

WaterVoice Window 3

Summary Report

May-June 2020

CCW

The voice for water consumers
Y corff sy'n rhoi llais i ddefnyddwyr dŵr

'Helping customers who are struggling financially'

'COVID-19 and its impact for you and your water services'

'COVID-19 and its impact for you and your business'

'How should water and sewerage companies use additional profit'

Introducing WaterVoice

This report presents findings generated via WaterVoice, CCW's online community of more than 600 water bill payers aged 18+ across England and Wales, recruited and managed by Ipsos MORI. The activities included in this report were conducted over a period of around one month.

Members of the community were recruited from existing online panels, aiming for representation across all water companies, targeting a balance by gender, age groups and tenure. It is important to note that the profile of community members participating in each individual activity **may not be reflective** of the overall community composition, or the population of bill payers.

WaterVoice has been designed to provide a flexible forum for ongoing conversations with a large group of consumers, allowing for basic surveys, qualitative and deliberative inquiry, meeting the need for fast feedback and a sounding board to pre-test ideas and initiatives. As such, it will complement rather than substitute for slower turn-around, more rigorous ad hoc research projects commissioned by CCW.

Because WaterVoice's consumers are not representative in a statistical way, the findings presented here are **descriptive** and **illustrative**, and **cannot be extrapolated** to all consumers. It is also important to recognise that not all WaterVoice members have taken part in each activity, and that throughout the course of the programme of research activities they will likely have become **more informed**, potentially affecting their views.

We recommend any sharing of findings generated by exercises run via WaterVoice is accompanied by a similar note, aiding interpretation and use.



Window 3 activities

1

**‘COVID-19 and its impact for you and your water services’
[householders]**

16 – 30 Apr

2

‘COVID-19 and its impact for you and your business’

7 – 14 May

3

‘Helping customers who are struggling financially’

30 Apr – 7 May

4

‘How should water and sewerage companies use additional profit?’

30 Apr – 7 May

Window 3: Activity types and functionality

‘COVID-19 and its impact for you and your water services’ and ‘How should water and sewerage companies use additional profit?’: Surveys

- Both activities conducted as surveys with ‘**hidden visibility**’ – participants could not see others’ responses.
- **Closed questions** (response codes provided) and **open-ended questions** (participants invited to type their response).

‘COVID-19 and its impact for you and your business’: Teledepths

- **In-depth interviews** with community members who own or run a business with a water account that they manage.
- **Semi-structured** interviews lasting up to 45 minutes, conducted by an Ipsos MORI moderator by telephone.

‘Helping customers who are struggling financially’: Sequential board

- **Questions grouped into topics** and posed to participants in a sequential manner – each topic appears after completing the previous.
- ‘**Hidden visibility**’ – participants could not see others’ responses.
- **Closed questions** (response codes provided) and **open-ended questions** (participants invited to type their response).

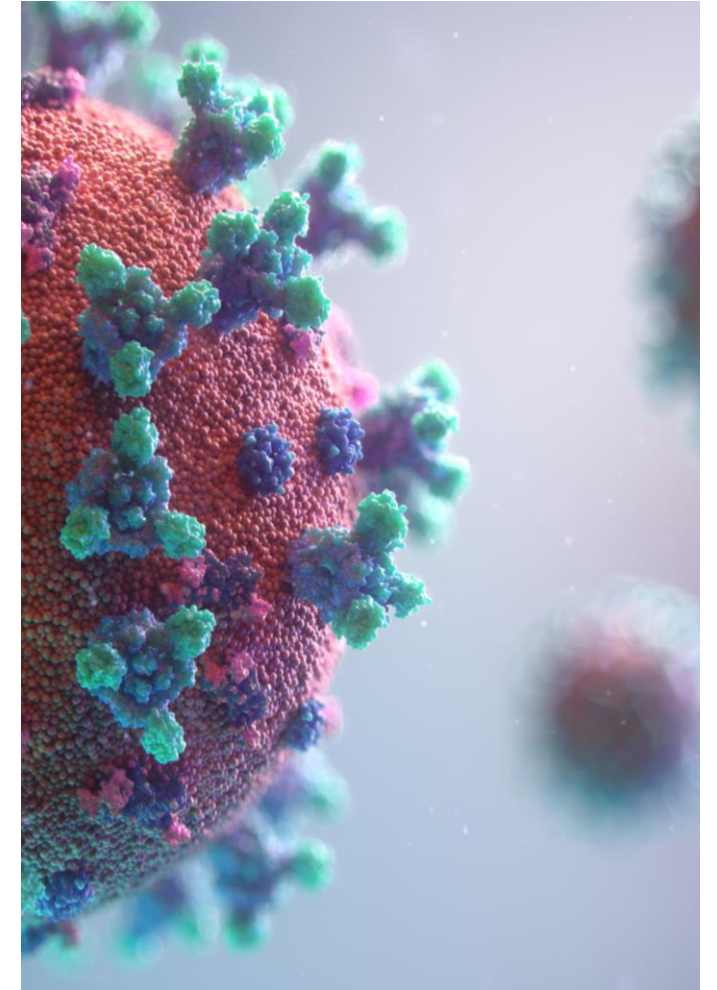
COVID-19 and its impact for you and your water services

Activity aims & questions asked

This survey explored the impact of COVID-19 on householders. The survey was conducted during the first phase of Government lockdown instructions – ‘Stay at Home’.

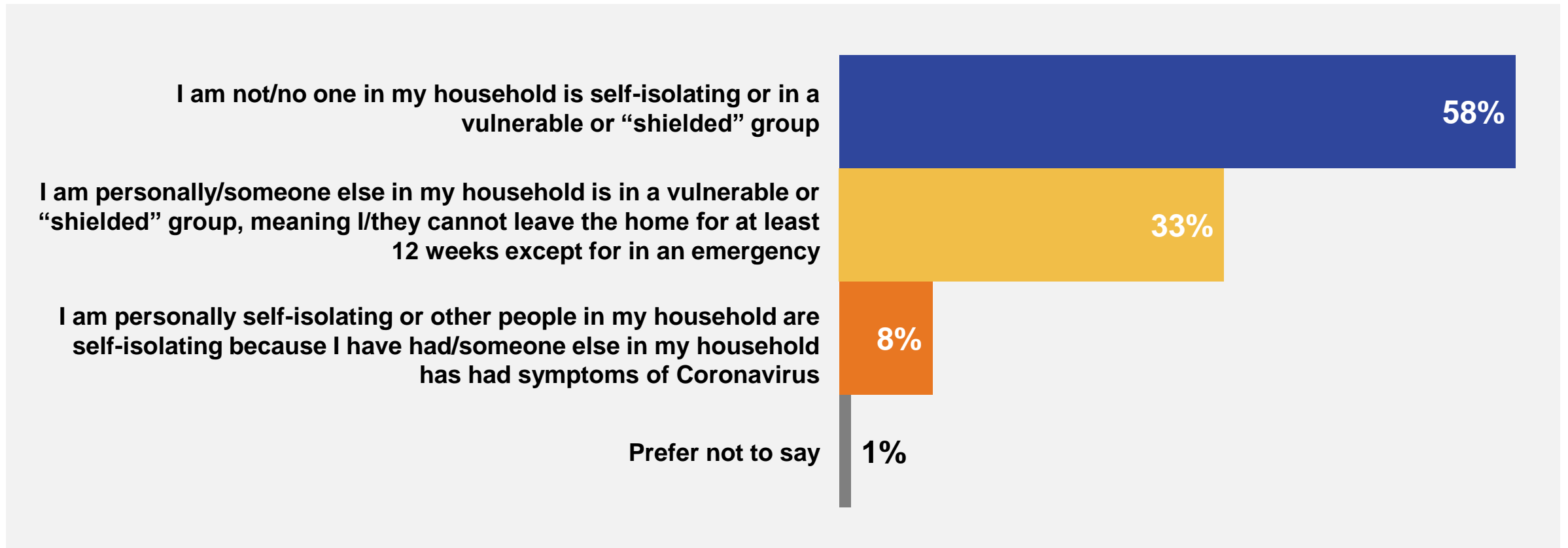
Participants were asked questions on the following topics:

- **Actions they have taken** in response to the Coronavirus pandemic.
- **New concerns** about water and sewerage services as a result of the pandemic.
- **Experiences of contacting a water or sewerage company for support** with water or sewerage services, and for support with bills, as a result of the Coronavirus outbreak.
- **Awareness and expectations of support** available to customers, including those who are self-isolating or in a “shielded” group, those with disruptions to water supply or sewerage services and those needing help to pay their bills.
- **Financial effects** of the Coronavirus pandemic, including worrying about paying water and sewerage bills.
- **Support and opposition towards funding a potential financial hardship scheme** to help customers struggling to pay their water bills as a result of the pandemic.



Self-isolation and “shielding” in the household

Can we just check please, which of the following apply to your household? Please think about everyone living in your household currently, including yourself.



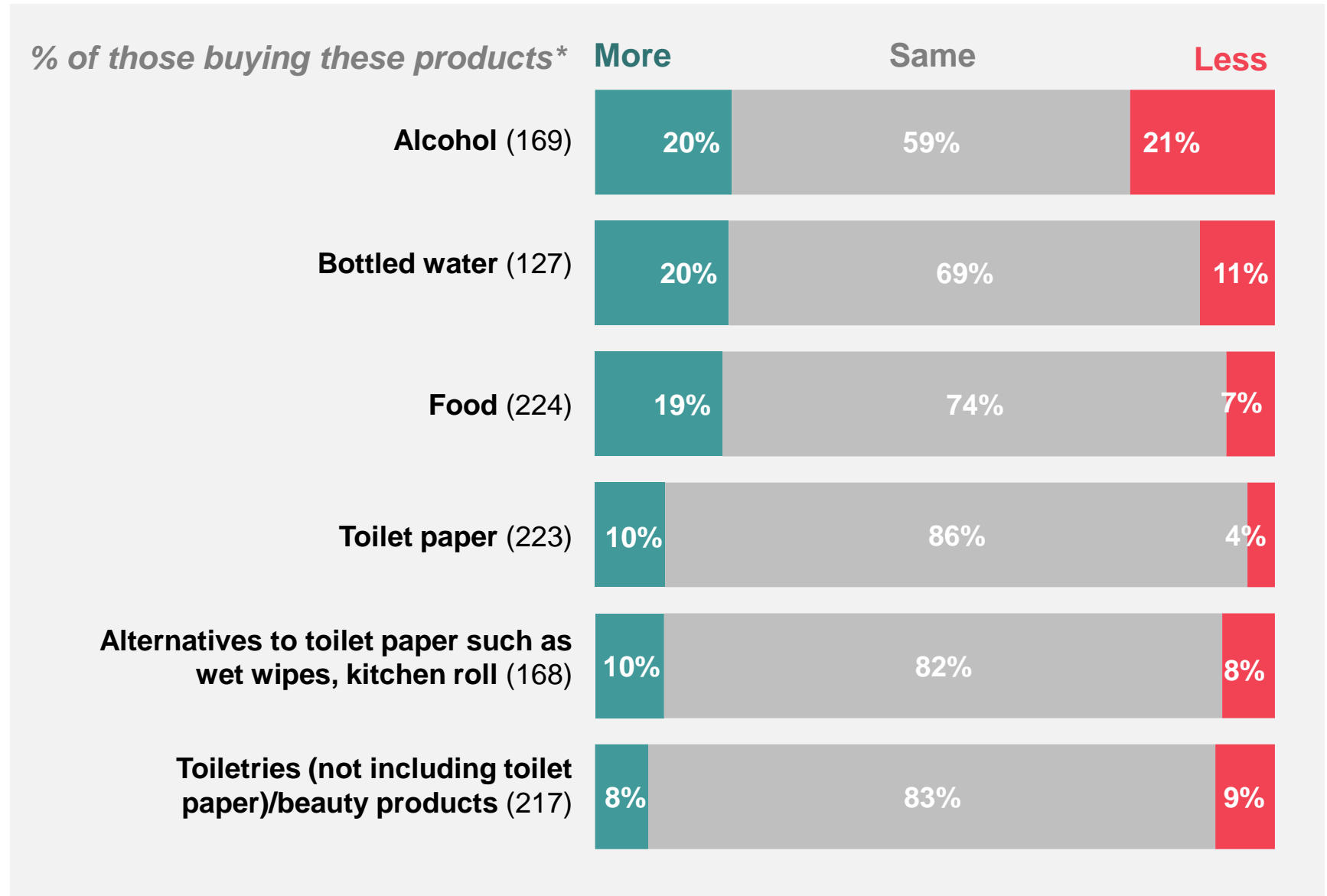
Increased activities due to COVID-19

Which of the following actions, if any, have you done or started doing more often as a result of concerns about Coronavirus?



Anticipated changes in purchasing habits

Over the coming weeks, do you expect to buy more, less or the same of each of the following compared with your regular buying habits?



*Base: Participants responding 16-30 April 2020, excluding those who responded 'I do not buy this product'. Base sizes in brackets.

Concerns about water and sewerage services as a result of COVID-19

What concerns, if any, do you have about your water and sewerage services as a result of Coronavirus which you did not have before its outbreak? *[Open-ended question]*

Four themes among those who had concerns (less than half of all participants) :

- **Delays to repairs or maintenance work** (e.g. on burst water pipes, blocked sewers) due to staff being unavailable or unable to carry out the work as a result of Coronavirus and the lockdown.
- **Problems with water supply due to increased demand** as a result of people spending more time at home (one participant mentioned the increased risk of blockages caused by flushing wet wipes or kitchen roll).
- **Coronavirus entering the water supply** and being transmitted through it.
- **More expensive water bills** due to household water consumption being higher than usual during lockdown.

“ I worry that if there is a burst pipe or something similar that the **workers won't be able to get to it due to the lockdown.**”

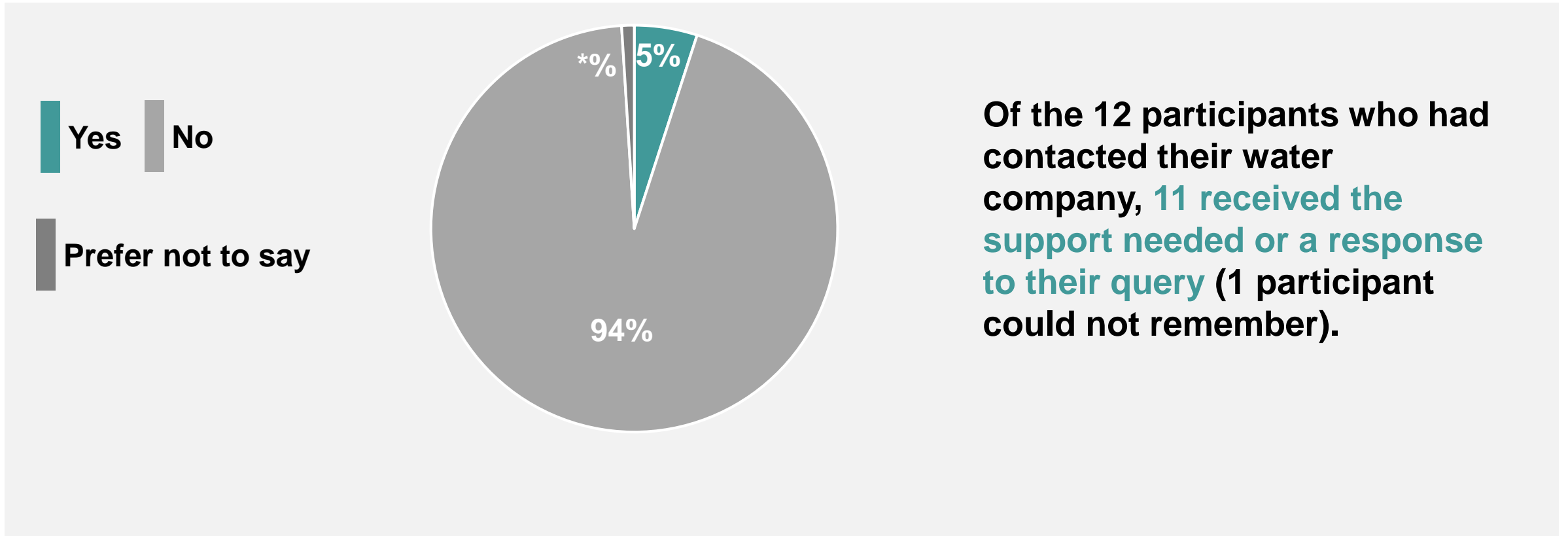
“ Hopefully **the sewerage system holds up** with so many people being off work.”

“ I often wonder if **the virus could ever make it into our water supplies**, and if we would be told about it, or whether we would even be told if it had.”

“ I was worried about **not being able to pay my water rates** monthly. But spoke to a lovely girl on Facebook messenger and she put a hold on my account which was quite a relief I can tell you.”

Contact with water/sewerage companies about services due to COVID-19

Have you contacted your water or sewerage company for support with or a query about your water or sewerage services as a result of the Coronavirus outbreak, or not?



Base: All participants responding (223) 16-30 April 2020. An asterisk indicates a percentage figure which is less than 0.5%, but greater than zero.

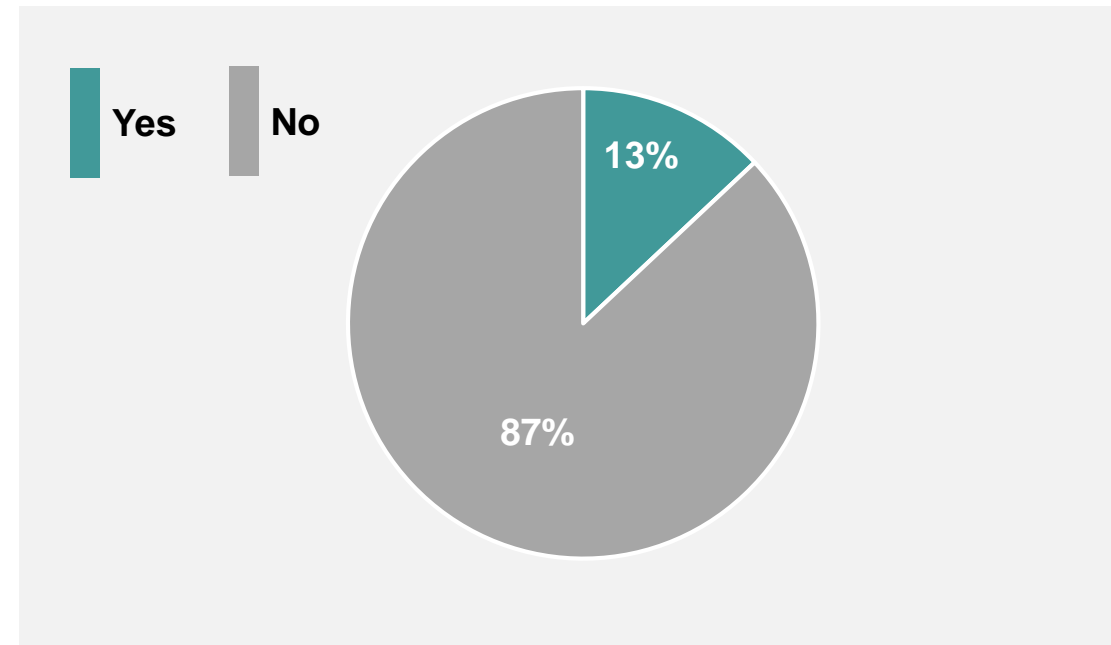
Awareness of support for self-isolating or vulnerable customers

Are you aware, or not, of any additional help or support with your water and sewerage services that your water company can offer to individuals or households who are self-isolating or in a vulnerable or “shielded” group?* *[Open-ended question]*

Although just over four in ten participants (41%) are self-isolating or in a vulnerable or “shielded” group, most participants could not suggest any forms of help or support before being given information about this. Those that did respond (comprising some who are self-isolating or vulnerable, and some who are not) suggested the following:

- Help for people who have difficulty paying their bills/vulnerable customers (3 participants).
- Deliveries of free bottled water to the home (2 participants).
- Advice available online (1 participant) and by email from the water company (1 participant).

Customers who need to self-isolate and/or who are in a vulnerable or “shielded” group can register with their water company for bottled water to be delivered to their household if their water supply is disrupted for more than a few hours. Before completing this survey, were you aware of this, or not?



**Participants were asked the above open-ended question before being asked whether they were aware of bottled water provision for self-isolating or vulnerable customers whose water supply is disrupted.*

Base: All participants responding (224) 16-30 April 2020.

Ipsos MORI



Expectations of support for all customers if water supply or sewerage services are disrupted

Currently, if the water supply or the sewerage services to your household were disrupted for more than a few hours, what help, if anything, would you expect from your water company?
[Open-ended question]

Participants' expectations:

- **Normal service provision**, aiming to resolve the issue as soon as possible, but understanding there **may be delays** due to the pandemic.
- Deliveries of **bottled water**, a **standpipe** and potentially **hand sanitiser** if tap water supply is interrupted.
- **Communication from the water company** about the cause of the issue, what is being done to resolve it, over what timescales, advance notice of when water supply may need to be switched off and information about whether any precautions need to be taken by customers.
- Participants expect communications to be via **email, telephone, text message and/or online**.

“ I would expect any disruption to be dealt with as normal but would **allow extra time** for delays due to stretched resources.”

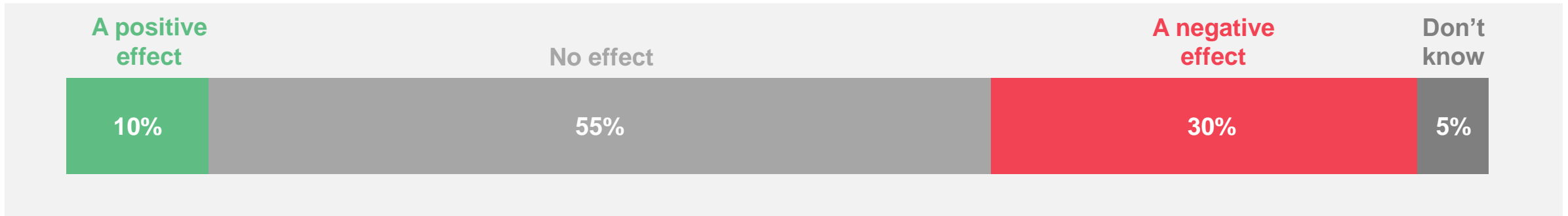
“ **Deliveries of water** if the disruption was for too long, or deliveries of **hand sanitizer** to help with cleaning of hands while there is no water.”

“ Being kept informed as to the **steps being taken** to rectify the issue and being given a **time frame** in which the problem would be fixed.”

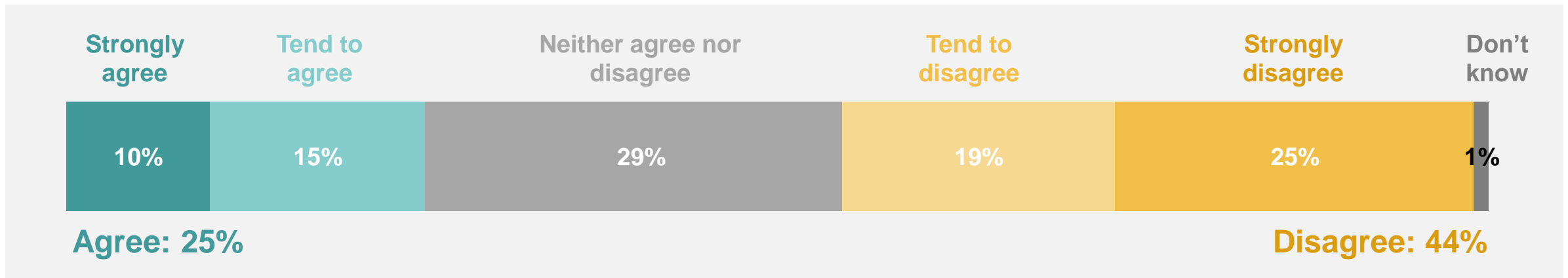
**Participants were asked the above open-ended question before being asked whether they were aware of bottled water provision for self-isolating or vulnerable customers whose water supply is disrupted.*

Financial impacts of COVID-19

Coronavirus has some negative effects on some people's finances – e.g. reducing their income – and positive effects e.g. reducing their travel costs. How about you? Overall, what effect has Coronavirus had on your personal financial situation? Has it had...

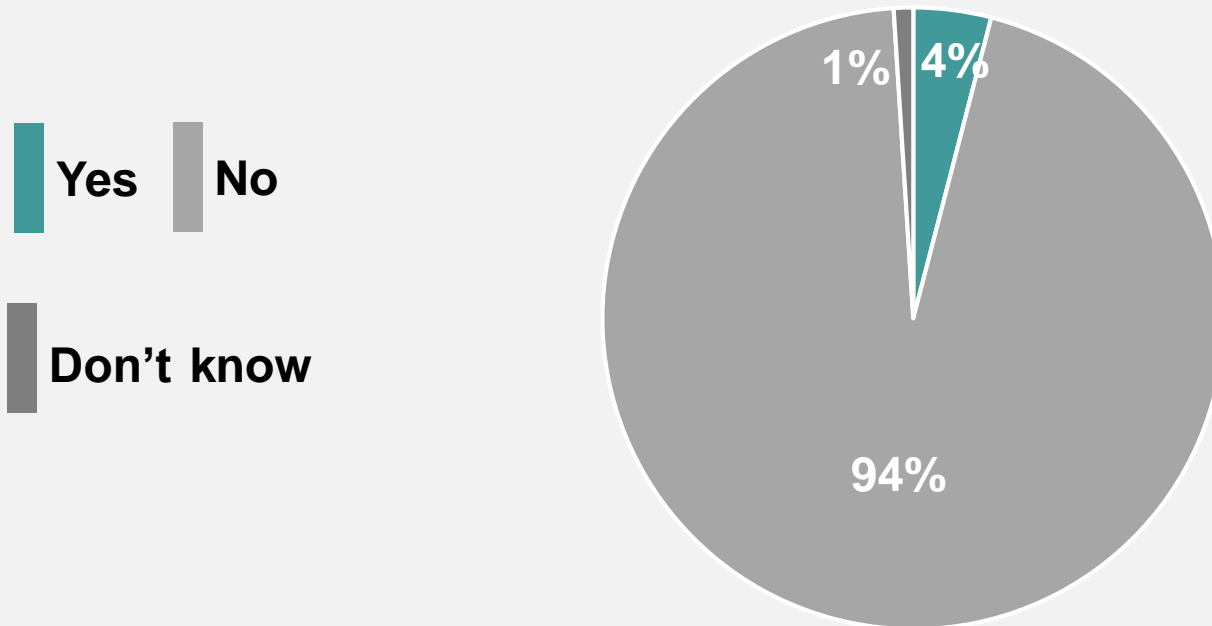


To what extent do you agree or disagree with the following statement? I am more worried about paying my water and sewerage bills than I used to be because of the impact of Coronavirus on my financial situation.



Contact with water/sewerage companies about bills due to COVID-19

Have you contacted your water or sewerage company for support with your water and/or sewerage bills as a result of the Coronavirus outbreak?

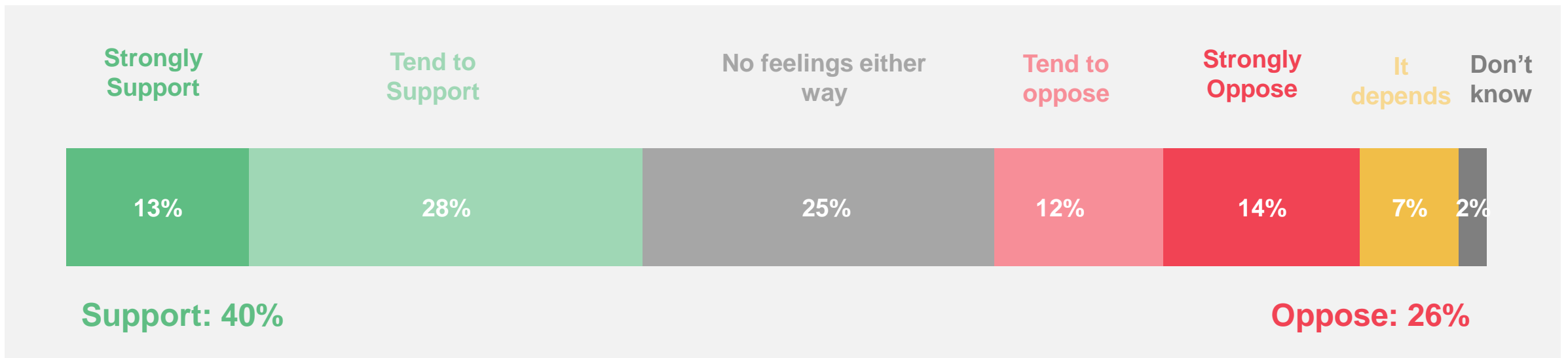


All of the 10 participants who had contacted their water company about their water/sewerage bills received the support they needed.

Base: All participants responding (224) 16-30 April 2020.

Support and opposition towards a financial hardship scheme

To what extent would you support or oppose an increase in the amount all customers contribute through bills in future years in order to give help to those who need it? Please assume this is an increase of around £2-3 added to your own household's annual water bill.*



*Full question text: Water companies have schemes to help households facing financial hardship by reducing their water bills. These schemes are mostly funded by adding a small amount extra onto all customers' bills each year and existed before the Coronavirus outbreak. Coronavirus might mean that more customers find it harder to pay their water bills. If this were the case, in principle, to what extent would you support or oppose an increase in the amount all customers contribute through bills in future years in order to give help to those who need it? Please assume this is an increase of around £2-3 added to your own household's annual water bill.

Reasons for support and opposition towards a financial hardship scheme

Participants who supported the proposal focused on the additional contribution being a small amount.

“ Strongly support

I know that I can afford my bills and that there are many people who are much less able to so a few pounds added to my bill will hardly be noticed.”

“ Tend to support

I think I can afford 2-3 GBP in my annual bill and this won't be a burden on me. If this small addition could help those who're struggling to pay their bills then I'm glad my money is going [to the] right people.”

Participants who said 'it depends' or had no feelings either way tended to want more details about who would be entitled to such a scheme and for how long it would last.

“ It depends

In the short term, fine; but then I'd expect the bills to reduce again once the crisis is over. Although I'm not destitute, I'm not made of money either.”

“ It depends

It depends on the different circumstances of the people in need.”

Participants who opposed the idea tended to say that they already found it hard to pay their own water bills, and that water companies rather than consumers should contribute more.

“ Strongly oppose

I live on state pension and a little benefit so could not afford any increase.”

“ Tend to oppose

Water companies should be supporting those who have difficulties and not expect the rest of their customers to pay.”

Activity insights (1): Actions taken as a result of COVID-19, concerns, awareness and expectations of support for customers

- **Just over four in ten participants (41%) were staying at home** at the time they responded to the survey because they – or someone else in their household – were self-isolating or in a vulnerable or “shielded” group.
- **Top actions participants have started doing more often as a result of concerns about Coronavirus** are washing hands (83%), only leaving the house for essential trips or exercise (75%), cleaning the home (51%) and using hand sanitiser (49%). As well as washing hands and cleaning, some are also doing other activities more often that involve using water, including washing laundry (37%), using the dishwasher (17%) and stocking up on bottled water (9%).
- **Over the coming weeks, around one in five expect to buy more alcohol (20%), more bottled water (20%) and more food (19%).** But while some anticipate buying more of each of the products listed, others think they will buy *less* of these products.
- Less than half of participants had new concerns about their water and sewerage services since the Coronavirus outbreak. Those who did, mentioned **delays to repairs** due to staff being unavailable, **problems with water supply** due to increased demand, **Coronavirus entering the water supply**, and **higher household water bills** (these concerns were held broadly equally across participants).
- **Few had contacted their water company about their service as a result of the Coronavirus (5%),** and nearly all got the support they needed.
- Although over four in ten participants (41%) are self-isolating or in a vulnerable or “shielded” group, **most could not suggest any forms of support** for these customers. Those who did respond suggested help with bills, bottled water deliveries and advice from water companies. When told customers who are self-isolating or in a vulnerable group can register for **bottled water** deliveries if their water **supply is disrupted**, **13% were aware of this.**
- When asked about their **expectations of support for all customers if supply is disrupted**, participants said they expect some delays to ‘normal’ service; provision of bottled water, standpipes and hand sanitiser; information from the water company (especially about timescales for resolving the issue); and they expect communications via a mix of channels.

Activity insights (2): Financial impacts of COVID-19 and views of a potential financial hardship scheme

- The **financial impacts of the Coronavirus outbreak vary across customers**. Over half (55%) say Coronavirus has had no effect on their personal financial situation, and 10% say it has had a positive effect.
- However, for **three in ten (30%)**, the pandemic has had a **negative effect on their personal financial situation**, and a **quarter of participants (25%) are more worried about paying their water and sewerage bills** than they used to be because of the Coronavirus outbreak.
- Few have contacted their water or sewerage company for support with their water or sewerage bills as a result of Coronavirus (4%), and all 10 of these customers say they received the support they needed.
- **More customers support than oppose the idea of a financial hardship scheme** (40% vs. 26% respectively). Among those who oppose the idea, a greater proportion *strongly* oppose (14%) than those who *tend to* oppose (12%).
- Reasons for opposition focus on customers' own ability to pay an extra £2-3 added to their annual water bill, and the belief that water companies should fund this themselves. Meanwhile, a quarter have no feelings either way (25%), and some are unsure – nearly one in ten say 'it depends' or 'don't know'.
- This suggests the idea may be contentious for some, and gaining customers' support may depend upon the conditions and exact form the hardship scheme may take, and the information about it which is conveyed to customers. This may warrant further exploration to understand customer views in more depth in the future.

COVID-19 Households: Responses and key demographics

- **Invited to take part:** all registered community members.
- **Activity dates:** 16-30 April 2020.
- **Responses:** 225 members participated, representing 36% of *WaterVoice* members in Window Three.
- **Incentive:** prize draw entry for ten £20 Amazon vouchers.

Low base size: percentage figures should be treated as indicative only.

*Based on bill payers in England and Wales

**Based on number of participants as a percentage of all those taking part in this activity

	Quotas	% Population Incidence*	Number of participants	% participants**
Age	18-29	4%	4	2%
	30-44	19%	41	18%
	45-59	36%	92	41%
	60-74	27%	79	35%
	75+	14%	9	4%
Gender	Male	47%	102	45%
	Female	53%	123	55%
	In another way	-	-	-
Tenure	Owner occupier	65%	163	72%
	Renter	35%	62	28%

COVID-19 Households: Responses by water company

Water Company	Number of participants	% participants
Affinity Water Central	7	3%
Affinity Water East	7	3%
Affinity Water South East	12	5%
Anglian Water Services Ltd	16	7%
Bournemouth Water Plc	4	2%
Bristol Water Plc	8	4%
Cambridge Water Company Plc	1	0%
Dŵr Cymru (Welsh Water)	12	5%
Essex & Suffolk Water	12	5%
Hafren Dyfrdwy	1	0%
Hartlepool Water Plc	0	0%
Northumbrian Water Ltd	16	7%
Portsmouth Water Plc	2	1%
SES Water Plc	1	0%
Severn Trent Water Ltd	17	8%
South East Water Plc	15	7%
South Staffs Water Plc	10	4%
South West Water Ltd	15	7%
Southern Water Services Ltd	8	4%
Thames Water Utilities Ltd	13	6%
United Utilities Water Plc	20	9%
Wessex Water Services Ltd	15	7%
Yorkshire Water Services Ltd	13	6%

*Low base size:
percentage figures
should be treated as
indicative only.*

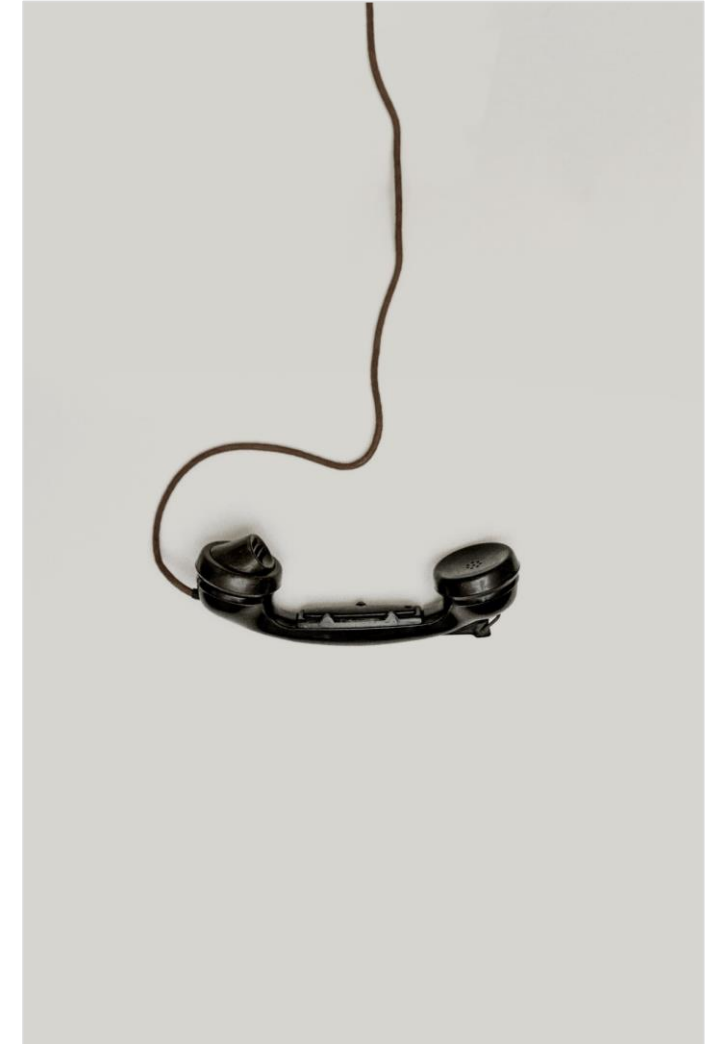
COVID-19 and its impact for you and your business

Activity aims & questions asked

This activity comprised three in-depth telephone interviews with WaterVoice members who manage water bills for a business. Interviews were conducted between 7-14 May, spanning the first phase of Government instructions ('Stay Home') and the second phase ('Stay Alert').

The interviews aimed to explore some of the challenges that different types of businesses may face during the pandemic, and the concerns or questions they may have about their water services. Findings are illustrative and not representative in any way. Participants were asked questions on the following topics:

- **The type and size of business they manage bills for**, their role in the business, the number of sites managed, and how the business uses water and sewerage services.
- **How the business is operating during the pandemic**, for example a 'business as usual' approach, reduced operations or full closure (temporary or permanent).
- **How the business' finances have been impacted by the pandemic.**
- **Concerns about water and sewerage services and/or bills** because of the pandemic.
- **Expectations and experiences of support received from water retailers.** Do they know what they should do and how they are protected if they cannot pay their bills, or if they temporarily close? Have their water retailers been in contact?



Business profiles

Business types

Pizza take-
away &
restaurant



Art
auctioneer



Site of self-catered
accommodation
cottages

- Two participants **owned and ran the business** with their spouse or on their own. The other worked as a **senior manager** in charge of accounts and logistics.
- Businesses ranged in size from 1-20 employees.

Importance of water and sewerage

- Water and sewerage were important to each of the businesses. For two, water had added importance due to the nature of the trade. The self-catered accommodation company could not offer homes without these **basic services** running, and the pizza restaurant could not **maintain staff and food hygiene** in the kitchen without it.



We use it for cooking... We need it for washing hands, for washing food, when people need a [toilet] break. Without it, it wouldn't work. It's very very important."



I've got three hot tubs, so water quality is pretty imperative. And obviously, no house if no water, so no income. So pretty critical. But we have our own bio-digester so don't have any sewage, so that's all private/independent."

- For all three businesses, water and sewerage bills comprised **a fairly small proportion of their total business costs**.

Impact of COVID-19 on businesses

Participants described the three different scenarios their businesses were in:

Business A

The business had **ceased to operate completely** during the pandemic. They had no way to adapt and work around the situation due to the nature of their business.

The business currently had **no income at all**.

They were currently **not using any water** on site.

“*Total [impact on finances]. No income at all.*”

“*It's the same. People got to eat still! Especially when people are isolating... It gets monotonous and boring.*”

Business C

The business had **continued as normal** with little to no impact on demand (although the participant was shielding at home). The business was **using its typical amount of water**, to meet staff needs and hygiene levels.

The only indirect impact on the business was an increase in prices in the supply chain since the coronavirus outbreak.

Business B

The business was **operating, but in a significantly reduced way**, and had stock maintenance requirements that needed to continue.

There had been a **significant impact on business income**, with auctions and high value deals being cancelled. However, the pandemic followed a successful period and the business **has a cash buffer** that will protect them for a short period (6-12 months), and some minimal online activity is providing income for the company.

They were **using minimal water** on site to meet the needs of their staff who were continuing to visit the site for these duties.

“*A number of deals been withdrawn [...] The value of any sale ranges from thousands to millions. There's disruption to shipping and borders are closed. More than 80% of our customers are based outside of the UK. There is quite a lot of pressure on cash flow and survival of the business beyond 12 months.*”

New concerns about water services and bills

Concerns about services

- **Availability of support staff and engineers:** A participant explained that before the pandemic, the business site had suffered a leak and a burst pipe, but their water retailer had responded quickly and resolved the issue. They worried that if a similar issue occurred during the pandemic, the same level of support may not be available for an urgent issue.
- **Water quality and safety:** One participant was concerned about the safety and quality of the water she provides for her guests – particularly due to increased risk of legionnaires disease in hot tubs that have been switched off during lockdown.

Concerns about bills

- **Anticipating difficulties in the near future:** A participant whose business has good cash reserves but interrupted income was confident they can pay bills in the next 6-12 months, but worried they may not be able to for longer than this if business does not resume to normal levels.
- **Uncertainty about contracts with retailers:** Participants were unsure about upcoming contract renewals that they will need to commit to for a further 12 months. Specifically, they were unsure whether there may be changes to the cost (or additional charges) and terms and conditions of new contracts.

“ [I’m worried about] *an accelerated risk of legionnaires because the hot tubs have been switched off. So in terms of using the water there is an increased risk of the virus transmitting from the hot tubs.*”

“ *The main concern for us is our liquidity and whether we can pay all the invoices within the credit terms. We may look into asking the suppliers to defer invoices and bills if they can, but we haven’t come to that stage yet. [...] We have some cash reserves at the moment, but at the same time we have huge bills for storage, transportation and logistics matters, so we don’t know what will happen in 12 months’ time.*”

Suggested forms of support from water retailers during the pandemic

What can/should water retailers do to help business customers during the pandemic?

- **Provide a transparent estimate for the total cost of bills for the next 12 months:** Participants would like the provider to be “upfront” with estimated bills, charges and terms of the contract for the next 12 months so they can plan more easily during financial recovery.
- **Offer a ‘goodwill gesture’ in the form of a discount or cash back:** A participant referred to a car insurance company that made the news for paying all customers £25 cash back every month due to a lower need for their services. They felt this could be relevant for businesses no longer using much water.
- **A helpline to call the retailer if business customers need financial support or service support:** Participants suggested retailers could email customers to inform them of the helpline and support available.
- **Information about water quality, water safety and transmission of viruses:** A participant said they would like to see an analysis of the quality of the water that is supplied to them, claiming the information they wanted “is just not there”.

“Because we are [on] reduced staff there is reduced consumption of water, and we would appreciate such a gesture of goodwill from our provider, but if they don’t do it we understand.”

“[Information about] transmission of water borne viruses; any risks, safety precautions. Advice and guidance on maintaining a safe water supply would be really useful.”

“Maybe lower prices a bit, that’s about it. I wouldn’t say a huge amount, but every little helps, possibly by 2% or something.”

Experiences and awareness of support from water retailers

Experiences of support from water retailers

- **Two participants had not received any communications or information** from their retailer about COVID-19. They did not feel this was a problem, nor did they expect their retailer to reach out to them unprompted.
- One participant had received **frequent update emails** from their retailer which included **references to support for businesses** that could not pay bills. The retailer had also informed customers early on that they were running a reduced support service, asking that customers use online support tools rather than calling support centers.

“ In the email in April there was a section related to Coronavirus and they said support is available if you can't pay your bill and provided a link to the form... After that we had a few newsletters... saying they are running limited services... I think from a frequency point of view, it's not every day, it's once a week, which is very much acceptable.”

Awareness of support for business customers during the pandemic

- Participants had **not seen clear information on what they should do if their business temporarily closes, is using less water, or cannot pay its bill.** However, two of the three participants felt fairly confident they would know what to do regardless, and would quickly contact their retailer to make them aware of any of these situations.
- **One participant had recently looked for similar guidance on the Ofwat website but could not find any clear options** for business customers. The information he found was tailored to household customers. As he was just browsing rather than actively seeking a solution, he did not look further than that.
- One participant said she would not know what to do or what help was available in any of these situations, and that she had not seen or received any information about this.

“ They haven't [made contact]. I hadn't really thought about whether I would expect this.”

“ I haven't heard about what to do, it's just the logical thing to do.”

Activity insights

- The three interviews illustrate a **range of experiences** across different types of businesses during the pandemic. Reasons for water use – and the extent to which water supply is ‘business critical’ – varied across interviews. For some businesses, water services were essential for the business to maintain safety and hygiene standards, for example.
- Two businesses had **significant or complete interruption to revenue** because of the pandemic, and for all of the businesses interviewed, water and sewerage bills made up a small or fair proportion of the total business costs.
- Some participants had **concerns about their ability to pay bills in the future**. They also referred to upcoming contract renewals with retailers, and were unsure of the costs and terms they will be committing to for 12 months. Concerns about water services focused mainly on **water quality and safety**, and the **availability of maintenance staff** from water companies in the event of a leak, for example.
- Participants would like retailers to provide a **transparent estimate for the terms and total costs** of upcoming contracts so that they can better plan during the process of financial recovery. Some suggested that retailers offer a **reduction in standing charge** and that retailers operate a **helpline** for businesses to call if they have questions or cannot pay a bill. One participant asked for more **information** about water quality, water safety and virus transmission through water.
- Awareness of support and information for business customers was low – participants had not seen specific information about what they should do if their business temporarily closes, uses significantly less water or if they cannot pay the water bills. However, some were confident they would know what to do in these situations, and one had received more general COVID-19 updates from their water retailer.

Helping customers who are struggling financially

Activity aims & questions asked

This activity used a sequential board* to ask participants about the best ways of helping customers who are struggling financially.

Participants were asked a mix of open-ended and closed questions on the following topics, structured into blocks:

- Where participants would be most likely to go for help and advice if they were struggling to afford their household utility bills, and reasons for this.
- Awareness of debt advice services (before reading a description of the role of debt advice services and utility providers in supporting customers needing help and advice with their bills).
- Participants' likelihood of going to a debt advice service, their water company or somewhere else, if struggling to pay their water bill (before and after learning about what debt advice services and utility providers may do to help), and reasons for this.



*See slide 3 for more information about activity types.

Primary sources of help and advice if struggling to afford bills

Firstly, we'd like you to imagine that you are struggling to afford your household utility bills, for example your water, energy or broadband bills. Where would you be most likely to go first for help and advice?*

- A large majority of participants would contact their **service provider** first (as well as their other utility providers).
- Many would turn to **Citizens Advice / a Citizens Advice Bureau**.
- A small number would turn to their **family** for help first.
- One participant mentioned their **bank**, and one mentioned **CCW**.

“ Depending upon the bill which is most urgent I would initially contact the provider... and hopefully come to some viable agreement on payments. I understand that most utility providers, for example, do have provision in place for anyone who is struggling.”

*This was the first question asked to participants, with no other prompting, and it was asked as an open-ended question (no response codes provided).

“ I would contact each individual company that provides me a utility to make the aware that I am struggling financially to see if they are able to help.”

“ To the company, to discuss a way of being able to pay without losing the services.”

“ Citizens' Advice Bureau... Because I would trust them.”

“ I would probably go ask my son for help. It's no good going to the companies because they are not willing to help.”

“ I think I would try contacting each organisation individually to ask if they could put a hold on any charges, give me a payment holiday etc. Then I would try services like CAB to see what they can offer in the way of advice and support.”

Other sources of help and advice if struggling to afford bills

And where else might you go for help and advice?*

- Many of the participants who would contact their **service provider first** said they would then turn to **Citizens Advice**, or vice versa.
- **Friends and family** were also common responses, both for general advice and monetary support.
- Other sources of help and advice mentioned were:
 - Searching **online**, including looking at **money advice websites, debt advice services, MoneySavingExpert.com** or similar websites
 - Asking **Amazon Alexa**
 - A **consumer watchdog**
 - Contacting **local government**
 - Seeing what **benefits** they might be entitled to
 - Taking out **a loan** / going to the **bank**
 - Turning to **charities**

“ In case of further need I would turn to a service such as the Citizen’s Advice Bureau for help and more information.”

“ Citizen’s Advice maybe for any general advice they could give or explain what I might be entitled.”

“ I might ask friends, or I might try looking online.”

“ I would search online to see what help I could source, maybe from debt advice services or from Money Saving Expert or similar sites.”

“ I wouldn't look anywhere else unless I really do have to pay all at once, then I may look at getting a loan to pay it.”

*This was the second question asked to participants, and it was asked as an open-ended question (no response codes were provided).

Reasons for choosing these sources of help and advice

- Many participants explained that the sources they mentioned were **trustworthy and offer reliable and helpful advice**. These responses tended to be given regardless of the different sources named in the previous questions.
- Many who had mentioned their **service provider** as a source of help and advice felt the company would be in the **best position to help** – this seemed a logical source to go to.
- Some also believed service providers have a **responsibility to help their customers**.
- A few participants thought it was better to go to an **external source for impartial advice first** (such as a Citizens Advice Bureau) before going to their service provider, so they could be prepared before making contact.
- Conversely, some felt external sources would only be an option if the water company was unhelpful.

“ [CAB and money advice sites] *I trust all of these sources so I wouldn't be wary of the advice and information they would provide me with.*”

“ [CAB and money advice sites] *They are general sources of information and help... so I could go armed with the correct information to my utilities providers.*”

“ [Service provider] *I would want to go somewhere that I trusted and that I could feel would give me reliable advice.*”

“ [Service provider] *They are the ones most concerned with the issue.*”

“ [Service provider] *They can help with letting you defer payment for 3 months.*”

“ [Service provider] *Big companies have a responsibility to help struggling customers.*”

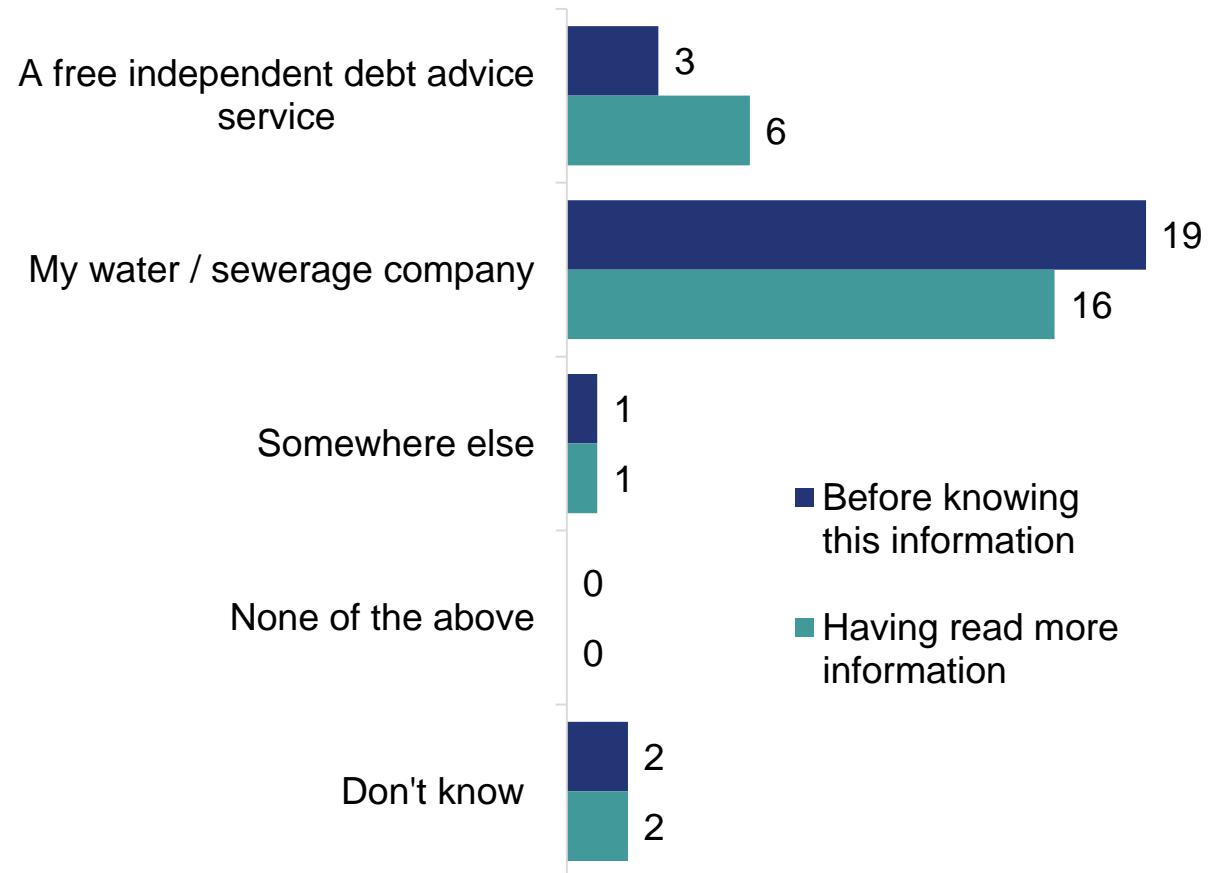
Informed preferences between debt advice services, water companies or other sources of help and advice

Before reading the below description, **around half had heard of debt advice services**, and around half had not.

Debt advice services are independent organisations and charities that can look at someone's overall financial situation, including the debts they may have. They give free and independent debt advice. Examples include Citizens Advice, the Money Advice Service, StepChange Debt Charity and National Debtline. Utility service providers – such as your water company – focus on the specific debt owed to them (for water and sewerage services) if a customer contacts them for help or advice. Sometimes water companies refer people to free, independent debt advice services, depending on their situation. It may take longer for these organisations to look across several separate debts than it would for a water company to respond to a customer about help for a specific debt for water services.

Base: All participants (25) responding 30 April-7 May 2020. Figures (n) rather than percentages are presented due to the small base size.

Before knowing this information / having read more about the different options, where would you have been more likely to go first for help and advice if you were struggling to pay your water bill?



Reasons for informed preferences between debt advice services, water companies or other sources of help and advice

- Many say they would go to their **water or sewerage company first**, and this did not change after reading about debt advice services. They felt this was the better option since the water company is the organisation they would need to pay, and they believed they would be **most able to help**.
- Participants who **changed their mind** after reading more information did so upon learning they would **not have to pay for the advice**.
- Some also felt an independent organisation might be more likely to **put your needs ahead of the water company**.
- Some said they would **always go to a free independent debt service advice**, because they wanted **impartial** and **objective advice** before acting.
- One participant stated before and after reading the information that they would go somewhere else for advice – their **family**. They explained that **informal loans** from a family member would be **interest free** and **would not affect your credit rating**.

“ I think it is best to go to the organisation that you owe money first and try to work with them. If that doesn't work you have a back-up plan of the advice services. You also need to ensure that the organisation you owe money to is kept informed and the sooner you do that the better.”

“ The company needs to know first if you have any financial problems so they could then refer you if necessary.”

“ Using a free impartial third party they are more likely to give you the right advice for you, not the provider.”

“ Free advice, makes sense to use them.”

“ [I] always prefer advice from independent sources first.”

Activity insights

- For most participants, the **primary source of help and advice** they would turn to if struggling to afford their household utility bills would be their **service provider**. This seems a **logical** place to start, the company would be in the **best position** to help – for example by offering payment holidays – and may even have a **responsibility** to help customers. This reasoning was the same when participants were asked about their water or sewerage company specifically (as opposed to their household utility providers in general).
- **Citizens Advice** was the second most common spontaneously cited source of help for bills in general. Participants explained they might use this service to seek **impartial, independent, objective** and **trusted** advice. Some pointed out this may be useful to explore before contacting a utility provider.
- **Around half** of participants had **heard of debt advice services**. In general, reading the information provided did not change participants' preference of where to go first for help if struggling to pay their water bill. **Most would go to their water or sewerage company first**, and this did not shift much after finding out more information about the role of each.
- Many participants would seek other sources of help and advice for support with bills in general, including friends and family, banks, charities and online sources of money or debt advice.
- **Trust and good quality, reliable advice are important factors in determining who customers turn to for this information**. A smaller group seem less trusting of service providers in general, opting to get free advice and information from independent organisations first. This highlights the importance of water companies being seen by customers as trusted sources of information, and clearly conveying how they can help their customers with bills (and many were aware of this information).

Helping customers who are struggling financially: responses and key demographics

- **Invited to take part:** all registered community members.
- **Activity dates:** 30 April – 7 May 2020.
- **Responses:** 37 members participated, representing 6% of *WaterVoice* members in Window Three.
- **Incentive:** prize draw entry for ten £20 Amazon vouchers.

	Quotas	% Population Incidence*	Number of participants	% participants**
Age	18-29	4%	0	0%
	30-44	19%	10	27%
	45-59	36%	16	43%
	60-74	27%	11	30%
	75+	14%	0	0%
Gender	Male	47%	14	38%
	Female	53%	23	62%
	In another way	-	0	0%
Tenure	Owner occupier	65%	28	76%
	Renter	35%	9	24%

Low base size: percentage figures should be treated as indicative only.

*Based on bill payers in England and Wales

**Based on number of participants as a percentage of all those taking part in this activity

Helping customers who are struggling financially: responses by water company

Water Company	Number of participants	% participants
Affinity Water Central	1	3%
Affinity Water East	1	3%
Affinity Water South East	1	3%
Anglian Water Services Ltd	6	16%
Bournemouth Water Plc	0	0%
Bristol Water Plc	0	0%
Cambridge Water Company Plc	0	0%
Dŵr Cymru (Welsh Water)	3	8%
Essex & Suffolk Water	2	5%
Hafren Dyfrdwy	0	0%
Hartlepool Water Plc	0	0%
Northumbrian Water Ltd	0	0%
Portsmouth Water Plc	1	3%
SES Water Plc	0	0%
Severn Trent Water Ltd	1	3%
South East Water Plc	4	11%
South Staffs Water Plc	3	8%
South West Water Ltd	1	3%
Southern Water Services Ltd	0	0%
Thames Water Utilities Ltd	2	5%
United Utilities Water Plc	4	11%
Wessex Water Services Ltd	2	5%
Yorkshire Water Services Ltd	5	14%

*Low base size:
percentage figures
should be treated as
indicative only.*

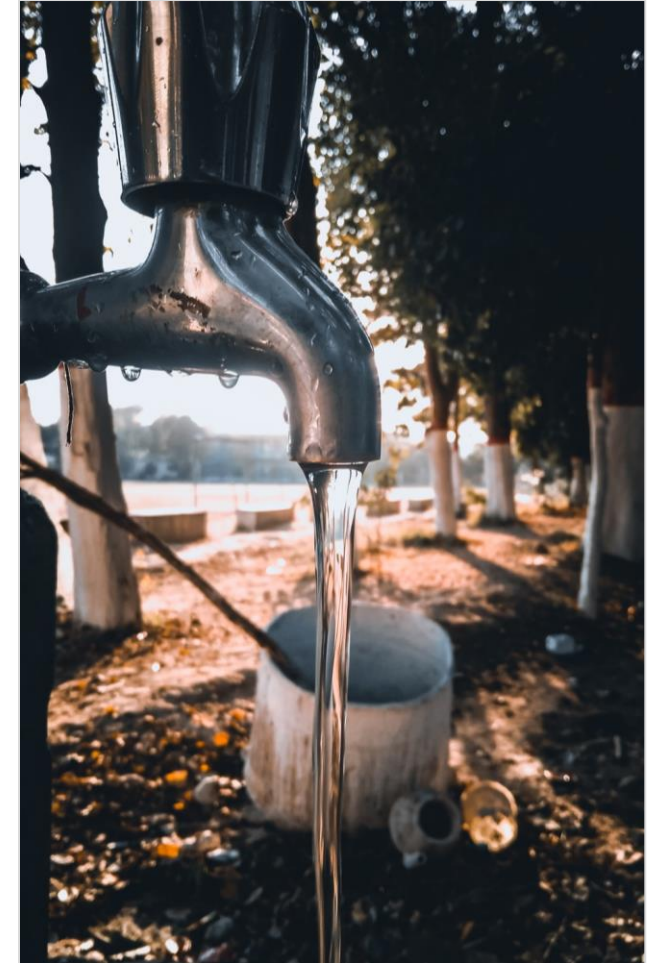
How should water and sewerage companies use additional profit?

Activity aims & questions asked

This survey asked participants about how water companies should use any additional profit that they make. The activity explained how Ofwat sets the level of prices that water companies can charge, and how companies can sometimes make more profit than is expected (for example if they deliver their services more efficiently by using new technologies, or their costs are lower than Ofwat assumed).

Participants were asked questions on the following topics after being presented with this information:

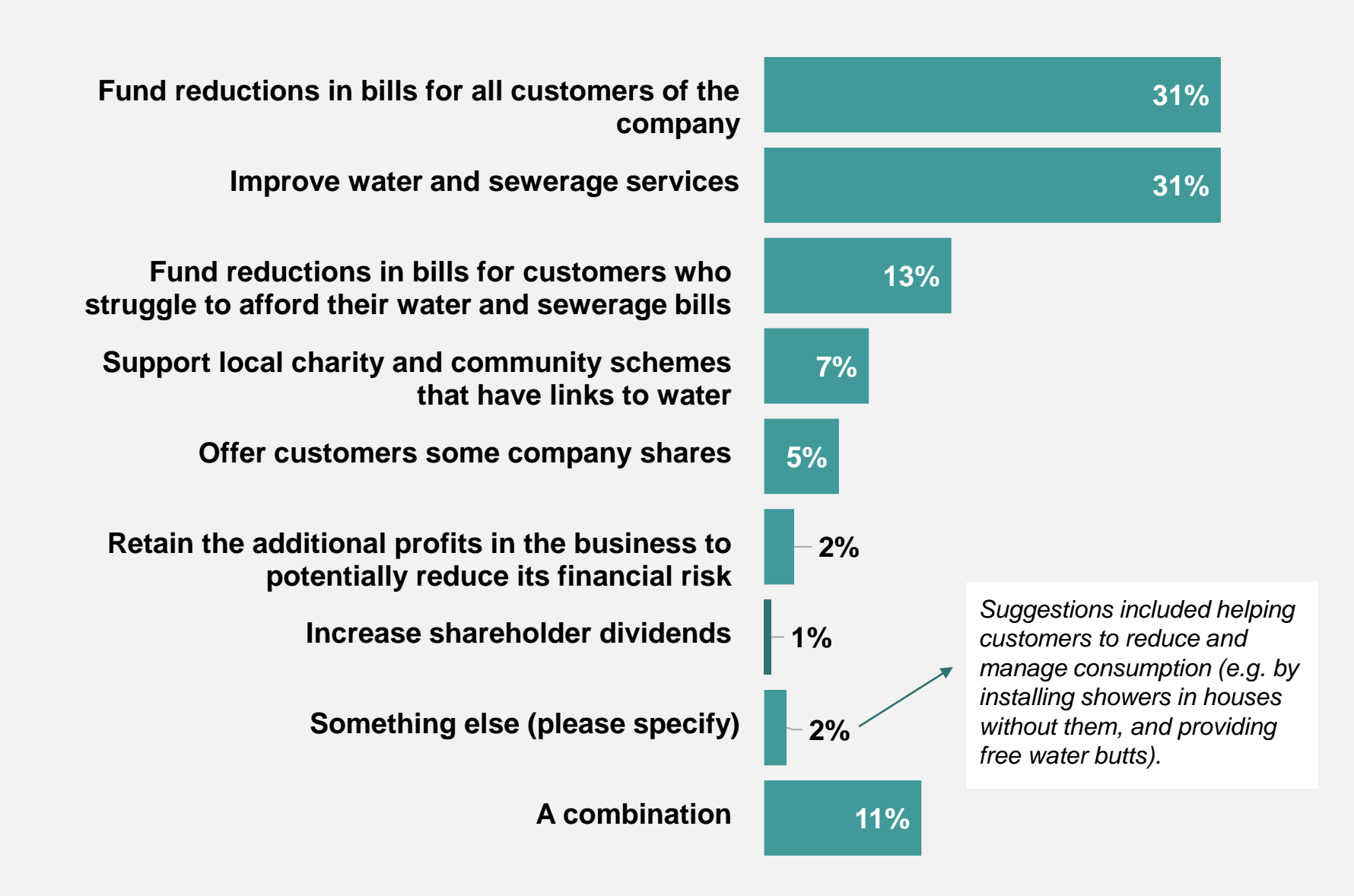
- **What they would like water companies to do with additional profit:** participants chose from a list of options, or detailed their alternative suggestions. Some indicated they would prefer a combination of the options.
- **Why they think this is the best approach:** participants selected from a list of reasons, again with the opportunity to suggest another reason.
- **Whether they feel customers should have a say in the decision** of what water companies do with any additional profit.
- **Whether they would like to be informed of these decisions** and if so, how.



Preferred use of additional profit

Which one of the following would you prefer your water or sewerage company to do with the additional profit?

I would prefer my water or sewerage company to use the additional profits to...



Preferred use of additional profit: preferences for combinations of options

And which of these would you prefer your water or sewerage company to combine?

Eleven per cent of participants would prefer their water company to take a combination of options for using additional profits. The options they would prefer to be combined were:

- Supporting local charity and community schemes that have links to water (15/21 participants)
- Funding reductions in bills for all customers of the company (15/21 participants)
- Improving water and sewerage services (11 participants)
- Funding reductions in bills for customers who struggle to afford their water and sewerage bills (7 participants)
- Offering customers some company shares (6 participants)
- Retaining the additional profits in the business to potentially reduce its financial risk (3 participants)

These participants gave a preference to combine between two and five options (about half selected two). There is **no clear pattern in the preferred combinations**. For example, many of those with a preference to combine options that would benefit customers directly (for example via reductions in bills or offering company shares to customers), also selected options that would direct additional profits away from customers (for example supporting local charity and community schemes, or retaining the additional profits in the business).

Preferred use of additional profit

Why would you prefer your water or sewerage company to use any additional profits in this way?

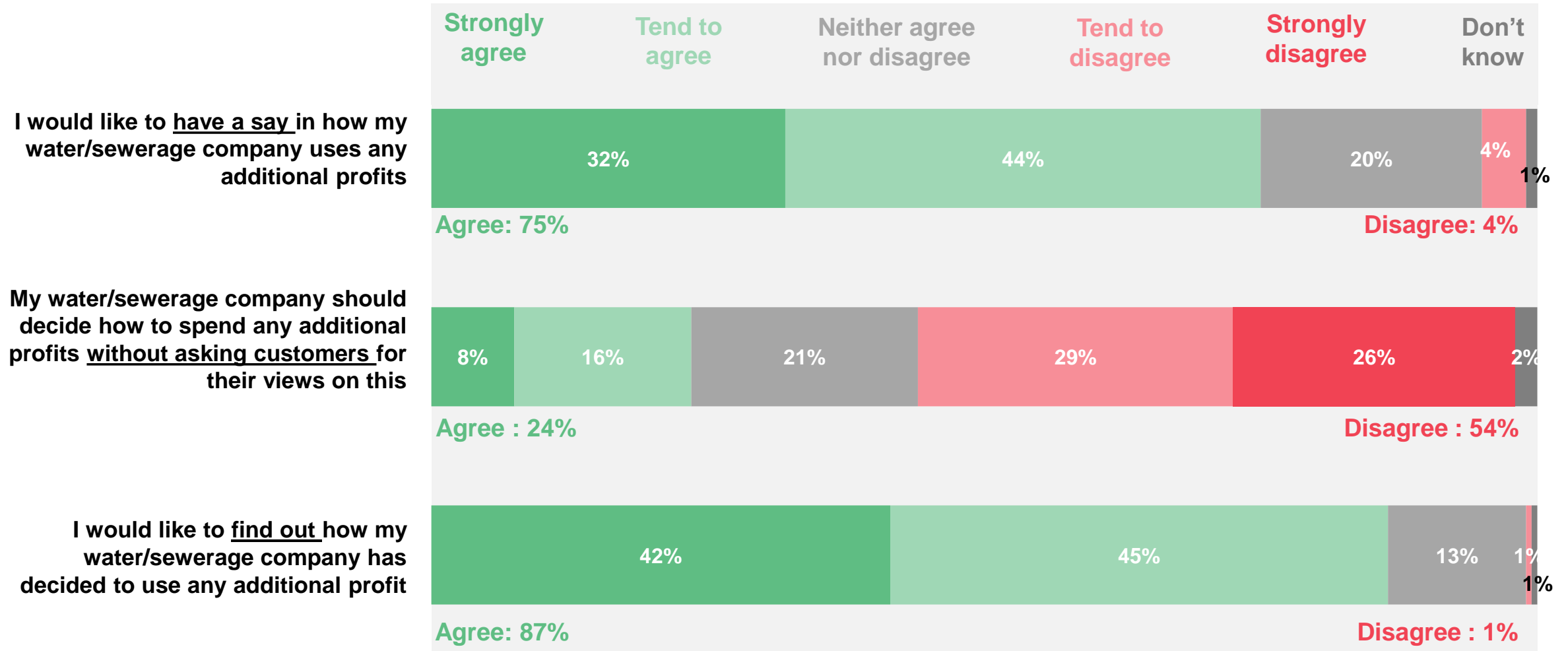


Base: All participants responding (200) 30 April – 7 May 2020.

[Participants could select more than one option].

Making and communicating additional profit decisions

To what extent do you agree or disagree with each of the following statements?



Finding out about use of additional profit

And how would you like to find out about how your water company has decided to use any additional profit?

- Most (87%) would like to find out how their water or sewerage company has decided to use any additional profit.
- Of these, most would like their water company to keep them informed of decisions via **email or a letter**.
- Suggested formats included a **report or newsletter** shared annually or every 6 months, a letter accompanying customer **bills**, a summary of the information incorporated into the bill or an **infographic**.
- Some felt that the decision and a breakdown of the allocation of additional profit should be made available on the water companies' **website**.
- Several suggested publicising the information in a **local newspaper**, to save the costs of mailing all customers, and to reach 'offline' customers.
- A couple of customers would prefer a **customer vote** to have an say on the decision, either by an online poll or at a public meeting or AGM.

“Customers should be told how money is going to be spent before it happens.”

“I would like to see the information by letter, public meeting and by email. This way every customer should be able to see what is happening. I would love to see us being able to have a customer vote at the AGM, that gives us a small say [in] how we would like a percentage of the profits being spent.”

“Direct emails including infographics that are easy to understand so all customers can see the results.”

“Downloadable information along with my water/sewerage bill.”

“... They should send letters to customers with... what they intend to offer everyone from the profits, with the customers voting [for] what to support.”

Activity insights

- Participants' views on how best to spend additional company profits are fairly mixed. Equal proportions would prefer additional profits to be spent on **funding reductions in bills for all customers** (this 'reduction' was not quantified) and **improving water and sewerage services** (31% for each).
- **Measures delivering benefits directly to customers** are generally preferred over those which would not do this. This is also reflected in the reasons given by participants for their choices – over two in five think water companies should always prioritise improving their services (43%) and nearly as many think companies should prioritise reducing bills for everyone (40%). Although only 13% would prefer their company to reduce bills for customers who struggle to pay them as their *top* choice (again, the reduction was not quantified), 29% say this is the right thing to do.
- Just over one in ten participants (11%) would prefer a combination of measures. The most popular options to combine with other measures were supporting local charities and funding bill reductions for all customers (although there was no clear pattern in customers' suggested combinations).
- Very few would prefer companies to retain additional profits in the business (2%) or use it to increase shareholder dividends (1%).
- Most of the WaterVoice participants taking part in this activity **say they would like to have a say in how their company uses additional profits** (75%), and nearly a third *strongly* agree with this statement (32%). Meanwhile, a quarter think their company should make this decision *without* asking customers (24%), just over half disagree with this statement (54%), and around one in five do not have views either way about this.
- **A majority would like to find out how their company has decided to use additional profit** (87%), and a range of online and offline information sources were suggested (e.g. email, company websites, letter or newsletter, through bills and infographics).

How should water and sewerage companies use additional profit: responses and key demographics

Below (and throughout this report), here results do not sum to 100%, due to computer rounding and/or other response codes being available.

- **Invited to take part:** all registered community members.
- **Activity dates:** 30 April – 7 May 2020.
- **Responses:** 200 members participated representing 32% of *WaterVoice* members in Window three.
- **Incentive:** prize draw entry for ten £20 Amazon vouchers.

	Quotas	% Population Incidence*	Number of participants	% participants**
Age	18-29	4%	2	1%
	30-44	19%	36	18%
	45-59	36%	79	40%
	60-74	27%	74	37%
	75+	14%	9	5%
Gender	Male	47%	85	43%
	Female	53%	114	57%
	In another way	-	1	1%
Tenure	Owner occupier	65%	148	74%
	Renter	35%	52	26%

Low base size: percentage figures should be treated as indicative only.

*Based on bill payers in England and Wales

**Based on number of participants as a percentage of all those taking part in this activity

How should water and sewerage companies use additional profit: responses by water company

Water Company	Number of participants	% participants
Affinity Water Central	5	3%
Affinity Water East	9	5%
Affinity Water South East	5	3%
Anglian Water Services Ltd	15	8%
Bournemouth Water Plc	1	1%
Bristol Water Plc	6	3%
Cambridge Water Company Plc	2	1%
Dŵr Cymru (Welsh Water)	13	7%
Essex & Suffolk Water	11	6%
Hafren Dyfrdwy	0	0%
Hartlepool Water Plc	0	0%
Northumbrian Water Ltd	14	7%
Portsmouth Water Plc	3	2%
SES Water Plc	1	1%
Severn Trent Water Ltd	16	8%
South East Water Plc	16	8%
South Staffs Water Plc	8	4%
South West Water Ltd	10	5%
Southern Water Services Ltd	12	6%
Thames Water Utilities Ltd	9	5%
United Utilities Water Plc	17	9%
Wessex Water Services Ltd	13	7%
Yorkshire Water Services Ltd	14	7%

*Low base size:
percentage figures
should be treated as
indicative only.*

Name:
BEN MARSHALL

Details:
ben.marshall@ipsos.com

Name:
DYLAN SPIELMAN

Details:
dylan.spielman@ipsos.com

Name:
LIZZIE COPP

Details:
elizabeth.copp@ipsos.com

Name:
JENNIFER GISBORNE

Details:
jennifer.gisborne@ipsos.com