerage company to query a bill (34%).
- Overall satisfaction with contact has increased significantly to 69% in 2016 (56% in 2014), and this is more pronounced in Wales than England (86% in 2016 and 67% in 2014).
- Business customers are most satisfied with the knowledge and professionalism of staff (73%) and least satisfied with the way in which they were kept informed about the progress of their enquiry (57%).
- Wales and the Eastern WaSC regions have the highest levels of satisfaction with contact.

7.1 Contact with water company

7.1.1 In line with 2014, a minority of business customers (15%) have contacted their water/sewerage company to make an enquiry or complaint in the last 12 months; there are no significant differences in contact levels between England and Wales.

Figure 20: Contact in the last 12 months



7.1.2 Larger businesses are significantly more likely to have made contact with their water company in the past 12 months than any other business size (large 29%, medium 19%, small 15% compared to 12% of micro businesses).

7.1.3 Public sector businesses are also significantly more likely to have made contact (22% compared to Industrial, 14%; Commercial, 14%).

7.1.4 Contact is highest in the North West (24%) and lowest in the Eastern region (12%).

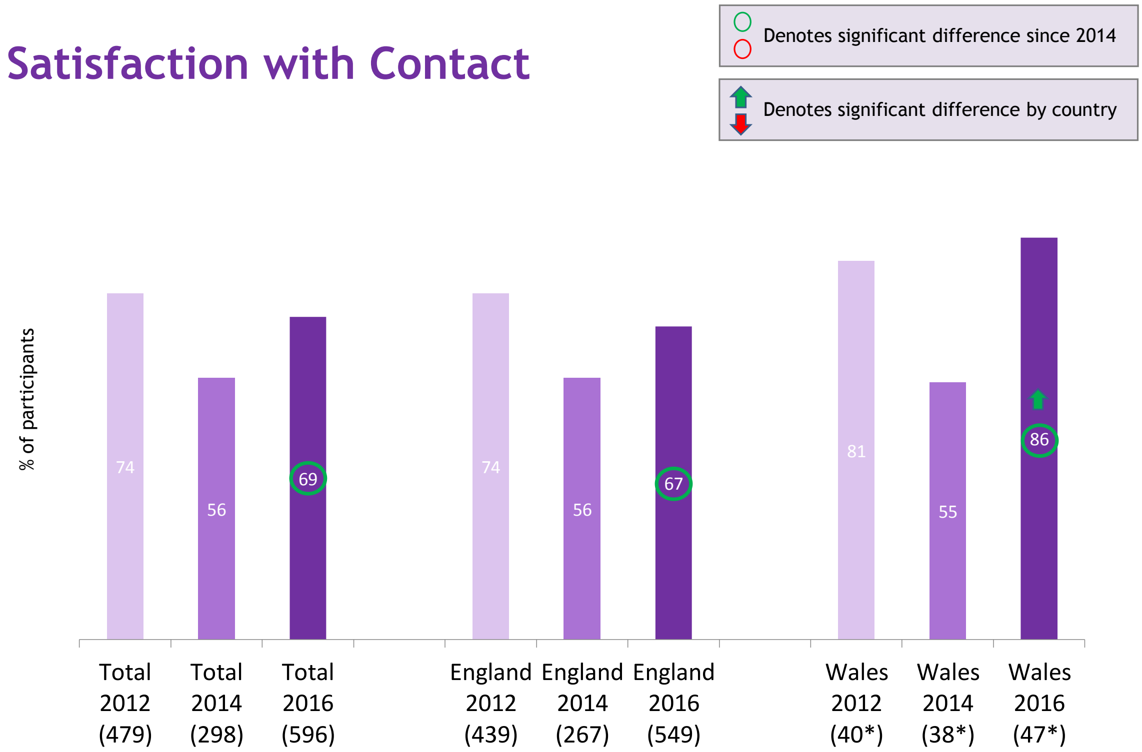
7.1.5 The main reasons for making contact are billing enquiries (34%); reporting leaks (19%) and problems with sewerage services (12%).

Figure 21: Main reasons for contact

7.1.6 This year, satisfaction with overall contact has increased significantly to 69% (56% in 2014). This significant increase is also seen in both England (56% in 2014 compared to 67% in 2016) and in Wales[16] (55% in 2014 compared to 86% in 2016); customers in Wales are also significantly more likely to be satisfied than those in England (86% compared to 67%).

[16] Welsh base size low (<50)

Figure 22: Overall satisfaction with contact



Q11. Taking everything into account, overall how satisfied or dissatisfied were you with the contact with your water/sewerage provider?

* Low base size

Base: All who contacted their provider in last 12 months: 596

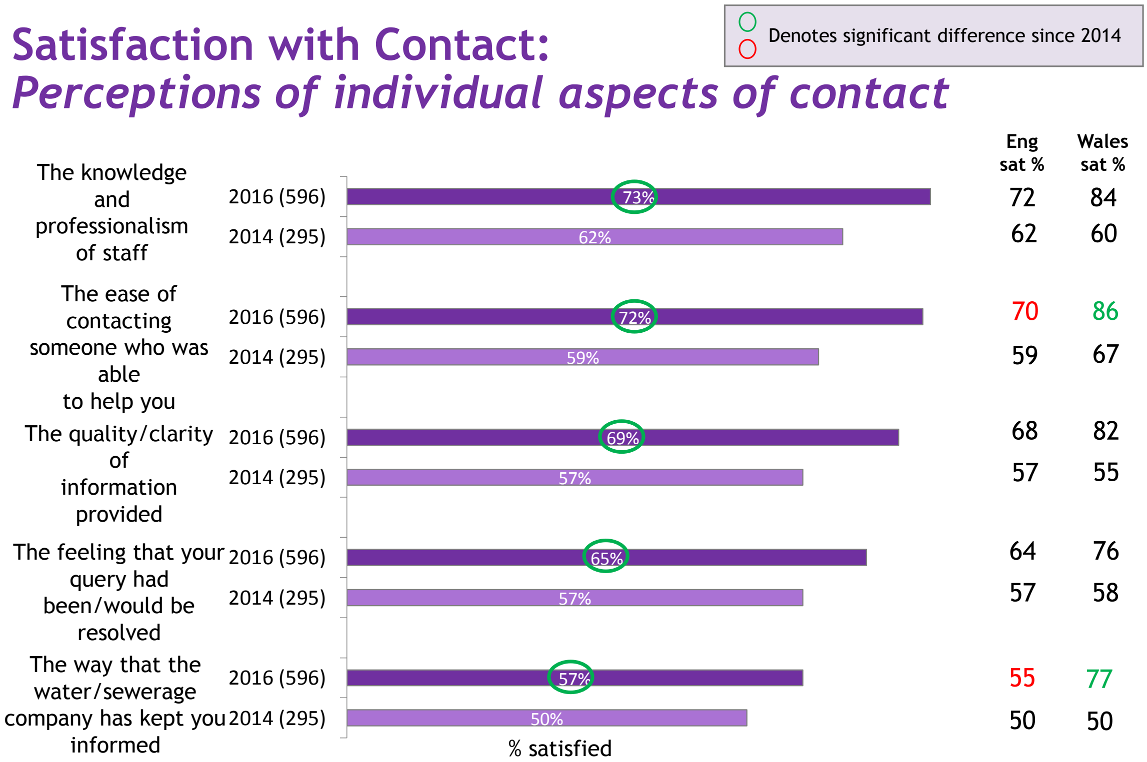
7.1.7 Satisfaction with all aspects of contact has significantly increased since 2014. Customers are most satisfied with:

- The knowledge and professionalism of staff (73%).
- The ease of contacting someone who was able to help (72%).
- The quality and clarity of the information provided (69%).
- The feeling that their query has been, or would be, resolved (65%).

7.1.8 Customers are least satisfied with the way in which they are kept informed of progress with their query (57% satisfied).

7.1.9 Satisfaction with most aspects of contact is similar in England and Wales with the exception of ease of contact and being kept informed where businesses in Wales have significantly higher satisfaction than those in England as shown in Figure 23.

Figure 23: Satisfaction with aspects of contact



Q10. Using a scale from 1 to 5 where 1 equals very satisfied and 5 equals very dissatisfied, how satisfied or dissatisfied were you with each of the following aspects?

Bases in brackets and include all who had made contact in last 12 months

When viewed by WaSC region there are also differences apparent. Wales and Eastern are the top two regions for all aspects of contact, whilst the North West, London and Southern regions have lower satisfaction scores (see Figure 24).

Figure 24: Satisfaction with aspects of contact, by WaSC region

	Ease of contacting someone who was able to help you?	Quality/clarity of information provided	Knowledge and professionalism of staff	Feeling that your query had been/would be resolved	The way that the water/sewerage company has kept you informed
Eastern	76%	75%	79%	71%	63%
Midlands	72%	68%	77%	68%	60%
North West	67%	61%	63%	57%	50%
Northumbrian	70%	68%	76%	65%	62%
South West	76%	74%	79%	69%	63%
Southern	65%	60%	66%	59%	47%
Thames	60%	63%	65%	57%	45%
Wales	84%	80%	82%	73%	76%
Yorkshire	73%	68%	68%	68%	58%

% Net Satisfied Key = 2 least satisfied regions / 2 most satisfied regions

8 Business customer experience of service failure

8.0.1 Businesses were asked whether they had ever experienced service failure (by their own definition) and if so, how they had been affected by it. Those who had were then asked how severe it had been and how satisfied they were with their company's response.

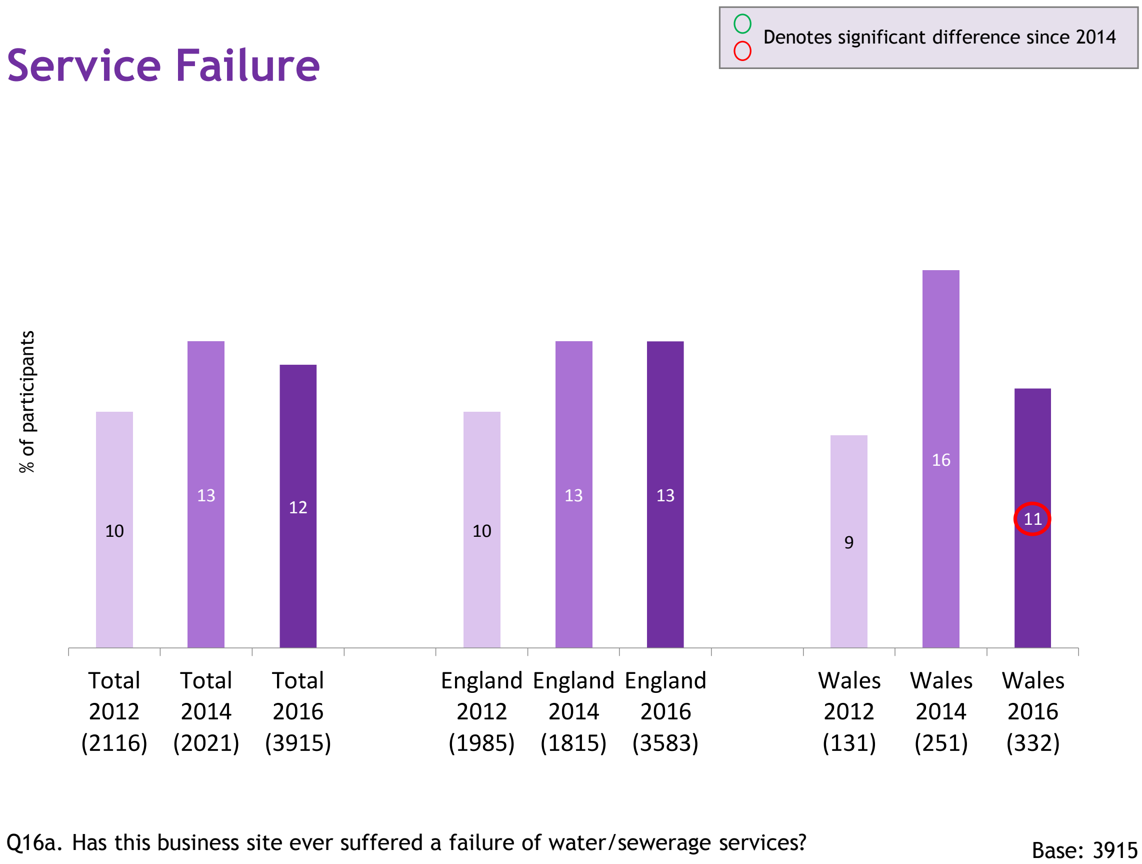
Summary

- **Just over one-in-ten (12%) business customers in England and Wales have suffered a service failure (13% in 2014 and 10% in 2012).**
- **Businesses in the North West are significantly more likely to have experienced a service failure at some time (17%) than those in any other WaSC regions.**
- **Two fifths (43%) of those who have experienced a service failure say this had a *major* impact on their business (significantly more than the 34% in 2014).**
- **Over three quarters (76%) of customers that have suffered a service failure are satisfied with the response that they received from their water company (compared to 71% in 2014). Interestingly, of those who had experienced a major impact to their business, just one third (34%) were satisfied with their company's response.**
- **Burst water pipes (30%) and blocked sewer pipes (20%) are the main reported causes of service failures.**
- **A perceived lack of response to the service failure is the main reason given by business customers where they are dissatisfied with their company's response.**

8.1 Service failures

8.1.1 Just over one in ten businesses (12%) say they have experienced a service failure at some point in time (13% in 2014)[17].

Figure 25: Prevalence of service failures



8.1.2 The main causes of service failure are burst water pipes (30%), blocked sewer pipes (20%), and disruption to or loss of water supply (18%).

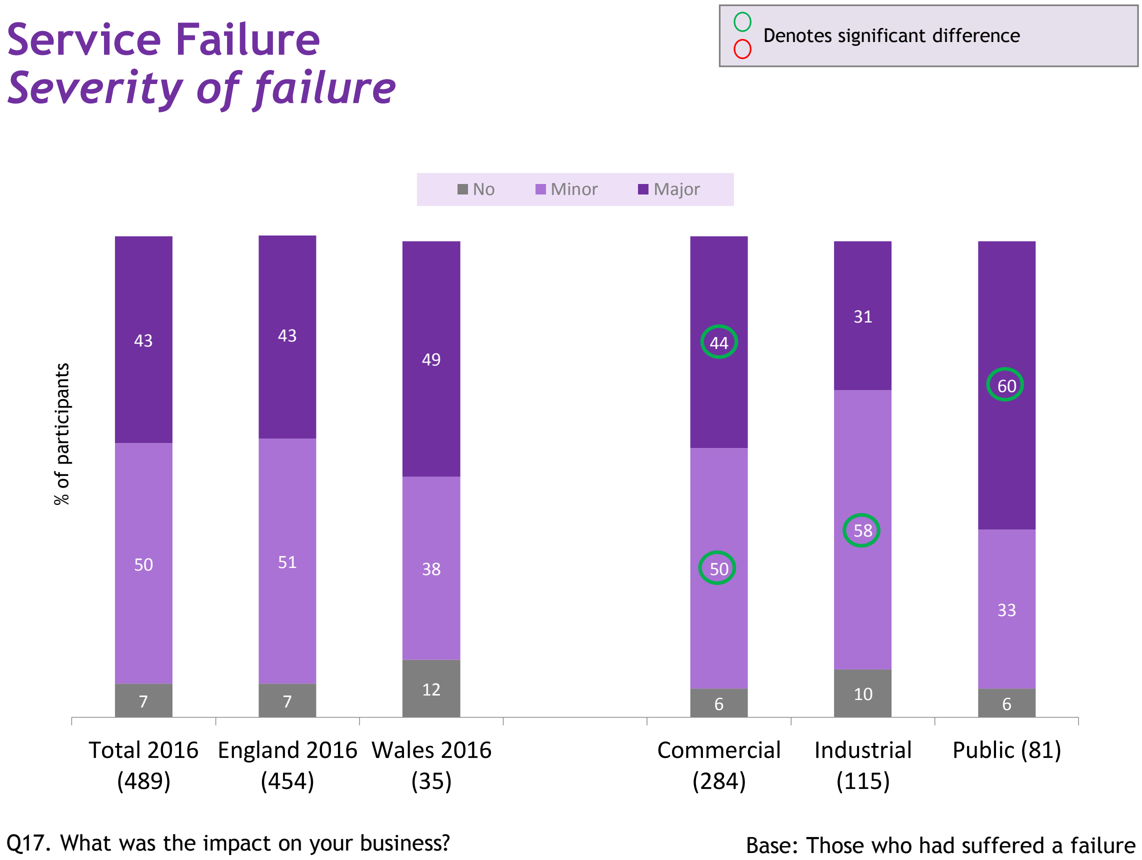
8.1.3 Businesses in the North West (17%) are significantly more likely to have experienced a service failure at some time than those in other regions.

8.1.4 Large businesses are significantly more likely to have experienced a failure than smaller businesses (large 24% compared to micro 12%, small 11%, medium 14%).

8.1.5 Two fifths (43%) of businesses say that service failure had a *major impact* to their business and half (50%) say it had a *minor impact*.

[17] As the question asked about the experience of a service failure *at any time in the past* rather than the last 12 months, it is possible that any changes could be a sample effect rather than a more meaningful change in the frequency of these events happening.

Figure 26: Impact of service failure



8.1.6 Customers advising that they have been *majorly* impacted by a service failure tend to be from Public (60%) or Commercial (44%) sector businesses (compared to Industrial 31%).

8.1.7 There was also a range by business size with medium (50-99 employees) businesses more likely to say they were *majorly* impacted by a service failure (54% compared to 37%, 0-9 employees).

8.1.8 Over three quarters (76%) of businesses that suffered a service failure are satisfied with the response they received from their water company (compared to 71% in 2014). A third (34%) of those who experienced a major impact were satisfied with the response compared with nearly three fifths (57%) of those who experienced a minor impact.

8.1.9 Around a quarter (24%) of businesses were not satisfied with their company's response. The reasons for this are:

- The water company did not respond or help (22%) or would not take ownership/accept responsibility (19%).
- 16% felt they had to solve the issue themselves or had poor customer service.
- 15% felt their water company was very slow to attend or respond.

9 Business information needs and customer relationships with water companies

9.0.1 Business customers were asked what information they would like from their water company versus what they receive. Questions were also asked to establish the quality of the relationship customers have with their water and sewerage company.

Summary

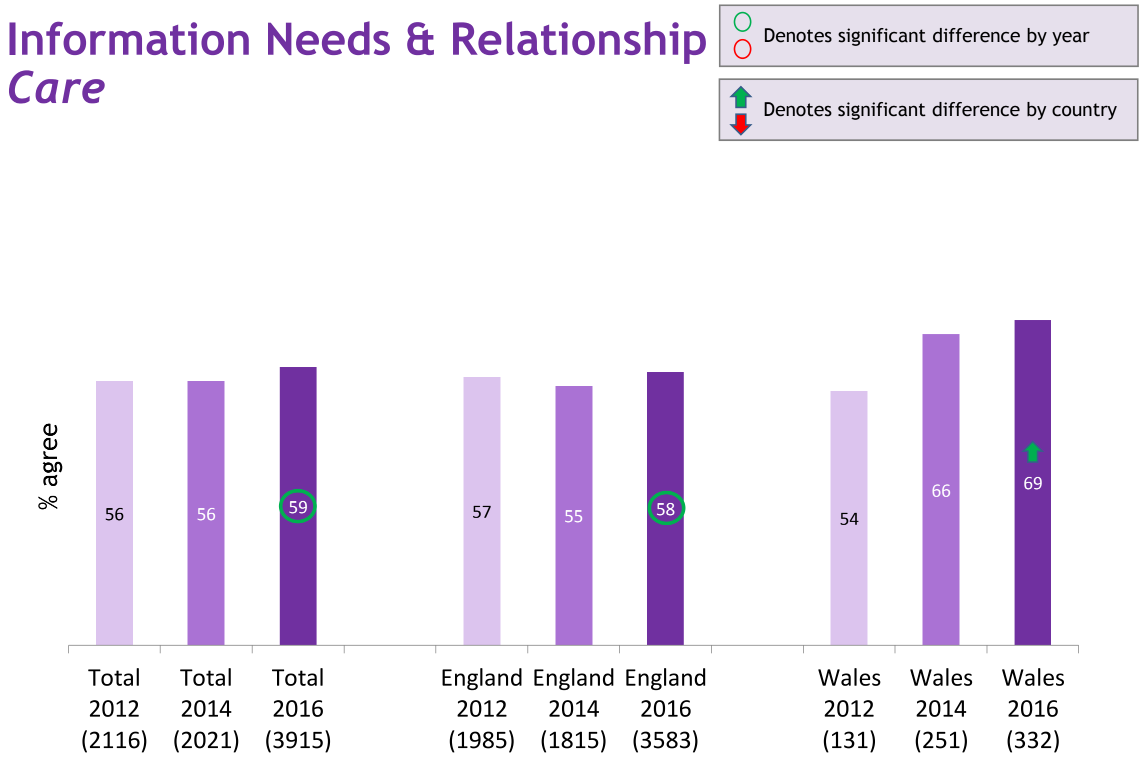
- Around three fifths (59%) of business customers agree that their water company cares about the service it provides to customers. This is significantly higher than in 2014(56%).
- Businesses trust their water company more (7.6/10) than their main energy supplier (6.8/10).
- Just under half (46%) agree that they receive the advice and support that they need from their water company; businesses in Wales are significantly more likely to agree than those in England (58% in Wales compared to 45% in England).
- Very few business customers (5%) feel they have been offered information by their water company, but also, very few (5%) have asked for information. Two thirds of those who received advice/information subsequently took it up.
- Just over two fifths (43%) of business customers claim to routinely read the information which is enclosed with their water bill - similar to that seen in 2014 (42%).

9.1 Perceptions of care

9.1.1 Overall perceptions of water company care are significantly greater than in 2014; 59% agree that their water and sewerage company cares about the service it gives to customers (compared to 56% in 2014).

9.1.2 Nationally, perceptions of care in England have significantly increased (58% in 2016 compared to 55% in 2014). Perceptions in Wales are in line with 2014, although still significantly higher than in England (69% in 2016 compared to 66% in 2014).

Figure 27: Perceptions that the water and sewerage company cares



Q20. How much do you agree or disagree that xxx cares about the service it gives to business customers?

Base: All respondents

9.1.3 Customers who view their water supply as essential for their business (rating 9 or 10 out of 10) are significantly more likely to agree that their water company cares about their service than businesses that rely less on their water supply (60% compared to those rating 1-6 out of 10).

9.1.4 Perceptions appear to be coloured by experience; those who have *not suffered a supply failure* are significantly more likely to view their water/sewerage company as caring (60% compared to 52% who have suffered a supply failure).

9.1.5 By WaSC region, those in Northumbria (71%) and Wales (70%) were significantly more likely to agree that their water company cares about the services provided; around half agree in Southern (51%), North West and Thames (55%) regions.

Figure 28: Perceptions that the water and sewerage company cares, by WaSC region

	Agree net	Neither	Disagree net	Don't know
Eastern	58	31	4	7
Midlands	58	30	5	7
North West	55	26	14	5
Northumbrian	71	18	6	5
South West	58	29	5	7
Southern	51	34	8	7
Thames	55	29	7	9
Wales	70	20	3	7
Yorkshire	66	22	4	8

Satisfied Key = 2 least satisfied by region / 2 most satisfied by region

9.2 Perceptions of trust

9.2.1 Business customers were asked to rate their trust in their water company on a scale of 1-10, where 1 is no trust at all and 10 is complete trust. They were then asked to rate their main energy supplier using the same scale.

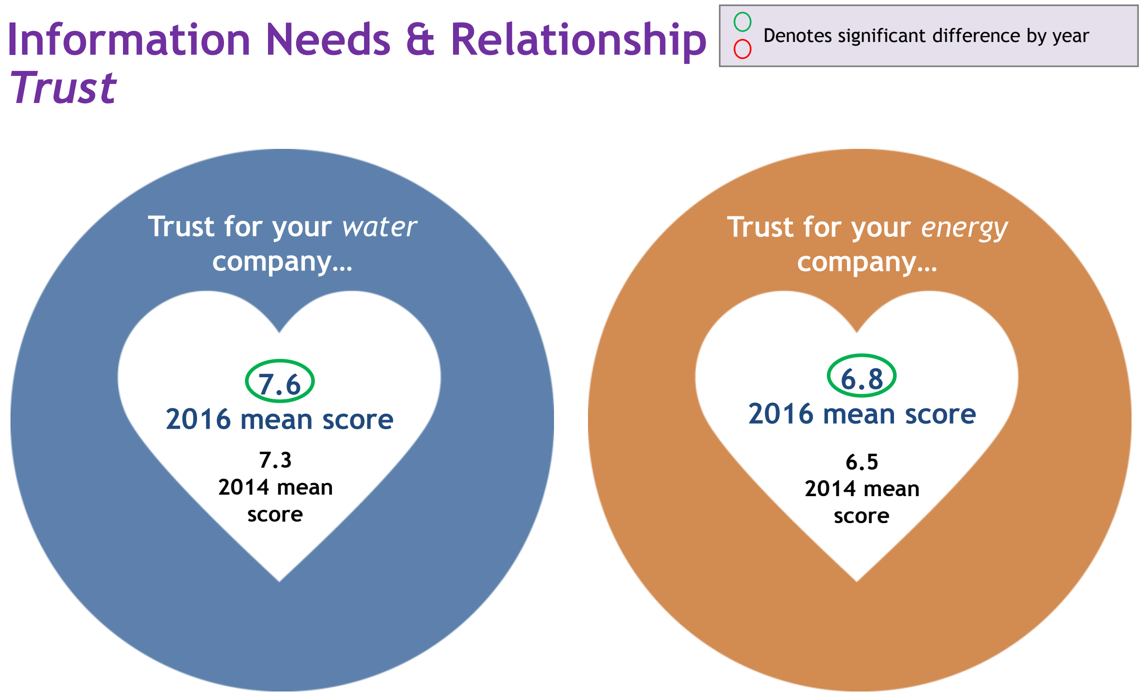
9.2.2 Trust in water companies (mean score of 7.6) is significantly higher than trust in energy suppliers (mean score of 6.8). However, trust in both water and sewerage companies (7.3 in 2014) and energy suppliers (6.5 in 2014) has significantly increased since 2014.

9.2.3 Additionally, by country, businesses in Wales are significantly more likely to trust their water company than those in England (8.2 compared to 7.6 England).

9.2.4 Looked at in another way, 34% of customers score their water company 9 or 10 indicating they have near complete or complete trust, compared to 22% of energy company customers.

9.2.5 In Wales 45% score 9 or 10 for trust and in England it is 33%.

Figure 29: Trust in water company and energy supplier



Q21a. How much do you trust xxx. Please give a score on a scale of 1-10, where 10 means that you trust them completely and 1 means that you don't trust them at all?

Q21b. Using the same scale of 1-10, where 10 means that you trust them completely and 1 means that you don't trust them at all, how much do you trust the main energy company that you use for your business?

9.2.6 When trust is viewed by region, Wales leads the way (8.2), whilst the North West has the lowest score of all (7.2).

Figure 30: Perceptions that the water and sewerage company cares, by region

	Northumbria	North West	Yorkshire	Midlands	Eastern	Thames	Southern	South West	Wales
Trust (mean score)	8	7.2	8	7.5	7.7	7.5	7.3	7.6	8.2

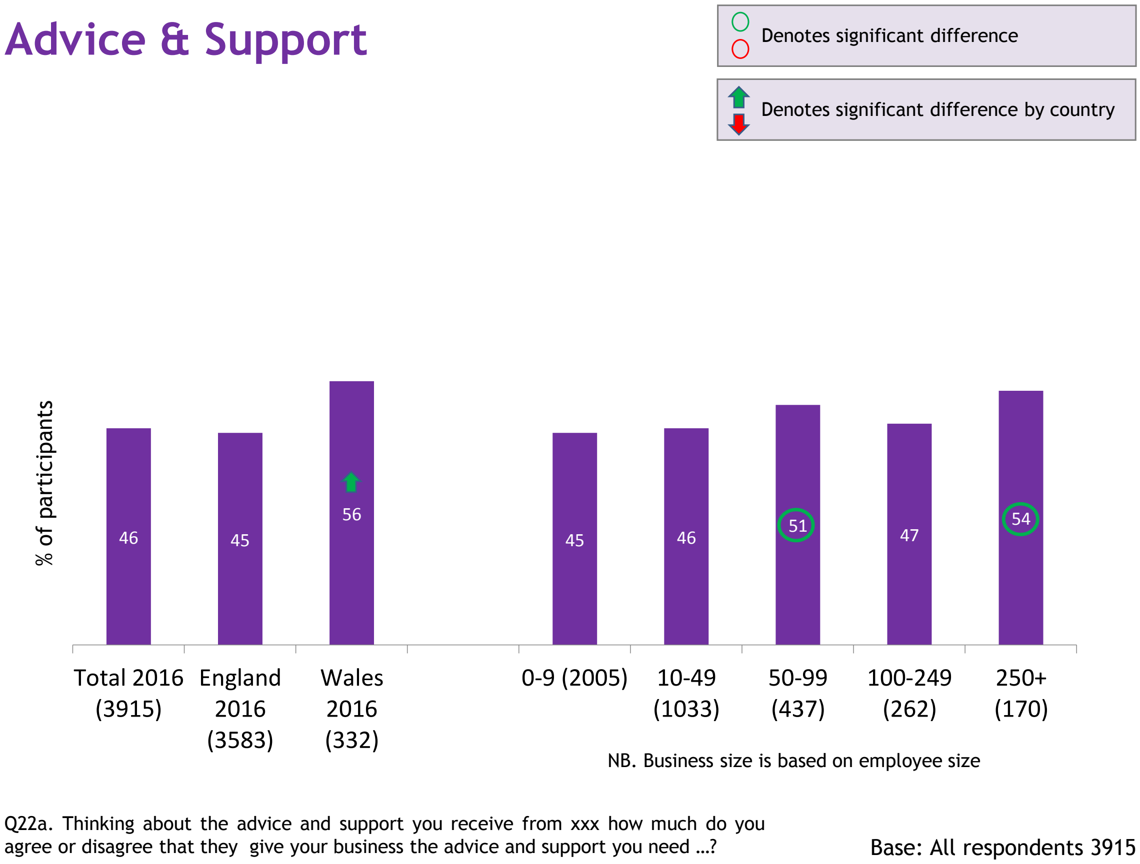
Mean Score Trust Key = 2 least trustworthy / 2 most trustworthy

9.3 Customer perceptions of the advice and support provided by water companies

9.3.1 Business customers were asked to think about the advice and support they receive from their water company.

9.3.2 Just under half (46%) agree that they receive the advice and support that they need; businesses in Wales are significantly more likely to feel they get the advice and support they need than those in England (56% compared to 45%).

Figure 31: Perceptions of advice and support



9.3.3 Business size has a bearing on propensity to agree as large businesses are significantly more likely to think that they receive the advice and support that they need than small and micro businesses (54% compared to 46% for small and 45% for micro businesses).

9.3.4 Businesses in the WaSC region for Wales are significantly more likely to agree (57%) that they get the advice and support they need than other regions, whilst those in the North West (20%) are significantly more likely to disagree.

Figure 32: Perceptions of advice and support received, by region

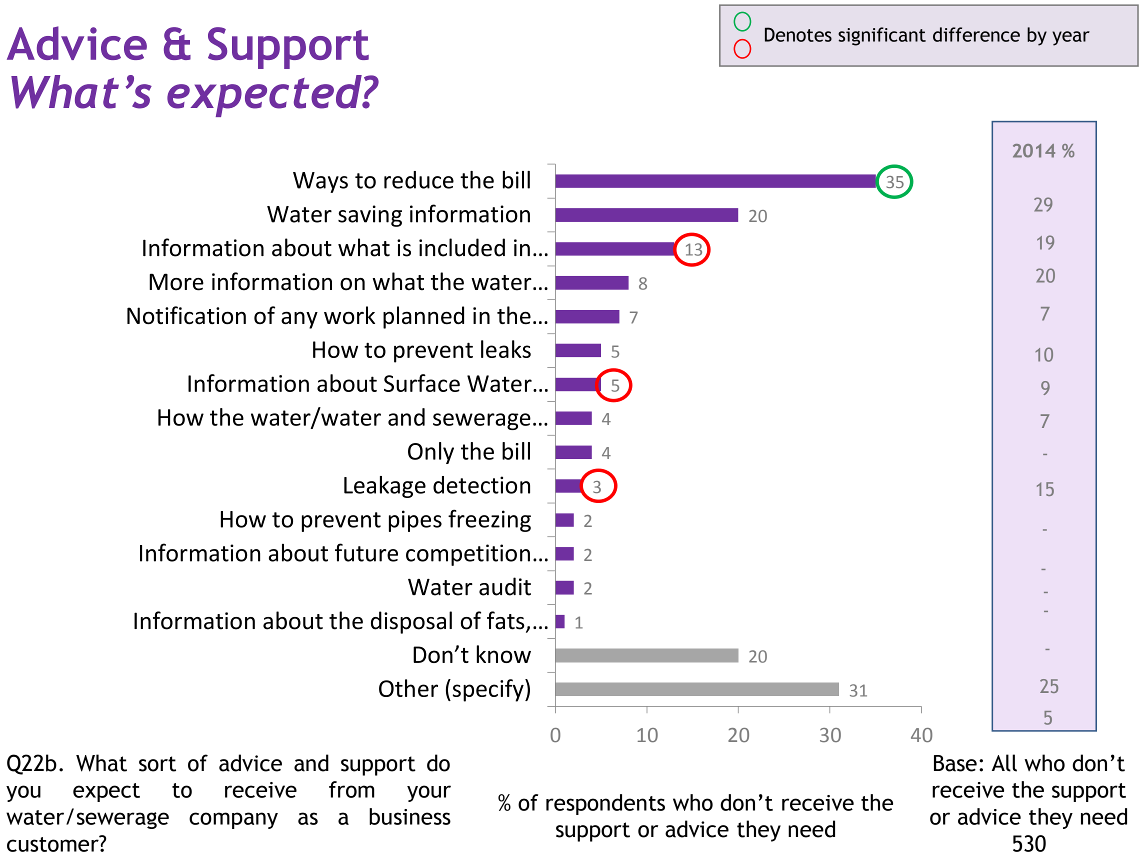
	Agree net	Neither	Disagree net	Don't know
Eastern	47%	29%	14%	9%
Midlands	44%	32%	12%	12%
North West	42%	28%	20%	10%
Northumbria	54%	28%	9%	9%
South West	45%	32%	13%	10%
Southern	41%	34%	16%	10%
Thames	44%	30%	16%	10%
Wales	57%	25%	9%	9%
Yorkshire	52%	26%	13%	9%

Satisfied Key = 2 least satisfied by region / 2 most satisfied by region

9.4 Information from water companies

9.4.1 Of the 14% of business customers who do not feel that their water company provides the advice and support they need, 35% are generally looking for information about cost savings, 20% for ways to save water, 13% would like to know more about the services and charges that are included in their bill.

Figure 33: Advice & support: What's expected?



9.4.2 Less than one in ten (8%) customers have actively looked for information about water or sewerage services anywhere. This is identical in both England and Wales, and is in line with 2014 (6%).

9.4.3 Business size is a key determinant of likelihood to seek information; large businesses (28%) and medium businesses (13%) are significantly more likely to have sought information than small and micro businesses (7% and 4% respectively).

9.4.4 In terms of sources of information, two fifths (40%) are searching the internet for information, mostly via Google searches, visiting individual water company websites or going on price comparison websites. A quarter (25%) have directly contacted their water or sewerage company for information, whilst 13% rely on word of mouth and information from other businesses.

9.4.5 The majority (93%) of business customers have not asked for, nor been offered advice from their water/sewerage company. A table outlining this is provided below:

Figure 34: Nature of the advice asked for/offered

	% who asked company for advice%	% who were offered advice	Neither %
Managing your water use for business processes	<1%	1%	99%
Managing your water use for domestic type use, such as flushing toilets, filling kettles and so on	<1%	<1%	99%
Alternative billing options	<1%	<1%	99%
Waste water arrangements	<1%	<1%	100%
Surface water drainage arrangements	-	-	100%
Finding leaks	<1%	<1%	99%

9.5 Businesses that acted on advice

9.5.1 Amongst the businesses which did ask for or were offered advice (n=395), 256 respondents subsequently acted on it.

Figure 35: Advice asked for/offered advice or information

Area of advice & number who asked for/were offered it	% who took action
Pipe boundaries (n=6)	100%
Finding leaks (n=34)	88%
Managing your water use for business processes (n=35)	83%
What is on offer/general information (n=12)	83%
Managing your water use for domestic type use (n=24)	79%
Drinking water tests (n=23)	78%
Changing premises/changing supply/new supply (n=9)	78%
Informed about changes/regulations/new connection (n=8)	75%
Water saving (n=27)	74%
Burst pipe/leak/drains (n=23)	70%
Water meter queries (n=35)	69%
Account/bill advice (n=32)	69%
The most suitable tariff for your business usage (n=9)	67%
Dual drainage/second drainage system (n=3)	67%
Waste water arrangements (n=20)	65%
Water pressure/water supply (n=17)	65%
Informing us about maintenance/engineering works (n=13)	62%
Audit on water supply/querying usage (n=13)	62%
Alternative billing options (n=32)	53%
Surface water drainage arrangements (n=10)	50%
Negotiate the cost of a leak/refund for leak (n=2)	50%
Account management (n=8)	38%
Pipe insurance (n=7)	0%
Other (n=37)	84%

9.5.2 Those who did not act on the advice were asked why they chose not to. Key reasons were because the information was not relevant (16%), because it wasn't useful (18%) or timely (8%).

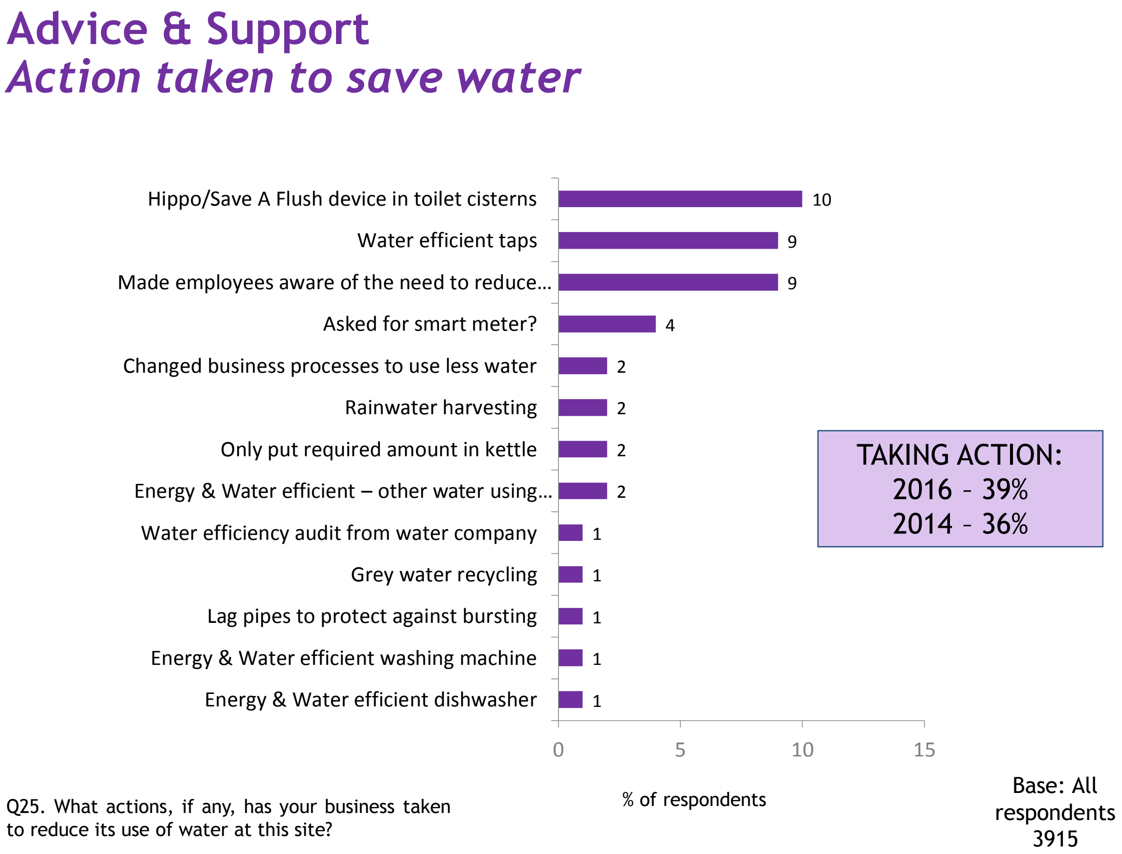
9.6 Information with bill

9.6.1 Just over two fifths (43%) of business customers claim to routinely read the information enclosed with their water bill – similar to that seen in 2014 (compared to 42%). There were no differences by business size.

9.7 Taking action to reduce water usage

9.7.1 Nearly two fifths (39%) of business customers have taken action to reduce water usage (compared to 36% in 2014). The main ways they are doing this are installing Save-A-Flush devices (10%) and water efficient taps (9%) and making employees aware of the need to reduce water consumption (9%).

Figure 36: Actions to reduce water consumption



9.7.2 Propensity to take action is related to business size as large and medium are most likely to have adopted water saving activities:

Figure 37: Actions to reduce water consumption, by size of company

% who have taken this action	Micro 0-9 employees	Small 10-49 employees	Medium A 50-99 employees	Medium B 100-249 employees	Large 250+ employees
Water efficient taps	5%	10%	17%	15%	22%
Energy & water efficient machinery (other water using machinery)	1%	2%	3%	5%	6%
Hippo/Save A Flush device in toilet cisterns	6%	10%	15%	21%	25%
Lag pipes to protect against bursting	1%	1%	0%	0%	2%
Rainwater harvesting	2%	1%	5%	2%	6%
Grey water recycling	1%	2%	1%	3%	3%
Changed business processes to use less water	1%	1%	1%	4%	4%
Water efficiency audit from water company	<1%	1%	2%	2%	7%
Regular repairs/ maintenance to minor issues	<1%	<1%	<1%	2%	2%

% Key = xx = significantly less likely to have done this / xx = significantly more likely to have done this

9.7.3 Business customers were asked what single improvement their water company could make to their services. Most (54%), were unable to specify a particular improvement they would like to see (31% did not know, and 23% said 'nothing' as they were satisfied). Of those who did specify an improvement, 18% want a lower bill, 7% better water quality, 3% improved communication/a more personal approach, 3% want improved sewerage/water infrastructure and 3% would like more information about water saving.

10 Market Reform

10.0.1 From April 2017, all business customers supplied by a water company based in England will be able to choose the company that provides their retail services i.e. billing, meter reading and customer service. Businesses in Wales which use more than 50 million litres of water a year can also choose their retail service provider. Business customer awareness of this impending change to the market was established through both prompted and unprompted questioning.

10.0.2 In this chapter, Medium sized businesses (50 to 249 employees) are split into Medium A (50 to 99 employees) and Medium B (100 to 249 employees) as there are several significant differences between them. This suggests that views on market reform are extremely sensitive to business size, and also likely to correlate closely with bill size.

Summary

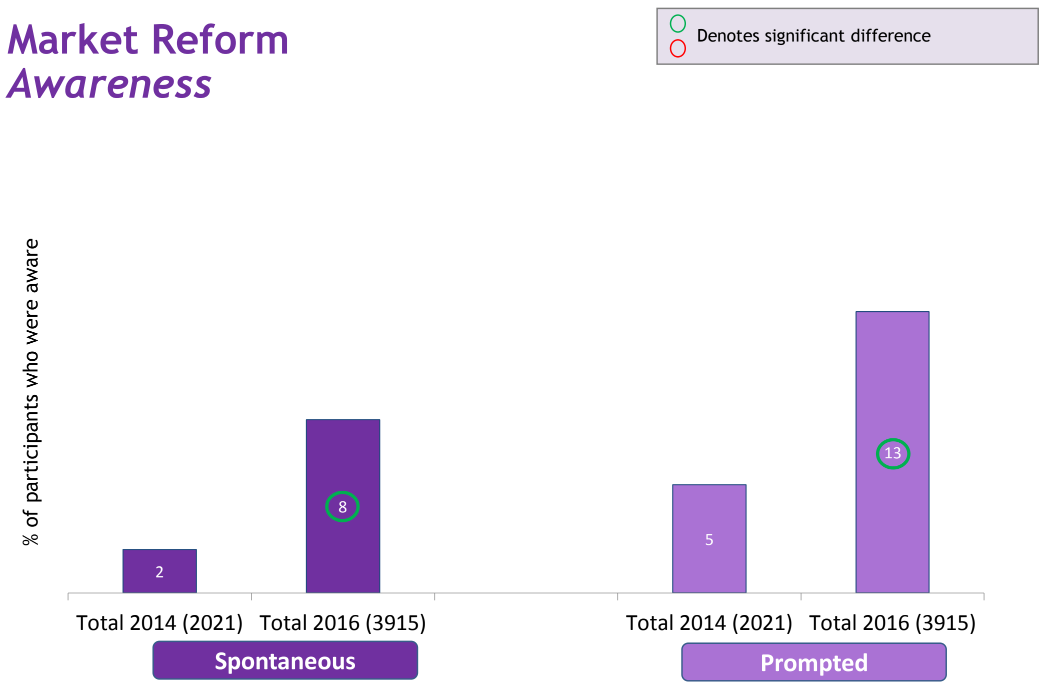
- **Awareness of market reform planned from 2017 is low - less than one in ten (8%) business customers are aware at a spontaneous level, although this is significantly greater than in 2014 when it was 2%. Once prompted, awareness increases to 13%.**
- **The majority (61%) believe that competition in the market will be a good thing; only 12% feel it will be a bad thing.**
- **Around two fifths (39%) say they would be likely to switch once the market opens with an average bill saving of 17% being required to entice them to switch (although this varies considerably depending on businesses' annual bill amount).**
- **Three quarters of respondents said they would explore the option of staying and negotiating new terms and conditions with the water company currently providing them with retail services.**

10.1 Awareness of market changes in April 2017

10.1.1 Spontaneous awareness of the future market reform is low, with less than one in ten (8%) claiming to have heard anything about plans to make changes in the water and sewerage industry for business customers, although this is significantly more than in 2014 when it was 2%.

10.1.2 Once prompted about the changes, just over one in ten (13%) report they are aware, representing a significant increase from 5% in 2014.

Figure 38: Awareness of market reform



Q27a. Have you heard anything about plans to make changes in the water and sewerage industry for business customers?

Q28. Now that you have a bit more information, have you heard about this before?

10.1.3 Businesses in England showed a higher spontaneously aware response than businesses in Wales (9% compared to 4%). The market arrangements in Wales are staying as they are. Businesses using more than 50 million litres of water a year will continue to be able to change provider. It is in England where, from April 2017, businesses will be able to choose their provider regardless of their level of water usage. This may explain why spontaneous awareness is lower in Wales than in England. By WaSC region, the North West and Southern regions are significantly more likely to be aware, whether spontaneously (North West, 12%; Southern 10%) or prompted (North West, 17%; Southern 17%).

Figure 39: Awareness of market reform, by WaSC regions in England[18]

	Unprompted	Prompted
Eastern	8%	12%
Midlands	8%	14%
North West	12%	17%
Northumbria	9%	14%
South West	6%	12%
Southern	10%	17%
Thames	6%	10%
Yorkshire	10%	17%

% Awareness Key = 2 lowest awareness / 2 highest awareness

[18] NB. Wales is excluded from the above table as the market in Wales is not changing in 2017; it will continue as it is now.

10.1.4 Whether unprompted or prompted, it is the larger businesses that hold the greatest level of awareness of the impending market changes. This is not surprising given that in England businesses using more than 5 million litres (5,000m^3) of water a year were brought into the market a few years ago to join those using 50 million litres (50,000m^3)a year which were already able to switch. These businesses are most likely to be targeted by water suppliers with a view to engaging them in the market.

Figure 40: Awareness of market reform, by business size

	Unprompted (2014)	Unprompted (2016)	Prompted (2014)	Prompted (2016)
Micro 0-9 employees	2%	5% (11% sole traders)	6%	9% (17% sole traders)
Small 10-49 employees	2%	7%	4%	13%
Medium A 50-99 employees	3%	8%	5%	13%
Medium B 100-249 employees	5%	13%	9%	20%
Large 250+ employees[19]	N/A	41%	N/A	49%

10.1.5 When those who are aware, with prompting, of market reform were asked how they had become aware, the water companies themselves (18%) were the main conduits of information followed by the press/newspapers/magazines (14%), the news (14%) or via online forums (9%).

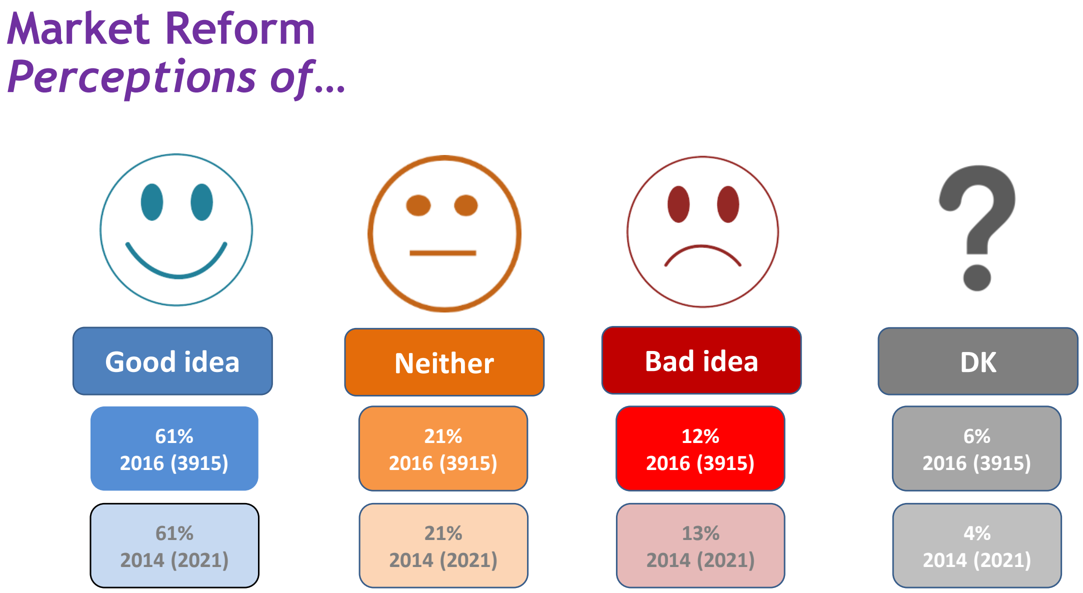
10.1.6 Respondents were given some more basic information about market reform as follows:

> *From 2017, all businesses in England will be able to choose who provides them with retail services, that is, the company which provides customer service, reads the meter and bills them for water and sewerage services. In Wales businesses need to use more than 50,000m^3 (50,000 cubic metres) of water a year to choose their retail service provider. Please note that this does not affect the water supply which would still come from the same company as now.*

They were then asked what they thought about it. Six out of ten (61%) feel it would be a 'good thing' and 12% believe it would be a 'bad thing' for businesses. The remainder, about one in five, feel it would be neither a good nor bad thing (21% neither). This was identical to 2014.

[19] Some size bandings may not be fully comparable because of changes to the size bandings (i.e. the inclusion of sole traders in the 2016 micro bandings and more businesses with 500+ employees included in the sample)

Figure 41: Perceptions about market reform



Q29. For businesses, how good do you think the principle of competition for retail services would be?

10.1.7 This positive perception about the retail market opening up is concentrated amongst the larger businesses with higher spend on water.

Figure 42: Perceptions about market reform, by business size

	Micro 0-9 employees	Small 10-49 employees	Medium A 50-99 employees	Medium B 100-249 employees	Large 250+ employees
A good thing	57% (52% sole traders)	62%	67%	72%	73%
Neither a good nor bad thing	22% (24% sole traders)	22%	21%	16%	17%
A bad thing	14% (20% sole traders)	10%	8%	8%	6%
Don't know	6% (4% sole traders)	6%	5%	4%	4%

Key = xx = significantly less / xx = significantly more

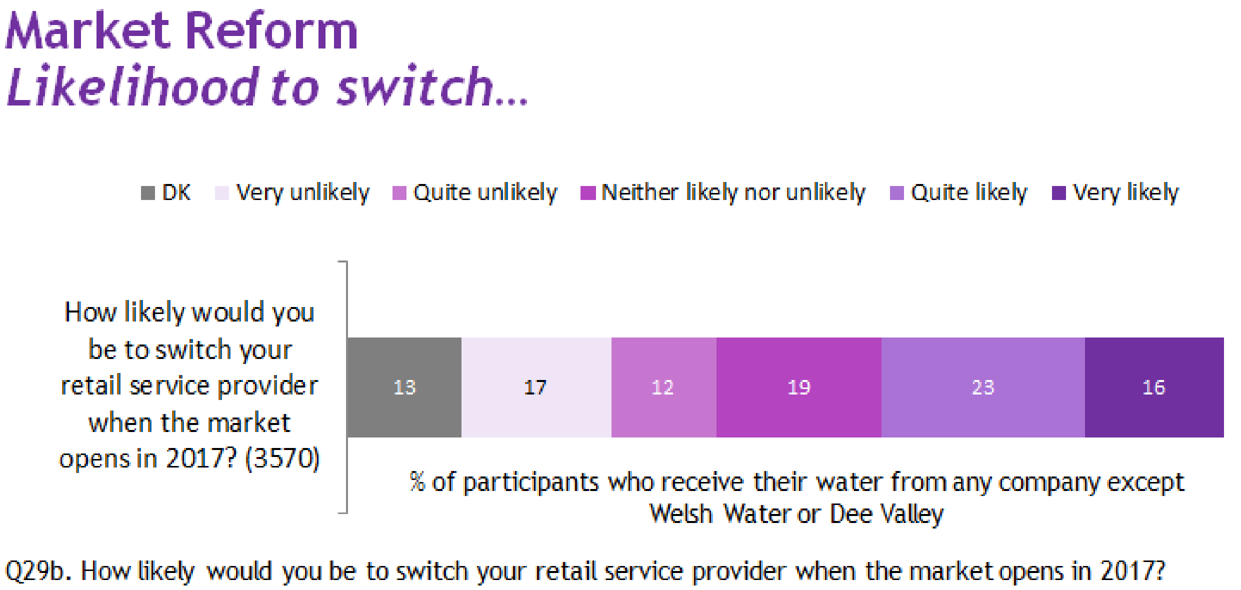
10.1.8 Public sector businesses are also significantly more likely than those in other sectors to view the principle of competition as a good idea (70% compared to Industrial, 57%; Commercial, 60%).

10.2 Likelihood to switch

10.2.1 Respondents in England were asked how likely they would be to switch their retail service provider when the market opens in 2017.

10.2.2 Around two fifths (39%) claim to be likely to switch provider when the market opens, with 16% claiming to be *very* likely.

Figure 43: Likelihood of businesses in England to switch



10.2.3 As with awareness of market reform, likelihood to switch is also significantly higher for larger businesses; although so too is propensity to be undecided.

Figure 44: Likelihood to switch, by business size

	Micro 0-9 employees	Small 10-49 employees	Medium A 50-99 employees	Medium B 100-249 employees	Large 250+ employees
Likely	35% (33% sole traders)	41%	39%	49%	43%
Neither likely nor unlikely	17% (25% sole traders)	22%	18%	21%	17%
Unlikely	38% (40% sole traders)	24%	24%	12%	19%
Don't know	10% (3% sole traders)	12%	19%	19%	20%

Key = xx = significantly less / xx = significantly more

10.2.4 Likelihood to switch is significantly higher for Public sector (41%) and Commercial organisations (39%) than Industrial sector businesses (34%).

10.2.5 The main motivation for businesses to switch is that it may lead to cheaper bills (76%).

10.2.6 Businesses in England are looking for an average bill saving of 17% to prompt them to switch. Businesses with higher annual bills are expecting the lowest percentage savings although in absolute terms they would save more; business size was also a factor in desired average bill saving.

Figure 45: Average desired bill saving in order to switch, by business size

	Micro 0-9 employees	Small 10-49 employees	Medium A 50-99 employees	Medium B 100-249 employees	Large 250+ employees
Would switch for 1-10%	10%	18%	24%	20%	23%
Would switch for 10-20%	25%	32%	33%	38%	34%
Would switch for 20-50%	22%	18%	18%	14%	15%
Would switch for more than 50%	8%	5%	4%	3%	4%
I would not switch	26%	16%	14%	18%	14%
I would not switch, only for service	9%	11%	7%	8%	9%

Key = xx = significantly less / xx = significantly more

10.2.7 The interest in switching at lower rates of bill savings tends to increase with bill spend. This means that businesses with smaller bills may want to see higher savings to consider switching.

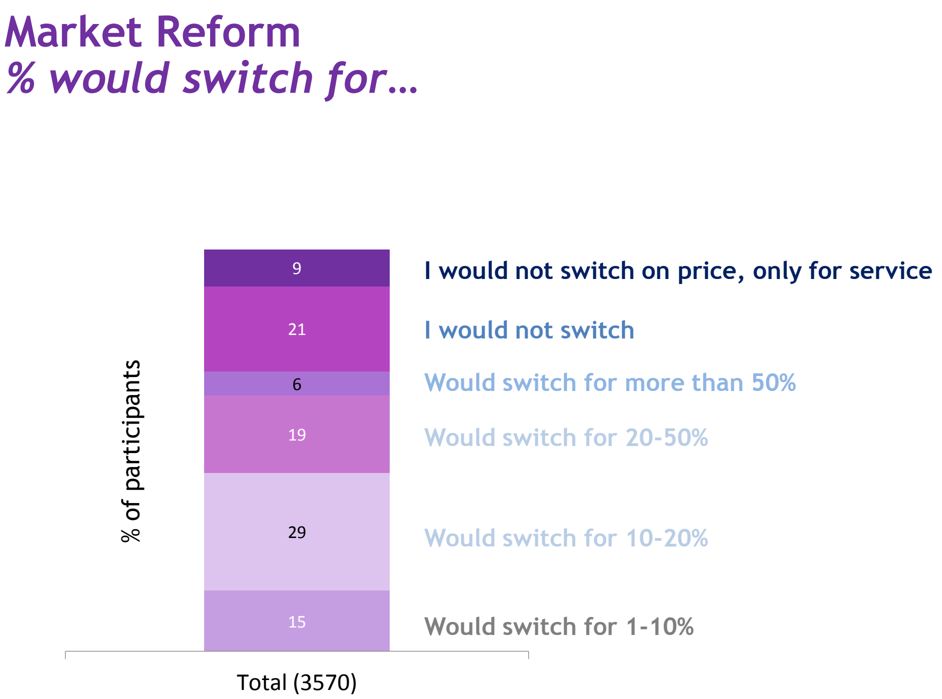
Figure 46: Average desired saving in order to switch, by bill spend

	Less than £500	£500 - £999	£1,000 - £1999	£2,000- £9,999	£10,000+
Would switch for 1-10%	7%	13%	20%	21%	29%
Would switch for 10-20%	22%	33%	39%	37%	41%
Would switch for 20-50%	26%	26%	22%	18%	13%
Would switch for more than 50%	12%	9%	3%	4%	2%
I would not switch	23%	15%	11%	13%	8%
I would not switch, only for service	10%	5%	5%	7%	7%

10.2.8 Around one fifth (21%) say they would not switch supplier, and a further 9% would not switch for a better price, only for a better service.

10.2.9 Out of the respondents in England, 6% would require a bill saving of more than 50% to prompt them to switch, 19% would switch for a 20%-50% saving, 29% would switch for a 10%-20% saving and 15% of customers claims they would switch for a 1%-10% saving.

Figure 47: Percentage saving required to switch



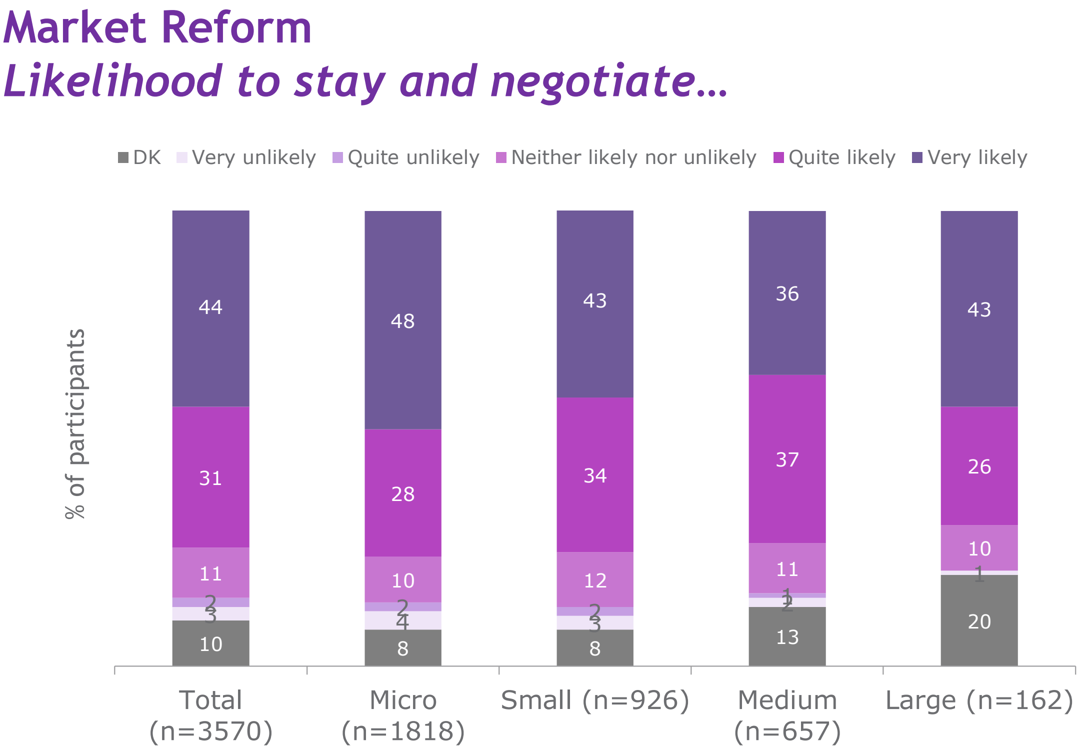
Q30. What percentage level of saving on your water and sewerage charges would prompt your business to switch retail service provider?

Base: England only 3563

10.2.10 Respondents were informed that as well as being able to switch retail services provider in 2017, they would also have the option of staying with their current supplier but negotiating on price and/or service with them. They were then asked how likely they would be to remain with their current supplier but negotiate new terms and conditions with them.

10.2.11 When provided with this information, three quarters (75%) would be likely to take up this option and stay. There were no differences by region.

Figure 48: Likelihood to stay and negotiate



Q30x. How likely would you be to stay with your retail service provider but negotiate new terms and conditions for retail services with them?

11 Awareness of Consumer Council for Water

11.0.1 Several questions were asked of respondents in order to understand if they were aware of CCWater as the consumer body in the water industry.

Summary

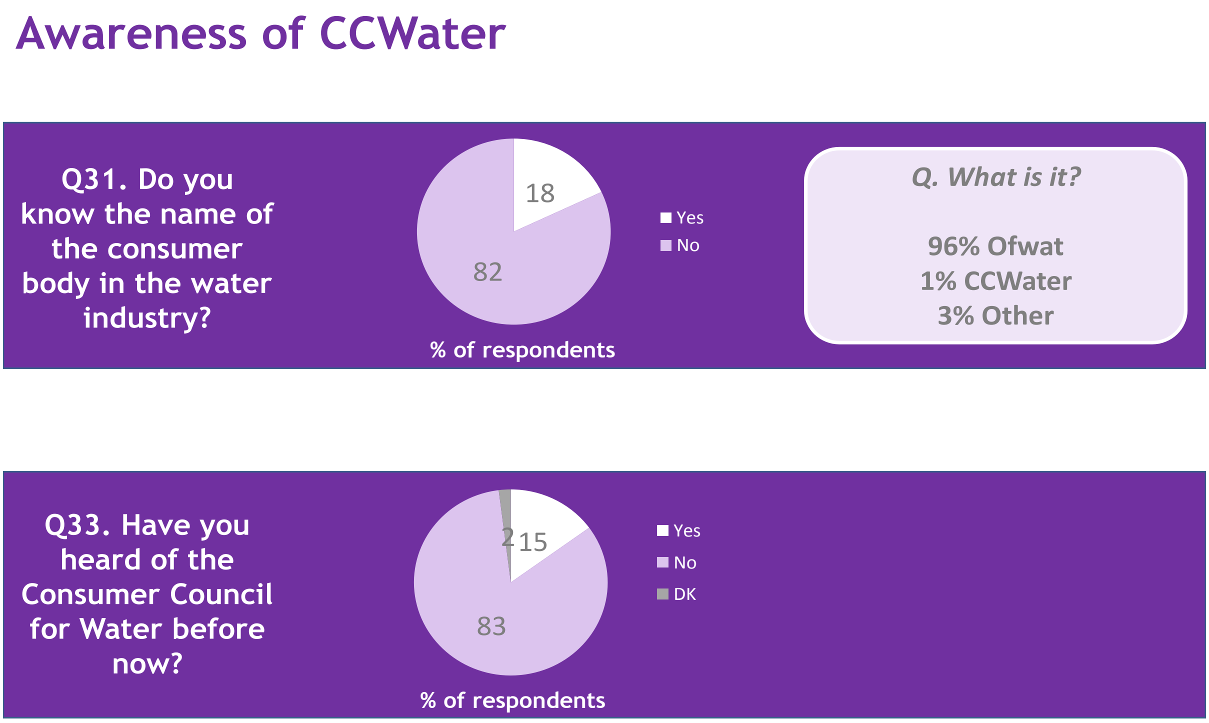
- **Almost one fifth claim to be aware that there is a consumer body in the water industry, but almost everyone believes it is the economic regulator, Ofwat, and not CCWater.**
- **When prompted, 15% of respondents are aware of CCWater.**

11.0.2 Almost one fifth (18%) say they are aware that there is a consumer body in the water industry (compared to 20% in 2014).

11.0.3 When asked what they thought the name of the consumer body was, almost everyone said Ofwat (96%). Only five respondents said the Consumer Council for Water (CCWater); they were from a range of business sizes (micro, small and medium) and regions (although all in England).

11.0.4 When prompted, 15% were aware of CCWater and these were significantly more likely to be large businesses (24%) compared to micro (13%) and small (14%).

Figure 49: Organisation believed to be the consumer body for the water industry



Base: 3915

12 Views by business size

12.0.1 This chapter summarises the key significant differences in customer views by business size based on the number of employees.

Figure 50: Overall satisfaction summary by business size (1)

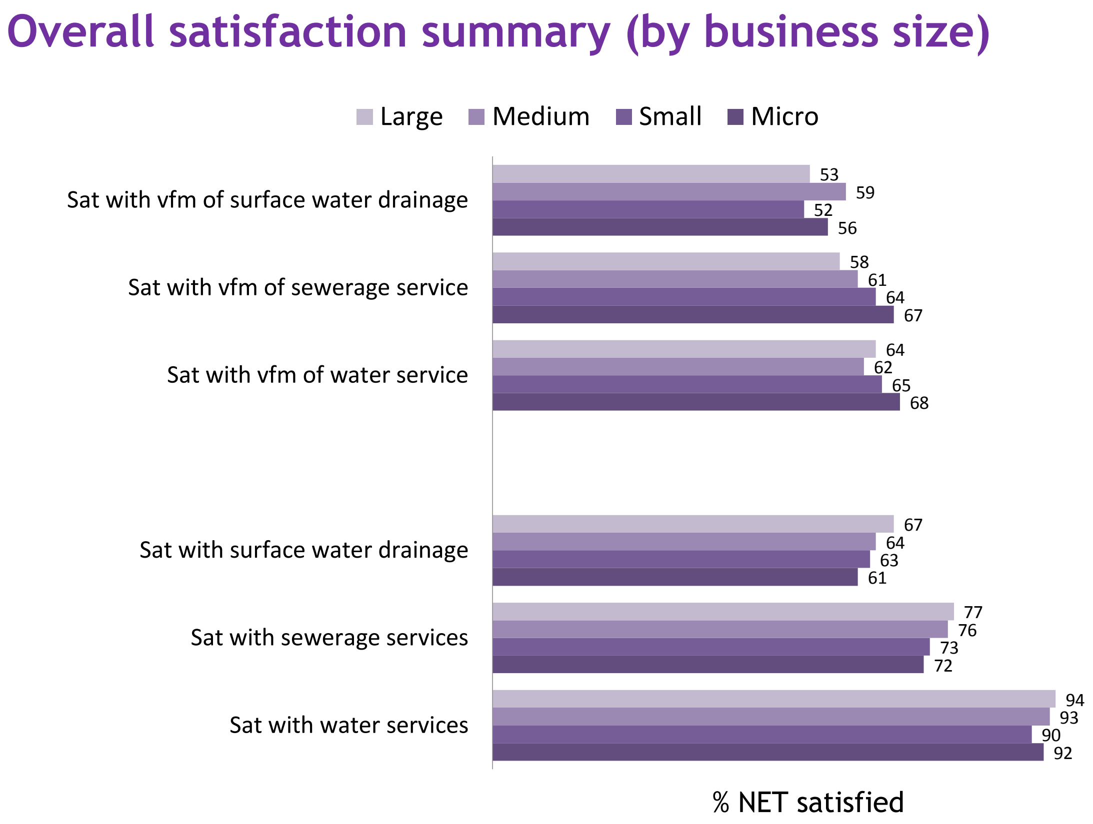


Figure 51: Overall satisfaction summary by business size (2)

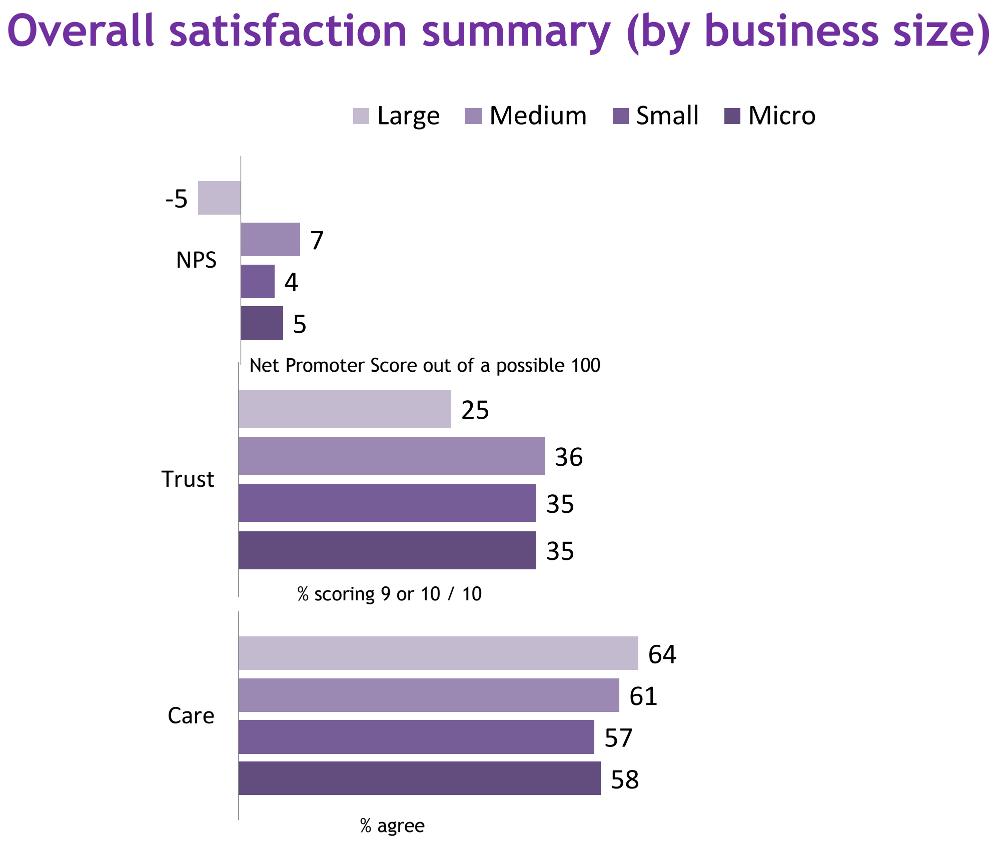
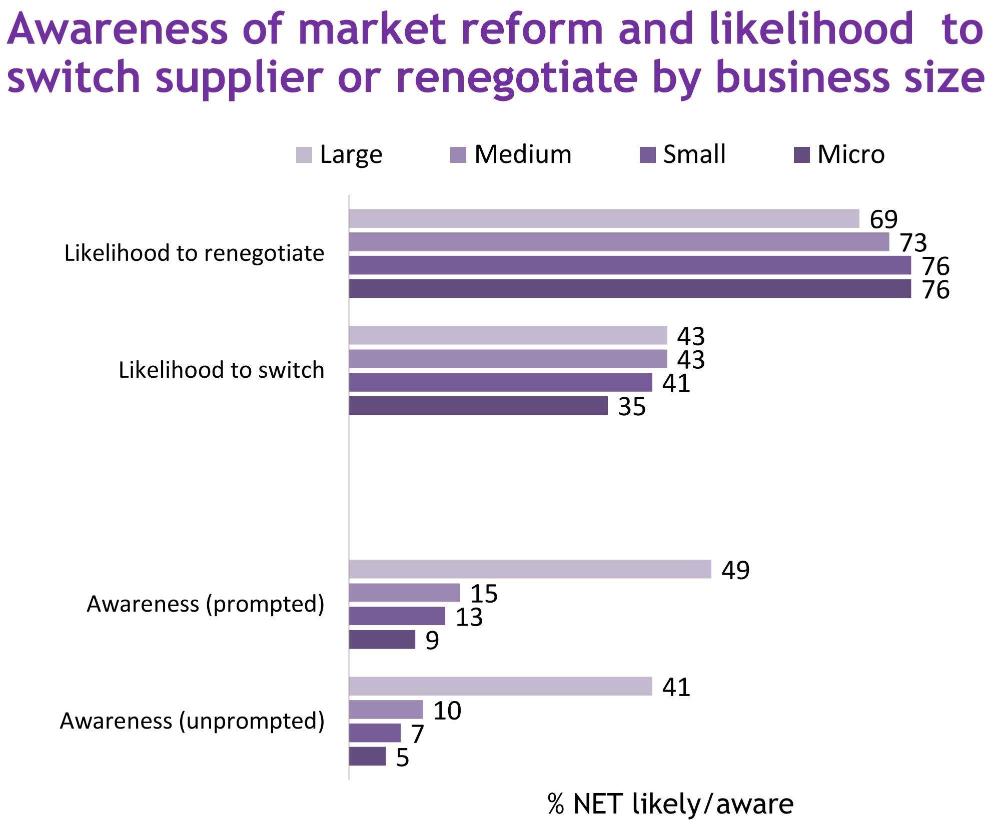


Figure 52: Awareness of market reform and likelihood to switch supplier or renegotiate



12.1 Sole traders

12.1.1 In this research 46 interviews were conducted with sole traders which operate from a business premise.

12.1.2 Half (48%) of sole traders could not recall what their business spends on water each year. Of those who could recall, a third spend less than £500 a year, similar to micro businesses where 28% also spend less than £500 a year. In contrast 43% of large businesses spend more than £5,000 a year on water.

12.1.3 Sole traders have significantly lower awareness of their compensation rights and of the surface water drainage rebate than large businesses.

12.1.4 Sole traders are significantly more likely not to have actively looked for information about water or sewerage services than businesses with more than 10 employees (98% compared to 88% of small businesses, 80% of medium, and 65% of large businesses.

12.1.5 Sole traders are significantly more likely to have done nothing to reduce their water use (61%) than medium (40%) and large businesses (21%).

12.1.6 Sole traders are more cautious about competition than most other businesses. They are much more likely to see it as a bad thing (20%) than small businesses (10%), medium (8%) and large businesses (6%).

12.1.7 Reflecting this sentiment, sole traders would be much less likely to switch supplier than most other businesses when the market opens in 2017; 40% claim to be unlikely to switch compared to 24% of small, 19% of medium and 19% of large businesses.

12.1.8 However, sole traders are significantly more likely to negotiate terms and conditions that most other businesses. Nearly three-fifths – 58% - say they would be very likely to do this compared to 43% of small businesses, 36% of medium, and 43% of large businesses.

12.1.9 Prompted awareness of CCWater by sole traders is measured at 20%.

12.2 Micro businesses

12.2.1 In the research 2,005 interviews were conducted with micro businesses, with 0-9 employees. This includes 46 sole traders discussed in section 12.1 as sole traders and micro businesses are similar enough to be viewed as one distinct group.

12.2.2 Nearly half (49%) of micro businesses could not say how much they spent on water. Based on the 51% who did identify their spend, spend is lowest among micro businesses, with around one third (29%) spending less than £500 per year. Spend also represents a much smaller percentage of their annual running costs than larger businesses (62% of micro businesses state that water and sewerage represents between 0-5% compared to 54% of medium, and 47% of large businesses.

12.2.3 Micro businesses are significantly less likely to view water and waste water services as essential for their business (rating 1-6 out of 10) than larger businesses (20% compared to small 9%; medium 7%, and large 6%).

12.2.4 Micro businesses are also significantly more likely to be satisfied with the value for money of their sewerage services than larger businesses (67% compared to small 64%; medium 61% and large 58%).

12.2.5 Micro businesses have significantly lower awareness of their compensation rights and of the surface water drainage rebate than most larger businesses.

Figure 53: Percentage unaware of compensation rights and surface water drainage rebate by business size

Business size	% unaware of compensation rights	% unaware of surface water drainage rebate
Micro	59%	71%
Small	54%	70%
Medium A	46%	65%
Medium B	48%	60%
Large	41%	41%

12.2.6 Propensity to contact their water company with an enquiry or complaint is significantly lower amongst micro businesses (87% have not made contact) than the majority of other business sizes (small 84%; medium 79%).

12.2.7 Micro businesses are significantly less likely to have looked for information about water and sewerage services than all other business sizes (93% had not looked compared to small 88%; medium 80% and large 65%).

12.2.8 And they are significantly less likely to be aware of market reform than larger businesses. The majority of micro businesses - 95% - are unaware compared to 90% of medium and 59% of large businesses. Once prompted with specifics relating to market reform, a similar pattern emerged - micro businesses are significantly less likely to be aware than larger ones (91% unaware compared to small 87%; medium 85%, and large 51%).

12.2.9 Micro businesses are significantly more likely to view competition as a 'bad thing' (14%) than small (10%) and medium businesses (8%).

12.2.10 Micro businesses are significantly more likely than all other business sizes to say they would not switch supplier regardless of price (26% compared to small 16%, medium 16%, and large 14%) and that they would only switch for a saving of more than 50% (8% compared to small 5%, medium 3% and large 4%). The relatively high percentage saving required reflects the smaller bills which micro businesses receive compared to larger businesses (see 12.2.2).

12.2.11 Around a third (35%) would be likely to switch whilst over three quarters (76%) would be likely to stay with their current provider and negotiate terms when the market opens.

12.2.12 Prompted awareness of CCWater for micro businesses is measured at 13%.

12.3 Small businesses

12.3.1 In the research 1,033 interviews were conducted with small businesses with 10-49 employees.

12.3.2 As with sole traders and micro businesses, around half (48%) did not know how much they spent on water. Based on those who did recall their spend, it is much more variable, and higher than for micro businesses. Around one in ten spend less than £500 per year (9%), 10% spend between £500-£999; 12% between £1,000-£1,999; 13% between £2,000-£4,999 and 8% spend £5,000 or more a year.

12.3.3 Small business spend on water bills is still more likely to represent a smaller percentage of their annual running costs than larger businesses (60% of small businesses state that water and sewerage charges represent between 0-5% compared to only 54% of medium businesses and 47% of large businesses.

12.3.4 Small businesses are more likely than micros to view their water and wastewater services as essential to their business (82% rated them 9-10 out of 10, compared to 68% of micro businesses).

12.3.5 Small businesses are significantly more likely to be aware of their compensation rights (GSS) than micro businesses (46% aware compared to 40%) although more unaware of the surface water drainage rebate than larger businesses (70% compared to medium 63%, and large 41%).

12.3.6 In terms of water company contact, small businesses are significantly more likely than micros to have made contact in the last 12 months (15% compared to 12%).

12.3.7 When looking at proactivity of seeking out information, small businesses are significantly more likely to have sought information about water and sewerage services than micro businesses (7% compared to 4%) but also significantly more likely not to have done so compared with larger ones (88% compared to medium 80% and large 65%).

12.3.8 Small businesses are significantly less likely to show unprompted awareness of market reform than larger ones (93% unaware compared to medium 90% and large 59%). Once prompted with specifics relating to market reform, small businesses are still significantly less likely to be aware of it than larger ones (87% unaware compared to medium 85% and large 51%).

12.3.9 The principle of competition is much more likely to be seen as a good thing amongst small (62%) than micro businesses (57%) which is similarly reflected in the fact that small businesses are more likely than micro businesses (41% compared to 35%) to say they would switch once the market opens.

12.3.10 In terms of the level of saving which would prompt them to switch, as bill size increases the percentage saving required to switch decreases (15% is the average level of saving that would prompt small businesses to switch).

12.3.11 Three quarters (76%) would be likely to stay with their current provider and negotiate terms when the market opens which is significantly greater than the 41% that say they would be likely to switch.

12.3.12 Prompted awareness of CCWater measured at 14%.

12.4 Medium businesses

12.4.1 In the research 699 interviews were conducted with medium businesses, with 50-249 employees. Of these, 437 interviews were with Medium A (50-99 employees) and 262 with Medium B (100-249 employees). Medium A and Medium B have been combined as there were relatively few differences between the two 'medium' bandings with the exception of market reform related questions where the two groups are different and reported separately.

12.4.2 Medium businesses are more likely to be paying higher bills for their water and sewerage services than smaller businesses. For example, around one in four (26%) pay £5,000 or more a year compared to only 8% of small businesses and 2% of micro businesses.

12.4.3 Over eight out of every ten (86%) medium sized businesses felt that water is essential (rating 9-10 out of 10) to the day to day running of their business.

12.4.4 Over half (52%) are aware of the GSS scheme while around one third (35%) is aware of a reduced sewerage bill.

12.4.5 Around one fifth (19%) of medium businesses have contacted their provider in the last 12 months, the second highest proportion after large businesses (29%).

12.4.6 When it comes to the way that the water/sewerage company has kept them informed of progress with their enquiry, medium businesses are more likely than any other sized businesses to be satisfied (70%).

12.4.7 When looking at proactivity of seeking out information, medium businesses are significantly more likely to have sought information about water or water and sewerage services than smaller businesses (13% of medium compared to 7% of small and 4% of micro businesses).

12.4.8 When probing for spontaneous awareness of market reform one in ten medium businesses are aware, significantly more than micro (5%) and small (7%) businesses. Once prompted with specifics relating to market reform, awareness amongst medium businesses rises to 15%.

12.4.9 The principle of competition is seen as a good thing amongst over two thirds of medium businesses (69%) and 43% claim that they would switch once the market opens.

12.4.10 Nearly three quarters of medium businesses (73%) would be likely to stay with their retail service provider but negotiate new terms and conditions for retail services with them.

12.4.11 Medium businesses are likely to switch for an average saving of 14%, which is significantly less than the percentage required by micro (21%) and reflects the larger bills which medium sized business receive.

12.4.12 Prompted awareness of CCWater for medium businesses measured at 18%.

12.5 Large businesses

12.5.1 In the research 170 interviews were conducted with large businesses with 250+ employees.

12.5.2 Large businesses pay the most for their water and sewerage services; 43% said they spend £5,000 or more although, as with other business sizes, around half (51%) did not know. It is possible that in a larger business the person interviewed for this survey could have been a key decision maker who was not directly responsible for paying the bills.

12.5.3 Eight out of ten (83%) large businesses felt that water is essential (rating 9-10 out of 10) to the day to day running of their business which was in line with all business sizes other than micro businesses (micro, 68%, small, 82%, and medium 86%)

12.5.4 Large businesses are more likely to be aware of their right to compensation than other business sizes - almost three fifths (58%) are aware of the GSS scheme and the surface water drainage rebate (56%).

12.5.5 Large businesses are significantly more likely to have contacted their provider in the last 12 months than all other business sizes (29%) compared to 19% for medium businesses, 15% for small and 12% for micros.

12.5.6 They are also significantly more likely to have experienced a supply failure at some time than other business sizes (24% compared to micro, 12%, small, 11%, and medium 14%). Although nine out of every ten are satisfied with their provider's response to the event.

12.5.7 Large businesses have different perceptions to most other businesses about the advice and support provided by their water company with significantly more (54%) agreeing that their water company gives them the advice and support they need compared to 46% amongst small businesses and 45% amongst micro businesses.

12.5.8 They are also significantly more likely to have actively looked for information about water and sewerage services. Nearly one in three (28%) large businesses have sought information compared to 13% of medium, 7% of small and 4% of micro businesses.

12.5.9 When probing for spontaneous awareness of market reform, large businesses have the highest awareness of all business sizes at 41%, compared to 10% of medium, 7% of small and 5% of micro businesses.

12.5.10 Once prompted with specifics relating to market reform, awareness rose to 49%, again, significantly greater than all other business sizes (15% for medium, 13% for small and 9% micro).

12.5.11 The principle of competition is seen to be a good thing by almost three quarters of large businesses (73%) – the highest proportion of all business sizes.

12.5.12 Around two fifths (43%) claim they would be likely to switch their provider when the market opens in 2017 with an average saving of 14% being enough to prompt large businesses to switch. Nearly 7 out of 10 (69%) claim they would stay and renegotiate new terms and conditions.

12.5.13 Prompted awareness of CCWater measured at 24%, the highest of any business size.

13 Differences between England and Wales

Summary

- This chapter summarises the key differences between England and Wales.
- Broadly speaking, businesses in Wales are more positive than businesses in England.
- Businesses in Wales are significantly more likely to be very satisfied with various aspects of contact and water supply than businesses in England

13.0.1 Within this sample, expenditure on water and sewerage services is similar between England and Wales.

13.0.2 There are significant differences between England and Wales on views of **value for money**. Businesses in Wales are significantly more likely to be *very* satisfied with the value for money of their water services (41% compared to 31%) and their sewerage services (41% compared to 30%) than those in England.

13.0.3 Similarly, businesses in Wales that contacted their water company in the last 12 months are significantly more likely to be *very* satisfied overall with contact than businesses in England (58% compared to 39%).

13.0.4 Furthermore businesses in Wales are significantly more likely to be *very* satisfied with the following aspects of contact:

- the ease of contacting someone who was able to help (67% compared to 46%).
- feeling that their query had been, or would be, resolved (64% compared to 43%).
- the way that the water kept them informed of progress with their enquiry (55% compared to 37%).

13.0.5 A similar pattern is apparent when looking at satisfaction with water supply. Overall, satisfaction is higher in Wales than in England (95% compared to 92%) as it is with many other aspects of supply:

- Colour and appearance of water (94% compared to 91%).
- Taste and smell of water (89% compared to 83%).
- Hardness/softness of water (81% compared to 60%).
- Safety of drinking water (90% compared to 88%).
- Reliability of water supply (96% compared to 96%)
- Water pressure (93% compared to 90%).

13.0.6 Satisfaction with sewerage services however, is similar in England and Wales.

13.0.7 Businesses in Wales are significantly less likely than businesses in England to have ever suffered a failure of water or sewerage services (89% said they had never experienced a failure compared to 85% in England).

13.0.8 Businesses in Wales are significantly more likely to agree that their water/sewerage company cares about the service it gives to businesses (69% compared to 58% in England).

13.0.9 Similarly, businesses in Wales trust their water/sewerage company much more than those in England (45% rate their level of trust as 9 or 10 out of 10, compared to 33% in England).

13.0.10 Businesses in Wales are more likely to agree that their water/sewerage company gives their business the advice and support they need (58% compared to 45%).

13.0.11 Spontaneous (claimed) awareness of CCWater was similar across the two countries (19% in England compared to 14% in Wales) as was prompted awareness (15% in England compared to 16% in Wales).

14 Company findings

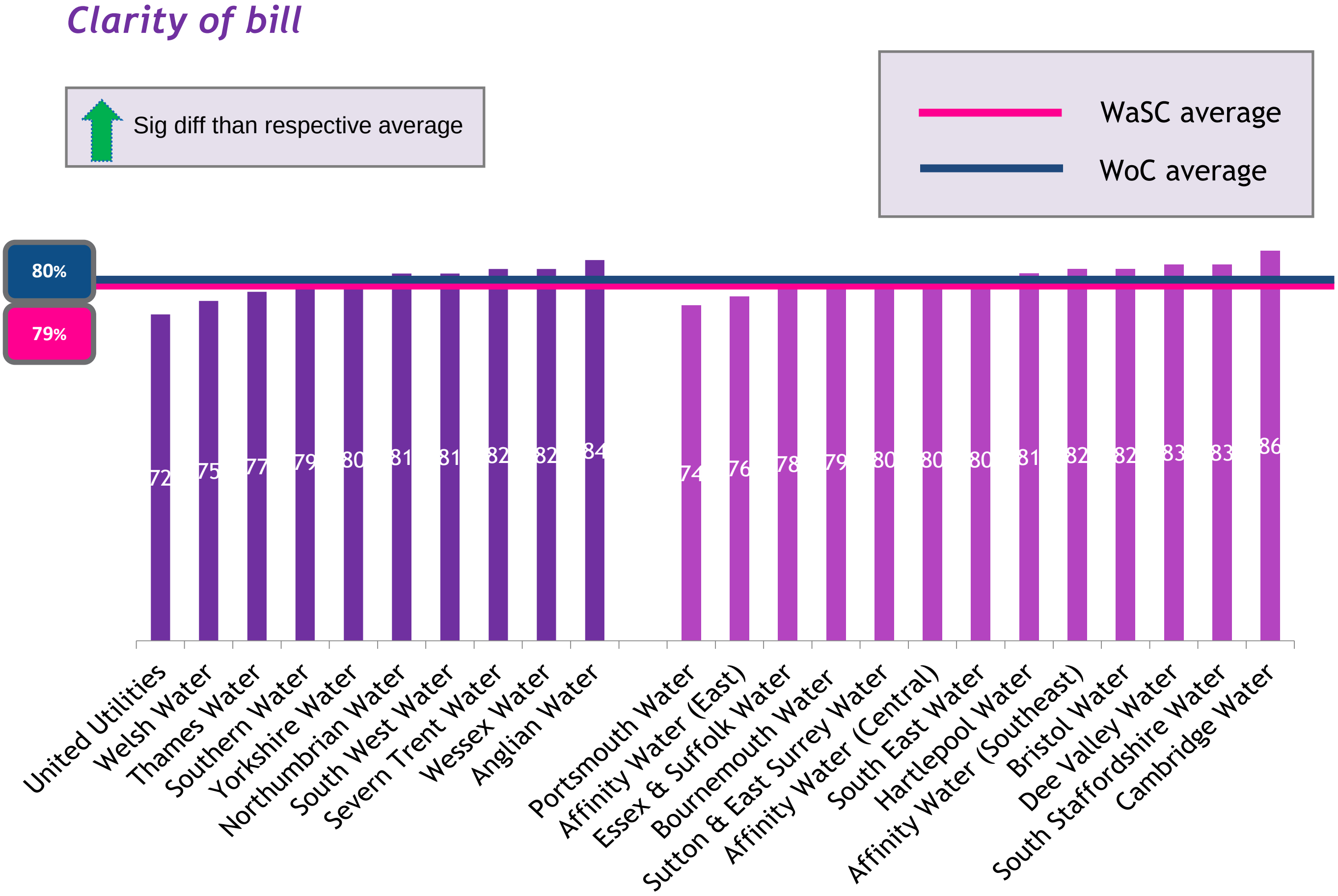
Summary

- This chapter summarises key findings broken down by water company.
- This is a new level of analysis as previous surveys focussed on regional findings.

14.1 Value for money perceptions - clarity of bill

14.1.1 Amongst WaSCs, perceptions of bill clarity range from 72% (United Utilities) to 84% (Anglian Water), whilst WoCs range from 74% (Portsmouth Water) to 86% (Cambridge Water).

Figure 54: Clarity of bill, by water company



Q4a. How much do you agree or disagree that the main water and sewerage bill makes it clear how much needs to be paid and when?

Base: All respondents 3907

14.2 Value for money

14.2.1 Perceptions of value for money amongst WaSCs and WoCs vary widely across each of four services. Perceptions are lowest amongst South West Water customers followed by United Utilities customers. Cambridge Water and Dee Valley Water customers were the most satisfied across two of the services.

Figure 55: Satisfaction with value for money of services, by water company

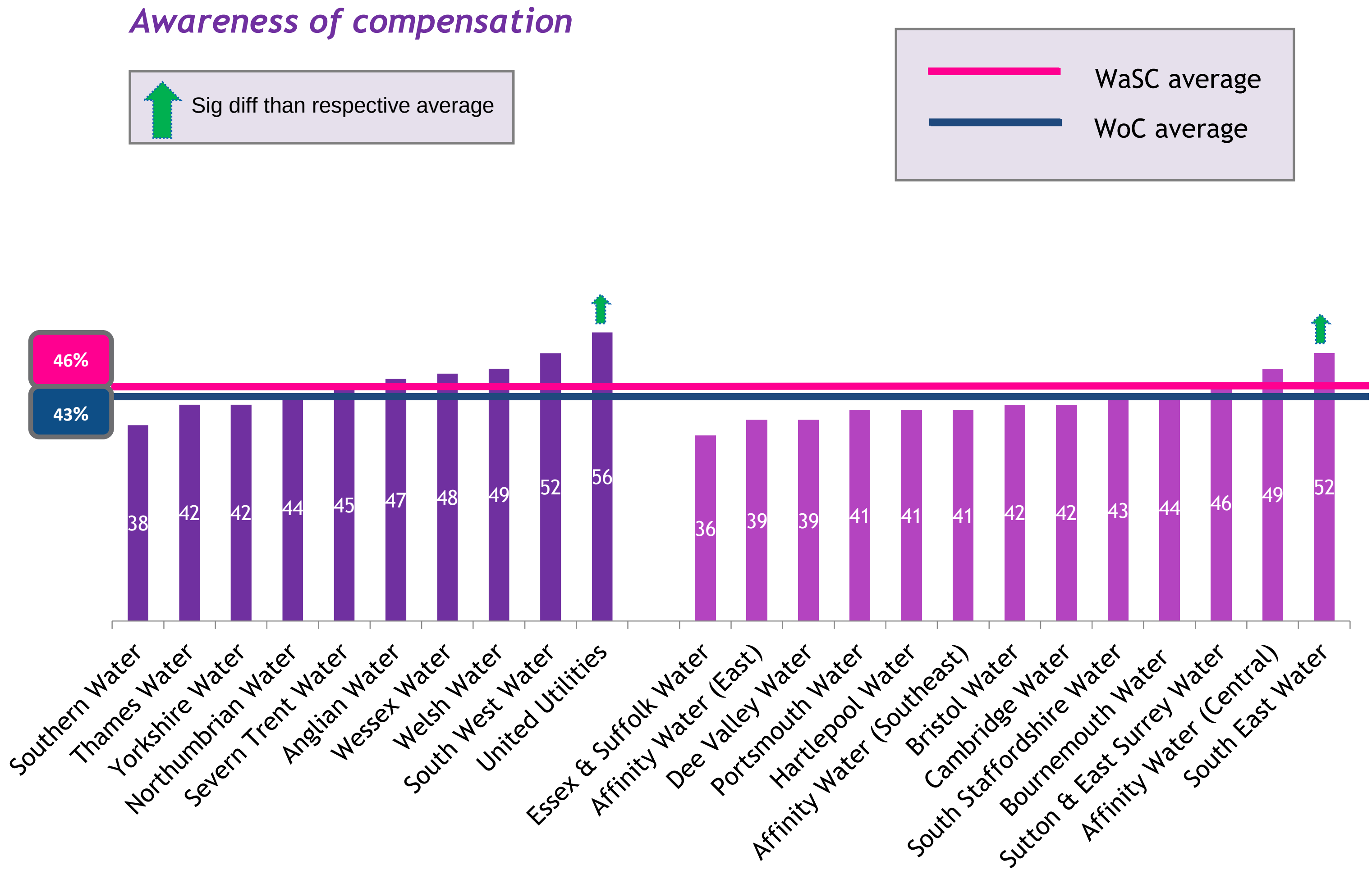
	Water	Sewerage	Surface water drainage	Trade effluent removal
WaSC average	65%	64%	**54%**	**62%**
Anglian Water	71%	69%	61%	78%
Northumbrian	71%	70%	70%	59%
Severn Trent Water	67%	64%	53%	60%
South West Water	51%	50%	40%	69%
Southern Water	64%	60%	53%	63%
Thames Water	70%	69%	57%	58%
United Utilities	57%	57%	42%	59%
Welsh Water	65%	66%	61%	60%
Wessex Water	67%	66%	60%	55%
Yorkshire Water	67%	67%	57%	63%
WoC average	**68%**	**66%**	**57%**	**74%**
Affinity (Central)	70%	66%	67%	80%
Affinity (East)	64%	60%	33%	80%
Affinity (South East)	63%	64%	63%	33%
Bournemouth Water	63%	64%	67%	75%
Bristol Water	70%	70%	78%	75%
Cambridge Water	76%	72%	55%	73%
Dee Valley Water	78%	74%	64%	67%
Essex & Suffolk Water	64%	63%	41%	64%
Hartlepool Water	63%	59%	43%	67%
Portsmouth Water	66%	66%	58%	92%
South East Water	62%	62%	59%	89%
South Staffordshire Water	70%	65%	53%	69%
Sutton & East Surrey Water	68%	69%	63%	60%

% Net Satisfied Key = 2 least satisfied by service / 2 most satisfied by service

14.3 Awareness of compensation rights (GSS), by water company

14.3.1 Awareness of the GSS compensation scheme is significantly higher amongst United Utilities customers (56%) compared to Northumbrian Water (44%), Yorkshire Water (42%), Severn Trent Water (45%), Thames Water (42%) and Southern Water (38%). This could be linked to the cryptosporidium and flooding events in the United Utilities region which triggered GSS payments to affected customers as a result. WaSC awareness ranges from 56% (United Utilities) to 38% (Southern Water) whilst WoC awareness ranges from 52% (South East Water) to 36% (Essex and Suffolk Water).

Figure 56: Awareness of compensation, by water company



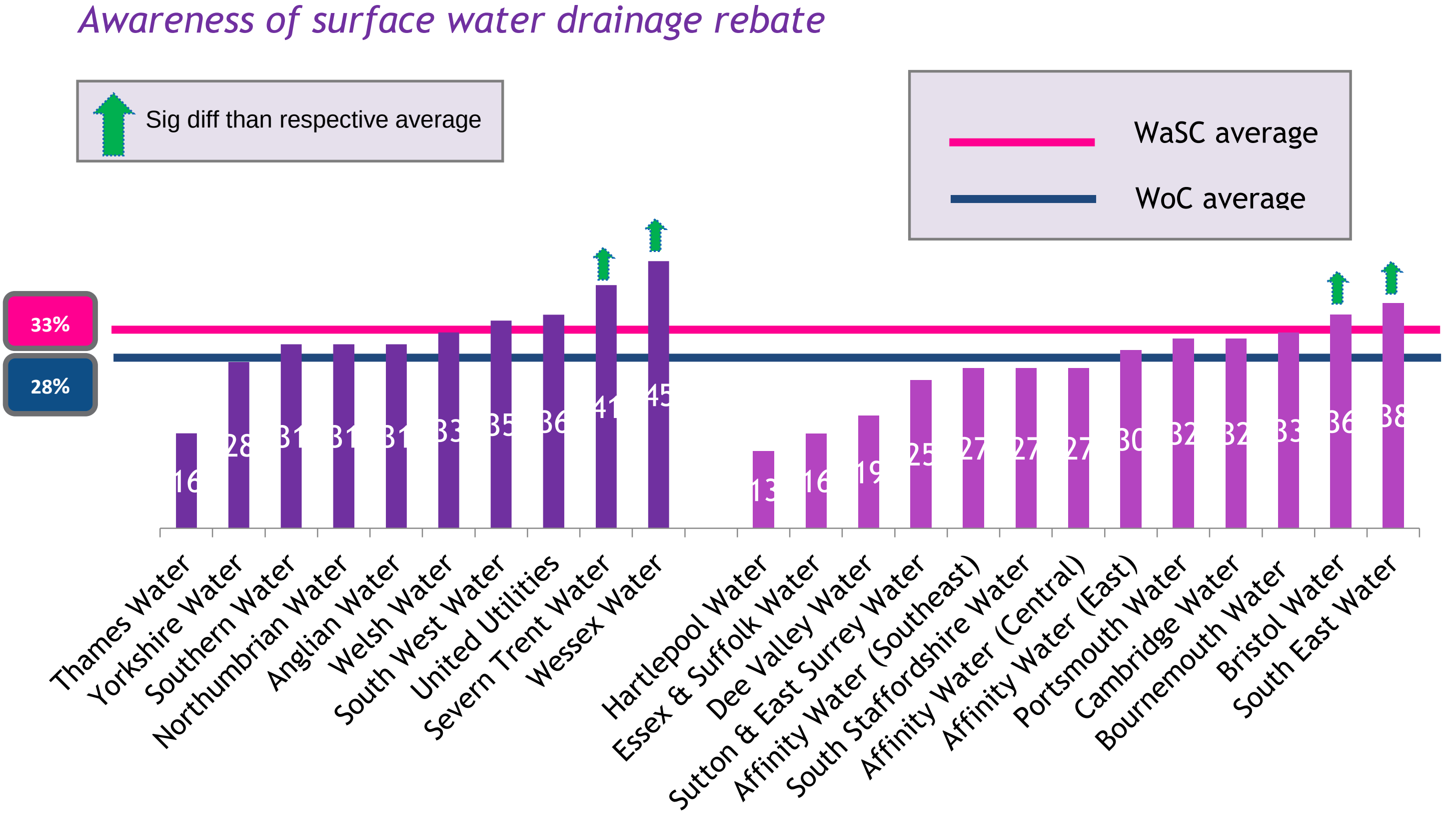
Q8a. Were you aware that if your water company fails to meet certain customer service standards for reasons within their control you may be entitled to compensation?

Base: All respondents 3907

14.4 Awareness of surface water drainage rebate by water company

14.4.1 Awareness amongst WaSCs of the possibility of receiving a reduced sewerage bill for surface water charges ranges from 16% (Thames Water) to 45% (Wessex Water) whilst WoC awareness ranges from 13% (Hartlepool Water) to 38% (South East Water).

Figure 57: Awareness of surface water drainage rebate, by water company



Q8b. Are you aware that if none of the rainwater that runs off a property drains into the public sewer (e.g. it may drain into a soakaway or the ground), a reduced sewerage bill is available?

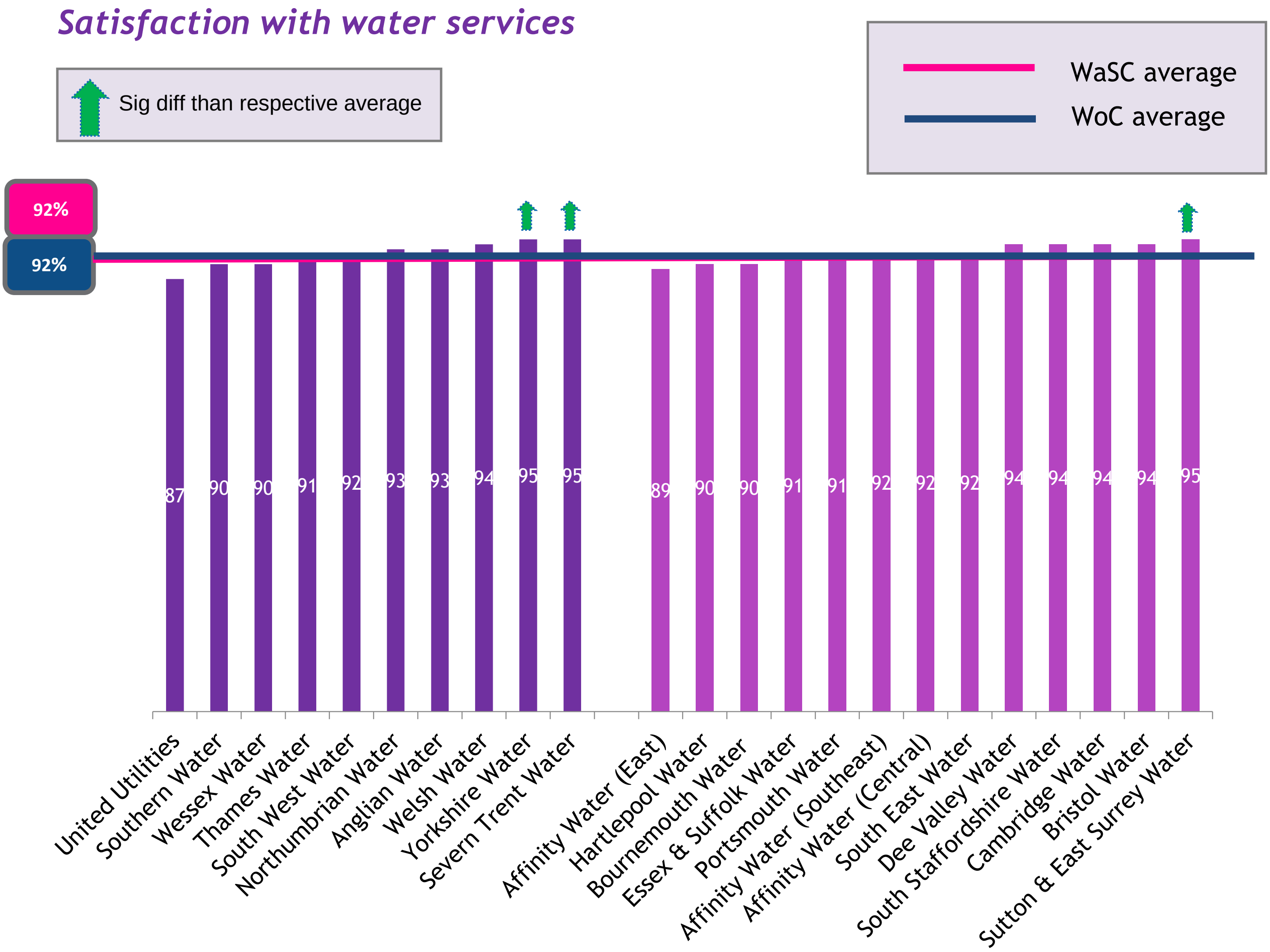
Base: All respondents 3907

14.5 Satisfaction with water and sewerage services by water company

14.5.1 Overall satisfaction with water services across WaSCs and WoCs is high, with no company falling below 87% for net satisfaction.

14.5.2 Amongst WaSCs, satisfaction ranges from 87% (United Utilities) to 95% (Yorkshire Water/Severn Trent Water) whilst WoC satisfaction ranges from 89% (Affinity East) to 95% (Sutton & East Surrey).

Figure 58: Overall satisfaction with water services, by company



Q12. …and overall taking all those aspects of your water supply service into account, how satisfied are you with your water supply?

Base: 3907

14.5.3 The range of satisfaction across different aspects of the water service is shown below (each company's score is shown in Figure 59):

- **The colour and appearance of tap water** – WaSCs range from 88% for United Utilities to 95% South West Water; WoCs from 86% Affinity South East to 95% Cambridge Water/ Hartlepool Water/Sutton & East Surrey.
- **Taste and smell of tap water** – WaSCs range from 80% Anglian Water to 88% Yorkshire Water/Welsh Water; WoCs from 77% Hartlepool Water/Portsmouth Water to 87% Dee Valley Water.
- **The hardness/softness of water** – WaSCs range from 51% Anglian Water to 83% Welsh Water; WoCs from 44% Affinity Water East to 74% Dee Valley.
- **The safety of drinking water** – WaSCs range from 84% Thames Water to 91% Northumbrian Water; WoCs from 79% for Hartlepool Water to 91% Cambridge Water.
- **The reliability of the water supply** – WaSCs range from 92% United Utilities to 99% Severn Trent Water; WoCs from 95% for Essex & Suffolk/South Staffordshire/Affinity East to 99% Cambridge Water.
- **Water pressure** – WaSCs range from 86% United Utilities to 93% Northumbrian Water/ Yorkshire Water/South West/Southern; WoCs from 84% Essex & Suffolk/Affinity East to 94% Dee Valley.

14.5.4 South West Water and Cambridge Water customers were satisfied with the most aspects of water quality.

Figure 59: Satisfaction with aspects of water supply by water company

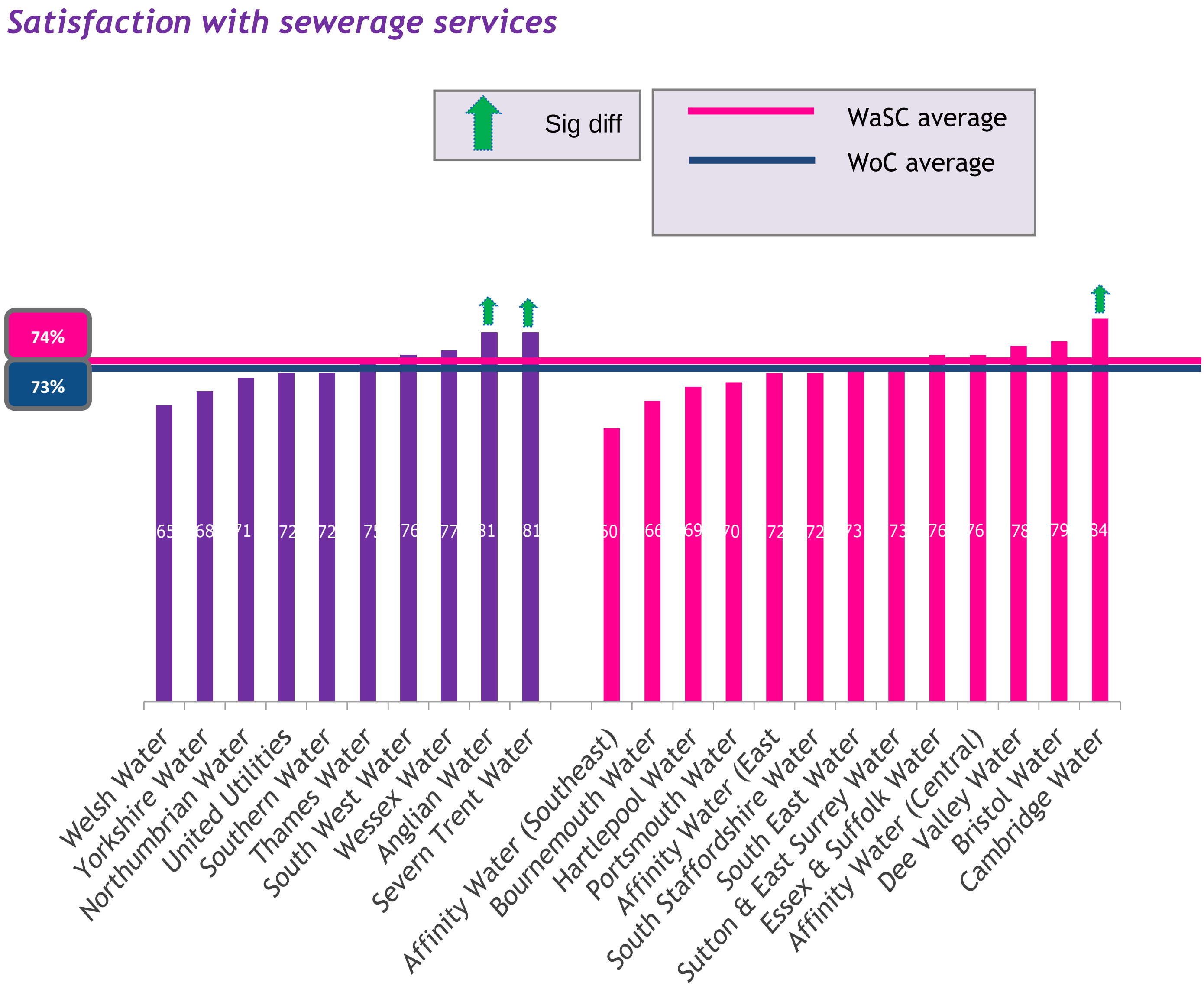
	The colour and appearance of tap water	Taste and smell of tap water	Hardness/ softness of tap water	The safety of drinking water	The reliability of the water supply	The water pressure
WaSC average	**92%**	**85%**	**67%**	**89%**	**96%**	**90%**
Anglian Water	93%	80%	51%	88%	96%	87%
Northumbrian	93%	85%	76%	91%	97%	93%
Severn Trent Water	92%	83%	71%	90%	99%	90%
South West Water	95%	86%	81%	90%	97%	93%
Southern Water	91%	84%	59%	88%	96%	93%
Thames Water	92%	82%	52%	84%	97%	88%
United Utilities	88%	86%	73%	89%	92%	86%
Welsh Water	93%	88%	83%	89%	95%	90%
Wessex Water	89%	84%	53%	88%	95%	88%
Yorkshire Water	93%	88%	72%	89%	97%	93%
WoC average	**91%**	**82%**	**56%**	**87%**	**96%**	**90%**
Affinity (Central)	91%	85%	48%	90%	98%	91%
Affinity (East)	89%	83%	44%	90%	95%	84%

	The colour and appearance of tap water	Taste and smell of tap water	Hardness/ softness of tap water	The safety of drinking water	The reliability of the water supply	The water pressure
Affinity (South East)	86%	80%	50%	87%	97%	90%
Bournemouth Water	90%	80%	45%	83%	97%	89%
Bristol Water	89%	85%	63%	87%	96%	92%
Cambridge Water	95%	84%	60%	91%	99%	92%
Dee Valley Water	93%	87%	74%	90%	96%	94%
Essex & Suffolk Water	91%	79%	52%	84%	95%	84%
Hartlepool Water	95%	77%	53%	79%	96%	89%
Portsmouth Water	91%	77%	53%	89%	96%	88%
South East Water	89%	84%	56%	90%	96%	86%
South Staffordshire Water	90%	80%	63%	86%	95%	93%
Sutton & East Surrey Water	95%	84%	64%	87%	97%	90%

% Net Satisfied Key = 2 least satisfied by aspect / 2 most satisfied by aspect

14.5.5 Amongst WaSCs, overall satisfaction with sewerage services ranges from 65% (Welsh Water) to 81% (Severn Trent Water/Anglian Water) whilst WoC satisfaction ranges from 60% (Affinity South East) to 84% (Cambridge Water).

Figure 60: Overall satisfaction with sewerage services, by water company



Q14. ...and overall taking all those aspects into account, how satisfied are you with your sewerage provider?

Base: All respondents 3907

14.5.6 The range of satisfaction for each aspect of sewerage service is shown below for WaSCs and for WoCs (each company's score is shown in Figure 61 which follows). Note that sewerage services for the customers of WoCs are provided by the regional WaSC:

- **Reducing smells from sewage treatment works** – WaSCs range from 45% Welsh Water compared to 61% Anglian Water; WoCs from 39% Bournemouth Water to 65% Cambridge Water.

- **Maintenance of sewerage pipes and treatment works** – WaSCs range from 45% Yorkshire Water to 60% Anglian Water; WoCs from 41% Affinity Southeast to 61% for Cambridge Water.
- **Cleaning waste water before releasing it into the environment** – WaSCs range from 37% for Yorkshire Water to 53% Anglian Water; WoCs from 35% Bournemouth Water to 50% for Cambridge Water.
- **Minimising sewer flooding** – WaSCs range from 47% Welsh Water to 61% Anglian Water; WoCs from 44% Bournemouth Water to 50% Cambridge Water.
- **Removal of trade effluent** – WaSCs range from 38% Thames Water to 85% Anglian Water; WoCs from 43% South Staffordshire Water to 100% Bournemouth Water/Cambridge Water/Hartlepool Water/ Affinity Southeast.
- **Removal of surface water from the site** – WaSCs range from 53% Welsh Water to 71% Severn Trent Water; WoCs from 46% Bournemouth Water to 74% Cambridge Water.

Figure 61: Satisfaction with aspects of sewerage services, by water company

	Reducing smells from sewage treatment works	Maintenance of sewerage pipes and treatment works	Cleaning waste water before releasing it into the environment	Minimising sewer flooding	Removal of trade effluent	Removal of surface water
WaSC average	**53%**	**52%**	**45%**	**53%**	**71%**	**62%**
Anglian Water	61%	60%	53%	61%	85%	64%
Northumbrian	49%	50%	44%	52%	76%	57%
Severn Trent Water	54%	56%	46%	53%	76%	71%
South West Water	52%	56%	45%	56%	82%	68%
Southern Water	59%	55%	46%	53%	75%	64%
Thames Water	56%	53%	46%	52%	38%	61%
United Utilities	48%	48%	46%	51%	64%	59%
Welsh Water	45%	46%	43%	47%	80%	53%
Wessex Water	59%	57%	45%	57%	58%	63%
Yorkshire Water	49%	45%	37%	50%	65%	60%
WoC average	**53%**	**52%**	**43%**	**54%**	**75%**	**63%**
Affinity (Central)	51%	58%	46%	56%	78%	68%
Affinity (East)	53%	47%	41%	49%	75%	64%
Affinity (South East)	40%	41%	41%	51%	100%	56%
Bournemouth Water	39%	43%	35%	44%	100%	46%
Bristol Water	55%	54%	41%	58%	75%	68%

Cambridge Water	65%	61%	50%	69%	100%	74%
Dee Valley Water	58%	56%	48%	58%	89%	70%
Essex & Suffolk Water	54%	54%	41%	54%	67%	66%
Hartlepool Water	53%	52%	37%	56%	100%	56%
Portsmouth Water	55%	52%	43%	50%	75%	64%
South East Water	52%	54%	48%	55%	63%	62%
South Staffordshire Water	60%	57%	46%	52%	43%	62%
Sutton & East Surrey Water	52%	52%	46%	54%	50%	62%

% Net Satisfied Key = 2 least satisfied by aspect / 2 most satisfied by aspect

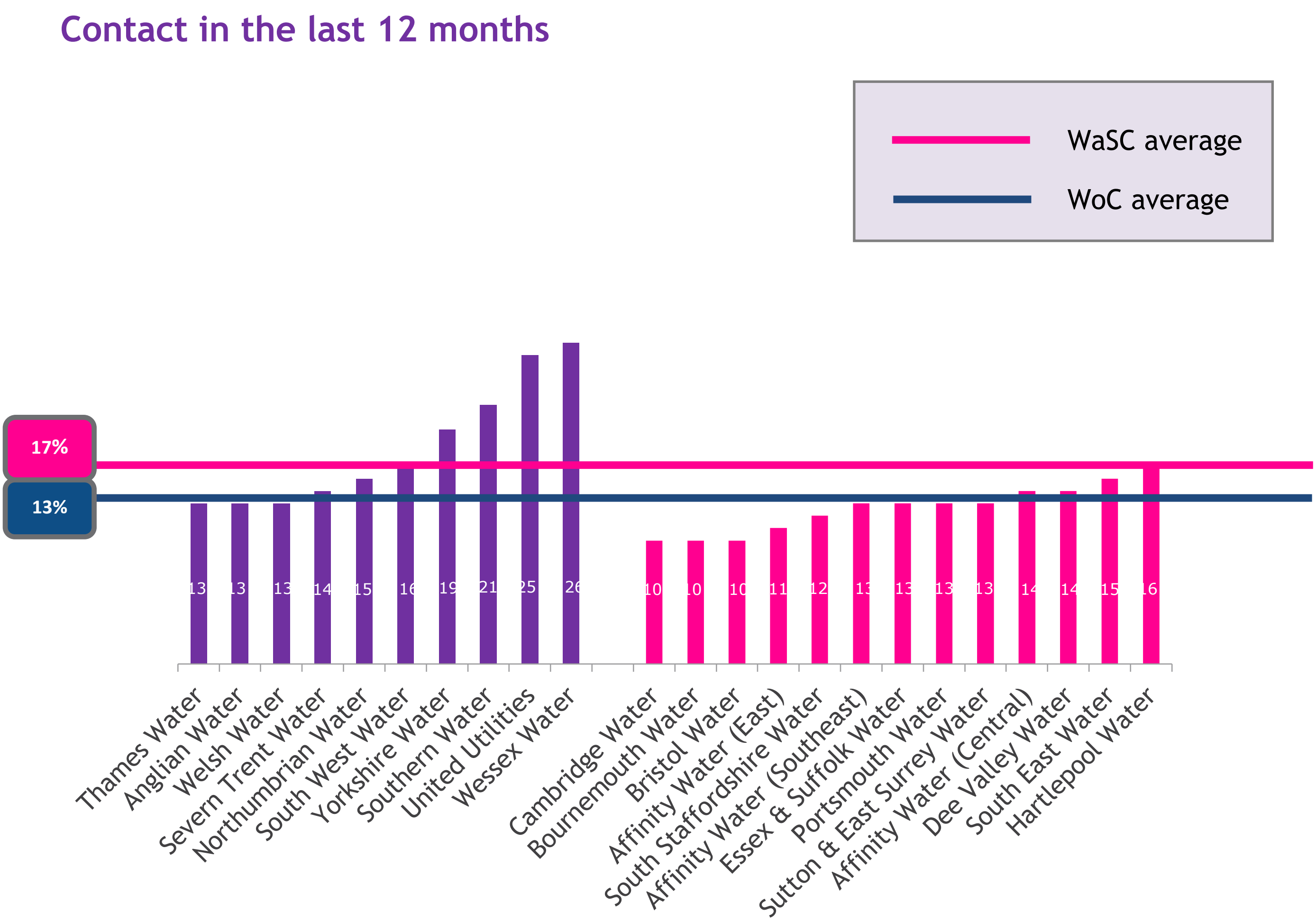
14.6 Level of business customer contact in last 12 months, by water company

14.6.1 The proportion of business customers contacting their water/sewerage company to make an enquiry or complaint in the last 12 months varies widely across the industry.

14.6.2 By WaSC, businesses that are serviced by Wessex Water (26%) and United Utilities (25%) are most likely to have made contact, whilst Anglian Water, Welsh Water and Thames Water customers are least likely (13%).

14.6.3 By WoC, business customers of Hartlepool Water (16%) are most likely to have made contact and business customers of Bournemouth Water/Bristol Water and Cambridge Water (10%) least likely.

Figure 62: Contact in last 12 months, by water company



Q9a. Have you contacted your water company to make an enquiry or complaint in the past 12 months?

Base: All respondents 3907

14.7 Satisfaction with contact

14.7.1 Overall satisfaction with contact for WaSCs is highest amongst Severn Trent Water customers (86%) and lowest amongst South West Water customers (39%).

14.7.2 For WoCs, overall satisfaction ranges from 57% for Affinity Central/Affinity East/South East Water to 94% for Bournemouth Water.

14.7.3 It should be noted that the sample sizes here are very small meaning that findings are indicative.

Figure 63: Overall satisfaction with contact, by water company

Q11. Taking everything into account, overall how satisfied or dissatisfied were you with the contact with your water/sewerage provider?

Base: All Respondents who contacted their water/sewerage company in the past 12 months (excluding N/A) 589

Some companies have a low base size (i.e. Cambridge Water n=14)

14.7.4 The range of satisfaction is shown below for individual aspects of contact, (each company's score is shown in Figure 64):

- **The ease of contacting someone who was able to help** – WaSCs range from 48% for South West Water to 87% Wessex Water; WoCs from 57% Affinity Central to 95% Dee Valley Water.

- **The quality/clarity of information provided** – WaSCs range from 46% Southern Water to 81% for Wessex Water; WoCs from 54% Hartlepool Water to 100% Bournemouth Water (based on small sample size of 16).
- **The knowledge and professionalism of staff** – WaSCs range from 52% South West Water to 87% for Wessex Water; WoCs from 62% Hartlepool Water to 100% Bournemouth Water (small sample size of 16).
- **The feeling that your query had been/would be resolved** – WaSCs range from 42% for South West Water to 81% Anglian Water/Wessex Water; WoCs from 52% Affinity Central to 94% Bournemouth Water.
- **The way that the water/sewerage company kept you informed** – WaSCs range from 33% South West Water to 77% Wessex Water; WoCs from 38% Affinity Central to 88% Bournemouth Water.

Figure 64: Satisfaction with aspects of contact, by water company

Companies with small sample sizes (less than 30) are denoted by a * (i.e. Cambridge Water n=14). As such, caution should be taken when reviewing these results.

	The ease of contacting someone able to help	The quality/ clarity of information provided	The knowledge and professionalism of staff	The feeling that your query had been/ would be resolved	The way that the water/ sewerage company kept you informed
WaSC average	**69%**	**65%**	**69%**	**64%**	**56%**
Anglian Water*	78%	74%	81%	81%	56%
Northumbrian*	69%	69%	76%	62%	59%
Severn Trent Water*	79%	72%	83%	79%	66%
South West Water	48%	55%	52%	42%	33%
Southern Water	59%	46%	54%	46%	49%
Thames Water*	52%	55%	59%	55%	45%
United Utilities	66%	60%	62%	57%	49%
Welsh Water*	77%	73%	77%	69%	69%
Wessex Water	87%	81%	87%	81%	77%
Yorkshire	72%	67%	67%	67%	56%
WoC average	**74%**	**74%**	**78%**	**67%**	**59%**
Affinity (Central)*	57%	67%	71%	52%	38%
Affinity (East)*	71%	71%	71%	64%	50%
Affinity (South East)*	68%	63%	63%	58%	58%
Bournemouth Water*	94%	100%	100%	94%	88%
Bristol Water*	87%	73%	93%	67%	67%
Cambridge Water*	79%	71%	79%	64%	64%

Dee Valley*	95%	90%	90%	80%	85%
Essex & Suffolk Water*	85%	90%	85%	80%	70%
Hartlepool Water*	62%	54%	62%	62%	62%
Portsmouth Water*	65%	65%	70%	60%	40%
South East Water*	65%	65%	78%	65%	48%
South Staffordshire Water*	67%	67%	72%	56%	56%
Sutton & East Surrey Water*	78%	78%	78%	72%	50%

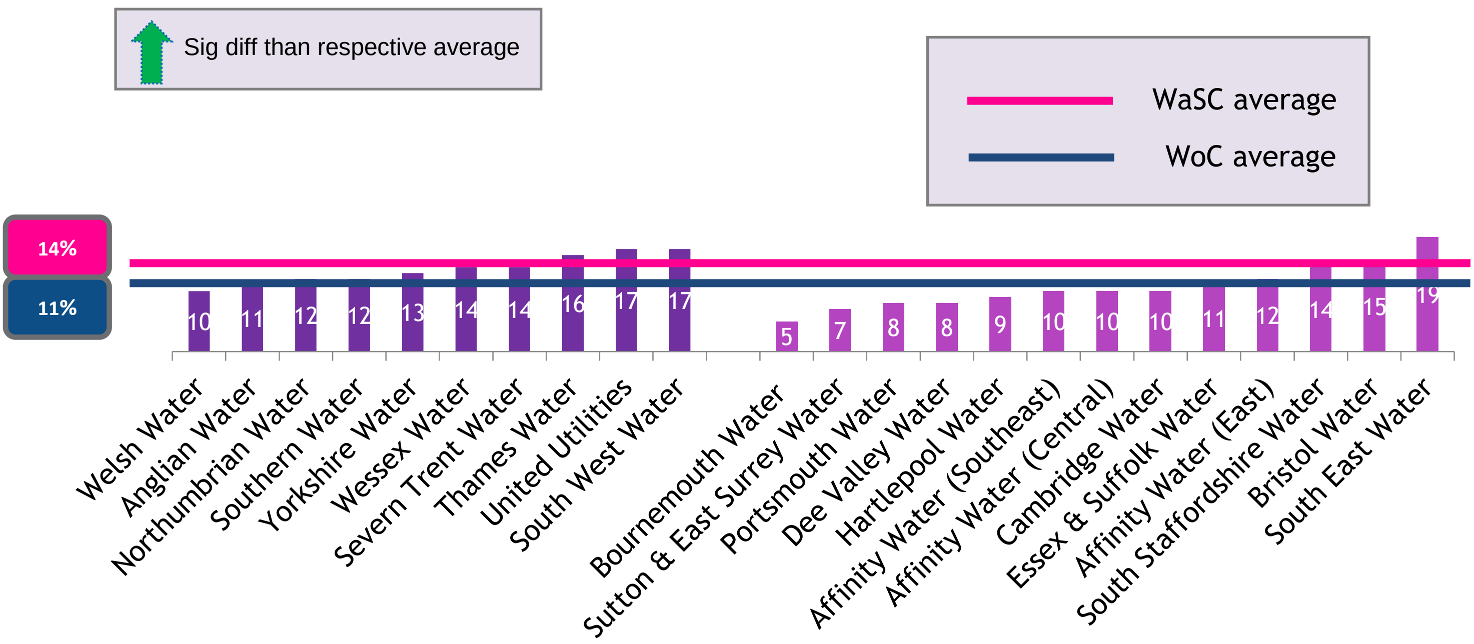
% Net Satisfied Key = 2 least satisfied by aspect / 2 most satisfied by aspect

14.8 Service failure

14.8.1 The proportion of businesses that have suffered a service failure ranges from 10% (Welsh Water) to 17% (United Utilities/South West Water) amongst WaSCs, whilst amongst WoCs this ranged from 5% (Bournemouth Water) to 19% (South East Water).

Figure 65: Service failure, by company

Service failure



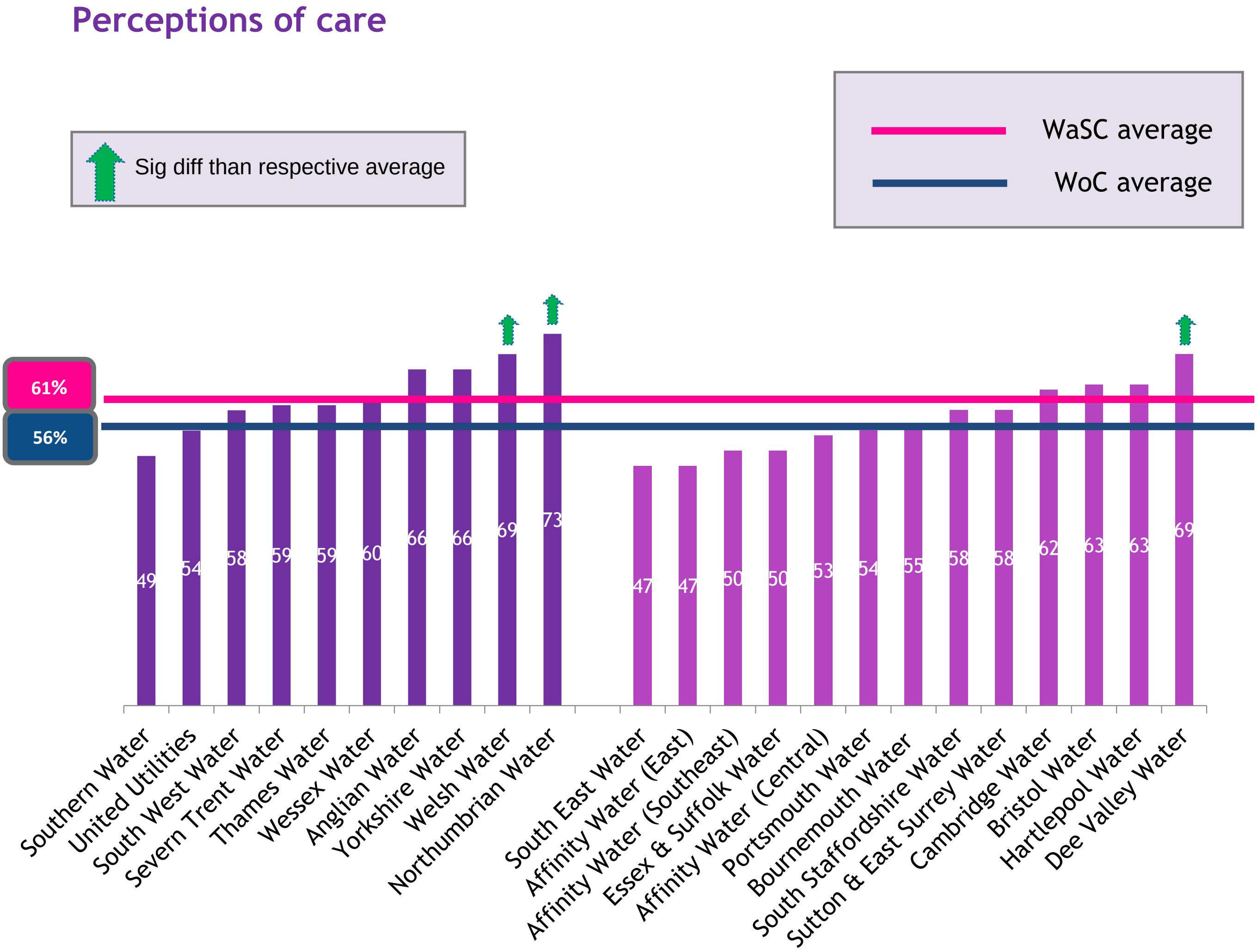
Q16a. Has this business site ever suffered a failure of water/sewerage services?

Base: All respondents 3,907

14.9 Information needs and relationship with water company

14.9.1 Perceptions of whether or not their water company cares about the service it gives to customers range amongst WaSCs from 73% who agree (Northumbrian Water) to 49% (Southern Water) whilst amongst WoCs, perceptions of care range from 47% (Affinity East/ Southeast) to 69% (Dee Valley Water).

Figure 66: Perceptions that water companies care about the services they provide



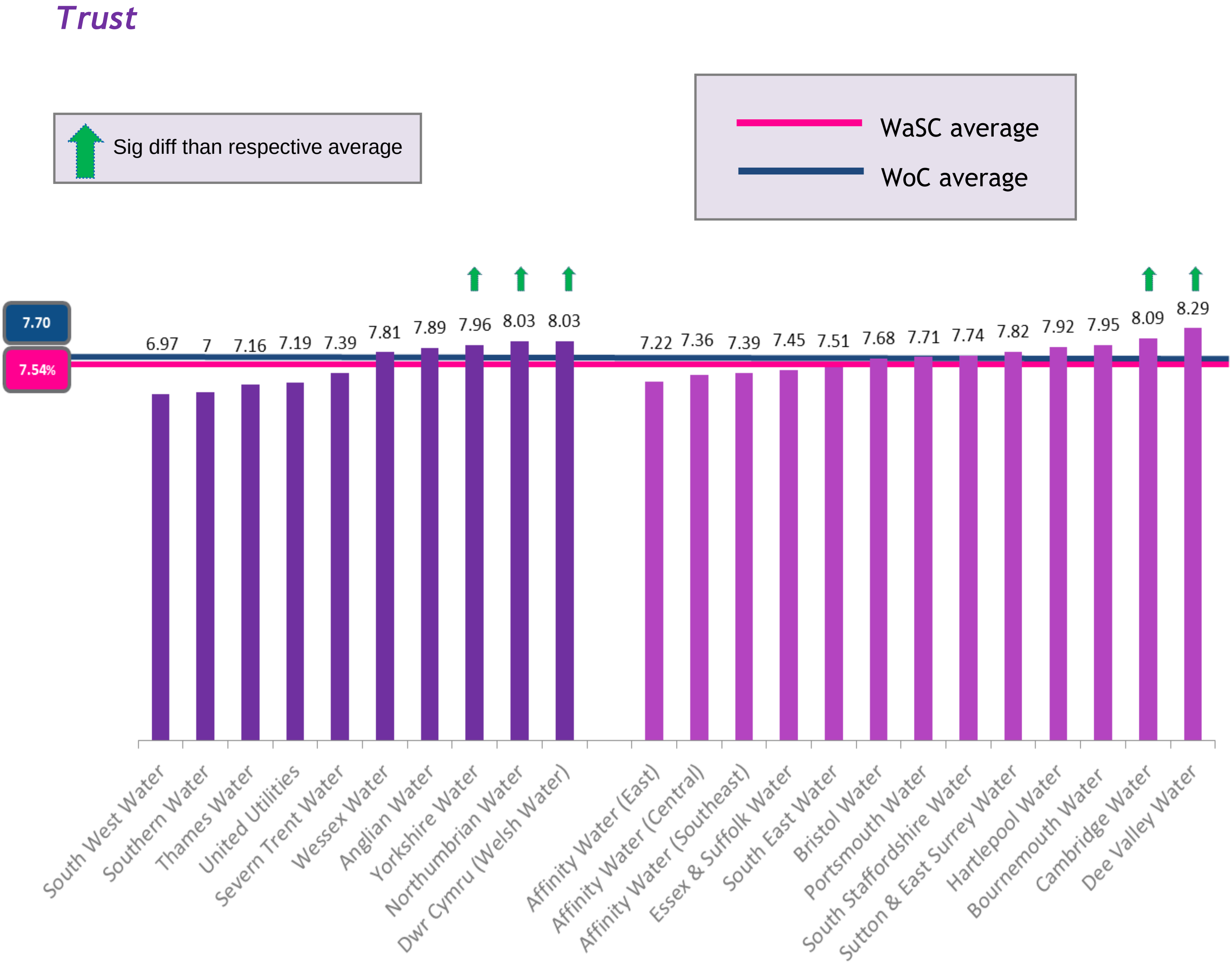
Q20. How much do you agree or disagree that xxx cares about the service it gives to business customers?

Base: All respondents 3,907

14.10 Level of business customer trust in water companies

14.10.1 Business customer trust in WaSCs ranges from 8.03 (mean score) for Northumbrian and Welsh Water to 6.97 for South West Water. For WoCs, trust ranges from 7.22 for Affinity Water East to 8.29 for Dee Valley Water.

Figure 67: Level of business customer trust, by company



Q21a. How much do you trust xxx. Please give a score on a scale of 1-10, where 10 means that you trust them completely and 1 means that you don't trust them at all?

Base: All respondents 3,907

14.10.2 There are a small number of companies which business customers consistently rate highly in terms of trust and care. These are:

- Welsh Water, Northumbrian Water, Yorkshire Water, Anglian Water and Wessex Water.
- Dee Valley Water, Cambridge Water and Hartlepool Water.

Figure 68: High performers: Trust and Care

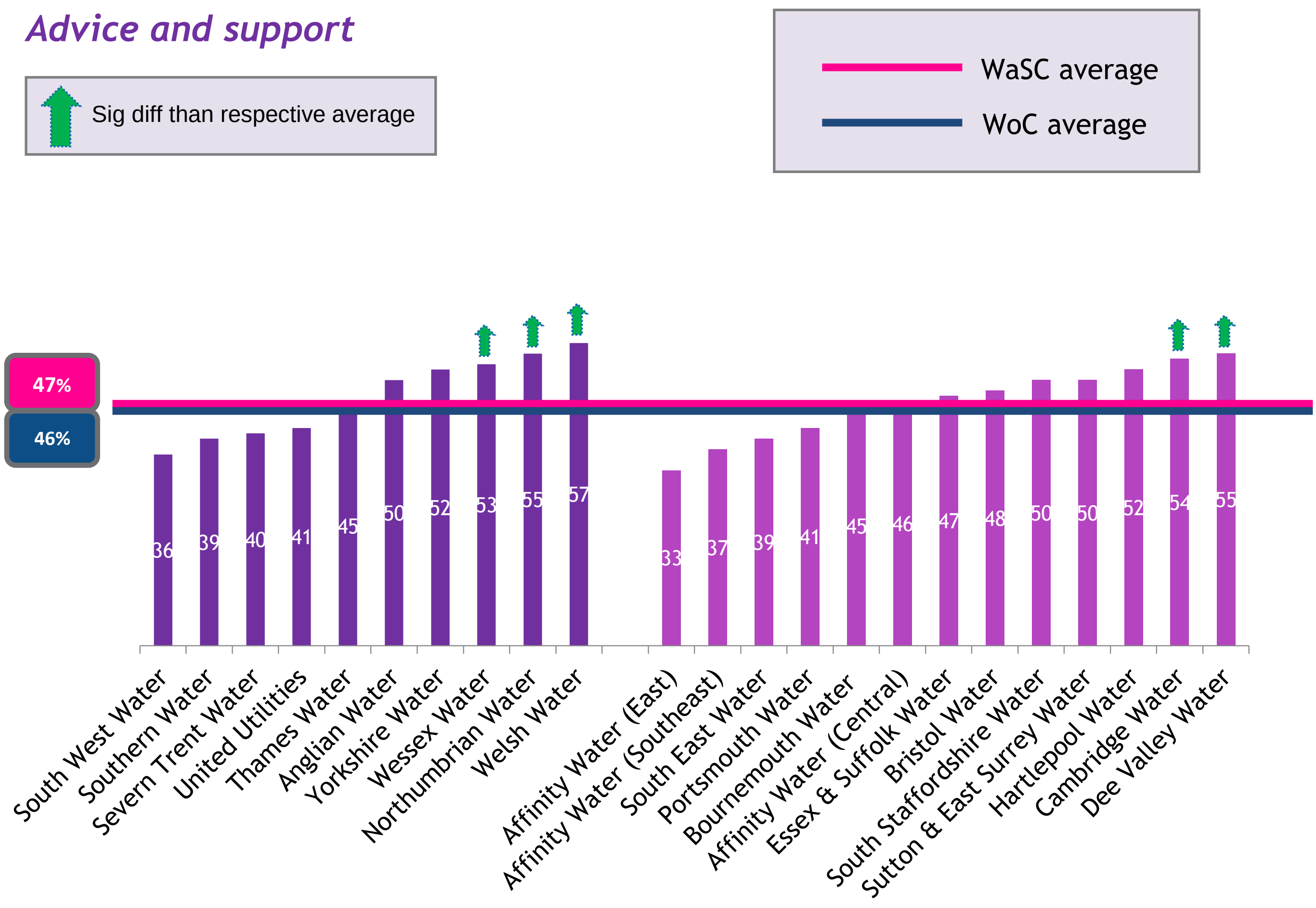
14.10.3 When correlated against NPS, Welsh Water, Northumbrian Water, Yorkshire Water, Cambridge Water and Dee Valley are companies which are seen as highly caring, trustworthy *and* have some of the highest NPS across all companies.

Figure 69: Trust and care correlated against NPS

14.11 Perceptions of the advice and support provided by water companies

14.11.1 The proportion of businesses that agree they receive the advice and support they need from their water company ranges from 36% for South West Water to 57% for Welsh Water amongst WaSCs, and from 33% for Affinity Water East to 55% for Dee Valley Water amongst WoCs.

Figure 70: Perceptions of the advice and support provided by water companies



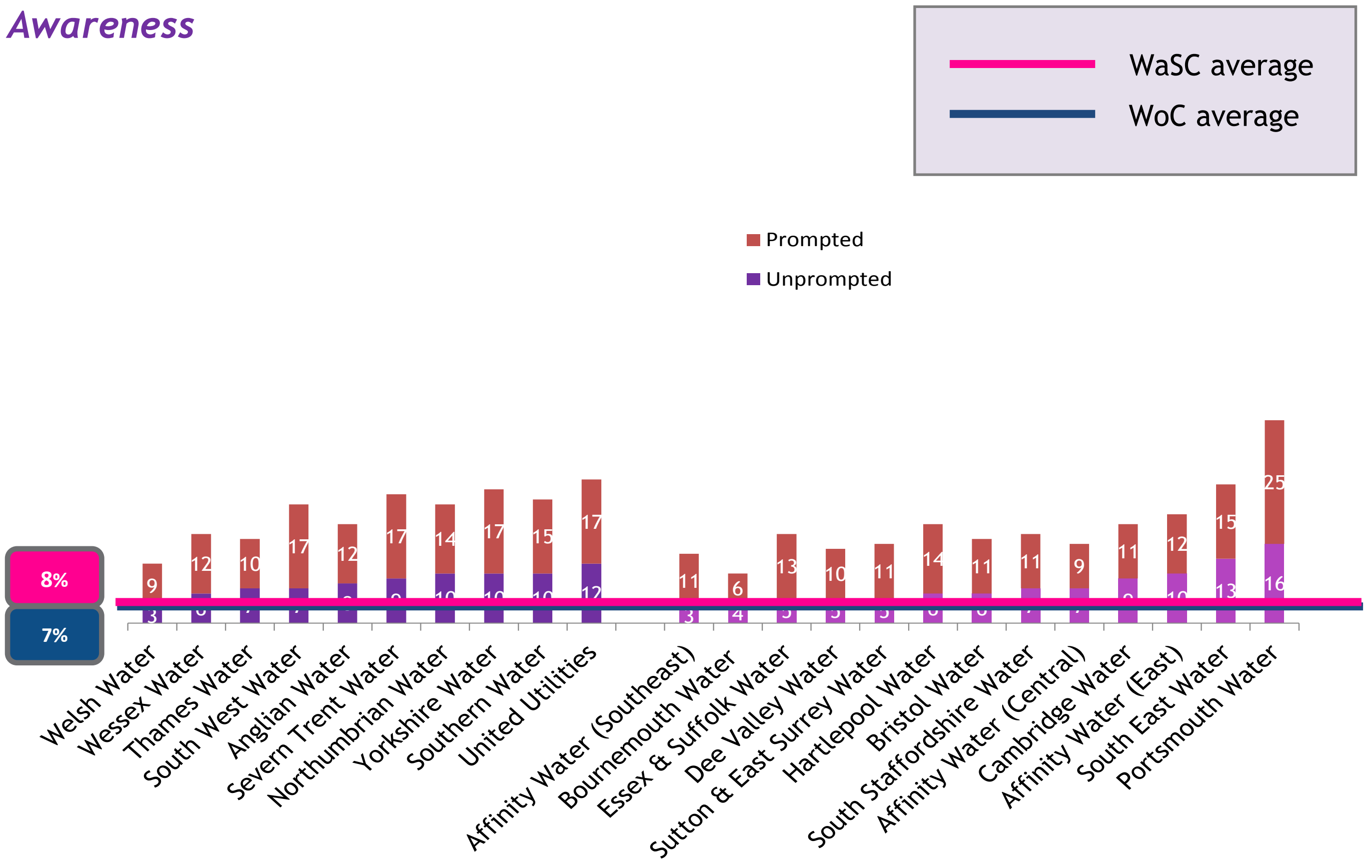
Q22a. Thinking about the advice and support you receive from xxx how much do you agree or disagree that they give your business the advice and support you need ...?

14.12 Awareness of market reform

14.12.1 Respondents were asked if they have heard anything about planned changes to the water and sewerage industry for business customers. Spontaneous awareness that the industry is changing ranged from 3% (Welsh Water[20]) to 12% (United Utilities) for WaSCs, whilst amongst WoCs awareness ranges from 3% (Affinity Southeast) to 16% (Portsmouth Water).

14.12.2 The changes and the relative differences in England and Wales were then explained before respondents were asked again if they knew about this. Once prompted, awareness rose as shown on the below chart.

Figure 71: Spontaneous and prompted awareness of market reform, by water company



Q27a. Have you heard anything about plans to make changes in the water and sewerage industry for business customers? Q28. Now that you have a bit more information, have you heard about this before?

Base: All respondents 3,907

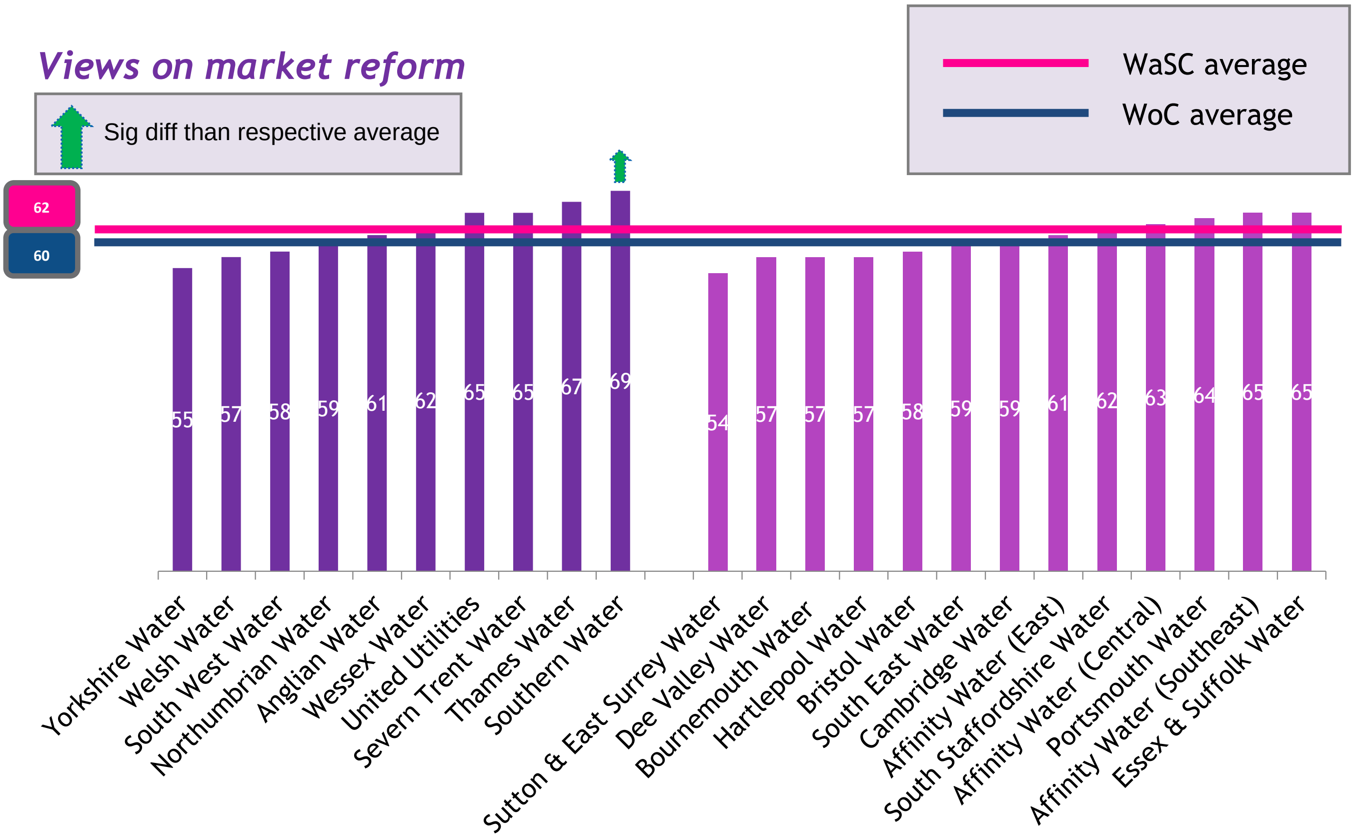
[20] Market arrangements are staying the same in Wales and this should be borne in mind when viewing awareness figures

14.13 Views on the principle of market reform

14.13.1 Of the WaSCs, customers of Southern Water are the most positive about the principle of market reform with 69% saying it will be a good thing. Customers of Yorkshire Water are the least positive - 55% think it will be a good thing.

14.13.2 Amongst WoCs, customers of Affinity Southeast and Essex and Suffolk customers are most positive - 65% say it will be a good thing - and customers of Sutton and East Surrey the least positive - 54% think it will be a good thing.

Figure 72: Views on the principle of market reform, by water company



Q29. For businesses, how good do you think the principle of competition for retail services would be?

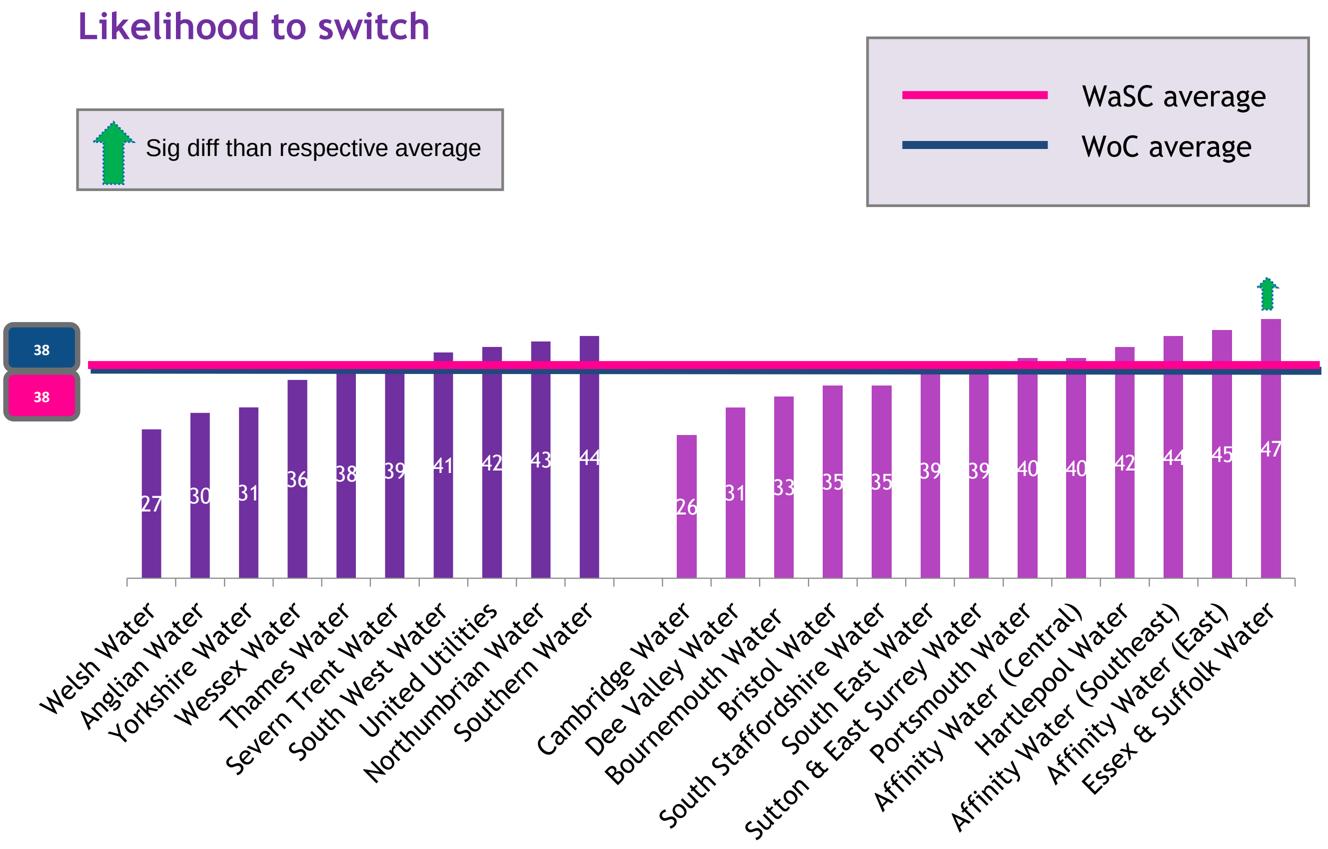
Base: All respondents 3,907

14.14 Likelihood to switch

14.14.1 Respondents were asked how likely they would be to switch their retail services provider when the market opens in 2017. Amongst WaSCs, likelihood is greatest for Southern Water customers (44%) and lowest for Anglian Water customers (30%).

14.14.2 Amongst WoCs, likelihood to switch is greatest for Essex and Suffolk Water customers (47%) and lowest for Cambridge Water customers (26%).

Figure 73: Proportion of customers likely to switch, by water company

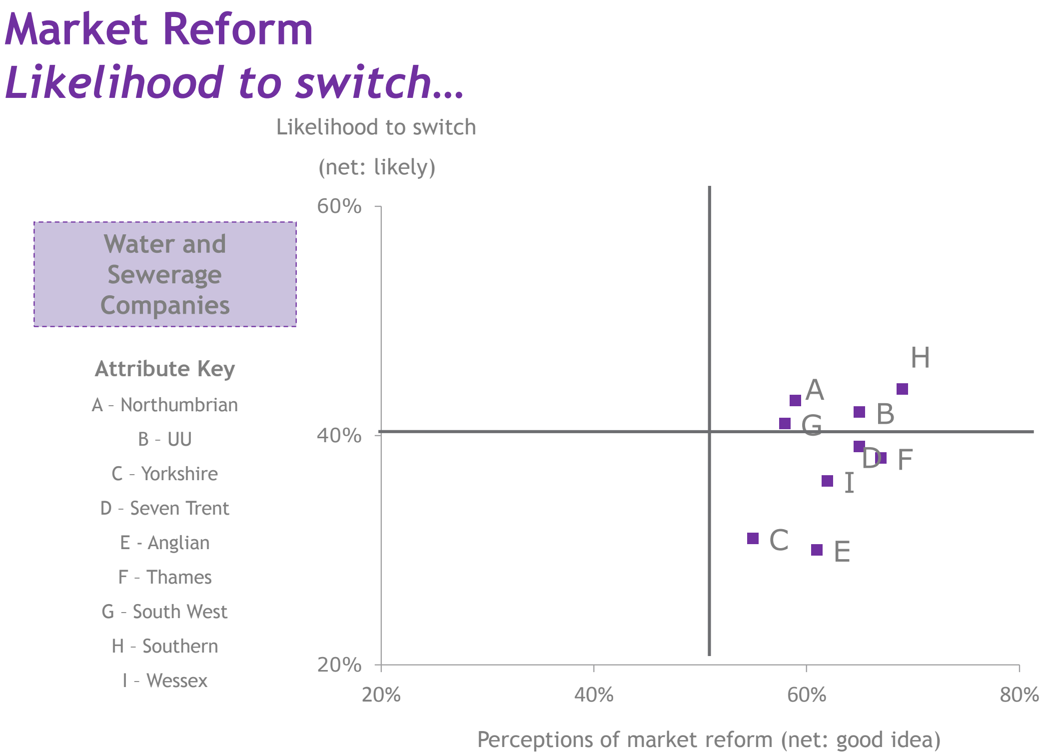


Q29b. How likely would you be to switch your retail service provider when the market opens in 2017?

Base: All respondents 3,907

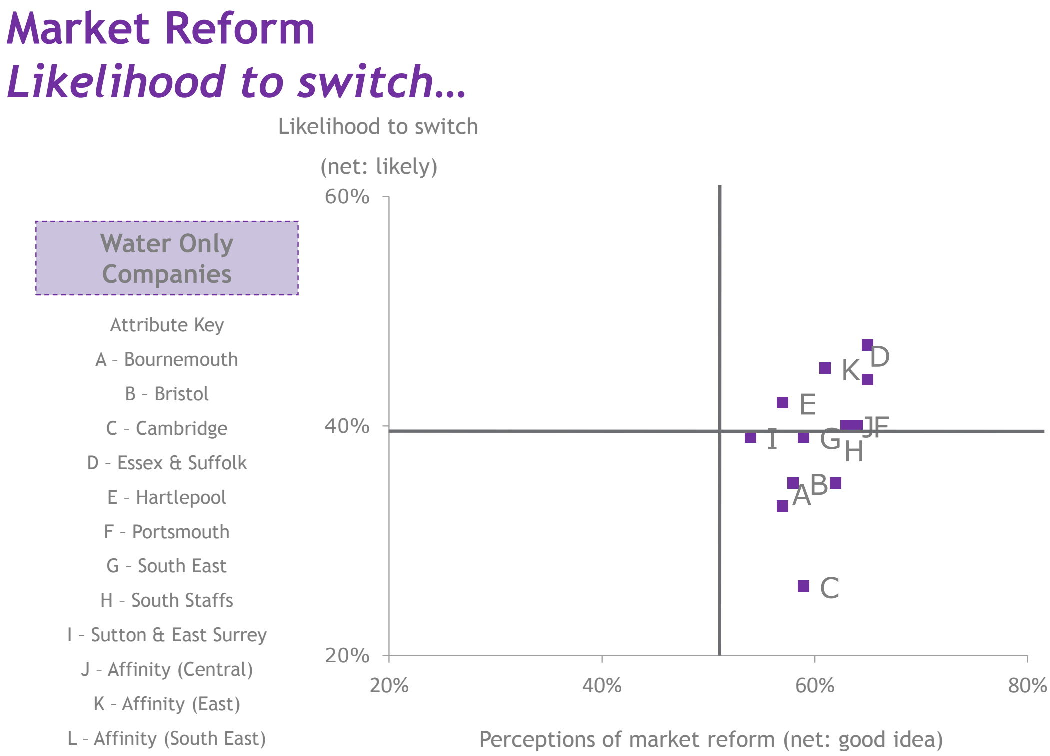
14.14.3 Combining the data for likelihood to switch with positive perceptions of market reform shows which companies have customers who may be the more or less inclined to really think about switching.

Figure 74: Likelihood to switch and positive perceptions of reform, by WaSC



Q29. For businesses, how good do you think the principle of competition for retail services would be?
Q29B. How likely would you be to switch your retail service provider when the market opens in 2017?

Figure 75: Likelihood to switch and positive perceptions of reform, by WoC



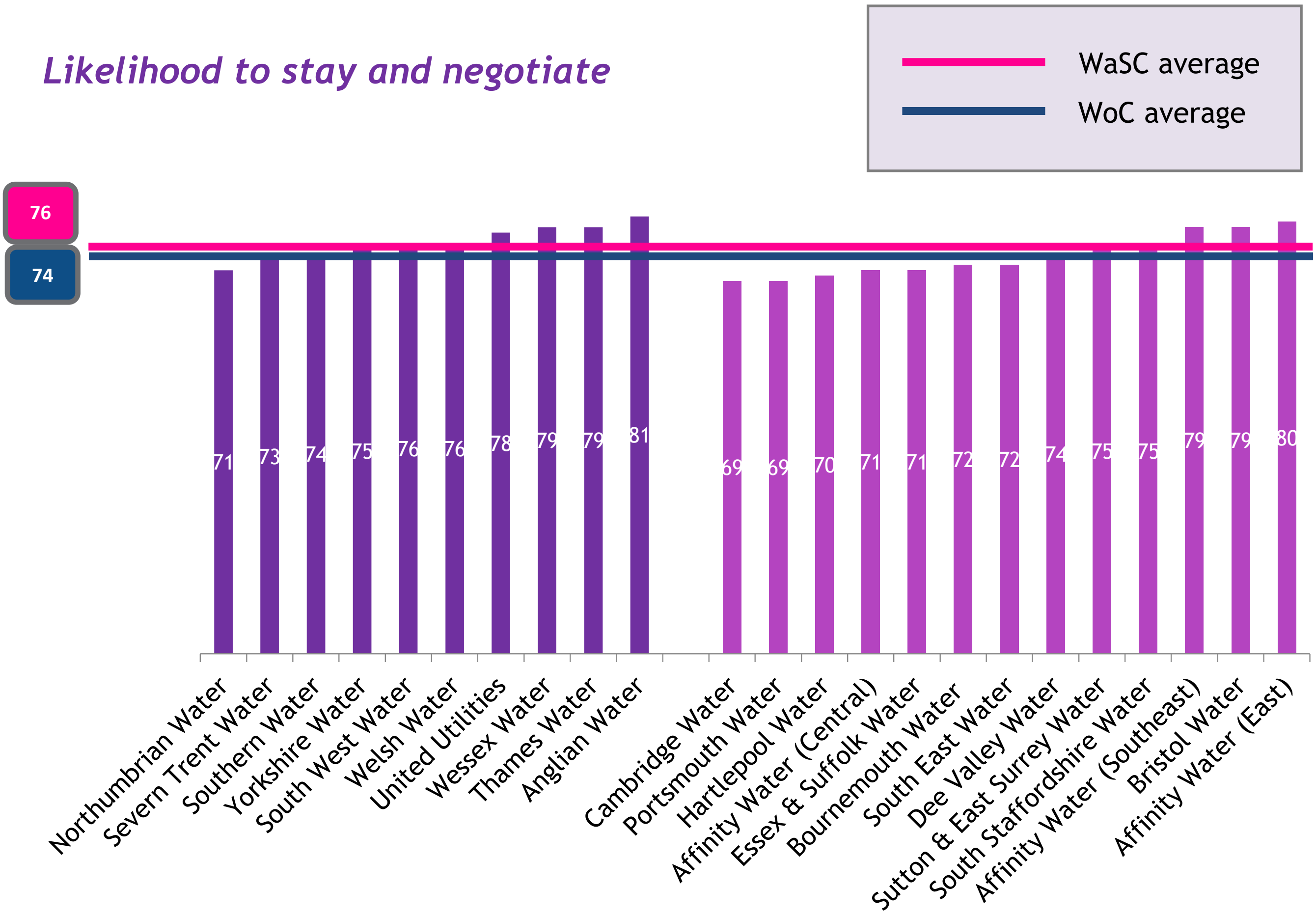
Q29. For businesses, how good do you think the principle of competition for retail services would be?
Q29B. How likely would you be to switch your retail service provider when the market opens in 2017?

14.15 Likelihood to stay with current supplier and negotiate

14.15.1 Out of the WaSCs, customers of Anglian Water (81%) are most likely to stay with their supplier and negotiate on terms, conditions and price whilst customers of Northumbrian Water are least likely (71%).

14.15.2 When looking at WoCs, customers of Affinity East (80%) are most likely to stay and negotiate whilst customers of Cambridge Water and Portsmouth Water (69%) are least likely.

Figure 76: Likelihood to stay and negotiate, by water company



Q30X. How likely would you be to stay with your retail service provider but negotiate new terms and conditions for retail services with them?

Base: All respondents 3,907

15 Conclusions

15.1 Satisfaction with value for money

15.1.1 Almost two thirds of business customers are satisfied with the value for money of their water and sewerage services, however, satisfaction levels are significantly lower than in 2014 and 2012.

- Satisfaction with value for money of water and sewerage bills is generally highest amongst smaller businesses and lower for larger businesses.

15.1.2 Perceptions of bill clarity have deteriorated significantly since 2014 in England and Wales, and in England, although they are stable in Wales.

15.1.3 The main reason why businesses feel that their bills are not clear is the language used, and the perceived lack of a clear explanation of the charges.

15.1.4 Positively, awareness of the GSS compensation scheme has increased significantly since 2014; awareness is significantly higher amongst large businesses.

15.1.5 Similarly, awareness of the surface water drainage rebate has significantly increased since 2014 and is also significantly higher for large businesses.

- However, despite growing awareness, still less than half are aware suggesting that more communication is required, particularly amongst smaller businesses which may be losing out on cheaper bills.

15.2 Satisfaction with water and sewerage services

15.2.1 Overall satisfaction with water services has significantly increased since 2014, driven by increases in England.

15.2.2 However, overall satisfaction with sewerage services has significantly fallen since 2014 – both in England and in Wales.

15.3 Satisfaction with contact

15.3.1 In the last 12 months, 15% of business customers have contacted their water company.

- Contact levels increase with company size ranging from 12% for micro businesses to 29% for large businesses.
- It also varies by company; contact levels are highest for Wessex Water (26%), United Utilities (25%) and Southern Water (20%).

15.3.2 There has been a significant increase in overall satisfaction with contact from 56% in 2014 to 69% in 2016

15.3.3 And satisfaction with each aspect of contact has also significantly increased across the board, with satisfaction levels in Wales significantly higher than those in England across a number of aspects of contact.

15.4 Service failure

15.4.1 The most common service failures are a burst water pipe (30%), a blocked drain or sewer pipe (20%) or no water supply (18%).

15.4.2 The majority (76%) of those who had experienced a failure were satisfied with the water/ sewerage company's response to the event. However, care is needed when resolving smaller businesses' issues, as they are significantly more likely to be dissatisfied with their company's response than larger businesses.

15.4.3 Based on customer views in this research, key ways to improve perceptions of responses to service failure would be to a) actually respond, b) accept responsibility/be more diplomatic or understanding and c) offer proactive advice to businesses who have to fix things themselves.

15.5 Care, trust and NPS

15.5.1 There has been a significant increase in the number of businesses who perceive that their water/sewerage company cares about the service they provide (56% in 2014 compared to 59% in 2016) with the most 'caring' companies being dominated by the following WaSCs: Northumbrian Water, Welsh Water, Yorkshire Water and Anglian Water, and by Dee Valley Water for the WoCs. Southern Water, South East Water, and Affinity Water East fare less well on perceptions of care.

15.5.2 There has also been an increase in businesses trusting their suppliers, with Dee Valley Water, Cambridge Water, Northumbrian Water, Yorkshire Water and Welsh Water, deemed most trustworthy and South West Water and Southern Water least.

15.5.3 Water and sewerage companies continue to be perceived as more trustworthy than energy companies.

15.5.4 The same companies dominate when it comes to more positive Net Promoter Scores – Dee Valley Water, Welsh Water, Yorkshire Water and Northumbrian Water have higher scores than other companies. South West Water, Southern Water and United Utilities have the lowest scores.

15.6 Information needs

15.6.1 Less than half of businesses feel that water companies provide them with the advice and support they need. This is particularly marked amongst business customers in England, who are significantly less likely than businesses in Wales to feel they get the advice and support they need.

15.6.2 Large businesses are more likely to agree that water companies are providing the right advice and support than micro-businesses.

15.6.3 However, less than one in ten businesses actively look for information about water and/or sewerage services although this does vary by business size, with large businesses being significantly more likely to have done so (28%) compared to micro (4%), small (7%), and medium (13%).

15.7 Market Reform

15.7.1 Awareness of Market Reform is significantly higher than in 2014, however it still remains very low (unprompted - 8% and prompted – 13%). Awareness is highest amongst large businesses with more than 250 employees, with over two-fifths (41%) aware and lowest amongst micro businesses (5%).

15.7.2 There is positive sentiment for the principle of competition with 61% feeling it is good thing - constant from 2014 and only around one in ten (12%) feel it is a bad thing.

15.7.3 When the market opens in April 2017 just over a third claim they will be likely to switch, however when asked how likely they will be to stay with their current provider and negotiate better terms, three quarters claim they would be likely to do this.

Appendix 1: Sectors

A list of each sector is included below:

Sector
Industrial
A Agriculture, forestry and fishing
B Mining and quarrying
C Manufacturing
D Electricity, gas, steam and air conditioning supply
E Water supply, sewerage, waste management and remediation activities
F Construction
Commercial
G Wholesale and retail trade; repair of motor vehicles and motorcycles
H Transportation and storage
I Accommodation and food service activities
J Information and communication
K Financial and insurance activities
L Real estate activities
M Professional, scientific and technical activities
N Administrative and support service activities
R Arts, entertainment and recreation
S Other service activities
Public
O Public administration and defense; compulsory social security
P Education
Q Human health and social work activities

Appendix 2: Weighting factors

The weighting factors applied are shown in the table below. Weighting was only applied to business size:

	sole & 1-9	10-49 (Small)	50-99 (Medium A)	100-250	250+
Northumbrian Water	1.06	1.00	0.96	1.00	0.66
United Utilities	1.13	0.93	1.02	0.95	0.59
Yorkshire Water	0.99	0.99	0.97	0.95	1.24
Severn Trent Water	1.03	1.03	0.99	1.03	0.73
Anglian Water	1.03	1.00	0.96	1.33	0.63
Thames Water	1.02	0.99	0.99	0.99	0.99
Southern Water	0.94	0.81	1.67	1.60	1.60
South West Water	0.99	1.01	0.90	0.95	2.68
Wessex Water	1.18	0.92	0.78	0.87	0.62
Dŵr Cymru (Welsh Water)	0.92	0.86	2.08	1.23	1.14
Affinity Water (Central)	0.96	0.85	1.19	0.95	3.16
Affinity Water (East)	0.93	1.00	1.08	2.75	1.00
Affinity Water (Southeast)	0.86	1.11	1.36	1.53	1.00
Bournemouth Water	0.94	0.89	1.55	1.63	1.00
Bristol Water	0.96	0.92	0.95	1.50	2.00
Cambridge Water	1.02	0.88	1.83	1.10	1.00
Dee Valley Water	0.99	0.73	2.86	1.20	1.00
Essex & Suffolk Water	0.95	0.97	1.11	1.00	2.00
Hartlepool Water	0.87	0.86	1.57	1.00	1.00
Portsmouth Water	1.05	0.95	0.96	0.86	1.21
South East Water	1.03	1.01	1.15	1.13	0.48
South Staffordshire Water	0.90	0.86	1.26	2.42	2.01
Sutton & East Surrey Water	0.88	0.82	1.47	2.29	5.72

Appendix 3: Sample profile by company

Sample profile: WaSCs unweighted by sector

	Northumbrian	UU	Yorkshire	Severn Trent	Anglian	Thames	South West	Southern	Wessex	Welsh Water
Agriculture Forestry And Fishing	4%	3%	3%	2%	4%	1%	8%	2%	5%	2%
Mining And Quarrying	0%	0%	0%	0%	0%	0%	0%	0%	0%	2%
Manufacturing	10%	13%	15%	14%	12%	7%	13%	10%	14%	11%
Electricity Gas Steam And Air Conditioning Supply	1%	1%	1%	0%	1%	0%	0%	1%	0%	1%
Water Supply Sewerage Waste Management And Remediation	1%	0%	0%	0%	0%	0%	0%	0%	0%	2%
Construction	4%	5%	7%	9%	7%	5%	5%	3%	6%	4%
Wholesale And Retail Trade	22%	25%	27%	23%	23%	17%	29%	22%	21%	24%
Transportation And Storage	4%	6%	4%	5%	4%	1%	4%	3%	3%	3%
Accommodation And Food Service	10%	3%	10%	4%	5%	10%	9%	11%	7%	14%
Information And Communication	3%	2%	1%	3%	1%	4%	2%	3%	2%	3%
Financial And Insurance Activities	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%
Real Estate Activities	2%	3%	2%	2%	2%	3%	1%	1%	3%	3%
Professional Scientific And Technical	4%	6%	7%	9%	8%	12%	2%	5%	7%	7%
Administrative And Support Service	3%	5%	2%	3%	2%	10%	1%	5%	2%	2%
Public Admin And Defense	1%	0	1%	1%	1%	1%	1%	2%	1%	1%
Education	7%	6%	4%	5%	4%	4%	6%	7%	7%	5%
Human Health And Social Work	8%	7%	7%	7%	7%	8%	6%	12%	8%	7%
Arts Entertainment And Recreation	6%	5%	3%	3%	4%	5%	5%	6%	4%	5%
Other Service Activities	12%	8%	4%	8%	8%	8%	3%	9%	4%	8%

Sample profile: WaSCs weighted by sector

	Northumbrian	UU	Yorkshire	Severn Trent	Anglian	Thames	South West	Southern	Wessex	Welsh Water
Agriculture Forestry And Fishing	4%	4%	3%	2%	4%	1%	8%	2%	6%	1%
Mining And Quarrying	0%	0%	0%	0%	0%	0%	0%	0%	0%	1%
Manufacturing	9%	11%	16%	14%	12%	7%	13%	11%	13%	11%
Electricity Gas Steam And Air Conditioning Supply	0%	1%	1%	0%	1%	0%	0%	1%	0%	0%
Water Supply Sewerage Waste Management And Remediation	1%	1%	0%	0%	0%	0%	0%	0%	0%	1%
Construction	4%	5%	7%	9%	8%	5%	5%	3%	7%	4%
Wholesale And Retail Trade	23%	28%	27%	23%	24%	17%	28%	21%	23%	22%
Transportation And Storage	4%	5%	4%	5%	4%	1%	4%	2%	3%	2%
Accommodation And Food Service	10%	3%	10%	4%	6%	10%	9%	10%	7%	13%
Information And Communication	3%	2%	1%	3%	1%	4%	2%	3%	2%	3%
Financial And Insurance Activities	2%	2%	2%	2%	2%	2%	2%	2%	3%	2%
Real Estate Activities	2%	3%	2%	2%	3%	3%	1%	1%	3%	3%
Professional Scientific And Technical	4%	6%	7%	9%	9%	12%	2%	5%	8%	7%
Administrative And Support Service	3%	5%	2%	3%	2%	9%	1%	5%	2%	3%
Public Admin And Defense	0%	0%	1%	1%	1%	1%	1%	2%	1%	1%
Education	6%	6%	5%	5%	4%	4%	6%	8%	6%	5%
Human Health And Social Work	8%	6%	7%	6%	7%	8%	7%	10%	8%	8%
Arts Entertainment And Recreation	6%	5%	3%	3%	4%	5%	5%	5%	4%	4%
Other Service Activities	12%	8%	4%	8%	9%	8%	3%	9%	5%	7%

Sample profile: WoCs unweighted by sector

	Bournemouth Water	Bristol Water	Cambridge Water	Dee Valley Water	Essex & Suffolk Water	Hartlepool Water	Portsmouth Water	South East Water	South Staffs Water	Sutton & East Surrey Water
Agriculture Forestry And Fishing	1%	4%	2%	3%	3%	0%	2%	3%	1%	1%
Mining And Quarrying	0%	0%	0%	0%	0%	0%	0%	0%	0%	1%
Manufacturing	11%	11%	9%	10%	9%	13%	12%	10%	17%	8%
Electricity Gas Steam And Air Conditioning Supply	1%	1%	1%	0%	1%	1%	1%	0%	3%	0%
Water Supply Sewerage Waste Management And Remediation	1%	1%	0%	2%	1%	0%	2%	1%	1%	1%
Construction	4%	5%	6%	2%	9%	5%	5%	7%	11%	7%
Wholesale And Retail Trade	19%	28%	14%	19%	23%	23%	17%	19%	19%	23%
Transportation And Storage	1%	2%	1%	4%	6%	3%	1%	4%	4%	3%
Accommodation And Food Service	17%	8%	9%	11%	8%	10%	8%	8%	4%	5%
Information And Communication	1%	1%	4%	3%	3%	0%	4%	5%	1%	2%
Financial And Insurance Activities	3%	2%	2%	2%	3%	3%	3%	2%	2%	1%
Real Estate Activities	4%	6%	3%	1%	2%	3%	3%	2%	3%	6%
Professional Scientific And Technical	4%	3%	12%	7%	5%	8%	7%	8%	5%	7%
Administrative And Support Service	1%	1%	2%	3%	1%	0%	3%	4%	3%	6%
Public Admin And Defense	0%	2%	2%	2%	2%	1%	2%	2%	1%	1%
Education	10%	5%	12%	6%	7%	5%	10%	5%	5%	8%
Human Health And Social Work	8%	7%	5%	8%	7%	8%	9%	9%	7%	7%
Arts Entertainment And Recreation	6%	6%	4%	8%	3%	8%	5%	3%	4%	4%
Other Service Activities	6%	5%	10%	9%	8%	11%	7%	8%	9%	10%

	Affinity Water (Central)	Affinity Water (East)	Affinity Water (Southeast)
Agriculture Forestry And Fishing	1%	4%	1%
Mining And Quarrying	0%	0%	0%
Manufacturing	12%	5%	7%
Electricity Gas Steam And Air Conditioning Supply	1%	3%	0%
Water Supply Sewerage Waste Management And Remediation	1%	0%	1%
Construction	5%	2%	5%
Wholesale And Retail Trade	24%	23%	22%
Transportation And Storage	2%	5%	3%
Accommodation And Food Service	8%	9%	16%
Information And Communication	1%	2%	2%
Financial And Insurance Activities	3%	4%	0%
Real Estate Activities	4%	5%	5%
Professional Scientific And Technical	4%	3%	7%
Administrative And Support Service	2%	2%	1%
Public Admin And Defense	2%	2%	0%
Education	9%	12%	12%
Human Health And Social Work	9%	5%	9%
Arts Entertainment And Recreation	5%	8%	3%
Other Service Activities	6%	6%	5%

Sample profile: WoCs weighted by sector

	Bournemouth Water	Bristol Water	Cambridge Water	Dee Valley Water	Essex & Suffolk Water	Hartlepool Water	Portsmouth Water	South East Water	South Staffs Water	Sutton & East Surrey Water
Agriculture Forestry And Fishing	1%	4%	2%	3%	3%	0%	2%	3%	2%	1%
Mining And Quarrying	0%	0%	0%	0%	0%	0%	0%	0%	0%	1%
Manufacturing	11%	12%	9%	9%	8%	12%	12%	10%	19%	7%
Electricity Gas Steam And Air Conditioning Supply	1%	1%	1%	0%	1%	1%	1%	0%	2%	0%
Water Supply Sewerage Waste Management And Remediation	1%	1%	0%	2%	1%	0%	2%	1%	1%	1%
Construction	5%	4%	6%	2%	10%	6%	5%	7%	11%	6%
Wholesale And Retail Trade	18%	29%	14%	18%	23%	21%	17%	19%	17%	20%
Transportation And Storage	1%	2%	2%	5%	6%	2%	1%	4%	3%	2%
Accommodation And Food Service	16%	8%	10%	10%	8%	9%	8%	8%	4%	5%
Information And Communication	1%	1%	4%	4%	3%	0%	4%	5%	1%	2%
Financial And Insurance Activities	2%	2%	2%	2%	3%	2%	3%	1%	2%	1%
Real Estate Activities	5%	6%	3%	2%	2%	2%	3%	2%	3%	5%
Professional Scientific And Technical	5%	3%	12%	9%	5%	9%	6%	8%	5%	6%
Administrative And Support Service	1%	2%	2%	2%	1%	0%	3%	3%	2%	5%
Public Admin And Defense	0%	3%	2%	3%	2%	1%	2%	2%	2%	6%
Education	14%	5%	13%	6%	7%	8%	10%	6%	5%	10%
Human Health And Social Work	7%	7%	4%	7%	8%	7%	8%	9%	7%	7%
Arts Entertainment And Recreation	6%	6%	5%	8%	3%	7%	5%	3%	5%	4%
Other Service Activities	6%	5%	10%	8%	8%	12%	8%	9%	9%	11%

	Affinity Water (Central)	Affinity Water (East)	Affinity Water (Southeast)
Agriculture Forestry And Fishing	1%	3%	1%
Mining And Quarrying	0%	0%	0%
Manufacturing	11%	5%	8%
Electricity Gas Steam And Air Conditioning Supply	1%	3%	-
Water Supply Sewerage Waste Management And Remediation	1%	-	1%
Construction	5%	2%	4%
Wholesale And Retail Trade	24%	21%	20%
Transportation And Storage	2%	5%	3%
Accommodation And Food Service	8%	8%	15%
Information And Communication	1%	2%	2%
Financial And Insurance Activities	3%	5%	-
Real Estate Activities	4%	5%	5%
Professional Scientific And Technical	4%	3%	8%
Administrative And Support Service	2%	3%	2%
Public Admin And Defense	2%	2%	-
Education	9%	15%	15%
Human Health And Social Work	10%	5%	8%
Arts Entertainment And Recreation	5%	7%	3%
Other Service Activities	7%	6%	5%

Appendix 4: Questionnaire

CCWater Testing the Waters:
Research into SME customer's views on water and sewerage services

Introduction

Good Morning/Afternoon, my name is… calling from XXXXXX on behalf of the Consumer body for the water industry. We are carrying out a survey about water and sewerage services. Could you spare some time to answer some questions?

The survey findings are used to help make sure that you get good services from your water company, and it should take around 15 minutes.

We would like you to give your honest opinions as this is completely confidential and we can assure you that our discussion will be undertaken under strict market research codes of conduct.

Some of the questions will need you to be familiar with your water bill and so you may find it useful to have it to hand - would you be interested in taking part now or at another time when you have the bill in front of you?

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

About you / your company

Record / confirm details:

Contact Name	
Contact Position / Job Title	
Company Address / Post Code	

ONLY ONE RESPONDENT TO BE INTERVIEWED PER COMPANY

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

England
Wales

Screening questions

S1a Can I just ask, are you the person in your business who deals with utility suppliers and/or pays the water bill?
MULTI CODE

Yes – deals with utility suppliers	**CONTINUE**
Yes – pays the bill	**CONTINUE**
No	**ASK FOR RELEVANT PERSON**

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

S1b Capacity in which respondent is taking part in the interview:

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

S2a How many sites does your business have in England?
TYPE IN NUMBER OF SITES

S2b How many sites does your business have in Wales?
TYPE IN NUMBER OF SITES

ASK ALL:

S3 How would you classify the nature of the business at site X?

A Agriculture, Forestry And Fishing
B Mining And Quarrying
C Manufacturing
D Electricity, Gas, Steam And Air Conditioning Supply
E Water Supply; Sewerage, Waste Management And Remediation Activities
F Construction
G Wholesale And Retail Trade; Repair Of Motor Vehicles And Motorcycles
H Transportation And Storage
I Accommodation And Food Service Activities
J Information And Communication
K Financial And Insurance Activities
L Real Estate Activities
M Professional, Scientific And Technical Activities
N Administrative And Support Service Activities
O Public Administration And Defence; Compulsory Social Security
P Education
Q Human Health And Social Work Activities
R Arts, Entertainment And Recreation
S Other Service Activities
Other (specify)

S4a How many employees are based on this site?

TYPE IN NUMBER OF EMPLOYEES
IF ONLY ONE EMPLOYEE MENTIONED, CHECK IF THAT IS IN ADDITION TO THE RESPONDENT

DK

IF DK AT S4a
S4ai Please give a rough estimate of the number of employees on the site, not including yourself

0
1-9
10-49
50-249
250+

ASK S4B IF MULTIPLE SITES AT S2A and/or S2B:
S4b How many employees are there in total in the overall business?

TYPE IN NUMBER OF EMPLOYEES

DK

ASK IF SOLE TRADER (0 employees) OR MICRO BUSINESS (1-9 employees)
S1ai Is this business run from a business premise as opposed to a home residence?
INTERVIEWER MAKE SURE THAT THIS BUSINESS IS NOT RUN FROM SOMEONE'S HOME

Business residence
Someone's home **THANK AND CLOSE**

From this point on the questions are about the site at which you are based at the moment

S6a Which water and sewerage services does this site take? **MULTI CODE**

Water
Sewerage – waste water
Surface water (rainwater) drainage
Trade Effluent removal **GO TO S6b**
Other (specify)

ASK S6B IF TRADE EFFLUENT REMOVAL (CODE 4) USED AT S6A
S6b Do you receive a separate bill for trade effluent services?

Yes
No
Don't know

ASK ALL:

S6d How much do you pay for the water and sewerage services covered in the main bill for site X?

TYPE IN AMOUNT PAID PER YEAR. IF OTHER SPECIFY

S7 And roughly what percentage is the <u>total</u> water and sewerage services bill of your annual operating (running) costs? Please select from the following bandings

0-5%
6-10%
11-20%
21-30%
More than 30%

S9 If you had to choose, would you say that this business site is located in a rural or urban area? **SINGLE CODE**

Rural
Urban

Views on your current water supply services

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

Anglian Water
Dŵr Cymru (Welsh Water)
Northumbrian Water
Severn Trent Water
South West Water
Southern Water
Thames Water
United Utilities
Wessex Water
Yorkshire Water

Water only companies:

Bournemouth Water
Bristol Water
Cambridge Water
Cholderton Water **(Thank and close)**
Dee Valley Water
Essex & Suffolk Water
Hartlepool Water
Portsmouth Water
South East Water
South Staffordshire Water
Sutton & East Surrey Water
Affinity Water (Central)
Affinity Water (East)
Affinity Water (Southeast)
Private water supply doesn't come from a water company (e.g. borehole) CLOSE
Other company named CLOSE
Don't know

IF RESPONDENTS SAYS DON'T KNOW ABOVE (Q1a) READ OUT - YOUR WATER COMPANY IS LIKELY TO BE… [LOOKUP IN POSTCODE FILE]
IF RESPONDENTS SPECIFY A COMPANY NOT NAMED IN THE LIST ABOVE: THANK & CLOSE
IF RESPONDENTS STILL DON'T KNOW: THANK & CLOSE

2. 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
Dŵr Cymru (Welsh Water)
Northumbrian Water Ltd
Severn Trent Water Ltd
South West Water Ltd
Southern Water Services Ltd
Thames Water Utilities Ltd
United Utilities Water Plc (North West Water)
Wessex Water Services Ltd
Yorkshire Water Services Ltd
I have a private facilities/septic tank
Other company named CLOSE
Don't know

IF RESPONDENTS SAYS DON'T KNOW ABOVE (Q1b) READ OUT - YOUR SEWERAGE COMPANY IS LIKELY TO BE… [LOOKUP IN POSTCODE FILE]
IF RESPONDENTS SPECIFY A COMPANY NOT NAMED IN THE LIST ABOVE: THANK & CLOSE
IF RESPONDENTS STILL DON'T KNOW: THANK & CLOSE

Interviewer note: If respondent answers 'have a private facilities/septic tank or other', do not ask Section on Sewerage in the questionnaire (Q14 and Q15).

3a On a scale of 1 to 10, how essential is the supply of water and wastewater services to the day to day running of your business/the business on site X? 1 being not at all and 10 being absolutely essential?
   SINGLE CODE

ASK ALL
3b. Why have you given this rating? **DO NOT READ OUT. MULTI-CODE**

Need it for drinking, toilets etc. for staff (i.e. domestic type usage)
Need it for used/waste water, toilets etc. from staff (i.e. domestic type usage)
Need it as our customers depend on it (e.g. café, restaurant, hairdresser, launderette, garage, car-wash)
Need it as our customers depend on it (e.g. waste from café, restaurant, hairdresser, launderette, garage, car-wash)
Need it for business processes (e.g. input to manufacturing)
Need it for business processes (e.g. output from manufacturing)
Need water supply for cleaning (hygiene) (e.g. café, restaurant, dentist)
Need waste water services for cleaning (hygiene) (e.g. café, restaurant, dentist)
Need it for livestock
Because we only use it for drinking, hand washing etc for staff (i.e. domestic type usage)
Because we only use it for removal of waste water, toilets etc for staff (i.e. domestic type usage)
Other-specify
Don't know

ASK ALL:

4a How much do you agree or disagree that the main water and sewerage bill for site X makes it clear how much needs to be paid and when? **SINGLE CODE**

Strongly agree
Tend to agree
Neither agree nor disagree
Tend to disagree
Strongly disagree
Don't know

ASK Q4B IF TEND TO/STRONGLY DISAGREE AT Q 4A (CODE 4 OR 5)

4b Why do you disagree?

ASK ALL:

5c What improvements, if any, would you like to see to your water/water and sewerage bill [Do not prompt/code from below]

Greater accuracy i.e. actual/correct meter readings
Greater clarity
Greater ease of understanding
More water consumption information [specify what participant would like here]
e-billing
Consolidated bills
Other – please specify

ASK ALL:

6. Using a scale where 1 equals very satisfied, 2 equals fairly satisfied, 3 equals neither satisfied nor dissatisfied, 4 equals fairly dissatisfied and 5 equals very dissatisfied, how satisfied or dissatisfied are you with the <u>value for money</u> 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.

a) The **water** services supplied to this site
b) The **sewerage** service for this site
c) The **surface water (rainwater) drainage** services for this site?
IF HAVE TRADE EFFLUENT SERVICES AT S6A, INCLUDE:
d) The **trade effluent** services

IF RESPONDENT ANSWERS FAIRLY/VERY DISSATISFIED TO Q6A, B, C, OR D ASK Q7

7. Why do you think you don't get value for money?
DO NOT READ OUT. MULTICODE

Cost/prices have risen
Can't switch provider
Poor/inefficient service/issues not resolved
Poor water quality
Problems with sewers/drains
Removal of surface water is too expensive
Leaking pipes
Water meter issues/problems
Some businesses have an account manager at their water and sewerage company but we can't
Site area tariff unfair
Trade effluent services too expensive
Other (specify)

ASK ALL

8a 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
No, was not aware
Don't know

8b Are you aware that if none of the rainwater that runs off a property drains into the public sewer (e.g. it may drain into a soakaway or the ground), a reduced sewerage bill is available?

Yes, was aware
No, was not aware
Don't know

Contact with your water and sewerage company

9a. Have you contacted your water [and/or sewerage] company to make an enquiry or complaint in the past 12 months?

Yes	**GO TO Q9ai if WoC / Q9b is WaSC**
No	**GO TO Q12**
Don't know	**GO TO Q12**

IF CODED 11-24 at Q1a AND 'yes' at Q9a

9ai. Was this your water company or your sewerage company?
SINGLE CODE
Water company
Sewerage company

ASK IF YES AT Q9A (CODES 1)

9b. What was your most recent contact about??
DO NOT READ OUT. MULTICODE

Billing enquiry
To make a complaint
To make an enquiry relating to drought/water shortage
To make an enquiry relating to flooding
To make an enquiry about sewers and drains (transfer)
No supply/supply issue
To report a leak
To change to/ask for a water meter
Water quality
Water pressure
Sewerage problem
Issue with water meter
To ask for information – (please specify what information specifically)
Other (please specify)
Don't know)

ASK IF YES AT Q9A (CODES 1)

10. Using a scale from 1 to 5 where 1 equals very satisfied and 5 equals very dissatisfied, how satisfied or dissatisfied were you with each of the following aspects:
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 ease of contacting someone who was able to help you
b) The quality/ clarity of information provided
c) The knowledge and professionalism of staff
d) The feeling that your query had been, or would be, resolved
e) The way that the water/sewerage company has kept you informed of progress with your enquiry (and /or) claim

ASK IF YES AT Q9A (CODES 1)

11. Taking everything into account, overall how satisfied or dissatisfied were you with the contact with [INSERT CODE FROM Q9A]? **SINGLE CODE**

Very satisfied
Fairly satisfied
Neither satisfied or dissatisfied
Fairly dissatisfied
Very dissatisfied
Don't know

Your water supply

Thinking now about tap water supplied to this site for offices, toilets, or for business processes where it is not treated or filtered in any way before use.

12. Using a scale from 1 to 5 where 1 equals very satisfied and 5 equals very dissatisfied, 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) The water pressure
g) and overall taking all those aspects of your water supply service into account, how satisfied are you with your water supply?

Your sewerage services

ASK ALL

14. Using a scale from 1 to 5 where 1 equals very satisfied and 5 equals very dissatisfied, how satisfied or dissatisfied are you with your sewerage company's management of **each** of the following aspects of their service:
    READ OUT EACH STATEMENT AND 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) 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 S6a)**
f) Removal of surface water (rainwater) from the site
g) and overall taking all those aspects into account, how satisfied are you with your sewerage provider?

Service failure

ASK ALL

16a. Has this business site ever suffered a failure of water/sewerage services?

Yes
No
Don't know

ASK IF YES AT Q16a
16b What was this related to? **DO NOT READ OUT MULTI CODE**

Burst pipe
Blocked pipe
Leaking pipe
No water supply/disrupted water supply
Water supply turned off without notice
Discoloured water supply
Low water pressure
Drainage smell
Drinking water quality – it needed boiling
Other (specify)
Don't know

ASK IF YES AT Q16a
17. What was the impact on your business?

Major
Minor
None

ASK IF YES AT Q16a
18. Were you satisfied with the water/sewerage company's response to the event?

Yes
No

ASK IF NO AT Q18
19 If no, why?

TYPE IN RESPONSE IN FULL

Relationship with your water company

[IF WoC CUSTOMER] *The next few questions are about [PULL THROUGH FROM Q1A], the company that provides your water services/water services at site X.*

ASK ALL
20. How much do you agree or disagree that [PULL THROUGH FROM Q1A] cares about the service it gives to **business** customers? **READ OUT. SINGLE CODE**

Strongly agree
Tend to agree
Neither agree nor disagree
Tend to disagree
Strongly disagree
Don't know

21a. How much do you trust [PULL THROUGH FROM Q1A]. Please give a score on a scale of 1-10, where 10 means that you trust them completely and 1 means that you don't trust them at all? **READ OUT. SINGLE CODE**

10 – trust them completely
9
8
7
6
5
4
3
2
1 – don't trust them at all

21b. Using the same scale of 1-10, where 10 means that you trust them completely and 1 means that you don't trust them at all, how much do you trust the main energy company that you use for your business? **READ OUT. SINGLE CODE**

10 – trust them completely
9
8
7
6
5
4
3
2
1 – don't trust them at all

22a. Thinking about the advice and support you receive from [PULL THROUGH FROM Q1A], how much do you agree or disagree that they give your business the advice and support you need to get the most out of your [water/water and sewerage services], and billing arrangements?
READ OUT. SINGLE CODE

Strongly agree
Tend to agree
Neither agree nor disagree
Tend to disagree
Strongly disagree
Don't know

ASK IF DISAGREE AT Q22A (CODES 4 OR 5)

22b. What sort of advice and support do you expect to receive from [PULL THROUGH FROM Q1A] as a business customer? **DO NOT READ OUT MULTI CODE**

Only the bill
Ways to reduce the bill
Information about what is included in the bill/charges
[**Only show if code 1-10 at Q1**] Information about Surface Water Drainage charges
Water saving information
How to prevent leaks
How to prevent pipes freezing
How the water/water and sewerage company is performing
More information on what the water company is doing for the environment
Notification of any work planned in the area
[**Only show if code 1-10 at Q1**]Information about the disposal of fats, oils and greases
Water audit
Leakage detection
Information about future competition in the water industry (please specify what information is expected)
Other (specify)
Don't know

TYPE IN RESPONSE IN FULL

ASK ALL

22c. Has your business actively looked for information about water /water and sewerage services anywhere?

Yes
No
Don't know

ASK IF YES AT Q22C:

22d. Where has your business looked?
DO NOT READ OUT. MULTI-CODE

Internet – which website
From water/sewerage company
From other businesses – word of mouth
From umbrella organisation
Other (specify)
Don't know

ASK ALL:

23a. In the last year, what advice, if any, has your business **asked** [INSERT CODE FROM Q1A] for or what advice have they **offered** you without being asked?
OPEN RESPONSE

ASK IF CODES 1-9 SELECTED AT Q23A
23b. When you received advice, did you act on it?
ASK FOR EACH SERVICE AREA SELECTED AT Q24A
SINGLE CODE

Yes
No
Don't know

ASK IF ADVICE NOT ACTED ON (CODES 2) AT 23B
23d. Why wasn't the advice acted upon?
TYPE IN RESPONSE IN FULL

It wasn't useful'
It wasn't timely
It was the wrong information/not relevant
Other-specify

ASK ALL
24. Do you routinely read information enclosed with your water/sewerage bill or shown on the back of the bill?

Yes
No
Don't know

ASK ALL
25. What actions, if any, has your business taken to reduce its use of water at this site?
DO NOT READ OUT. MULTICODE.

Water efficient taps
Energy & Water efficient dishwasher
Energy & Water efficient washing machine
Energy & Water efficient – other water using machinery
Trigger device fitted to hosepipe
Hippo/Save A Flush device in toilet cisterns
Lag pipes to protect against bursting
Wait until full load for Washing Machine / dishwasher
Only put required amount in kettle
Grey water recycling
Rainwater harvesting
Changed business processes to use less water
Made employees aware of the need to reduce water consumption
Water efficiency audit from water company
Asked for smart meter?
Other (specify)
Nothing
Don't know

ASK ALL

26. If you could make one single improvement to the overall service provided by your water and/or sewerage company what would it be? **DO NOT READ OUT. RECORD VERBATIM AND CODE FROM BELOW. MULTI-CODE**

Customer service - easier to make contact with
Water supply – quality/pressure/reliability
Sewage treatment - reduce/get rid of smells from sewage treatment sites
Information/communication-More/better/quicker
Drainage system/drains - improve/clean/maintain
Sewerage pipes – maintain/improve
Water pipes - maintain water mains/pipes to fix/reduce leaks
Staff – more experienced/knowledgeable/polite/interested
Billing – could like one/consolidated/aggregated bill
Billing – would like clearer bills
Advice – water efficiency/water audit
Advice – disposal of fats oils/greases
Account management
Leakage detection
Smart metering with constant monitoring and feedback on consumption and readings
Would like to choose supplier
Nothing in particular
Other – specify
Don't know

Market reform

27a. Have you heard anything about plans to make changes in the water and sewerage industry for business customers?

Yes
No
Don't know

ASK IF CODE 1 OR MORE AT S2B

27c. Are you aware of any difference in market arrangements for business customers in England and for those in Wales?

Yes - specify
No
Don't know

READ OUT:

From 2017, all businesses in England will be able to choose who provides them with retail services, that is, the company which provides customer service, reads the meter and bills them for water and sewerage services. In Wales businesses need to use more than 50,000m^3 (50,000 cubic metres) of water a year to choose their retail service provider. Please note that this does not affect the water supply which would still come from the same company as now.

ASK ALL:

28. Now that you have a bit more information, have you heard about this before?

Yes
No

ASK IF CODE YES AT Q28

28a. Where did you hear about this change?

ASK ALL:

29. For businesses, do you think that the principle of competition for retail services i.e. customer services, billing and meter reading in the water industry would be a good thing, neither good nor bad, or a bad thing?

A very good thing
Quite a good thing
Neither a good nor bad thing
Quite a bad thing
A very bad thing
Don't know **- go to Q29b**

29b How likely would you be to switch your retail service provider when the market opens in 2017?
SINGLE CODE

Very likely
Quite likely
Neither likely nor unlikely
Quite unlikely
Very unlikely

ASK ALL

29c Why do you say that?

Because I am satisfied with my current retail service provider
Because I am NOT satisfied with my current retail service provider (Probe for why)

ASK ALL

30. What percentage level of saving on your water and sewerage charges would prompt your business to switch retail service provider?

TYPE IN PERCENTAGE SAVINGS REQUIRED

____________________%

I would not switch
I would not switch on price, only for service

In addition to being able to switch retail services supplier in 2017 you will also have the option of staying with your current supplier but renegotiating the terms of your contract

30X How likely would you be to stay with your retail service provider but negotiate new terms and conditions for retail services with them?
SINGLE CODE

Very likely
Quite likely
Neither likely nor unlikely
Quite unlikely
Very unlikely

30a Now, thinking about your water company [INSERT CODE FROM Q1A] again, how likely would you be to recommend them as a water/water and sewerage supplier?

0 not at all likely to recommend
10 extremely likely

ASK ALL:
31. Do you know the name of the consumer body in the water industry?

Yes
No
Don't know

ASK IF YES AT Q31:
32. What is it?

TYPE IN RESPONSE

ASK ALL:
33. Have you heard of the Consumer Council for Water before now?

Yes
No
Don't know

THANK & CLOSE

Appendix 5: Sample profile

	Total Unweighted		Total Weighted	
	No.	%	No.	%
Total	**3,907**	**100**	**3,915**	**100**
Region				
North East	265	7	265	7
North West	222	6	222	6
Yorkshire and the Humber	210	5	210	5
Midlands	356	9	356	9
East of England	622	16	622	16
London	560	14	560	14
South East	641	16	641	16
South West	701	18	701	18
Wales	330	8	330	8
Business size				
0-9 employees	2005	51	1977	50
10-49 employees	1033	26	958	24
50-99 employees	437	11	504	13
100-249 employees	262	7	306	8
250+ employees	170	4	171	4
Nature of the business				
A Agriculture, Forestry And Fishing	108	3	110	3
B Mining And Quarrying	4	0	4	0
C Manufacturing	433	11	434	11
D Electricity, Gas, Steam And Air Conditioning Supply	29	1	28	1
E Water Supply Sewerage Waste Management And Remediation	25	1	23	1
F Construction	221	6	221	6
G Wholesale And Retail Trade; Repair Of Motor Vehicles And Motorcycles	865	22	856	22
H Transportation And Storage	131	3	129	3
I Accommodation And Food Service Activities	340	9	330	8
J Information And Communication	92	2	94	2
K Financial And Insurance Activities	84	2	83	2
L Real Estate Activities	115	3	114	3
M Professional, Scientific And Technical Activities	253	6	257	7
N Administrative And Support Service Activities	117	3	115	3
O Public Administration And Defence; Compulsory Social Security	50	1	59	2
P Education	262	7	288	7
Q Human Health And Social Work Activities	295	8	289	7
R Arts, Entertainment And Recreation	189	5	188	5
S Other Service Activities	294	8	294	8

Consumer Council for Water

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