



Customer Engagement: Small Company Premium

Method Statement

August 2019

**Accent**



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1 Context

1.1 Background

South Staffs Water (SSW) and Cambridge Water (CAM) known jointly as SSC, has undertaken a wide-ranging programme of customer engagement to ensure that their AMP7 Business Plan (2020 – 2025) has been developed with the voice of the customer at its heart. This work has taken numerous forms including:

- qualitative work to assess customer priorities from a blank page
- willingness to pay for service improvements and assess service level expectations
- development of a customer segmentation to be used across business as usual activities but also in PR19 engagement
- WRMP qualitative work to assess customer preferences for long term resilience solutions
- Business Plan Acceptability & Bill Affordability Testing.

This Small Company Premium (SCP) research was devised as part of the SSC Customer Engagement Programme for PR19, with the intention of demonstrating customer willingness to support and pay for a small company charge on their water bill.

The work was to cover the broad range of SSC customer types in both regions.

1.2 Objectives

The key objective of the research was to test customers' willingness to support and pay for a small company charge on their water bill. Under this overarching objective the research also needed to:

- Explore the customer articulated benefits and disadvantages of being supplied by a small, local company (as well as understanding the benefits and disadvantages of being supplied by a larger, water and sewerage company)
- Understand customers' spontaneous response to contributing towards a small company premium (SCP)
- Measure customers' willingness to support and pay a small company premium (SCP)
- Understand the reasons that drive support/opposition to a SCP
- Explore the response to alternatives to a SCP.

1.3 Report outline

This report presents the methodology from the SCP Acceptability Testing (PR19). It includes the method and survey design and testing for both Household customers.

The content of the report is followed by several appendices.

2 METHODOLOGY

2.1 Introduction

To fulfil the study objectives Accent devised a two-phased approach consisting of both qualitative and quantitative work.

This programme was designed to ensure that we developed a research process that was engaging and enjoyable for customers, whilst also providing the insight and robustness of data required to show customer response to the SCP.

Key for this programme of work was to provide SSC with the insights required in order to feed into their response to Ofwat on the Draft Determination. Therefore all research needed to be completed and reported by 27th August.

2.2 Set Up

The set-up meeting was structured as an opportunity for all those who had an interest in the project outputs to understand what was planned and to contribute to those plans. The purpose was to enable all views to be taken into consideration and valuable internal knowledge to be gathered. The meeting allowed Accent to ensure that the project design was completely focussed on the research objectives, thereby ensuring value for money.

2.3 Qualitative Phase

Two discussion groups were held before the commencement of the quantitative work.

The discussion groups were used to provide qualitative insight into customers' views on the benefits and disadvantages as well as their response to a proposed SCP (and the alternatives to this). The qualitative work was also used to provide guidance on the development of the quantitative materials.

Number, Structure and Location

Two focus groups were undertaken. One group was held in Sutton Coldfield with SSW customers and the other in Cambridge with CAM customers. Both groups were held in viewing facilities to allow members of the SSC team and their Panel to observe.

The groups were recruited to ensure a broad range of social economic groups to broadly reflect local populations. In addition, an even mix of genders was sought as well as a broad representation by age/life stage. All those recruited paid a water bill.

The profile of participants in each group is outlined below:

- Cambridge – 9 customers recruited:
 - SEG: 2 x B, 3 x C1, 2 x C2, 2 x D
 - Gender: 5 x female, 4 x male
 - Age: 25, 27, 33, 34, 44, 47, 51, 70, 72

- Sutton Coldfield – 9 customers recruited:
 - SEG: 2 x B, 3 x C1, 2 x C2, 1 x D, 1 x E
 - Gender: 5 x female, 4 x male
 - Age: 28, 29, 32, 36, 42, 46, 53, 61, 63

Recruitment

Questions were included to ensure that:

- no one was recruited who had taken part in a focus group in the previous 6 months
- no one was recruited who had taken part in more than 3 focus groups in the previous 2 years
- no one was recruited who had taken part in a group discussion on the same subject matter in the previous 2 years
- at least one third of the group had never taken part in a group discussion before.

All participants were checked to ensure they met the group's criteria by a second person.

Topic guide content

The focus groups were of 90 minutes duration. Broadly, the following areas were included within the topic guide:

- Spontaneous perceptions of South Staffordshire Water/Cambridge water
- Understanding consumer views of local/small company status
- Exploring in depth the level of support for SCP

The full topic guide is in Appendix A.

This was supported by the stimulus materials included in Appendix B.

Reporting

Following the completion of the discussion groups a short report was produced outlining the key findings and recommendations for the quantitative material design. The feedback from customers was used to refine the quantitative questionnaire wording and supporting stimulus material.

2.4 Quantitative Phase

This phase of work comprised 409 interviews, 91 of which were conducted face to face and 318 conducted via a commercial panel.

Methodological considerations

The questionnaire needed to include visual aspects to help explain quite complex concepts to participants. This necessitated the online or face-to-face methodology.

The best approach to reach a robust sample of customers was for Accent to use an online panel to sample the majority of customers. However, this approach would lead to some consumer groups being excluded, notably harder to reach customers, such as those who do not have access to the internet as well as low income or other disadvantaged groups. It was essential for such customers to be included. For these groups, Accent undertook face-to-face interviews, targeting areas where such people were more likely to live.

In an online and face-to-face scenario the interview could be completed in one session (although online participants were able to suspend and come back to the survey at a later stage if they so desired).

Number and Location

The breakdown on completed interviews was as follows:

	Total	SSW	CAM
All surveys	409	289	120
Online	318	235	83
CAPI	91	54	37

Soft quotas were applied on age, social grade and gender.

The final data set was weighted according to the weighting specification used for the PR19 engagement work based on the most recent census data by supply region.

Prior to the main stage commencing a short pilot of 20 interviews was undertaken.

Online fieldwork

The core sampling approach was online using an internet panel to provide sample.

Face-to-face fieldwork

The method for this aspect of the sample was face-to-face interviews conducted at households using a Computer Aided Personal Interview (CAPI) questionnaire programmed for Android tablets.

Areas were selected which were likely to have a higher footfall of a range of different customers types.

Interviews were encrypted and uploaded via WiFi onto the Accent's secure servers ready for analysis. Interviewers carried their ID with them always and a Letter of Authority from SSW or CAM as appropriate.

Every respondent was given a 'thank you' leaflet at the end of the interview that confirmed that the MRS Code of Conduct has been adhered to and providing freephone contact details of the MRS so that respondents could verify that Accent is a bona fide market research agency.

Quotas and Sampling

Overall, the key criteria that needed to be met in the sampling approach were:

- that there were sufficient numbers of interviews within particular customer groups of interest
- that the overall dataset was representative of SSW and CAM supply area customers.

Soft quotas were set on region (ie SSW v CAM) whilst the following key subgroups could fall out naturally:

- Meter v unmetered
- Age
- Gender
- SEG.

Upon completion of the fieldwork, where the number of interviews varied from the representative target, Accent weighted the data to match the makeup of the SSW and CAM customer bases by age, gender and social grade. On gender this was based on the census population split and rather than the assumed household bill payer.

Achieved sample structure

A detailed breakdown of these interviews by age, gender, social grade etc are in appendix C.

The weightings applied were as follows:

South Staffs:

Gender	Percentage
Male	49%
Female	51%

SEG	Percentage
AB	17%
C1	29%
C2	22%
DE	32%

Age	Percentage
16-24	4%
25-34	15%
35-49	30%
50-64	25%
65+	26%

Cambridge:

Male	49%
Male	50%
Female	50%

SEG	Percentage
AB	35%
C1	30%
C2	18%
DE	17%

Age	Percentage
16-24	3%
25-34	15%
35-49	31%
50-64	27%
65+	25%

Survey Targets

The survey targets were those responsible (either jointly or solely) for paying the household water bill.

Pilot

Accent undertook a short pilot of 20 interviews. The pilot was used to test:

- the recruitment process
- the clarity and flow of the questionnaire
- the appropriateness of the language used
- the accuracy of all routings
- ease of use of the show material
- the interview duration
- the survey hit rate.

Questionnaire

The final survey comprised a 15-20-minute survey. The outline structure comprised:

- Screening
- Information was then provided to participants about the services provided by SSC including recent company history and ownership, recent dividend payments and an outline of the broader structure of the water sector. Facts and figures about SSC and other suppliers were provided to demonstrate the smaller size of SSC compared with other providers in the sector.
- Participants were then asked to choose from a prompted list the top three advantages of being supplied by a small water company, followed by the top three advantages of being supplied by a large water company (Q21)
- Participants were then presented with information about SSC's schemes, initiatives and services aimed at supporting the communities it serves. Participants were asked which, if any, they were aware of prior to the survey. (Q22)
- Information was then presented to demonstrate SSC's performance in comparison with other water companies – specifically the average water bill and average number of written complaints per 10,000 households.
- Participants were asked if they understood the information presented (Q23) and if not, a follow up question of what was unclear was asked (Q24)
- The role of Ofwat and the concept of the SCP were then outlined to participants.
- Participants were then asked if they believed it was worth paying an SCP to continue being supplied by a small company (Q25)
- The premium amount was specified to be £1 and participants were asked the level of acceptability they felt for this premium (Q26). Acceptability was measured on the following scale:
 - Very acceptable
 - Acceptable
 - Neither acceptable nor unacceptable
 - Unacceptable
 - Very unacceptable
 - Don't know
 - Don't mind (please note that this means your response will be counted as acceptable).

- The alternative to a SCP of merging with a larger company was presented and participants were asked to choose their preference (Q27) and give reasons for their decision (Q28)
- The possibility of a SCP of £2 was then explored with participants, again measuring on the same acceptability scale (Q29) and reasons for their answer was recorded (Q30)
- Finally questions were asked to establish participants personal circumstances in terms of vulnerability
- The questionnaire ended with a question to understand how easy or difficult the participants had found undertaking the survey

SSC's independent Customer Panel reviewed the questionnaire and made a number of challenges, the majority of which were incorporated into the final questionnaire structure.

The full questionnaire is in Appendix D.

APPENDIX A:

Qualitative Topic Guide

Draft Group Topic Guide

Welcome & introduction 10 mins (10)

- Welcome and thanks for coming
- Explain independent and exploratory nature of research (conducted in accordance with the Code of Conduct of the Market Research Society (MRS) and also with the Data Protection Act 2018 (Accent is notified with the Information Commissioner)
- We are undertaking this research on behalf of South Staffs Water/Cambridge Water who are keen to understand your views their service, the way the company is structured and their bills
- Please know that there are no right or wrong answers and we are only interested in your opinion on the materials we share with you
- The discussion today will last around 90 minutes
- Explain about viewing – standard market research procedure and for analysis purposes only. The recordings will not be passed to any third party not associated with the research project, and none of your comments will be attributed to you by name

- **Paired introductions:** Ask participants to pair up with the person they are sitting next to.

- We would like you to find out a bit about the person you are sitting next to so that you can introduce them to the rest of the group
 - Name
 - Where living
 - Household make-up
 - Meter or non meter
 - Favourite local shop/bar/restaurant – and why

Spontaneous Perceptions of SSW/CW 15 mins (25)

We'd like to spend a little bit of time finding out what you already know about South Staffs Water/Cambridge Water – what you think their responsibilities are, what you think of the bills, etc

- What do you know about South Staffs Water/Cambridge Water?
- Tell me what you think their key responsibilities are?
- What about value for money (VFM)
 - Do you think they offer VFM?
 - Why/why not?

- How much do you currently pay?
 - For the water part of your bill/do you know?
- What do you think of that?
- What would you say you are paying for?
- What's included within your bill?
- What do you think about the service they provide – satisfied/not satisfied? Why?
- How do they compare to other water companies?
- What's the same/different about them?
- What would be the main difference between, say, SSW/CW and Anglian Water or Severn Trent Water who look after your waste water/sewerage in your area?
 - *Listen out for mentions of size/local company*
 - *Do they understand they have separate provider of sewerage*
- What words would you use to describe SSW/CW to someone who doesn't know them?
 - *Again, listen out for mentions of size/local company*
- And what words would you use to describe Severn Trent Water (SSW)/Anglian Water (CW) to someone who doesn't know them?
 - *Again, listen out for mentions of size/national company*

Understanding Views of Local/Small Company Status 25 mins (55)

I'm just going to tell you a little bit more about South Staffs Water/Cambridge Water. Some of you may know this already but it's useful just so we can start the next part of the discussion from the same point.

Showcards A and B.

- What does being a **small** water company mean to you? What does it say about the company?
 - Spontaneous (flip chart)
 - Then probe around independence, market power
- What do you think are the advantages, if any, of being served by a **small** company?
 - Spontaneous (flip chart)
 - Then prompted
 - Customer service
 - Response to leaks
 - Level of bills
 - Ability to respond quickly/innovate
 - Accessibility – easy for customers to contact/deal with
 - Accountable to customers
 - Focussed only on water, not sewerage
 - Efficient

- Local employer
- Supporting customers who need extra support
- Supporting local environmental schemes
- Being trusted
- Why are these an advantage over being served by a larger water company?
- What makes the difference?
 - Spontaneous (flip chart)
 - Then prompted
 - Local knowledge
 - Community engagement
 - Less bureaucracy
 - Greater pride
 - Caring/family feel
 - Local employer/supports local economy
 - Targeted communications – e.g. water efficiency
 - Concentrate on water related issues only
 - Being trusted
- And what about the disadvantages, if any, of being served by a **small** company?
 - Spontaneous (flip chart)
 - Then prompted
 - Purchasing power
 - Brand/profile/publicity
 - Customer service
 - Response to leaks
 - Level of bills
 - Ability to respond quickly/innovate
 - Level of resources available
 - Resilience to crises or disasters
- Overall, would you prefer to be served by a small or a large company?
 - **Handout 1:** LHS small company (0)/RHS large company (10)

South Staffs Water/Cambridge Water is headquartered in Walsall/Cambridge and has other offices and sites around the region. They could be described as a “**local**” company. Again, I’m interested in understanding what you think are the benefits and downsides of being served by a local rather than national or international company?

- What does being a local water company mean to you? What does it say about the company?
 - Spontaneous (flip chart)
- What do you think are the advantages, if any, of being served by a **local** company?

- Spontaneous (flip chart)
- Then prompted
 - Customer service
 - Response to leaks
 - Level of bills
 - Ability to respond quickly/innovate
 - Know the area
 - Local presence
 - Involved in local community schemes e.g.
 - schools education programmes
 - local scout groups, athletics clubs, allotment associations, hospices etc
 - support to local wildlife charities
 - Accessibility – easy for customers to contact/deal with
 - Accountable to customers
 - Local employer – providing local jobs
 - Uses local businesses/contractors
 - Levels of bureaucracy
 - Being trusted

■ And what about the disadvantages, if any, of being served by a **local** company?

- Spontaneous (flip chart)
- Then prompted?
 - Purchasing power
 - Brand/profile/publicity
 - Customer service
 - Response to leaks
 - Level of bills
 - Ability to respond quickly/innovate
 - Level of resources available
 - Resilience to crises or disasters

South Staffs/Cambridge Water has a number of schemes, initiatives and services aimed at the communities they serve **Showcard B.1**

■ Were you aware of some/all of these?

■ Thoughts +/-

■ Is there anything that South Staffs Water/Cambridge Water could do as a **local** water company that they are not currently doing?

- What?
- Why?
- How could they do/achieve this/these things?

- Overall, would you prefer to be served by a local company or a national/international company?
 - **Handout 2:** LHS local company (0)/RHS national/international company (10)

Establishing Level of Support For Small Company Premium 35 mins (85)

As we've been discussing South Staffs/Cambridge Water are a relatively small company compared to others across England and Wales. The size of their water bill is smaller compared to their neighbours and they are able to do this by being efficient. They offer a good standard of service, similar to other companies.

Overall, South Staffs/Cambridge Water provides a high level of service to customers – **show showcards C, D, E, F1 and F2 (moderator note different slides for SSW/CAM).**

- Quick response:
 - thoughts
 - +/-
 - Anything that surprises you
 - Everything clear, if not how could it be made clearer?

Showcards G, H

- Quick response:
 - thoughts
 - +/-
 - Everything clear, if not how could it be made clearer?

Showcards I, J

- Everything clear
- Response to SCP
 - +/-
 - Explore concept before introducing amount (below)
 - Is it fair
 - Is it worth paying small company premium in order to continue being supplied by a smaller/local company?
 - Why/why not
 - How much would you be prepared to pay on your annual water bill in order to support a small company premium for South Staffs/Cambridge Water
 - Explore price points and reasons behind these

If South Staffs/Cambridge Water were to implement a small company premium to help with the cost of borrowing this would amount to up to £1 each year on the **typical** average household clean water bill. The typical clean water bill is likely to be £131 per year over the period 2020-2025.

- What's your initial response to this element of your bill?

- +/-
- Would you be prepared to pay up to £1 more per year to enable South Staffs/Cambridge Water to be able to continue their activities
 - Why/why not?

There are two possible options:

- **Option A:** South Staffs/Cambridge Water implements the £1 (or whatever level you said you were OK with just now) per year “small company premium” charge and continues to operate in the way that it currently does
- **Option B:** South Staffs/Cambridge Water gets merged with Severn Trent (SSW)/Anglian Water (CW) and now becomes part of a much larger organisation
- Which of these two options would you prefer (**Hand out 3:** secret ballot – ask each participant to write binary choice on sheet before discussing)?
 - Explore reasons for choice
 - Benefits of each
 - Disadvantages of each (listen out for increased bills – prompt with showcard C if needed)
- Do you think the service provide by South Staffs/Cambridge Water – including them being a small and local water company – justifies paying this extra amount?
 - Explore reasons
 - **Read out:** Ofwat expects South Staffs/Cambridge Water to justify this extra cost on customers’ bills by showing that the benefits they provide to all water customers (including customers of other water companies) from being a small company exceed this extra cost. Ofwat calls this the Customer Benefits Test. For example, imagine if South Staffs/Cambridge Water who perform strongly in a number of areas, like customer service, were taken over by Thames Water, who perform poorly in many areas. This could impact on the results when Ofwat compares companies and sets service targets, or when it looks for best practice ideas that companies develop that could benefit all customers
 - Is this a reasonable test?
 - And is it reasonable that South Staffs/Cambridge Water need to also demonstrate the benefits of they’re being a small company to customer of other water companies? Does this seem fair/relevant? Explore?
- Another alternative to charging the £1 per year for the small company premium would be to reduce the shareholder dividend further (as we saw earlier this will be 2% for the period 2020 to 2025). Remember the 2% investors are taking between 2020-2025 is one of the lowest in the water industry
 - What do you think of this option?
 - What would be the potential downsides of reducing the shareholder dividend further?
 - What impact would it have on South Staffs/Cambridge Water?
 - Do you think it’s fair that shareholders at larger companies (Severn Trent, Anglian, Thames etc) should earn a higher rate of return than those of smaller, local companies like South Staffs/Cambridge Water)?
 - Explore reasons

- Vote: acceptability for proposal SCP payment/bill impact (use same scale as main acceptability testing research) **Handout 4**

Wrap and Close 5 mins (90)

- Piece to camera – I support/oppose the SCP payment/bill impact because.....
- Complete event feedback forms **Handouts 5 and 6**
- Thank and close.

APPENDIX B:

Qualitative Stimulus

Showcard A

South Staffs/Cambridge Water is a reasonably small water company – especially compared to other water and sewerage companies operating in England and Wales – such as Anglian Water or Severn Trent Water

They only supply water and are not responsible for your sewerage

They do include sewerage charges on your bill on behalf of Severn Trent/Anglian Water, for whom they act as a collection agent

The company is privately owned.

During the period 2020-2025 the two shareholders will receive 2% of the money customers pay through their bills in dividends

Showcard B

Customers:

- Anglian Water: 4.3 million supplied with clean water; 6 million supplied with waste water services
- Severn Trent Water: 8 million supplied with clean water; 9.3 million supplied with waste water services
- **South Staffs/Cambridge Water (who are part of one company):** 1.7 million (1.36 m SSW plus 350,000 CW) supplied with clean water

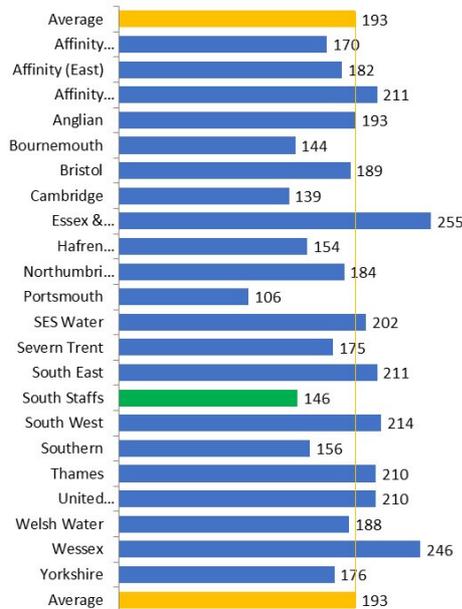
Employees:

- Anglian Water – 4,000 employees
- Severn Trent Water – 6,000 employees
- **South Staffs/Cambridge Water** – 400 employees

Showcard B.1

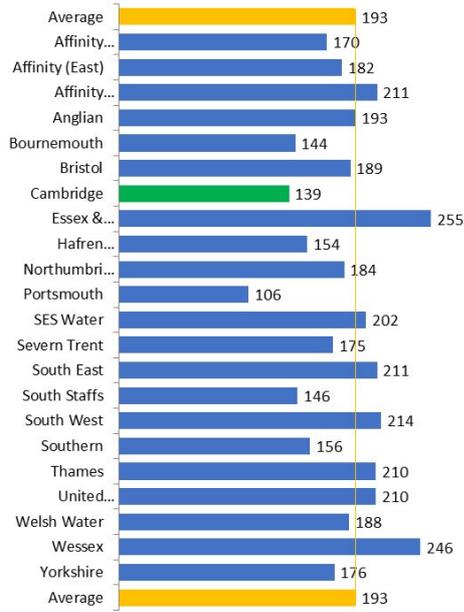
- **Community hub**
 - They have many partnerships with organisations to hold events to support customers – e.g. dementia days, digital coaching, jobs fairs, citizens advice sessions, school uniform exchange
- Team of Community Officers attending local events, carrying out home visits and working with local groups to support customers who need extra help
- Community van to talk to customers about saving water, advice on bills, etc
- Schools education programme
- PEBBLE environmental fund.

Showcard C - SSW
Average Water Bill



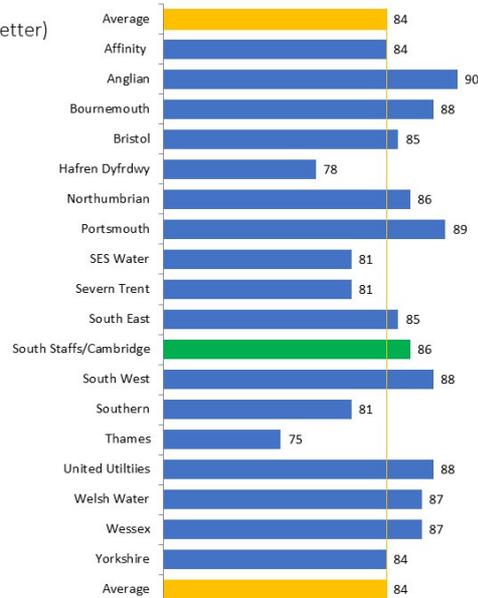
South Staffs Water customers paid the 4th lowest water bill in England and Wales in 2018/19

Showcard C - CAM
Average Water Bill



Cambridge Water customers paid the 2nd lowest water bill in England and Wales in 2018/19

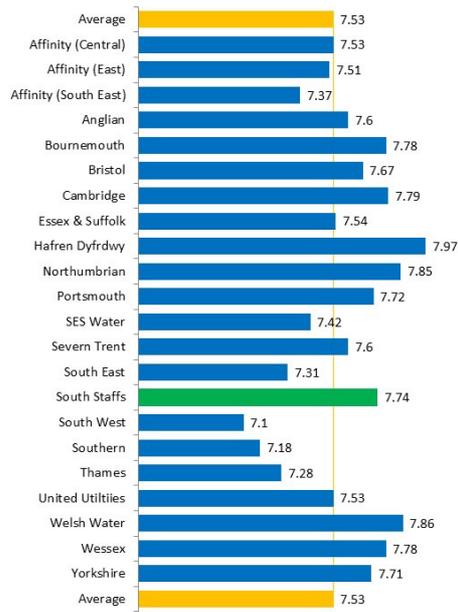
Showcard D
Customer Service (higher = better)



South Staffs Water and Cambridge Water was ranked 8th of 18 water companies in 2018/19

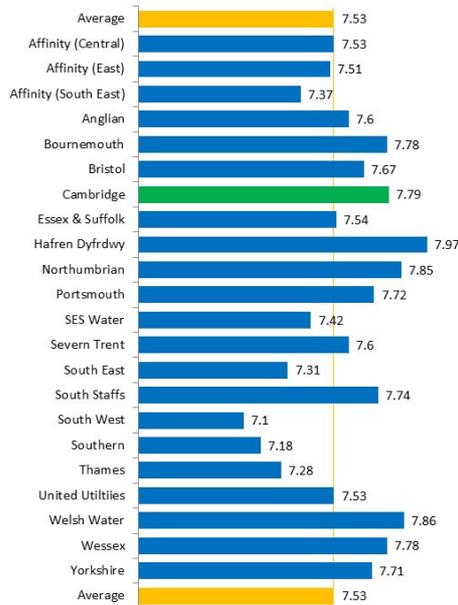
Over the last 4 years they are ranked 5th on average

Showcard E - SSW
Customer Trust (higher = better)



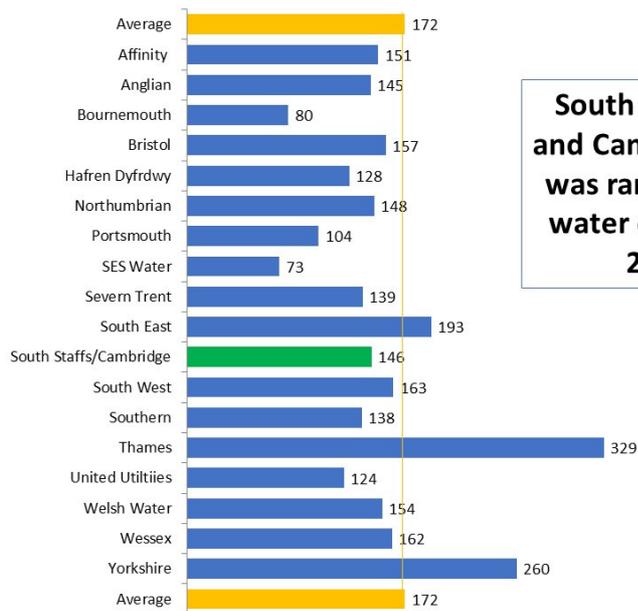
**South Staffs Water
was ranked 7th of 18
water companies
over the last 8 years
for trust**

Showcard E - CAM
Customer Trust (higher = better)



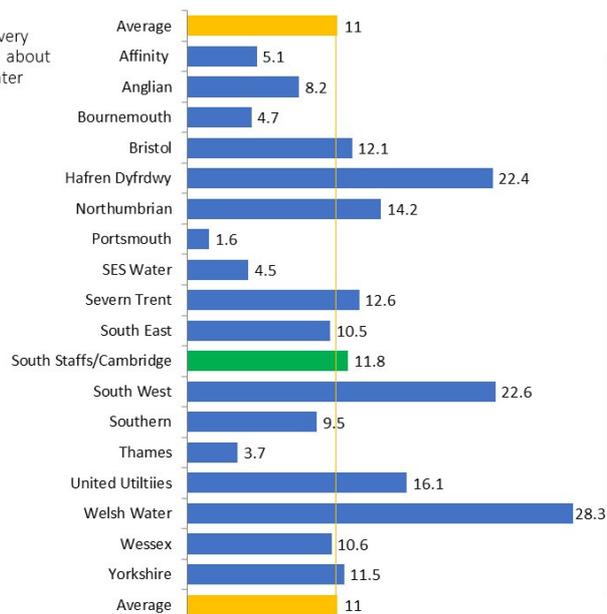
**Cambridge Water
was ranked 4th of 18
water companies
over the last 8 years
for trust**

Showcard F1
Mains Burst per 1,000km
Lower = better



South Staffs Water and Cambridge Water was ranked 9th of 18 water companies in 2018/19

Showcard F2
Number of contacts for every 1,000 customers received about the appearance of tap water
Lower = better



South Staffs Water and Cambridge Water had a rare disappointing year in 2018/19 for “water quality” performance – including customer complaints about the appearance of their water. This was due to the impact of the long hot summer and failures at their two ageing water treatment works in their South Staffs region - these are getting £60m of investment between 2020-2025 alongside the UV treatment added recently to improve water quality).

However, their water quality score was still very high (over 99.2%) with 15 out of 16,958 independent water quality tests in their South Staffs region and 2 out of 5,000 samples in their Cambridge region not meeting the strict regulatory compliance standards.

Showcard G
Setting the scene

- ❑ Household customers in England and Wales cannot choose the company that supplies their water and wastewater (sewerage) services
- ❑ All water and wastewater companies are regulated by Ofwat (the economic regulator for the water industry)
- ❑ Ofwat acts as an alternative to competition – making sure customers’ interests are protected and they receive high quality and reliable services
- ❑ Ofwat also expects companies to operate efficiently and keep customers’ bills as low as possible
- ❑ They also have a duty to make sure water companies can finance their operations so they can continue to supply clean water every day in all weathers, pay their bills and deliver the services customers want and expect – they call this “being resilient”

Showcard H
Setting the scene

- ❑ Every five years Ofwat decides the price, service and investment package that water companies must deliver – this determines how much customers pay for their water bills for the next 5 year period
- ❑ Decisions are mainly made by comparing water companies against each other (on things such as leakage, supply interruptions, customers service etc). This is called comparative competition
- ❑ Once these plans are agreed, a water company can make changes to further improve the service (e.g. take advantage of new technologies) but it cannot change the amount it charges customer – the bills are set for the five year period.

Showcard I
Introducing financing

- ❑ As we've been discussing, your water company is one of the smaller companies in England and Wales
- ❑ There can be advantages to being a small/local company (flexible enough to respond to customers' issues quickly, having closer links with the communities it serves, etc) BUT there are also disadvantages
- ❑ One of the main ones is the cost of borrowing, which is higher for smaller companies compared to larger companies such as Anglian Water or Severn Trent Water
- ❑ For example, this is because they aren't able to access funds from banks, finance markets, etc, in large enough amounts and/or at the right times to take advantage of lower interest rates
- ❑ So it costs South Staffs Water/Cambridge Water more to maintain its assets such as its network of pipes, pumping stations and treatment works

Showcard J
Introducing financing

- ❑ Ofwat has a scheme to help smaller water companies address this imbalance
- ❑ It's called a "company specific adjustment to the cost of capital" (or small company premium)
- ❑ The cost of capital is the rate of return a company pays its investors to finance its assets (e.g. network of pipes, treatment works, etc). Think about the rate you pay a bank to borrow money when you take out a loan or mortgage
- ❑ Because of its legal duty to protect the interests of customers, Ofwat sets a very high standard for water companies that seek a capital adjustment. The regulator has to be convinced that it is the right approach for the company to take for its customers
- ❑ If a smaller company is allowed a "company specific adjustment to the cost of capital" there is a small additional impact on customer bills

Handout 1

Overall, would you prefer to be served by a small company or a large company?

Small Company

Large Company

0 1 2 3 4 5 6 7 8 9 10

Handout 2

Overall, would you prefer to be served by a local company or a national/international company?

Local Company

**National/
International Company**

0 1 2 3 4 5 6 7 8 9 10

Which do you prefer?

Option A:

South Staffs/Cambridge Water implements the £1 per year “small company premium” charge and continues to operate in the way that it currently does

Option B:

South Staffs/Cambridge Water gets merged with Severn Trent (SSW)/Anglian Water (CW) and now becomes part of a much larger organisation

How acceptable is the proposal for a £1 payment/bill impact?

- Very acceptable
- Acceptable
- Neither acceptable nor unacceptable
- Unacceptable
- Very unacceptable
- Don't know
- Don't mind (will count as acceptable)

Handout 5

We would like your help to rate this event. Based on your experience today, please indicate how strongly you agree or disagree with the following statements

PLEASE TICK ONE BOX ON EACH LINE	Strongly Agree ☺	Agree	Neither Agree or Disagree	Disagree	Strongly Disagree ☹
I enjoyed taking part in the event and having my say in developing their plans	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Everyone was given a fair chance to have their say	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
The event was well organised and structured	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
I think the venue was of good quality	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
I understood all the materials presented and activities asked of me	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Handout 6

Please tell us in one sentence why you gave these scores

Do you have any other feedback about how we could improve these types of sessions in the future?

I am interested in becoming a member of their new on-line community when it launches in Autumn of 2019 – the community will allow customers to take part in activities to help shape SSW's/CW's future plans and also hear about how this feedback is being used to improve the service for customers*

Yes No

*By ticking 'Yes' you give permission for Accent to share your e-mail address with SSW/CW. This will be held securely and only used to invite you to join the on-line community.

Please write in your email address below:

APPENDIX C:

Achieved Quantitative Sample Structure

Quantitative profile: household sample composition



Weighted data	Total %	SSW %	CAM %
Male	48	45	54
Female	52	55	45
Other	1	0	1

Weighted data	Total %	SSW %	CAM %
16-24	4	4	3
25-29	6	7	3
30-34	9	8	12
35-49	30	30	30
50-64	25	25	26
65-69	10	11	7
70-74	10	11	10
75+	5	4	8
Prefer not to say	1	1	1

Weighted data	Total %	SSW %	CAM %
AB	22	16	37
C1	29	29	29
C2	20	21	17
DE	29	33	18
Not stated	1	1	0

Weighted data	Total %	SSW %	CAM %
Less than £15 per month (£200 per year)	6	8	1
Between £15 - £19 per month (£200 - £249 per year)	7	8	4
Between £20 - £24 per month (£250 - £299 per year)	9	8	13
Between £25 - £29 per month (£300 - £399 per year)	7	9	3
Between £30 - £34 per month (£400 - £449 per year)	9	8	11
Above £35 per month (£450 per year)	9	5	19
Not sure	10	10	10
Would rather not say	2	2	2
Not stated	40	41	37

Q14 SEG, Q15. Gender Q4. Age Q17 Water bill

APPENDIX D:

Quantitative Questionnaire

- Q1 SYSTEM INFORMATION:
Q2 Interviewer number:
Q3 Interviewer name:
Q4 Date:
Q5 Time interview started:

Introduction

Good morning/afternoon/evening. My name is from Accent. We are an independent market research company carrying out research for South Staffs Water/Cambridge Water to gain your views on a number of different aspects of the services they offer and the bills you pay.

The research is being conducted under the Market Research Society Code of Conduct, which means that any answers you give will be treated in confidence.

INTCHECK. INTERVIEWER: PLEASE CONFIRM YOU HAVE ADVISED THE PARTICIPANT OF:

MRS Code of Conduct

Any answer you give will be treated in confidence in accordance with the Code of Conduct of the Market Research Society

Can I just ask you a couple of questions to check that you are eligible to take part in this research?

ONLINE

Thank you very much for agreeing to complete this on-line survey which is being conducted by Accent.

We will start by asking you a couple of questions to check that you are eligible to take part in this research.

Any answer you give will be treated in confidence in accordance with the Code of Conduct of the Market Research Society. If you would like to confirm Accent's credentials type Accent in the search box at: <https://www.mrs.org.uk/researchbuyersguide>.

IF MOBILE DEVICE SHOW: This survey is best undertaken on a tablet or a PC. If you do use a smartphone you can switch between desktop mode and mobile mode at any time by clicking the button at the bottom of the screen.

Looking After Your Privacy & A Bit About You

-
- Q1. Any data collected over the course of this interview that could be used to identify you, such as your name, address, or other contact details, will be held securely and will not be shared with any third party unless you give permission (or unless we are legally required to do so). Our privacy statement is available at www.accent-mr.com/privacy/.

Do you agree to proceeding with the interview on this basis?

Yes

No **THANK AND CLOSE**

Q2. Are you the person responsible for paying the utility bills (e.g. water, energy) in your household, or are you jointly responsible with someone else?

Complete responsibility for payment

Share responsibility for payment with others in household

No responsibility for payment (*future customer sample, thank and close when full – max 30*)

Other (i.e. included in my rent) (*future customer sample, thank and close when full – max 30*)

Prefer not to say **THANK & CLOSE**

Q3. At any point over the last year, have you or any of your close family worked in any of the following industries - market research, gas, electricity or water sector?

Yes – market research **THANK & CLOSE**

Yes – gas/electricity

Yes – water **THANK & CLOSE**

No

Q4. How old are you? **ONLINE PLEASE CLICK ON THE BOX BELOW AND TYPE YOUR ANSWER**

DP: PROGRAMME INTO BANDS

16-24

25-29

30-34

35-49

50-64

65-69

70-74

75+

Prefer not to say

CHECK QUOTAS

IF CODES 3 AND 4 AT Q2 AND CODES 1, 2 OR 3 AT Q4 PROCEED AS FUTURE CUSTOMER (ADHERE TO QUOTAS)

IF CODES 3 OR 4 AT Q2 AND CODES 4, 5, 6, 7 OR 8 AT Q4 THANK AND CLOSE

Q5. We need to check that we are speaking to people who live in specific parts of the country. Please can you tell us your full postcode? It's fine to put this with or without spaces and please be assured we will not be keeping a record of this. **DP – THIS IS IN LINE WITH 3061 – TRACKER. PLEASE REPLICATE**

DP-ADD TEXT BOX

Prefer not to answer **THANK AND CLOSE**

Q6. Hidden question

PROGRAMMER: LOOKUP POSTCODE TO IDENTIFY:

South Staffs Water

Cambridge Water

Not on postcode look up

Q7. **Q6=3 SKIP TO Q8 ELSE** According to our records, your drinking water is supplied by **IF Q6=1** 'South Staffs Water' **OR IF Q6=2** 'Cambridge Water'. Is this correct?

Yes

No **CHECK POSTCODE, IF STILL NO, CLOSE**

Don't know

Q8. **ASK IF Q6=3 ELSE SKIP** Which company supplies the drinking water to your home – i.e. the water that comes through your taps? **SINGLE CODE**

South Staffs Water

Cambridge Water

Somebody else supplies my water **THANK AND CLOSE**

Don't know/Not sure **THANK AND CLOSE**

Q9. **HIDDEN QUESTION – TO DEFINE AREAS (FINAL)**

IF Q6=1 OR Q8=1 CODE AS South Staffs Water

IF Q6=2 OR Q8=2 CODE AS Cambridge Water

CHECK QUOTA

Q10. Have you taken part in a survey about your water company within the last month?

Yes

No

Q11. **APPROX. SEG:** We are looking for a range of different people to take part in our research. Which **ONE** of the following best describes your employment status? If you are self-employed please tick the option that most relates to the type of work you do for the company(s) you work for. (**CAPI: read out examples if needed**)

1. Higher managerial/professional/administrative (e.g. Doctor, Solicitor, Board Director in a large organisation 200+ employees, top level civil servant/public service employee etc.)
 2. Intermediate managerial/professional/administrative (e.g. Newly qualified (under 3 years) doctor, Solicitor, Board director of small organisation, middle manager in large organisation, principal officer in civil service/local government etc.)
 3. Supervisory or clerical/junior managerial/professional/administrative (e.g. Office worker, Student Doctor, Foreman with 25+ employees, salesperson, etc.)
 4. Skilled manual worker (e.g. Bricklayer, Carpenter, Plumber, Painter, Bus/Ambulance Driver, HGV driver, pub/bar worker etc.)
 5. Semi or unskilled manual worker (e.g. Caretaker, Park keeper, non-HGV driver, shop assistant etc.)
 6. Student
 7. Casual worker – not in permanent employment
 8. Housewife/Homemaker
 9. Retired and living on state pension
 10. Retired and not living on state pension **GO TO Q13**
 11. Unemployed or not working due to long-term sickness
 12. Full-time carer of other household member
 13. Would rather not say
 14. Prefer not to say **GO TO Q15**
-

Q12. **IF Q11=9 (RETIRED), ASK, ELSE SKIP:** Do you have a state pension, a private pension or both?

State only

Private only

Both

IF Q12=1 (STATE ONLY) GO TO Q14

Q13. IF Q11=10 OR Q12= PRIVATE OR BOTH, ASK, ELSE SKIP: How would you describe your occupation before retirement? If you were self-employed please tick the option that most relates to the type of work you did for the company(s) you worked for. (CAPI: read out examples if needed)

1. Higher managerial/professional/administrative (e.g. Doctor, Solicitor, Board Director in a large organisation 200+ employees, top level civil servant/public service employee etc.)
2. Intermediate managerial/professional/administrative (e.g. Newly qualified (under 3 years) doctor, Solicitor, Board director of small organisation, middle manager in large organisation, principal officer in civil service/local government etc.)
3. Supervisory or clerical/junior managerial/professional/administrative (e.g. Office worker, Student Doctor, Foreman with 25+ employees, salesperson, etc.)
4. Skilled manual worker (e.g. Bricklayer, Carpenter, Plumber, Painter, Bus/Ambulance Driver, HGV driver, pub/bar worker etc.)
5. Semi or unskilled manual worker (e.g. Caretaker, Park keeper, non-HGV driver, shop assistant etc.)
6. Student
7. Casual worker – not in permanent employment
8. Housewife/ Homemaker
9. Unemployed or not working due to long-term sickness
10. Full-time carer of other household member
11. Would rather not say
12. None of these

Q14. SEG: CODE AS FOLLOWS:

IF Q11= 1 or 2; SEG = AB

IF Q11= 3; SEG = C1

IF Q11= 4; SEG = C2

IF Q11= 5; SEG = DE

IF Q11= 6; SEG = DE

IF Q11= 7, 8, 11 OR 12; SEG = DE

IF Q11= 9 and Q12 = State only; SEG = DE

IF Q11= 9 OR 10 and Q12= Private only OR Both and Q13= 1; SEG = AB

IF Q11= 9 OR 10 and Q12= Private only OR Both and Q13= 2; SEG = AB

IF Q11= 9 OR 10 and Q12= Private only OR Both and Q13= 3; SEG = C1

IF Q11= 9 OR 10 and Q12= Private only OR Both and Q13= 4; SEG = C2

IF Q11= 9 OR 10 and Q12= Private only OR Both and Q13= 5; SEG = DE

IF Q11= 9 OR 10 and Q12= Private only OR Both and Q13= 6; SEG = DE

IF Q11= 9 OR 10 and Q12= Private only OR Both and Q13= 7, 8, 9 OR 10; SEG = DE

IF Q11= 13 OR 14 OR Q13=11 OR 12; SEG = Not stated

CHECK QUOTAS

Q15. Are you... (DO NOT ASK IF FACE-TO-FACE)

Male

Female

Other

Prefer not to say

CHECK QUOTAS

Q16. Do you have a water meter at your property?

Yes – I/we asked to have one installed

- Yes – it was already in the property when I/we moved in
- Yes – I/we had to have one fitted, but we didn't really want it installed
- No – I/we are not interested in getting one
- No – but I/we are considering getting one
- Don't Know

CHECK QUOTAS

Thanks – You're Good To Go

Thank you, I can confirm you are in scope for the survey. The questionnaire will take about 15 minutes to complete.

ONLINE ONLY

For convenience you can stop and return to complete the questionnaire as many times as you wish, although once submitted you will not be able to enter again.

To start with we would like to find out what you know about your water bills.

Click here to find out more about how your bill is split



Q17. How much do you pay for your total water bill? That's the total for your clean water and your sewerage charges

Please select either the amount per month or the amount per year.
If you are not sure of the exact amount then please estimate the band.

	Per Month	Per Year
Less than	£15	£200
Between	£15-£19	£200- £249
Between	£20-£24	£250 - £299
Between	£25-£29	£300 - £399
Between	£30-£34	£400 - £449
Above	£35	£450
Not sure		
Would rather not say		

Q18. Is this the exact amount you pay or an estimate of your water bill?

Actual amount
Estimated amount

Q19. Before this interview were you aware that IF Q9=1 SAY South Staffs Water IF Q9=2 SAY Cambridge Water only provide clean water to your home and that your wastewater or sewerage services are provided by IF Q9=1 SAY Severn Trent IF Q9=2 SAY Anglian Water?

Yes
No

Q20. How satisfied are you with the overall service provided by IF Q9=1 SAY South Staffs Water IF Q9=2 SAY Cambridge Water? Please use a scale of 1 – 10, where 1 is very unsatisfied and 10 is very satisfied

RESPONSE SCALE 1-10 (1=VERY UNSATISFIED AND 10=VERY SATISFIED)

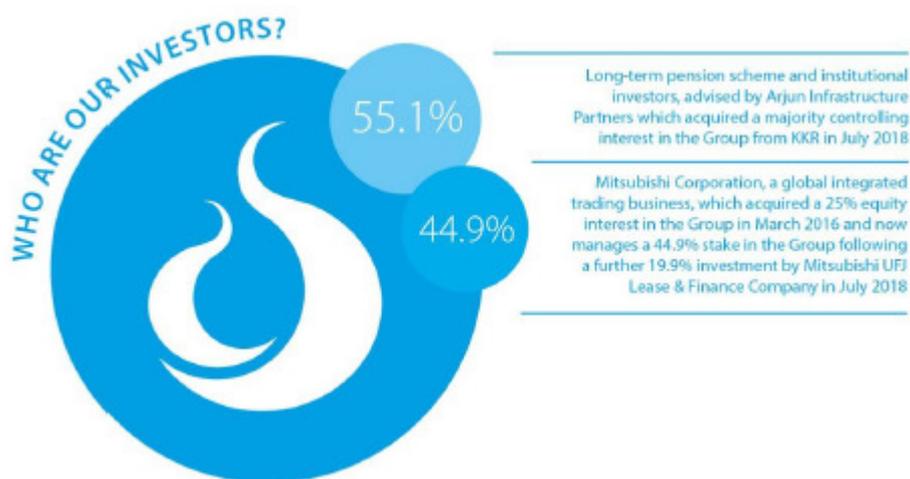
South Staffs and Cambridge Water

As mentioned we are conducting this research on behalf of IF Q9=1 SAY South Staffs Water IF Q9=2 SAY Cambridge Water. The following questions will relate to the provision of clean water to your home. We will not be asking you about your wastewater or sewerage services which are provided by Severn Trent (IF SOUTH STAFFS)/Anglian Water (IF CAM).

We'd now like to show you a bit more information about your water company. South Staffs Water merged with Cambridge Water in April 2013.

CAPI: Show screen or please use Showcard A

South Staffs Water and Cambridge Water has two shareholders - one is UK owned (click here to if you'd like to see more details on the shareholders).



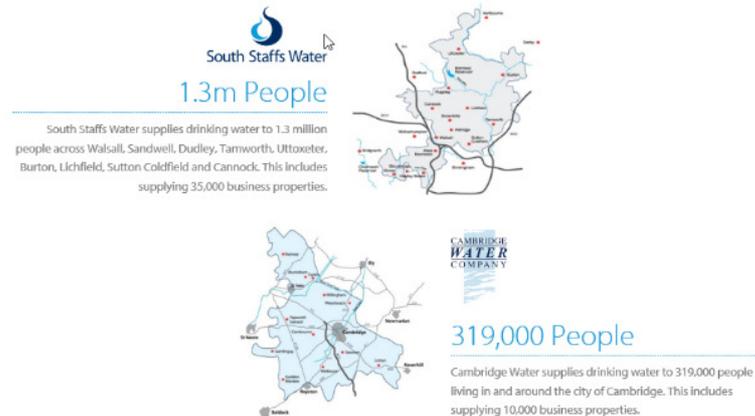
The current dividend paid to shareholders is 4% of customers' bills, but this will be reduced to 2% for the period 2020 to 2025 to help fund some of the South Staffs Water's and Cambridge Water's service improvements. The dividend proposed for the next five years will be one of the lowest in the water industry.

NEW PAGE

CAPI: Show screen or please use Showcard A

The water companies in England are a mix of larger companies and smaller companies. Your water company is one of the smaller companies covering a more local area.

Click here to see where South Staffs Water and Cambridge Water supply services.



To give you an idea of their size you'll see below some facts and figures about South Staffs and Cambridge Water and how they compare to larger water companies operating in their neighbouring areas. We've also shown Thames Water, which is the largest water and sewerage company in the UK:

Customers:

- Thames Water: 10 million clean water consumers and 15 million waste water consumers
- **SHOW ONLY FOR SOUTH STAFFS** Severn Trent Water: 8 million clean water consumers and 9.3 million waste water consumers
- **SHOW ONLY FOR CW** Anglian Water: 4.3 million clean water consumers; 6 million waste water consumers
- **SHOW ONLY FOR SOUTH STAFFS:** South Staffs Water: 1.36 million clean water consumers
- **SHOW ONLY FOR CW** Cambridge Water: 0.35 million clean water consumers

Employees:

- Thames Water: 6,000
- **SHOW ONLY FOR SOUTH STAFFS** Severn Trent Water: 6,000
- **SHOW ONLY FOR CW** Anglian Water: 4,000
- **SHOW ONLY FOR SOUTH STAFFS:** South Staffs Water: 350
- **SHOW ONLY FOR CW** Cambridge Water: 80

Turnover:

- Thames Water: £2 billion
- **SHOW ONLY FOR SOUTH STAFFS** Severn Trent Water: £1.6 billion
- **SHOW ONLY FOR CW** Anglian Water: £1.3 billion
- **SHOW ONLY FOR SOUTH STAFFS:** South Staffs Water: £105.2m (the turnover of South Staffs and Cambridge Water is £123.8m)
- **SHOW ONLY FOR CW** Cambridge Water: £18.6m (the turnover of South Staffs and Cambridge Water is £123.8m)

Q21. From the list below please pick the top three advantages of being supplied by a **small** water company. And then do the same but picking the top three advantages of being supplied by a **large** water company. Feel free to add your own suggestions.

ROTATE

Better knowledge of the local area
Closer to the communities it serves
Employ local people
Ability to innovate and come up with new ideas
Lower bills
More accountable to customers
More flexible, adaptable and agile
More responsive to customer needs
More honest
More trustworthy
Personal service
Quicker to innovate new ideas
Quicker response times to issues
Greater access to funds/money markets to make investments
Less likely to be taken over by another company
More resilient in a crisis
Other – please write in as much detail as possible:
Other – please write in as much detail as possible:

Q22. Like most water companies, South Staffs Water and Cambridge Water has a number of schemes, initiatives and services aimed at supporting the communities they serve. They consider these to be very important and the main ones are shown below. You can click on the information button to find out more information on each.

- **SHOW ONLY FOR SOUTH STAFFS** Community hub: here customers can talk to them and other organisations face to face about getting extra support. They have many partnerships with organisations to hold events – e.g. dementia days, digital coaching, jobs fairs, Citizens Advice sessions, school uniform exchange
- Team of Community Officers: who attend local events, carry out home visits and work with a wide range of local groups to support customers who need extra help
- Mobile community hubs: they travel around the areas they serve so their staff can talk to customers about saving water, advice on bills, etc
- Schools education programme: they proactively engage with the children living in the communities they serve by teaching them the value of water through their school education programme, community visits and Young Innovators' Panel
- Environmental protection: they have a number of schemes, including the PEBBLE environmental fund, which offers funding of up to £10,000 for community projects within the South Staffs and Cambridge Water supply areas that create, restore or improve local habitats - e.g. wildlife, plants, trees, rivers and streams.

Which of these were you aware of before this interview?

Community hub
Team of community Officers
Mobile community hub
Schools education programme
PEBBLE environmental fund
None of these

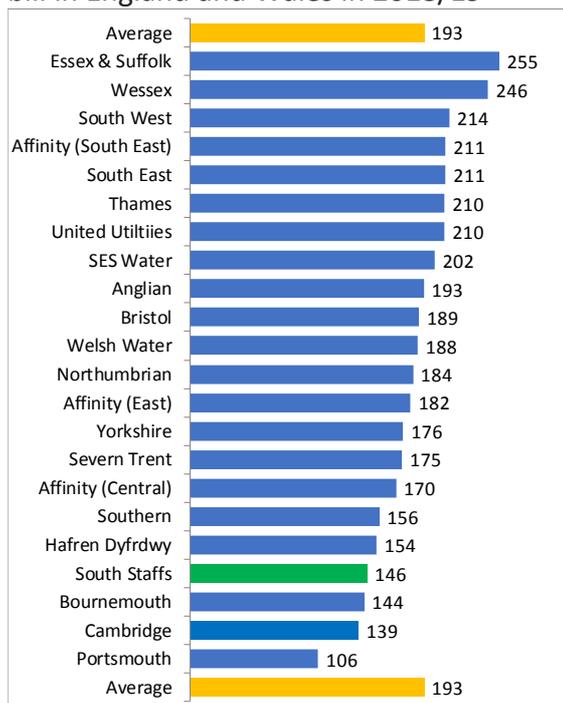
South Staffs Water & Cambridge Water's Performance

Over the next few pages we'll show you some charts that highlight how **IF Q9=1 SAY** South Staffs Water **IF Q9=2 SAY** Cambridge Water compares against the other water companies in England and Wales. Their performance is independently monitored by industry regulators and other organisations over a number of areas, but we'll show you three as examples.

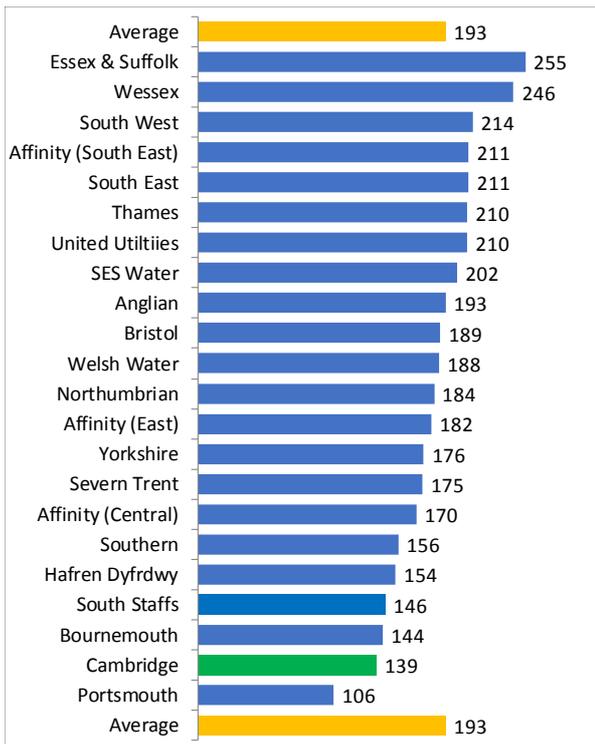
Remember that South Staffs Water and Cambridge Water merged in April 2013, but we have shown their performance separately on the charts. Some other water companies also operate in more than one part of the country, though they are shown as one entry.

The first area is about how much customers paid for their clean water bills during 2018/19. The variation of the bill levels across the country is complex. The bill level is partly, but not entirely, due to the local context that the company operates in. For example, a company has little choice over where to take its water from, how much treatment is needed for water from different sources, or how much pumping is needed to get treated water through the pipes to customers in different parts of the region it serves.

If South Staffs show: This shows that South Staffs Water customers, on average, paid the 4th lowest water bill in England and Wales in 2018/19

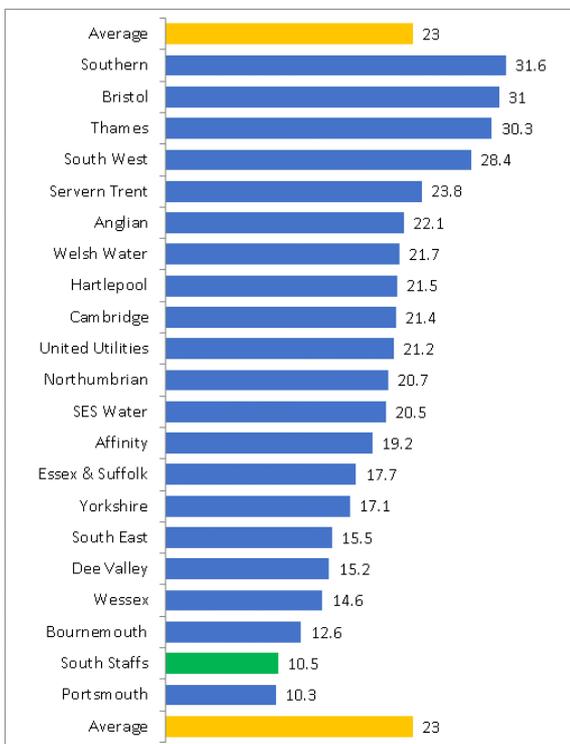


If CAM show: This shows that Cambridge Water customers, on average, paid the 2nd lowest water bill in England and Wales in 2018/19



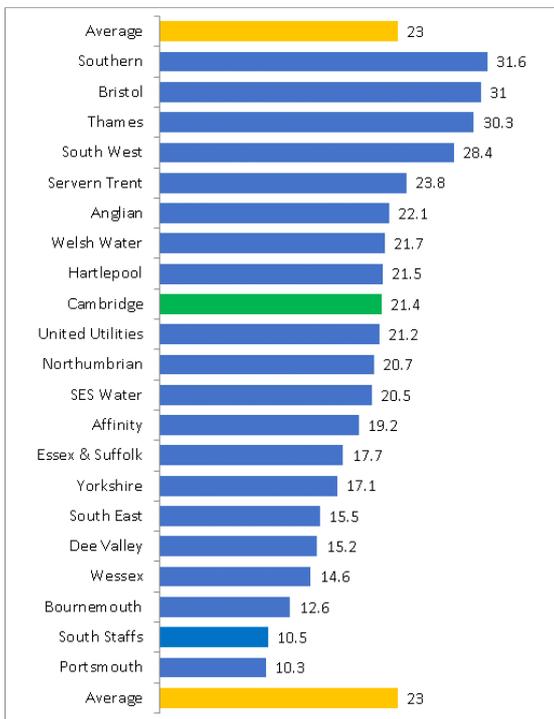
NEW PAGE

If SSW show: The next area relates to the number of written complaints received by each company from customers, for every 10,000 households. The lower the score the better. This shows that South Staffs Water was ranked 2nd in 2018/19. **Info button:** Water companies' performance for customer service is also independently monitored. South Staffs Water was ranked 8th of all water companies in 2018/19. Over the last four years they are ranked 5th on average.



If CAM show: The next area relates to the number of written complaints received by each company from customers, for every 10,000 households. The lower the score the better. This shows that Cambridge Water

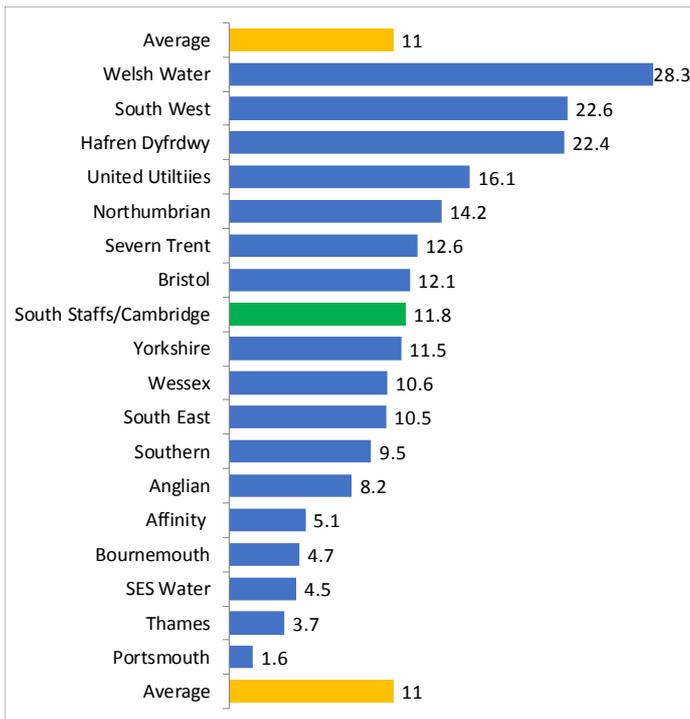
was ranked 13th of all water companies in 2018/19. **Info button:** Water companies' performance for customer service is also independently monitored. Cambridge Water was ranked 12th of all water companies in 2018/19. Over the last four years they are ranked 11th on average.



The final area is about water quality. This shows the number of customer complaints received for every 10,000 households about the appearance of their tap water. The lower the score the better a company is performing.

If South Staffs show: This shows that South Staffs Water was ranked 14th of all water companies in 2018/19.

South Staffs Water also had a disappointing year in 2018/19 for water quality performance – including customer complaints about the appearance of their water. This was due to the impact of the long hot summer and failures at their two ageing water treatment works in the South Staffs region. These works are benefitting from £60 million of investment between 2020 and 2025, which follows the Ultraviolet (UV) treatment added recently to both works to improve the water quality. However, their water quality score was still very high (over 99.2%) with just 15 out of 16,958 independent water quality tests not meeting the strict regulatory compliance standards.



If Cambridge show: This shows that Cambridge Water was ranked 5th of all water companies in 2018/19.

Cambridge Water had an average year in 2018/19 for water quality performance – including customer complaints about the appearance of their water. This was mainly due to the impact of the long hot summer. However, their water quality score was still very high with just 2 out of 5,000 independent water quality tests not meeting the strict regulatory compliance standards.

Q23. Was everything clear to you on these three charts?

- Yes
- No

Q24. **IF CODE 2 ASK. OTHERS GO TO NEXT PAGE:** What was not clear?

Your views on funding investments for small water companies

CAPI: Show screen or please use Showcard B

Ofwat (the economic regulator for the water sector in England and Wales) acts as an alternative to competition in a market where customers are not able to switch their water supplier.

They protect customers' interests by ensuring that water companies:

- Provide good quality services
- Keep bills as low as possible
- Adopt a long-term view to tackling challenges like population growth and climate change

The last point is vital because customers will always need water. It also means that the company must maintain a secure financial position.

NEW PAGE

Every five years Ofwat decides the price, service and investment levels that water companies must deliver – this determines how much customers pay for their water bills for the next five-year period.

Decisions are mainly made by comparing water companies against each other (on things such as leakage, supply interruptions, customer service, etc) which helps ensure that the companies provide the best service and offer customers the best value for money. The views of customers are also taken into account through water companies' research and engagement activities.

Once these plans are agreed, a water company can make changes to further improve the service (e.g. take advantage of new technologies) but it cannot change the amount it charges customers – the bills are set for the five year period.

NEW PAGE

As you've seen your water company is one of the smaller companies in England and Wales. There can be advantages to being a small/local company (like being flexible enough to respond to customers' issues quickly, having closer links with the communities it serves). BUT there are also disadvantages.

One of the main disadvantages is the cost of borrowing money, which all water companies need to fund their long-term investments. The cost of borrowing is higher for smaller companies compared to larger companies, such as **IF Q9=1 SAY** Severn Trent Water **IF Q9=2 SAY** Anglian Water. For example, this is because they aren't able to access funds from banks, etc, in large enough amounts and/or at the right times to take advantage of lower interest rates. Think about the rate you pay a bank to borrow money when you take out a loan or mortgage. You can shop around but, depending on who you are, you may not always qualify for the cheapest rates. **Info button:** A company's shareholders has no, or very little impact, on what interest rate the lenders will give the water company when they borrow money to fund investments.

So, it costs South **IF Q9=1 SAY** South Staffs Water **IF Q9=2 SAY** Cambridge Water more to maintain its assets - such as the network of pipes and treatment works.

To help with this, Ofwat can allow smaller water companies to plan for a higher cost of borrowing and so charge slightly higher prices to their customers. This is called a small company premium. However, Ofwat will only allow this if they are convinced it is the right approach and is value for money for customers.

Q25. Do you believe that it is worth paying a small company premium in order to continue being supplied by a smaller/local water company, like **IF Q9=1 SAY** South Staffs Water **IF Q9=2 SAY** Cambridge Water?

Yes
No

Q26. If **IF Q9=1 SAY** South Staffs Water **IF Q9=2 SAY** Cambridge Water were to implement a small company premium to help with the cost of borrowing, this would amount to around £1 each year on the **typical** household clean water bill. Please note that the maximum would be £1.05 a year.

How acceptable do you find this additional amount (£1 per year) on the annual water bill?

Very acceptable
Acceptable
Neither acceptable nor unacceptable

Unacceptable
Very unacceptable
Don't know
Don't mind (please note that this means your response will be counted as acceptable).

Q27. There is an alternative to charging around £1 a year for the small company premium which is shown below. Of the two options, please indicate which you would prefer?

ROTATE

South Staffs/Cambridge Water could merge with a larger water company
Introduction of a small company premium of around £1 on customer bills
Don't know **DO NOT ROTATE ALWAYS SHOW LAST**

Q28. Why did you give that answer?

NEW PAGE

Q29. Given that there are unknowns in the future around the cost of borrowing money for water companies and what Ofwat's final decision will be on their business plan and bill levels for 2020-2025, **IF Q9=1 SAY South Staffs Water IF Q9=2 SAY Cambridge Water** would be interested to know your views on paying a slightly higher small company premium charge of around £2 to help with the cost of borrowing'

How acceptable would you find this amount (£2 per year) on the proposed annual water bill?

Very acceptable
Acceptable
Neither acceptable nor unacceptable
Unacceptable
Very unacceptable
Don't know
Don't mind (please note that this means your response will be counted as acceptable).

Q30. Why did you give that answer?

Finally, A Bit More About You

Q31. Is anyone in your household registered on the Priority Service Register? The Priority Services Register is for water customers who may need extra support or additional services - e.g. braille bills, or bottled water deliveries in the event of the water supply being interrupted.

Yes
No
Prefer not to say
Don't know

Q32. A lot of people struggle to pay their household bills. Which of the following best describes how affordable you find your water and sewerage bill and other household bills? Please remember, this research is entirely confidential and that it is only by talking to people in debt, or struggling to pay their bills, that change can be influenced.

SINGLE CODE

1	I always pay my water bill, and other household bills, on time	
2	I always pay my water bill on time, but sometimes struggle, or am late, paying other bills	STRUGGLING
3	I sometimes pay my water bill late	STRUGGLING
4	I often find it difficult to pay my water bill on time	IN DEBT
5	I am rarely, or never, able to pay my water bill on time	IN DEBT
6	Prefer not to answer	

Q33. Overall, how easy or difficult was it to understand the questions in this survey?

- I found most of these questions very easy to answer
- I found most of these questions quite easy to answer
- I found most of these questions quite hard to answer
- I found most of these questions very hard to answer

Q34. **CAPI ONLY:** Are you interested in becoming a member of South Staffs/Cambridge Water's new on-line community when it launches in Autumn of 2019 – the community will allow customers to take part in activities to help shape SSW's/CW's future plans and also hear about how this feedback is being used to improve the service for customers?

Please note that ticking 'Yes' you give permission for Accent to share your e-mail address with SSW/CW. This will be held securely and only used to invite you to join the on-line community.

- Yes
- No

Q35. If yes – please write in your email address here:

ONLINE

Thank you. This research was conducted under the terms of the MRS code of conduct and is completely confidential.

CAPI

Thank you. This research was conducted under the terms of the MRS code of conduct and is completely confidential. If you would like to confirm my credentials or those of Accent, please call the MRS free on 0800 975 9596.

HAND OVER THE THANK YOU SLIP.

Please can I take a note of your name and where we can contact you for quality control purposes?

Name: [CAPI: DP, IMPORT FROM ID]
 Telephone: [CAPI: DP, IMPORT FROM TELNUMBER]

Interviewer Confirmation

I confirm that this interview was conducted under the terms of the MRS code of conduct and is completely confidential

Yes
No

Q6 SYSTEM INFORMATION
Q7 Time interview completed:

INTERNAL USE ONLY: [Click here](#)

Online only
CATI only (DP: add QAX)
CAPI/Tablet (BCQs: 4, 5, 15) QAZ2
CATI recruit for online/field (BCQs:) QAZ3
Field recruit for online/CATI (BCQs:) QAZ1
Recruit only (ie for qual) Paper showcard? Y N

Grid style for mobiles: [click here for example](#)

GM 1 to force mobiles to show grid (for small grids)
GAR 1 to show vertical text for answer headings
GAR 2 to show vertical text for answer headings on mobile devices only

Questionnaire Style (default is 7): [Click here for details](#)

Choose base format:

Accis3
Accis4
Accis5
Accis6
Accis7
Accis8

Choose variations:

Question and answer fonts (full list: <https://fonts.google.com/>)
Header font
Tick box style (1-6)
Next/previous button style (1-3)
Font colour (use HEX code [http://html-color-codes.info/#HTML Color Picker](http://html-color-codes.info/#HTML_Color_Picker)) #

Other colours: Note that CLR1 and CLR6 change a number of different elements (to easily keep the colours consistent)

CLR1 # Progress bar border, progress colour, button colour
CLR2 # Progress bar background colour
CLR3 # Page background colour
CLR4 # Header background colour (if different from CLR1)
CLR5 # Header font colour
CLR6 # Border colour for selected checkbox and checkbox border colour when hovered over (if different from CLR1)
CLR7 # Background colour for selected checkbox (if different from CLR1)
CLR8 # Tick/circle colour for selected checkbox