

# Appendix 1.1.X - Developer services research

Wessex Water

September 2018



**Wessex Water**

YTL GROUP

Business plan section	Supporting document
Board vision and executive summary	
1 Engaging customers	<b>1.1 Summary of research findings</b>
	1.2 Communications strategy
	1.3 Customer participation and behavioural engagement strategy
2 Addressing affordability and vulnerability	
3 Delivering outcomes for customers	
4 Securing long term resilience	
5 Markets & innovation: wholesale	
6 Markets & innovation: open systems & DPC	
7 Markets & innovation: retail	
8 Securing cost efficiency	
9 Aligning risk and return	
10 Financeability	
11 Accounting for past delivery	
12 Securing trust, confidence and assurance	
13 Data tables and supporting commentaries	

## Contents

<b>Research findings 2016 .....</b>	<b>4</b>
<b>Research findings 2017 .....</b>	<b>55</b>
<b>Discussion guide 2016 .....</b>	<b>108</b>
<b>Quantitative questionnaire 2016 .....</b>	<b>112</b>
<b>Depth interview and groups discussion guides 2017 .....</b>	<b>125</b>
<b>Group discussion self-completion questionnaire 2017.....</b>	<b>134</b>
<b>Proposals 2016 and 2017 .....</b>	<b>135</b>

# Developers Research 2016

Presentation of findings

21<sup>st</sup> December 2016



1. Research details
2. Overall perceptions of WWDS
3. Making contact with WWDS
4. The WWDS website
5. Completing the application
6. Service delivery
7. Advocacy and comparisons
8. Conclusions and recommendations

# Research details



## Research context

- Water UK publishes a quarterly report on a set of performance metrics on developer services derived from monthly returns data provided by all WaSC and WoCs. Although the report shows that for many metrics all companies score very highly, Wessex Water is not performing as well as other water companies and currently appears mid table for water services and in the bottom quartile for drainage services
- The metrics relate to hard measures e.g. response times to a series of activities using targets that have been developed by industry working groups. These are gathered from operational data and do not involve the customers' perceptions of service.

## Research objectives

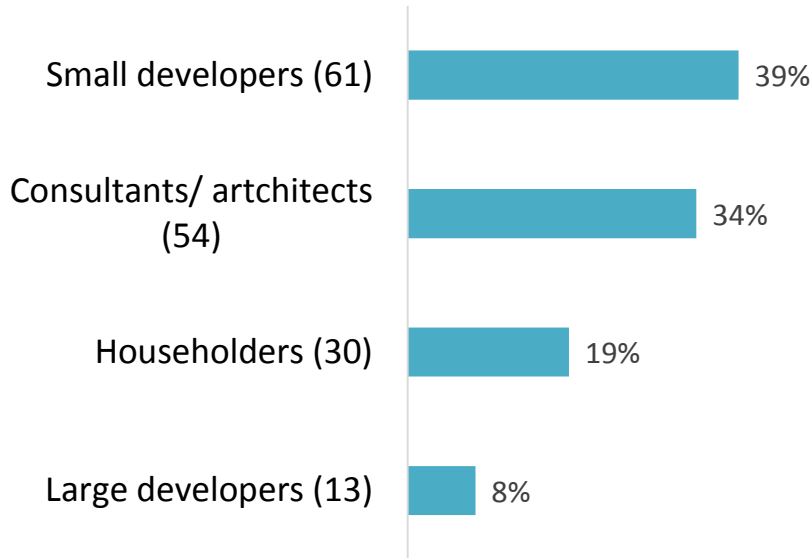
- To measure customers' views on their service experience to establish whether recent variable performance against industry targets is having any impact on satisfaction
- To identify, if appropriate, where service could be improved

## Sample and methodology

- 150 x 12 minute telephone interviews with a representative sample of the 4 categories of customer (large developers, small developers, consultants and householders)
- 6 depth interviews with mainly larger developers: used to explore service experience and overall satisfaction with Wessex Water qualitatively

- In total we completed 158 quantitative telephone interviews with customers of Wessex Water's Developer Services
- The interviews were spread proportionally across the different customer types
- The majority of people interviewed were Director-level individuals within their organisations

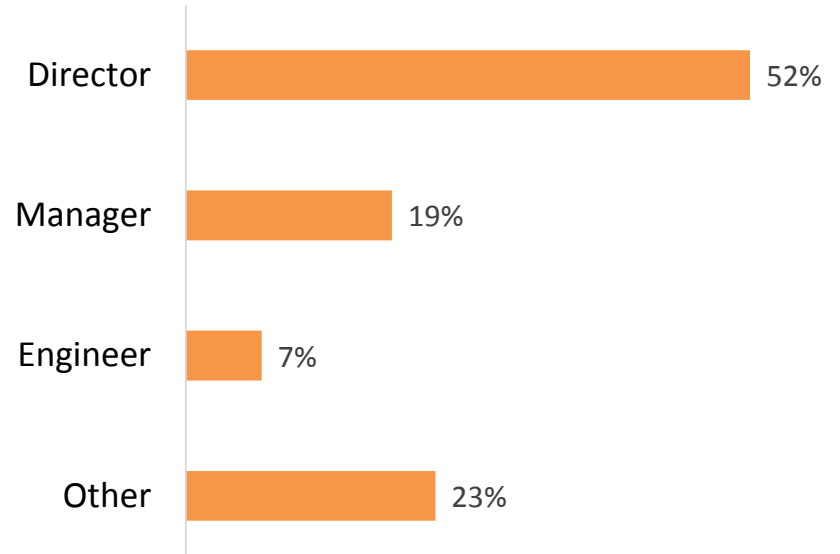
**Sample profile**  
Base: all (158)



**Qualitative in-depth interviews were conducted with:**

- 5 x large developers (mainly Engineers)
- 1 x small developer (Director)

**Job position**  
Base: all excluding householders (128)

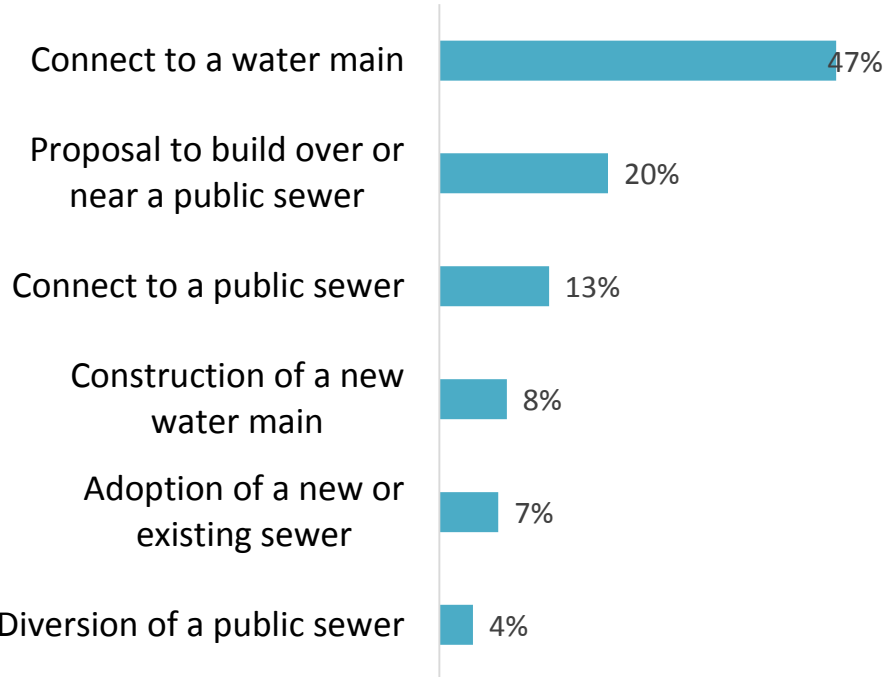


'Other' job positions include: administrative/ clerical support (4%), architect (3%), owner/ partner (3%), designer (2%)

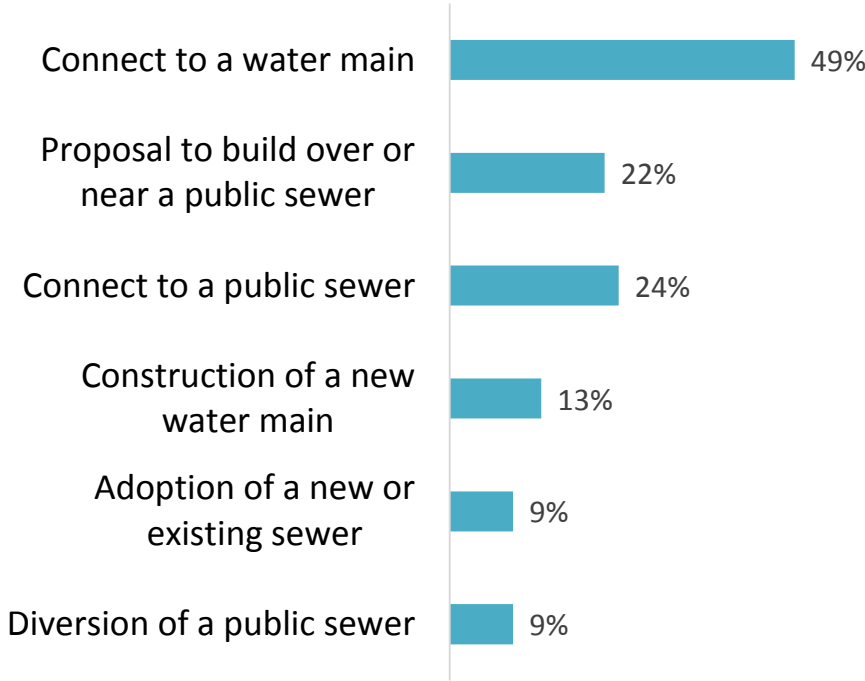


- Almost half of the sample had most recently used Developer Services to connect to a water main
- The proportion of services used most recently is broadly in line with the proportions seen in the customer lists that were provided – meaning the breakdown can be considered broadly representative

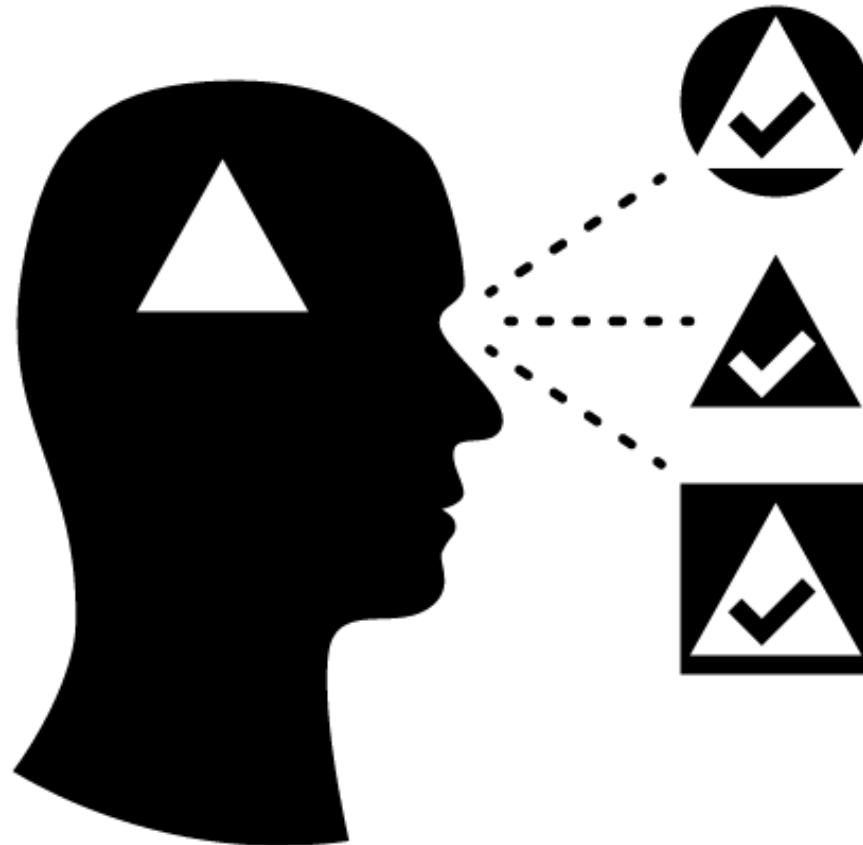
**Service used most recently**  
Base: all (158)



**Services ever used**  
Base: all (158)



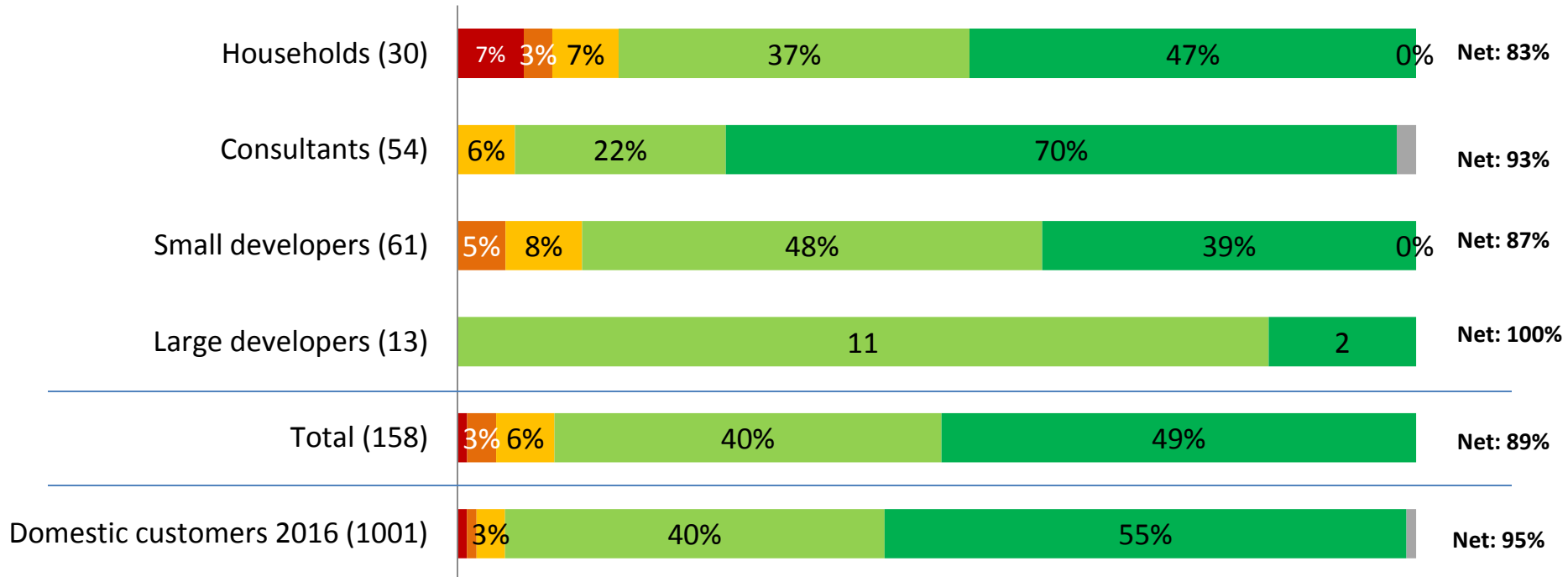
# Overall perceptions of WWDS



- High levels of satisfaction across all customer types.
- Highest levels of satisfaction amongst consultants and most risk of dissatisfaction amongst householders
- Overall satisfaction levels with WWDS are similar to overall satisfaction levels with Wessex Water in general amongst domestic customers

## Q3. Overall, how satisfied or dissatisfied are you with Wessex Water’s Developer services? Base: all (158)

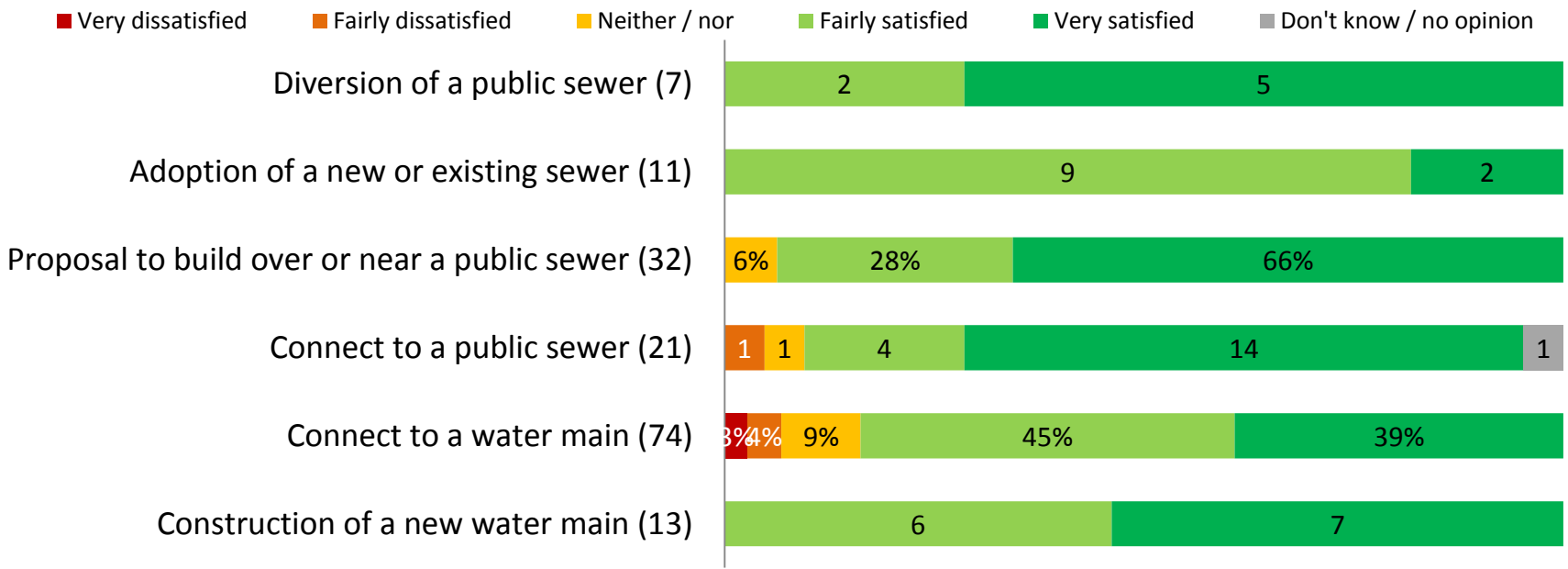
■ Very dissatisfied  
 ■ Fairly dissatisfied  
 ■ Neither satisfied nor dissatisfied  
 ■ Fairly satisfied  
 ■ Very satisfied  
 ■ Don't know / No opinion



# Satisfaction levels against service types

- Satisfaction levels are high against all service types
- Greatest risk of dissatisfaction amongst those connecting to a water main (7% dissatisfied)
- (Small indication that drainage services might be affecting satisfaction levels?)

**Q3. Overall, how satisfied or dissatisfied are you with Wessex Water's Developer services? By most recent service type.**  
**Base: all (158)**

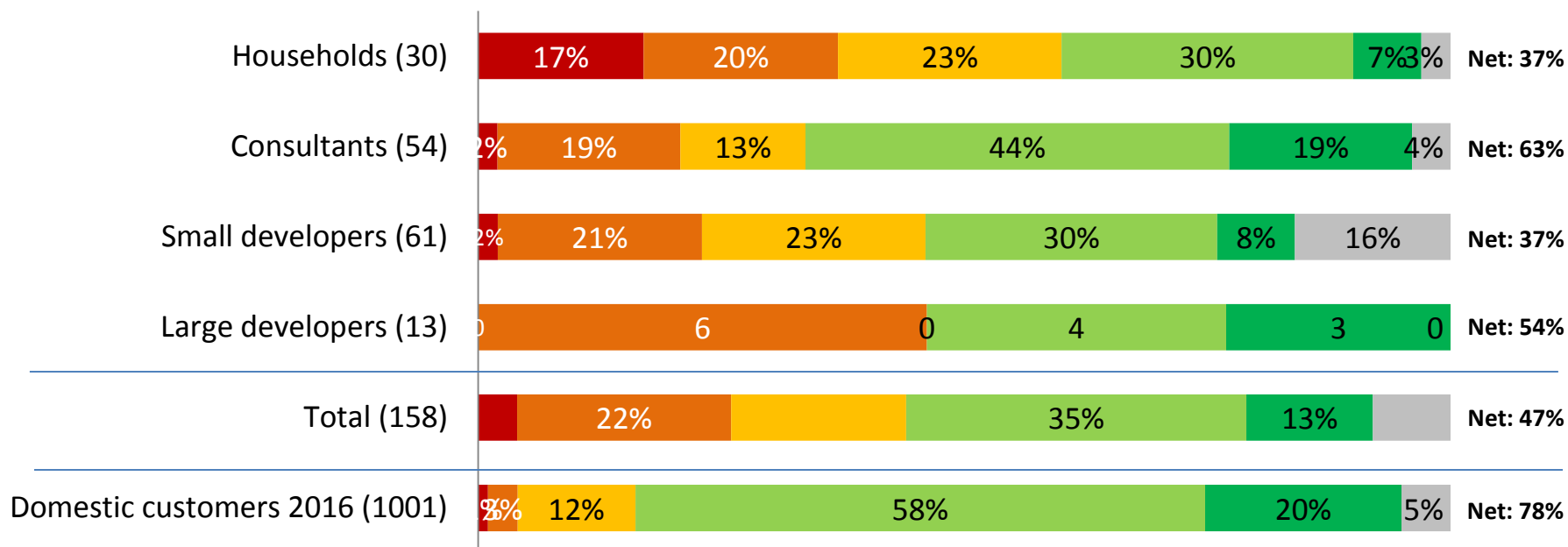


# Overall value for money

- Value for money perceptions are less positive than satisfaction.
- Householders and small developers have lowest opinion of value for money: hypothesise that these groups have less frequent contact and/or lower cost expectations
- WWDS customers show lower levels of satisfaction with value for money compared to domestic customers (NB: The domestic scores shown below are for 'informed' VFM)

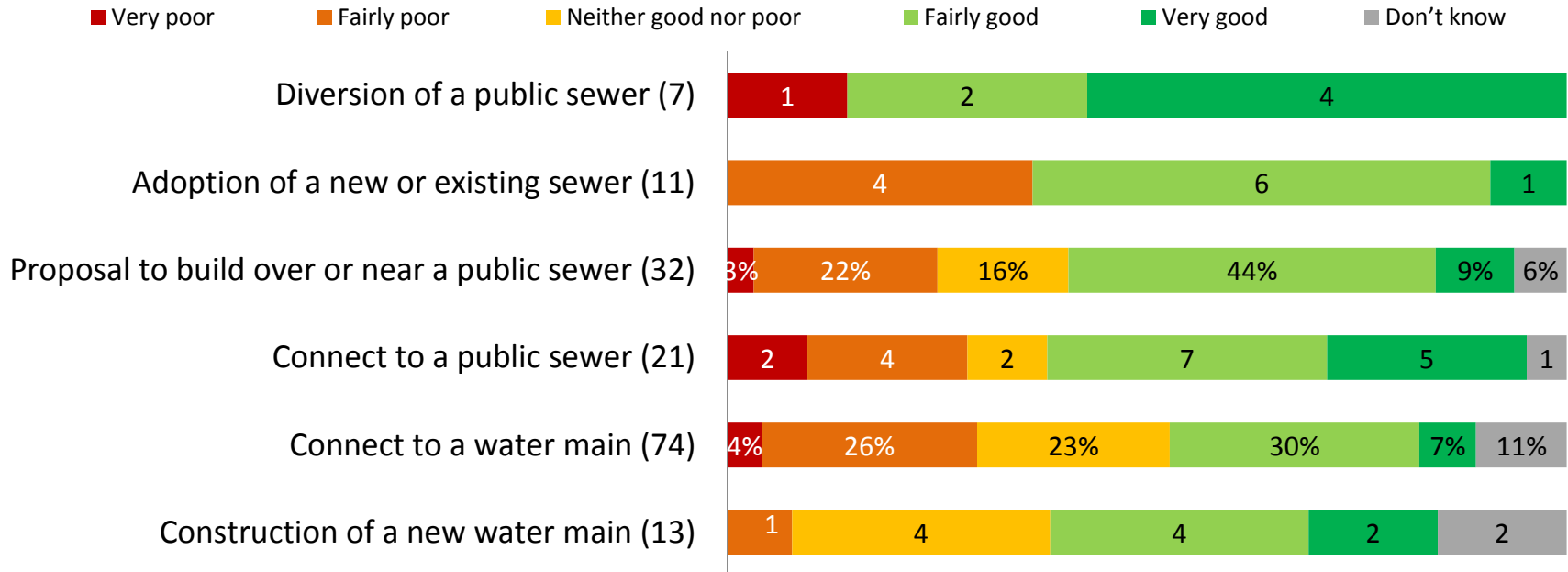
## Q5. Thinking about value for money, overall how would you rate Wessex Water Developer's Services in relation to the services they provide? Base: all (158)

■ Very poor   
 ■ Fairly poor   
 ■ Neither good nor poor   
 ■ Fairly good   
 ■ Very good   
 ■ Don't know / No opinion



- Small sample sizes: difficult to draw conclusions about whether some service types are perceived as better value than others

## Q5. Thinking about value for money, overall how would you rate Wessex Water Developer's Services in relation to the services they provide? By service type. Base: all (158)



## For larger developers, there is passive acceptance of pricing

- Pricing seems fair: but seen as difficult to make a judgement of value for money where there is no choice
- Generally accepting/ unquestioning of costs esp. re site drainage as this is usually accounted for in the land deal
- Different water companies seem fairly similar on price (for those dealing with several companies)
- Some get quotes for self lay options to get a cost advantage (though there are advantages of working with one company)

## Areas of frustration

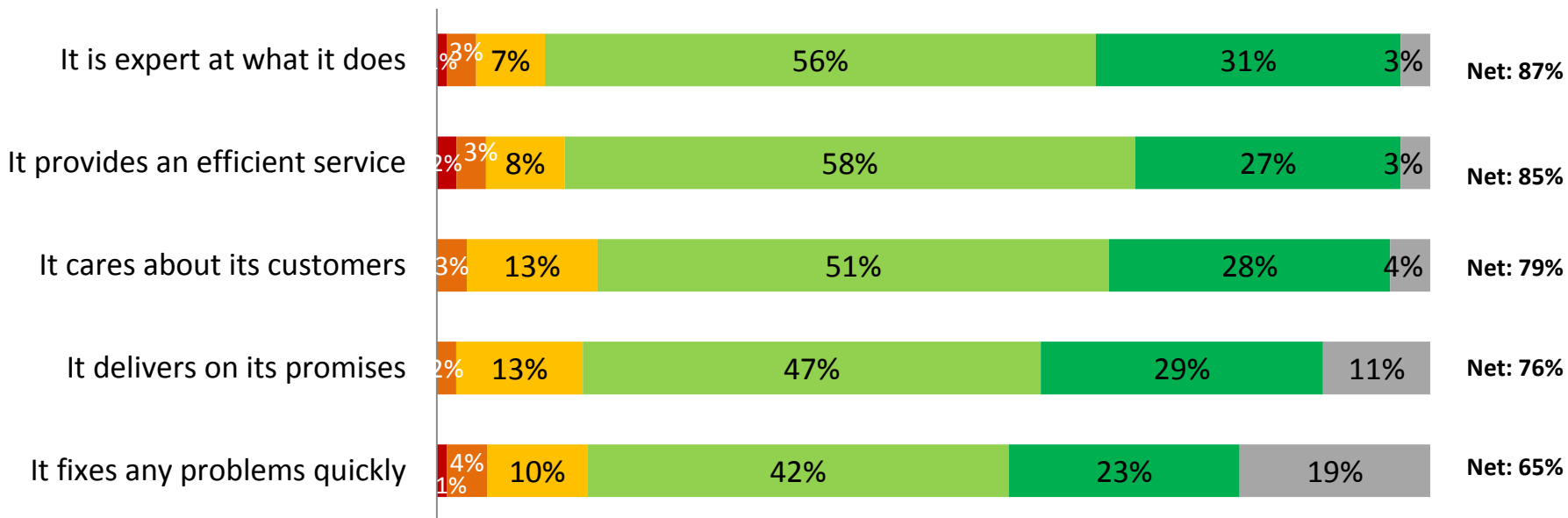
- Occasions where initial estimates look higher than necessary (and job completes at a lower fee) – some frustration in these instances as accurate cost control required
- Cost of offsite works can be more controversial  
*‘Sometimes the work is 3 miles up the road and the developer ends up paying for it. It’s not always clear that it is evidence based. If you were cynically minded you could call that a conspiracy. There’s no network of communication about it. It can feel like those costs are disproportionate...’*

# Image perceptions of Developer Services

- Very high levels of satisfaction throughout
- Large Developers less likely to strongly agree with all statements and notably *'expert at what it does'* and *'cares about customers'*: perhaps harder to please?
- Householders more likely not to know if it *'delivers on its promises'*; and less likely to agree that it *'fixes problems quickly'* (presumably because they have not experienced problems)

## Q6. Overall, to what extent would you agree or disagree with the following statements? Base: all (158)

■ Strongly disagree   
 ■ Tend to disagree   
 ■ Neither/nor   
 ■ Tend to agree   
 ■ Strongly agree   
 ■ Don't know / No opinion

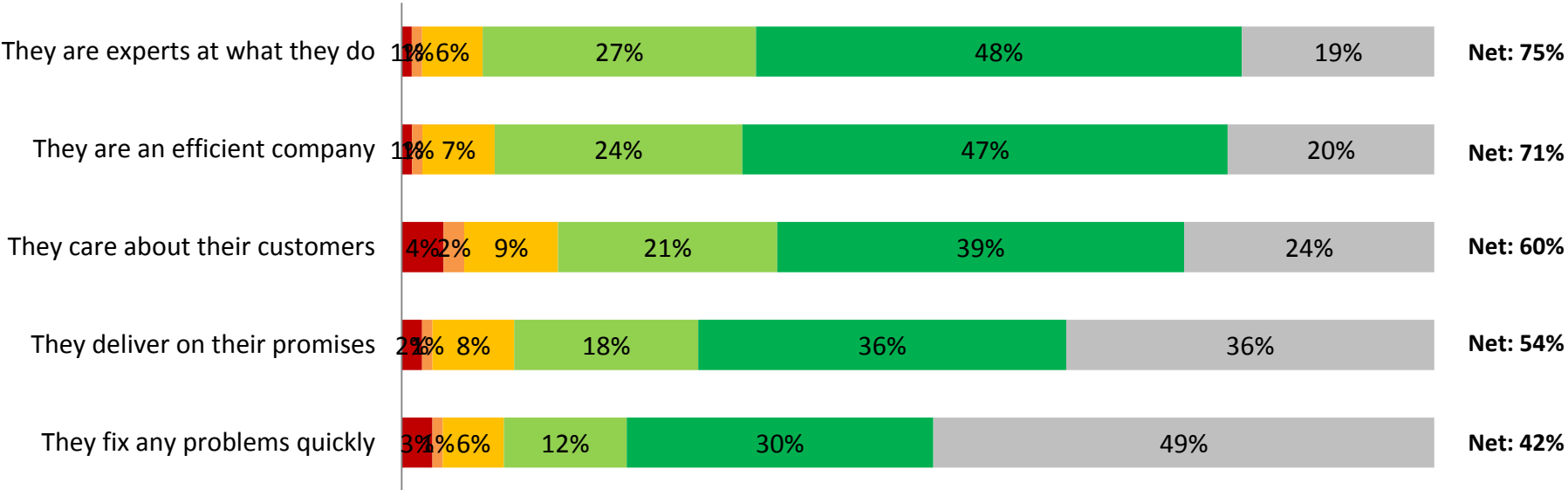


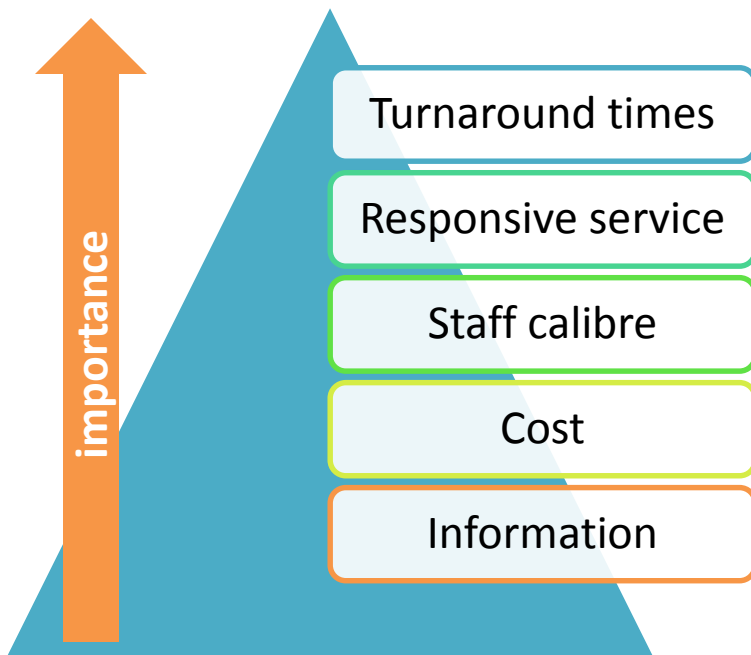


- The data below shows the attitudes of domestic customers to Wessex Water, for comparison
- Wessex Water’s developer services sees higher scores against these image statements from its customers than Wessex Water does in general
- Domestic customers are more likely to be unable to give responses to these questions (‘don’t know’)

## DOMESTIC CUSTOMERS 2016: How much would you agree with the following statements? (Base: 1001)

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





## Large developers: hierarchy of needs broadly similar

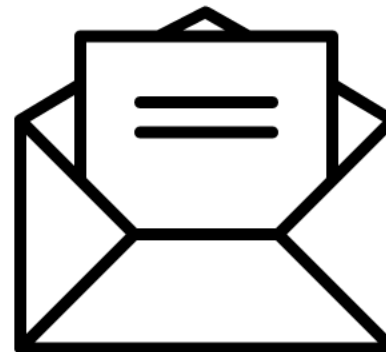
- **Turnaround times** for quotes and queries are critical - often more so than cost; delivering service to schedule
- **Responsive service:** quick and responsive; access to someone to talk to; access to information at the earliest stage of process. (One question resource capacity: Wessex Water not resourced to meet demands of buoyant house building market)
- **Experience and knowledge of staff** is highly valued – awareness that some Wessex Water staff very knowledgeable: long service with good site experience
- **Cost:** keep low as possible, give accurate quotations
- Useful **resources online** (for those who use services frequently)

## Small developer: needs not met

- Could not get through the application process: he was unable to answer questions on application form and nor could the staff at call centre. Application sat still for 6 months...
- Needed an expert at this early stage (as he needed information on flow rates) but seemingly not possible.

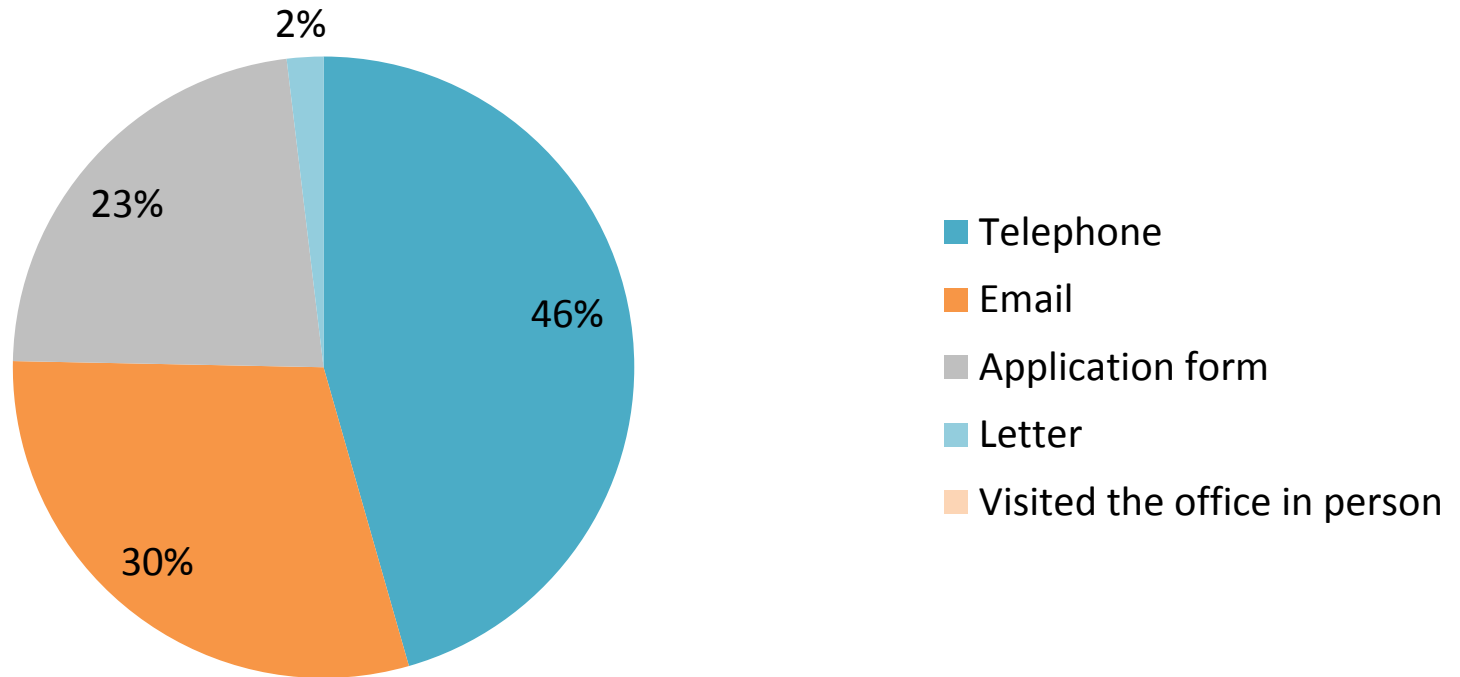
*I understood what they were asking me but I couldn't get the answer. I needed a site visit to complete the application. They wouldn't arrange a site visit until the application was through! A lot of time could have been saved if I could have discussed my application with someone*

# Making contact with WWDS



- Primarily, customers choose telephone and email
- Householders significantly more likely to telephone (77%)
- Smaller and Larger Developers more likely to initiate contact via application form
- No one is visiting WWDS offices

**Q9. Can you tell me how you initially made contact with them?**

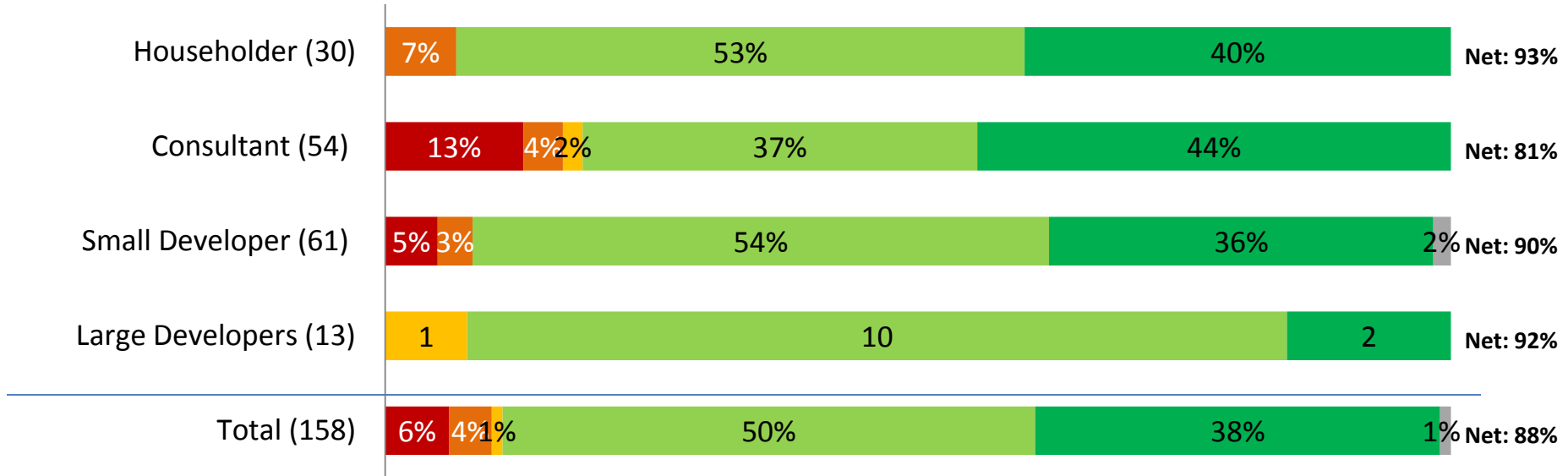


# Ease of initiating contact

- Biggest concern is with Consultants
- Open ended responses: *took too long* 8% (voiced by Small Developers and Consultants)
- 6% say application form is an issue

**Q10. To what extent do you agree with the statement 'it was easy for me to make contact with Wessex Water's Developer services in the way that I wanted to' ? Base all**

■ Strongly disagree  
 ■ Tend to disagree  
 ■ Nether agree nor disagree  
 ■ Tend to agree  
 ■ Strongly agree  
 ■ Don't know/ no opinion



**Large Developer interviews: nothing controversial emerged about initiating contact**

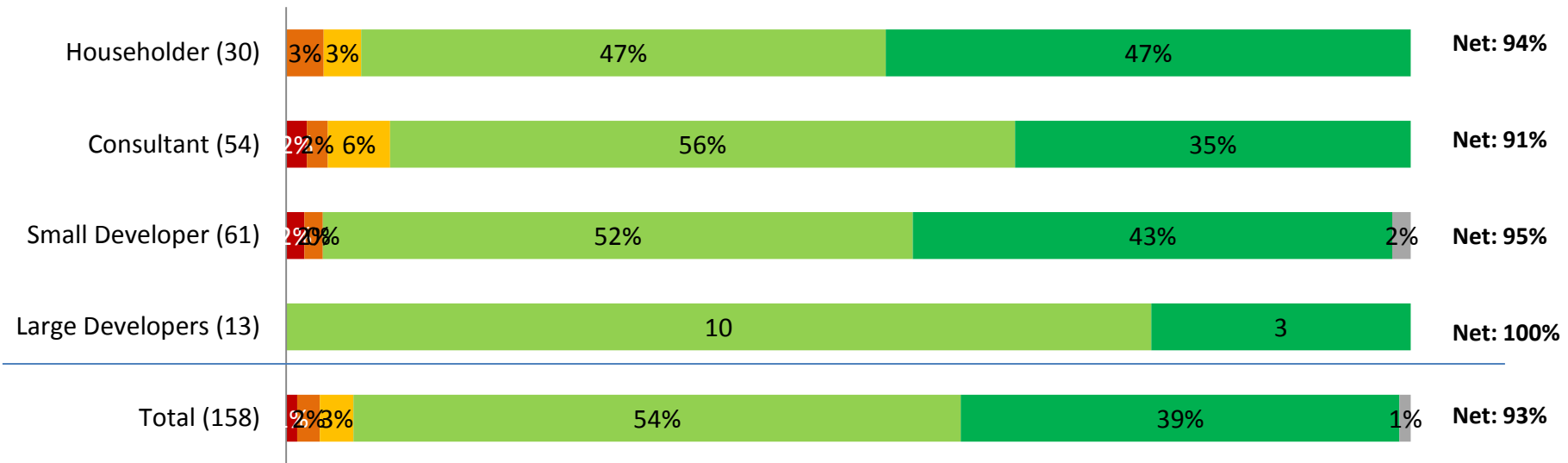
- This customer group are very familiar with the processes and people
- Response times meet expectations: acknowledged within 2 days; substantive response within a week with a point of contact and a reference number

**Small developer: inexperienced and needing guidance and advice**

- High levels of satisfaction with the initial contact with WWDS
- No issues reported qualitatively – generally considered to be simple and straightforward, easy to make contact in the way the customer prefers

## Q11. Overall, how satisfied or dissatisfied were you with your initial contact to Wessex Water’s developer services? Base: all (158)

■ Very Dissatisfied  
 ■ Fairly dissatisfied  
 ■ Neither Satisfied nor dissatisfied  
 ■ Fairly satisfied  
 ■ Very satisfied  
 ■ Don't Know



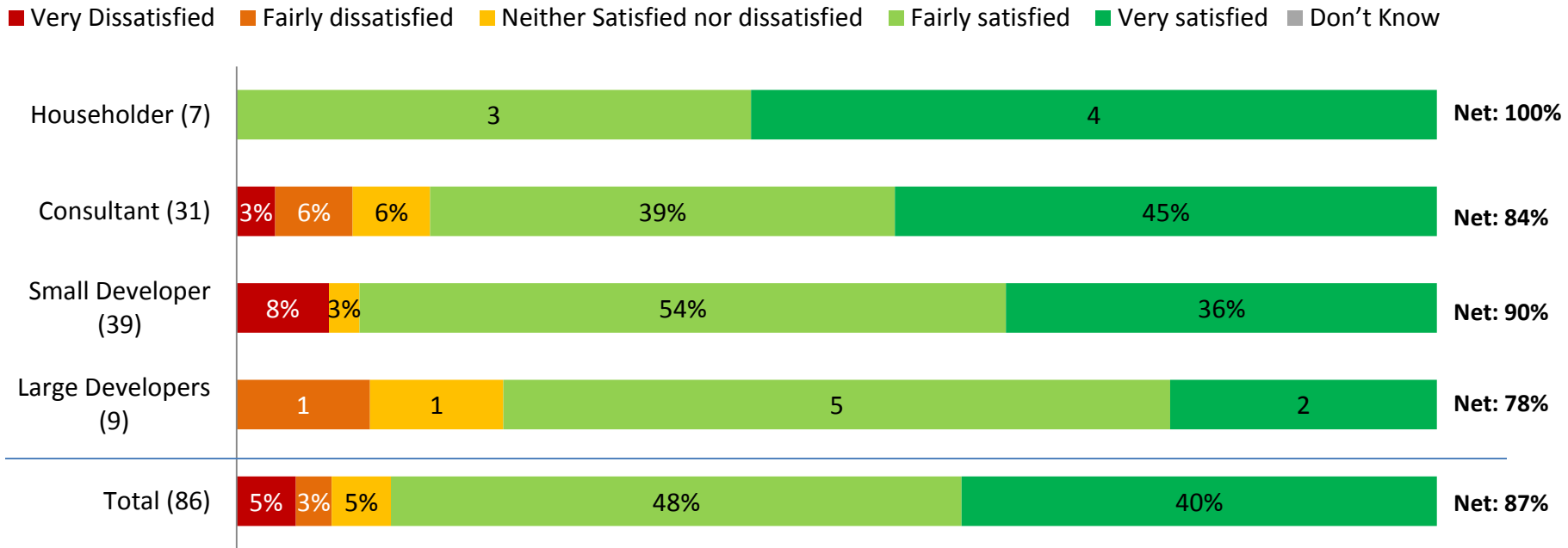
*Fantastic response via email*  
Small Developer

*Simple process, never been any issues*  
Small Developer

*Straightforward service*  
Large Developer

- High levels of satisfaction across the board
- Consultants and Large Developers (most frequent service users) appear slightly more critical

**Q12A. How satisfied were you with the response time? Base: Those who sent an email, letter or application form (86)**



*Quick reply*  
Large developer

*A little slow on getting the go ahead*  
Consultant

*Response time was fine via email*  
Consultant

- A minority of customers express frustration with the initial stage of making contact and starting an application...

*I made 4 applications in total, 3 email and 1 post. It took all 4 of these applications to get the ball rolling before anything actually took place.*

Small Developer

*Simple form to fill out but there was no way of knowing if it had been received.*

Small Developer

*It would be nice to just have contact with one person when you email.*

Consultant

*You guys wanted a drawing, and wouldn't give me water until I gave the drawing. I was in a position where I couldn't provide it at that time, which restricted me getting water on site. I was in a difficult position.*

Small Developer

*If there was a form that you could fill in online and not printing it off and scanning. Easier just to fill it in online*

Consultant

*I had to put an application form in otherwise WW would not speak to me, the actual work I want is something much larger but I needed assistance. The initial communication I was unsure of, it was poor.*

Small Developer

*I used to do one application for any number of services that I wanted and any type of service and it was straightforward, but now you have to do individual forms which takes a lot of time - that contains the same information. It's repetitive.*

Consultant

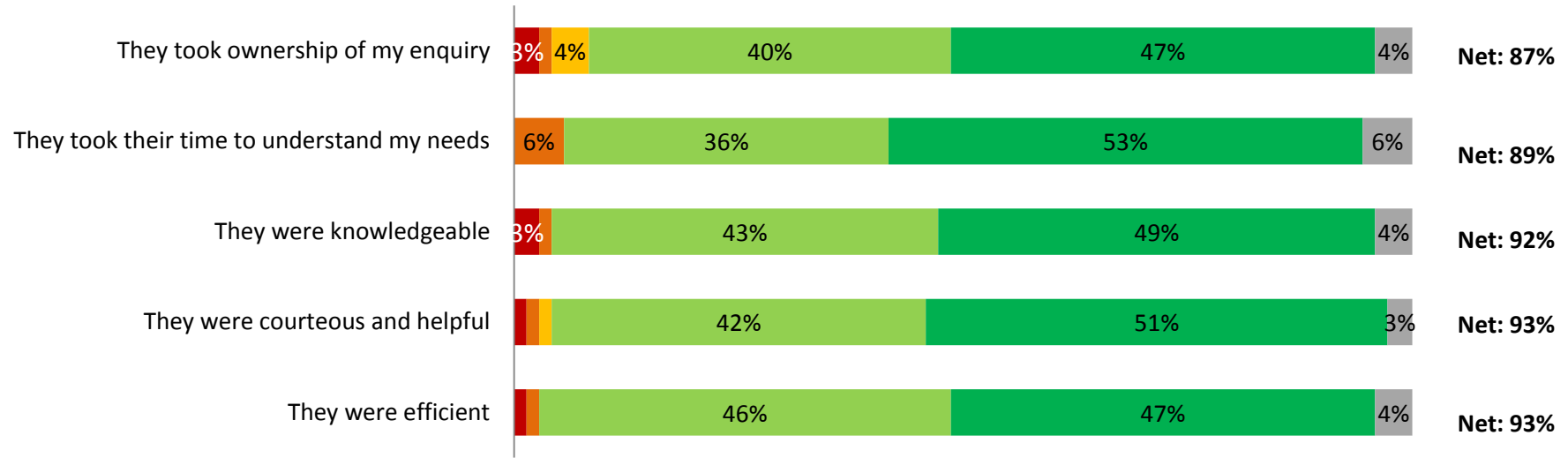


# Person to person interaction

- Customer segments have similar views on all of the image dimensions
- Key issue is feeling passed from pillar to post: while virtually no householders feel passed around, 2 out of 4 large developers agreed with this statement.
- More likely to strongly agree feel passed from pillar to post in the context of sewer connections

**Q13. To what extent do you agree or disagree with the following**  
**Base: those who telephoned or visited the office in person (72)**

Strongly disagree   Tend to disagree   Neither / nor   Tend to agree   Strongly agree   Don't know / No opinion



Strongly disagree   Tend to disagree   Neither / nor   Tend to agree   Strongly agree   Don't know / No opinion

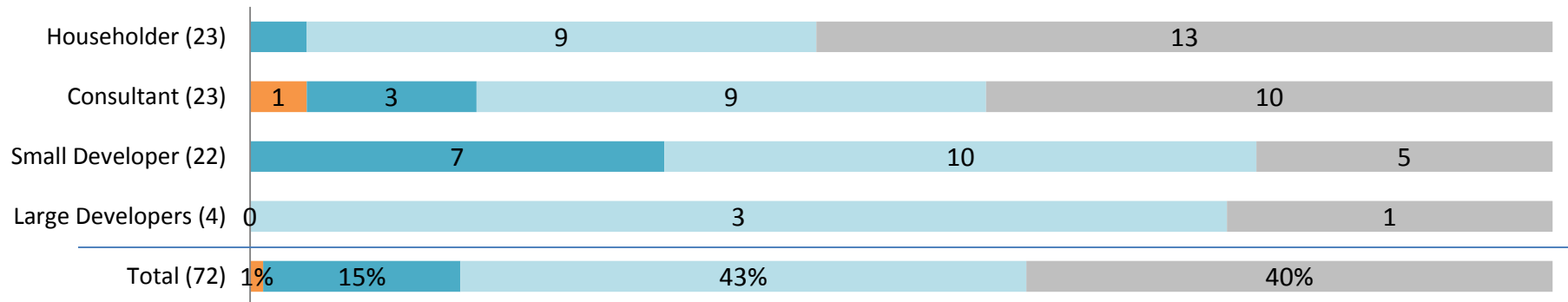


# Telephone: recall of number used

- Many do not remember the number they called
- Amongst those who do, the majority called the Developer Services direct dial number
- Majority experienced no issues

## Q14. You contacted WWDS initially by telephone. Do you remember which number you used ? *Base: all who phoned (72)*

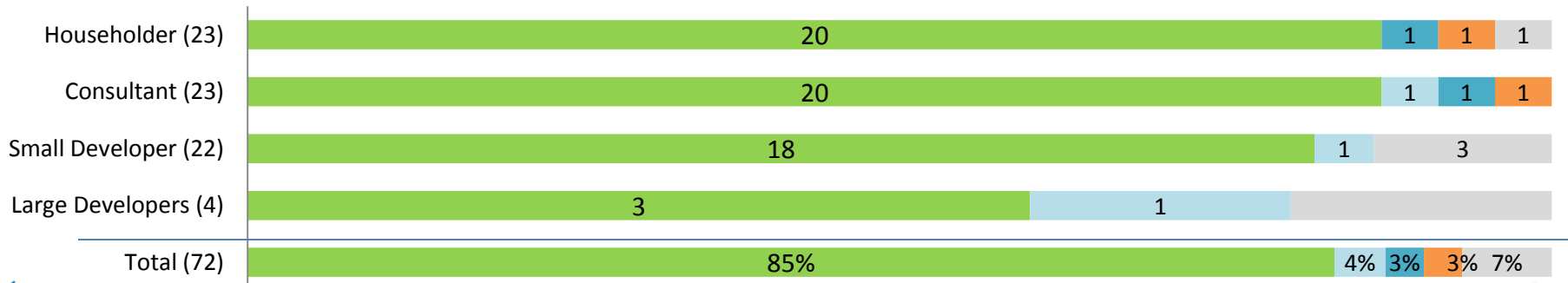
■ Operation enquiries   
 ■ Main Switchboard   
 ■ Developer Services direct dial   
 ■ Don't know



## Q15. On this occasion did you experience any issues?

*Base: all who telephoned (72)*

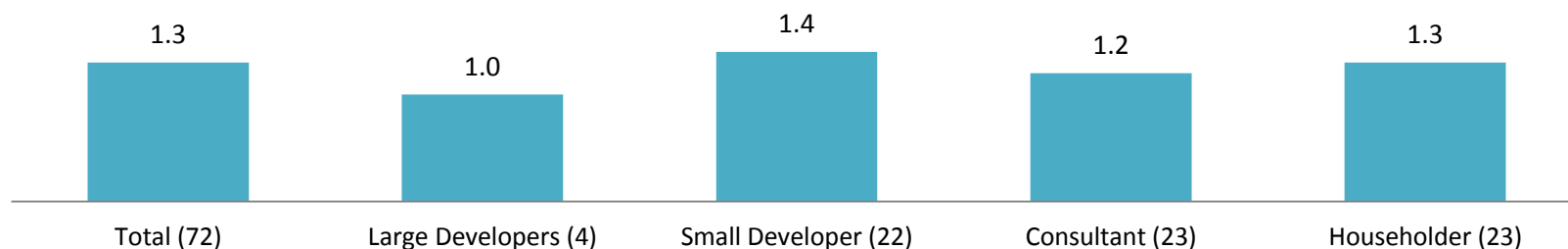
■ No issues   
 ■ Difficulty finding right number   
 ■ Difficulty getting through   
 ■ Long waiting time   
 ■ Other   
 ■ Don't Know



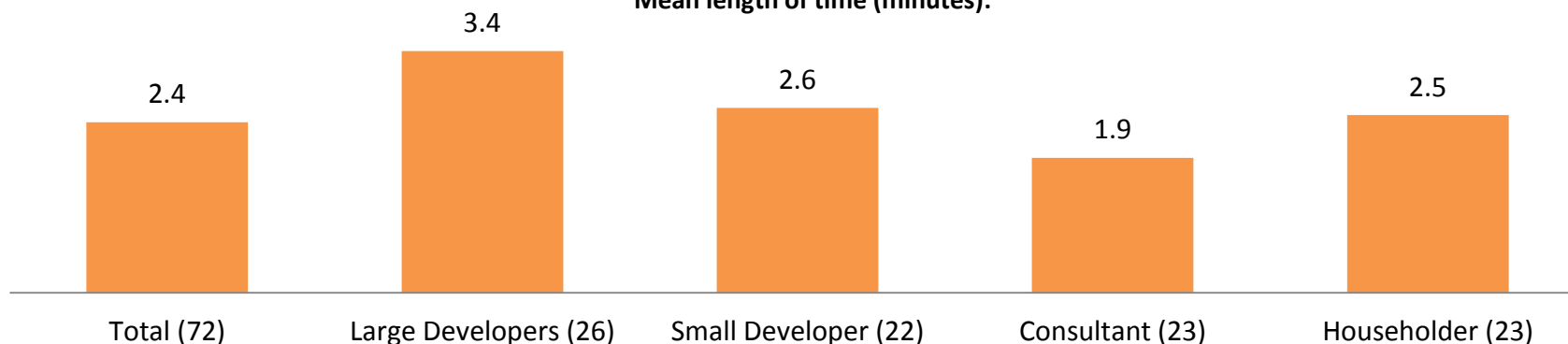
# Telephone: perceptions of number of calls to get through

- Customers are usually getting through first time
- On average customers are waiting 2-3 minutes (NB just 5 out of 72 mentioned that it was slow to get through suggesting the mean average is acceptable)

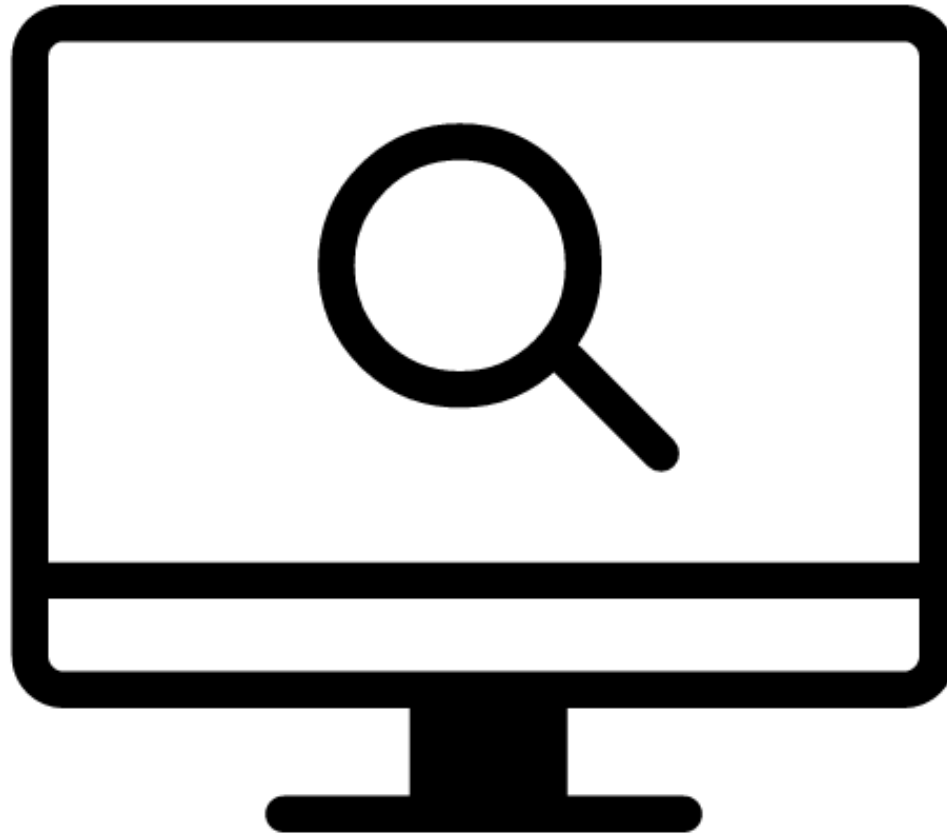
**Q16. How many times did you have to call to get through? Mean = number of calls**  
**Base: Those who telephoned (72)**



**Q17. How long did you have to wait before your call was answered?**  
**Base: Those who telephoned (72)**  
 Mean length of time (minutes):



# The WWDS website



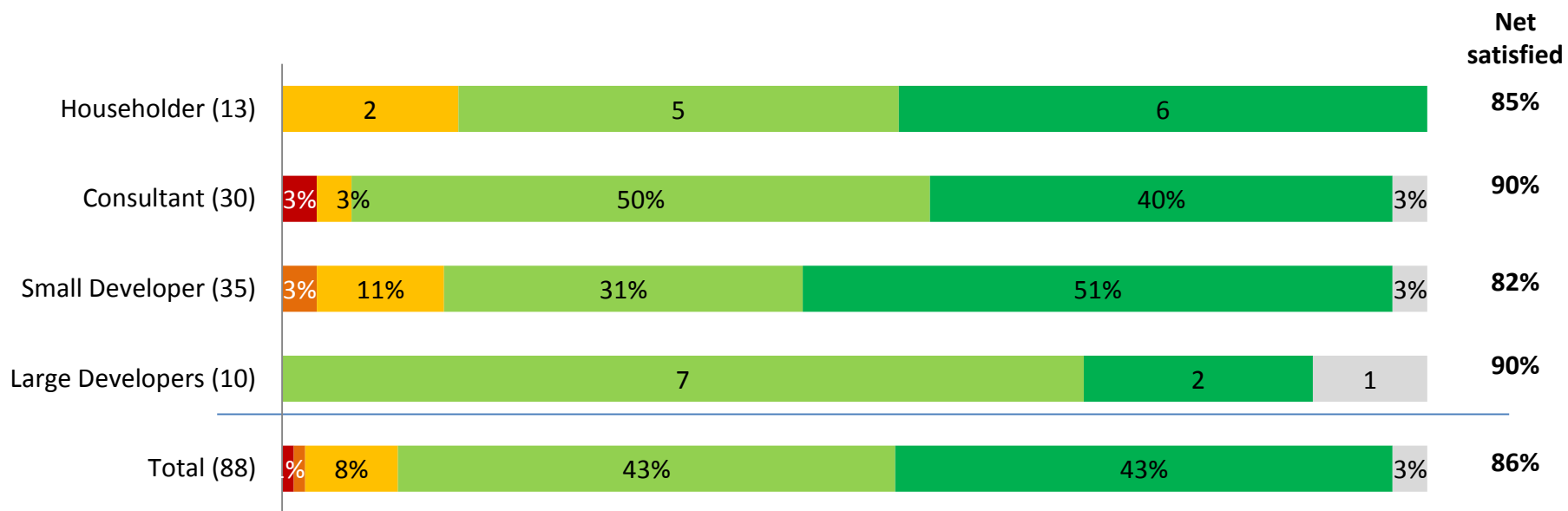
# Website: usage and satisfaction

- In total 56% of customers had visited the website (higher for Large Developers - 77% visited)
- Website users have been broadly satisfied with the experience

## Q20. How satisfied were you with the website in general?

**Base: Those who have visited the website (88)**

■ Very dissatisfied 
 ■ Fairly dissatisfied 
 ■ Neither satisfied nor dissatisfied 
 ■ Fairly satisfied 
 ■ Very satisfied 
 ■ Don't know



*Make easier to find information for older people. The information I required was in the wrong area.*  
Small Developer

*Lots of people say it's difficult to use, information is all over the place*  
Small Developer

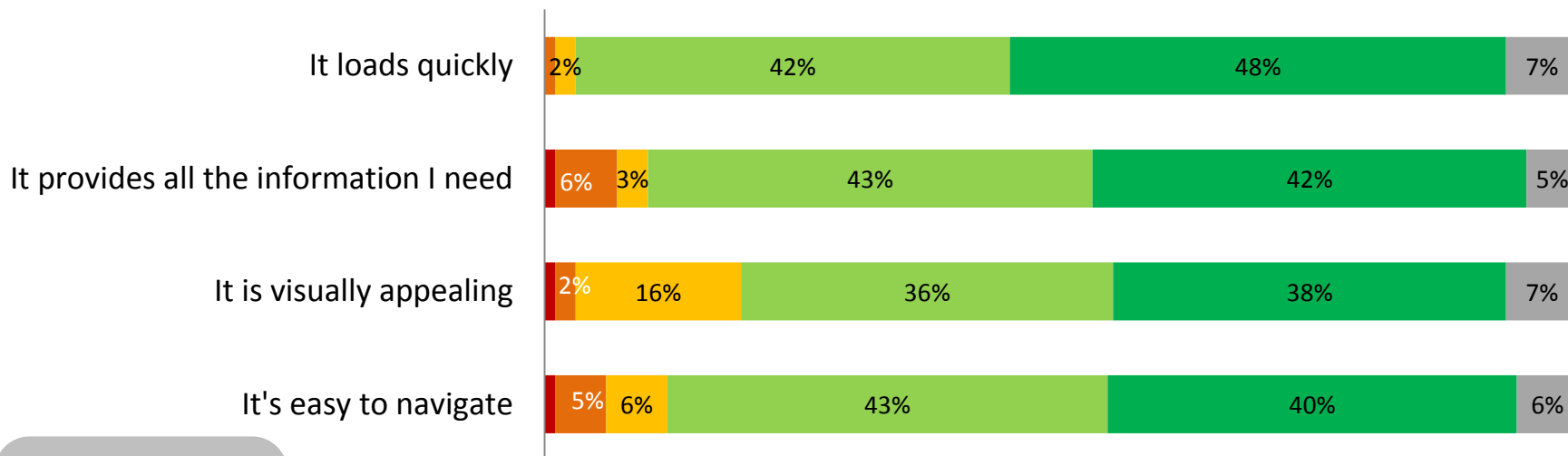
# Website: perceptions of experience

- When asked more detailed questions about the website, customers continue to give positive scores
- The vast majority agree that the website loads quickly, provides the information they need, is visually appealing and is easy to navigate

## Q21. To what extent do you agree or disagree with the following

***Base: those who visited the website (88)***

■ Strongly disagree  
 ■ Tend to disagree  
 ■ Neither / nor  
 ■ Tend to agree  
 ■ Strongly agree  
 ■ Don't know / No opinion



Maybe all the technical info in one place  
Consultant

Could do with technical hub  
Large developer

It would be good if sewer positions were made available to see on a map.  
Consultant

To do a postcode checker on the internet to see if the area is covered where we are working or planning to work.  
Consultant

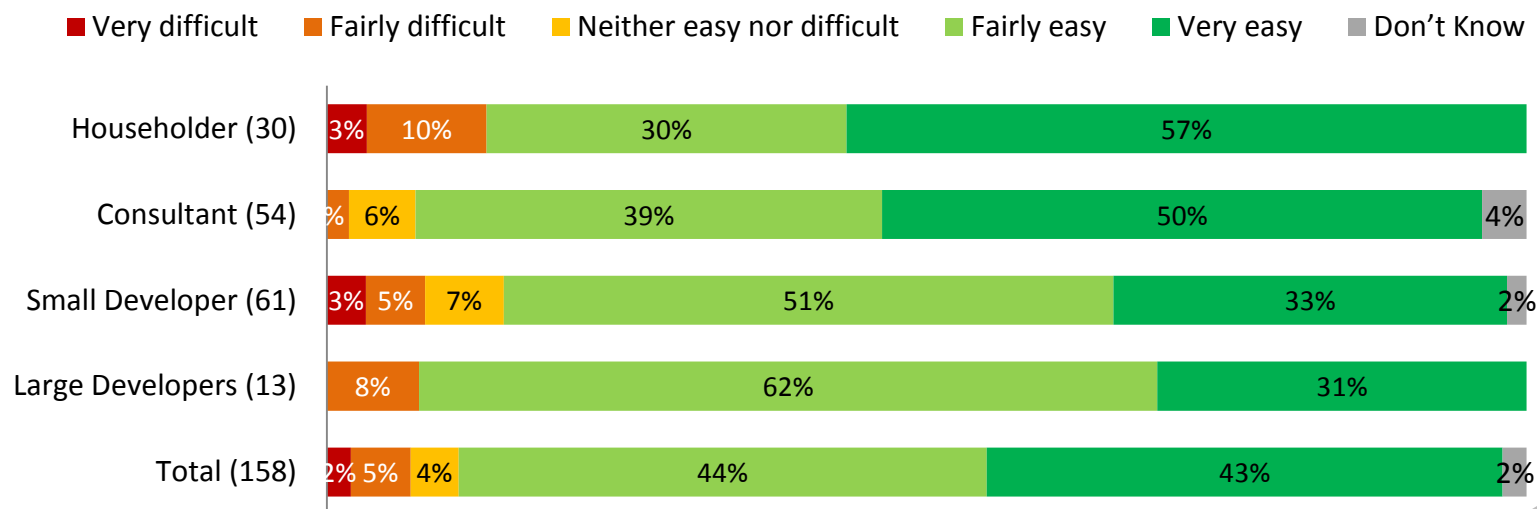
# Completing the application



# Application form: ease of use

- Overall, 87% of customers felt the application form was either 'very easy' or 'fairly easy' to use.
- A minority of householders, small developers and large developers had difficulty with their most recent experience of the application

## Q26. Now I would like to understand your views on your most recent application process. How easy or difficult was it for you to follow the application form? Base: all (158)



*The form is very technical*  
Small developer

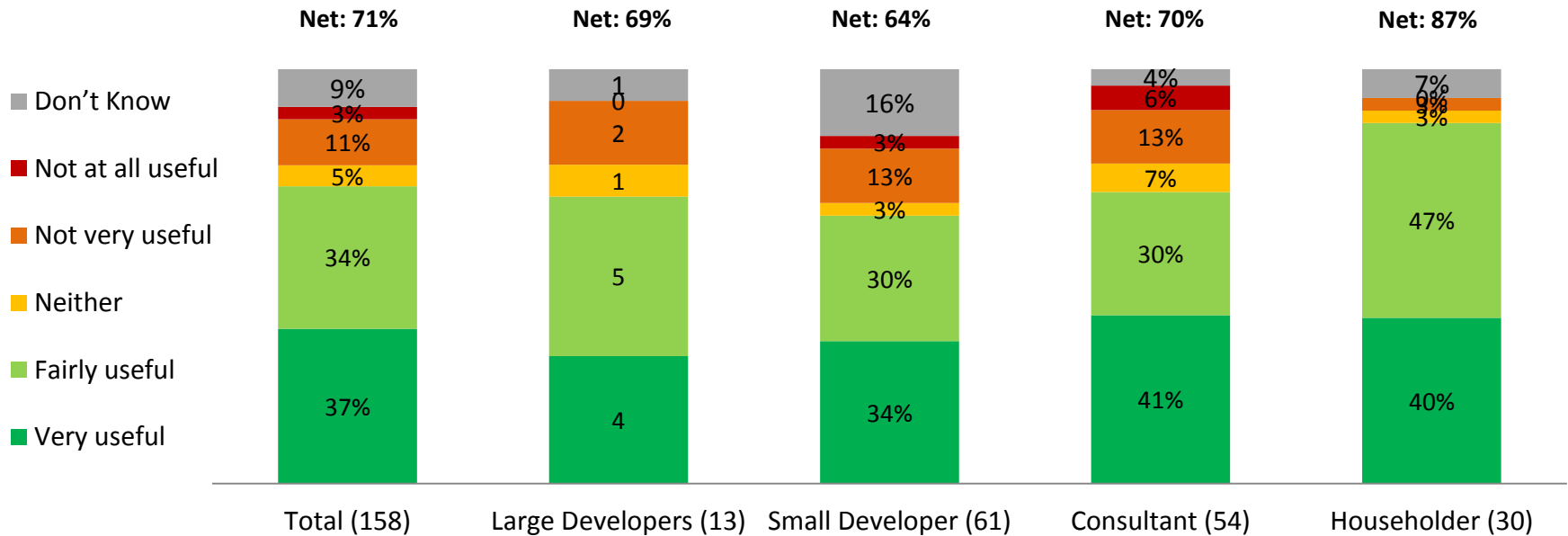
*Make it a bit easier for people like ourselves to understand as we are not builders so we found it a bit daunting.*  
Householder

*The application was a pain to fill in, seemed to be long winded with lots of unnecessary questions*  
Small developer



- A majority of customers found the guidance note accompanying the application form to be useful (71%)
- Householders were the most likely to find the guidance note useful

## Q27. How useful was the guidance note that accompanied the application form? (Base: all)



*The form wasn't very clear in what information was needed*  
Small developer

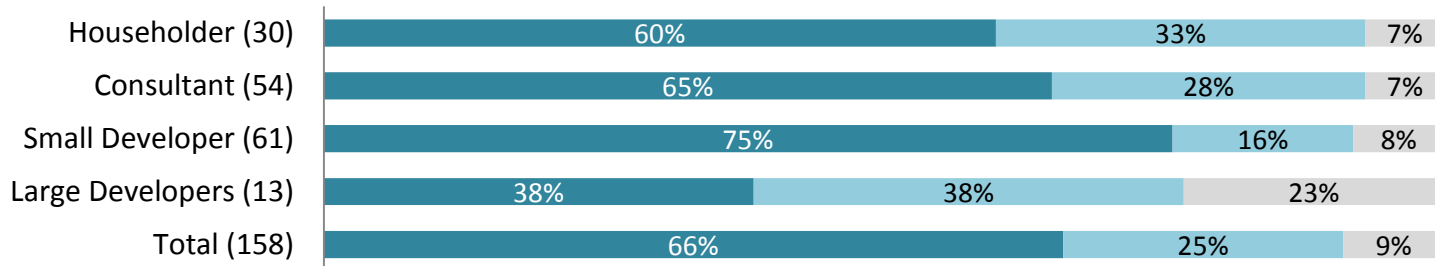
*More information on what certain words mean*  
Consultant

- In total, 66% of customers said they had received a site visit as part of their application
- There are high levels of satisfaction with the site visits received, although small developers are the most likely to express dissatisfaction with the experience (11%)

## Q28. Have you had a site visit?

Base : all (158)

■ Yes ■ No ■ Don't know

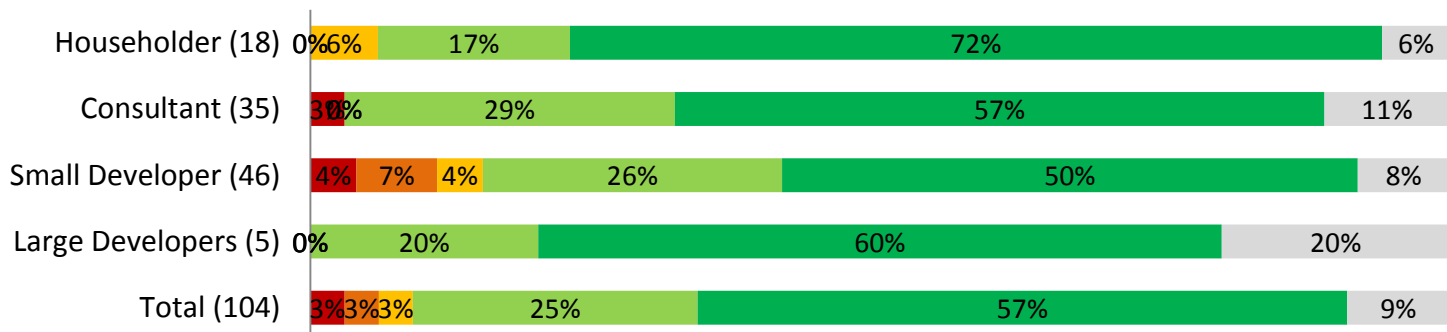


*The assessor made things difficult and he was not clear even though he came out 3 times. Small Developer*

## Q29. How satisfied were you with the site visit?

Base: those who had site visits (104)

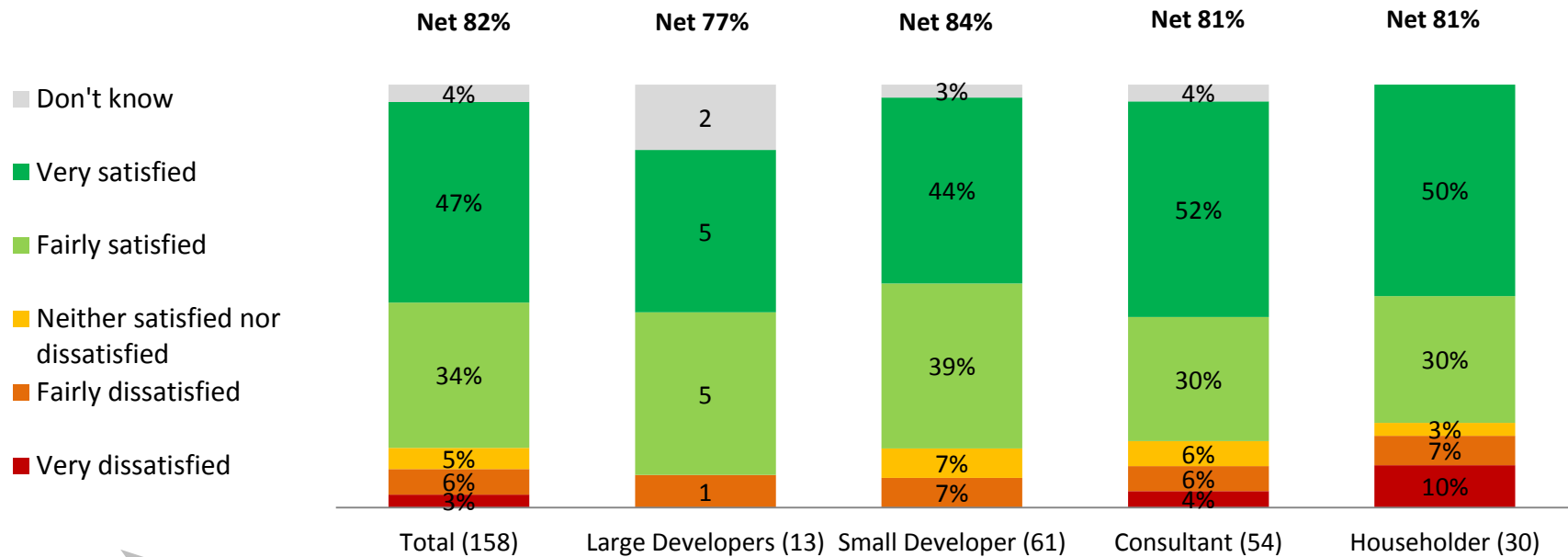
■ Very dissatisfied ■ Fairly dissatisfied ■ Neither satisfied nor dissatisfied ■ Fairly satisfied ■ Very satisfied ■ Don't know



*They need to improve on their mapping. I felt they weren't interested in coming out to help the customer find the correct sewer Householder*

- High levels of satisfaction with how the application was dealt with (82% satisfied)
- Highest risk of dissatisfaction amongst householders (17% dissatisfied)

## Q30. How satisfied are you overall with the way your application has been dealt with? (Base: all)



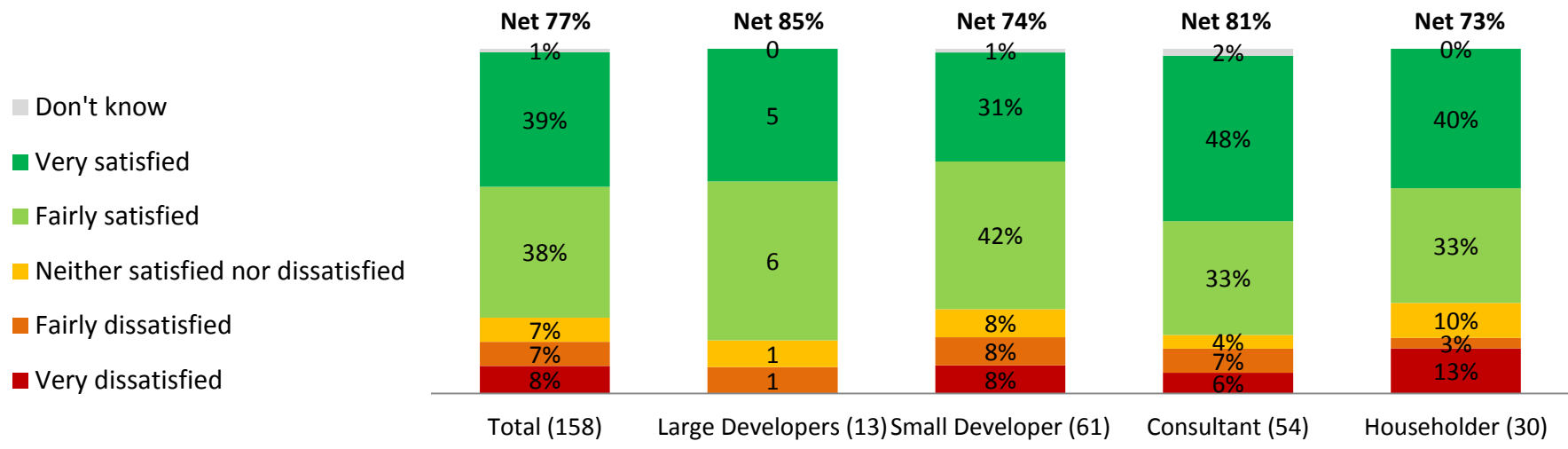
*I think they should not segment the different departments but rather co-ordinate with each other as when you phone sometimes the departments don't know what's going on.*  
Small developer

*The application forms should allow more than one application at a time.*  
Consultant

# Being kept informed throughout the application

- The majority of customers are satisfied with the way they were kept informed about the status of their application, although there are slightly higher indications of dissatisfaction in this area with 15% being dissatisfied overall.

**Q31. How satisfied are you with the way Wessex Water has kept you informed of what's happening in relation to the status of your application? Base: all (158)**



*I've been waiting 6/8 weeks for the connection, my application went in back in September. They keep telling me they're going to be in touch and then they never contact me.*  
Small Developer

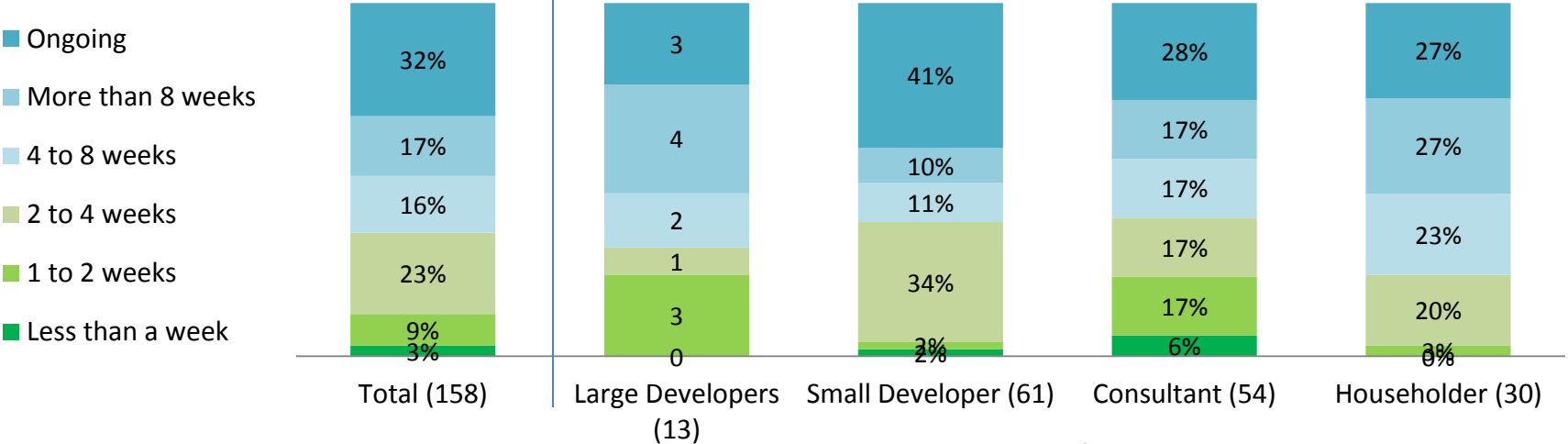
*Communication through the process was poor, no one answered the phone and I had to keep leaving a message. No one got back to me.*  
Small developer

*Keep in touch with the status, they could inform you more about the status of the application.*  
Small developer

# Length of process

- Customers report a diverse range of processing times against their service experiences: 23% report 2-4 weeks, 16% 4-8 weeks and 17% more than 8 weeks
- The length of the process can be seen to influence overall satisfaction with WWDS – customers who are ‘very satisfied’ overall are more likely to have experienced shorter processing times of under 4 weeks (36%) compared to those who are dissatisfied/neutral (13%)

**Q32. How long did the whole process take from initial contact through to completion?**  
**Base: all (158)**



*Took a while for approval*  
 Consultant

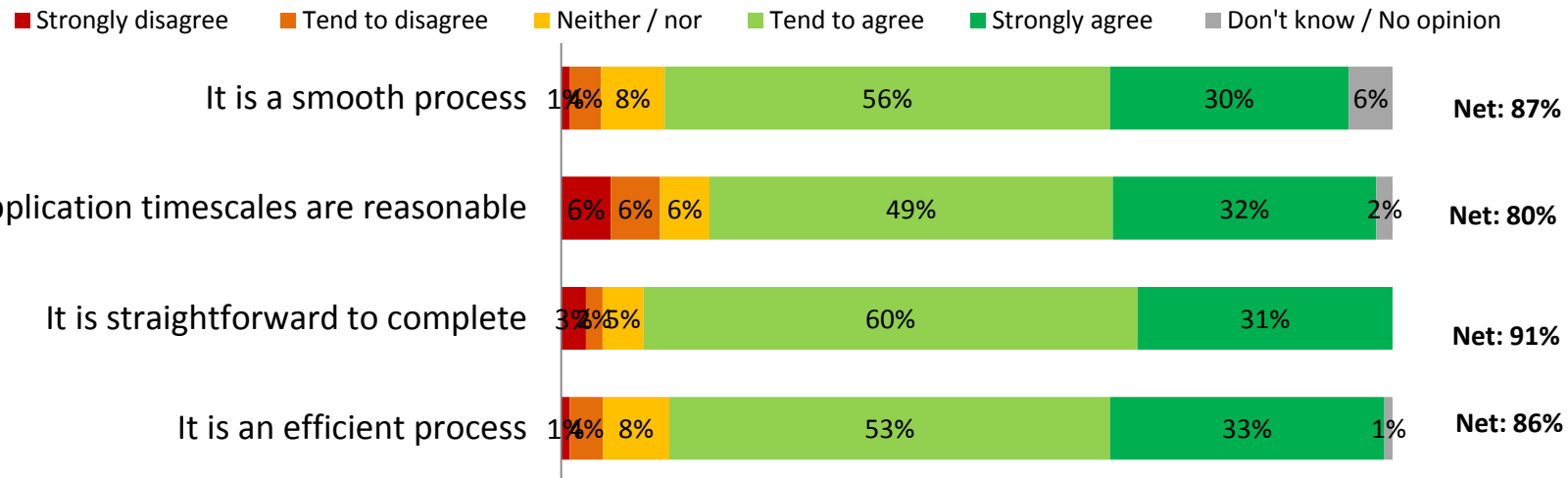
*Took a very long time for application to be completed*  
 Consultant

*It's been longer than 21 days. Feel the process could be quicker*  
 Large Developer

# Attitudes to the application process

- Customers have broadly positive attitudes towards the application process, agreeing in large numbers that it is smooth, timescales are reasonable, it is straightforward to complete and efficient
- Slightly higher proportions of customers disagree that the *'timescales are reasonable'* (12%) compared to the other statements – this is similar across the 4 customer types
- Several comments suggesting preference for an online application system or portal (like NHBC)

## Q33. To what extent do you agree or disagree with the following Base: all (158)



*They should have an online form, instead of filling one out manually and scanning it in, this process is slightly outdated. Would be easier to have a form online to fill in.*

Consultant

*It would be much easier if there were a form online that you could fill in, instead of printing it off and scanning it back in. Completing it online and sending it straight away would be much easier.*

Consultant

## While they find the forms self explanatory, Large developers report some frustrations with the application process

- Only able to get a **quote for connections once main has been laid** (other water companies have easier process); this means applying multiple times for a small number of connections rather than just once for 100+ connections
- Regarding new mains: not a lot of easily accessible information; **no clear guidance on capacity** (and need this information earlier in the design process)
- Frustration with drainage design and sewer requisitions: have to **repeatedly resubmit application** following comments. Each time application goes to bottom of pile  
*'It doesn't matter if it is one or 100 comments: it goes back to bottom of pile. There can be a 3 month review for just one small comment'*
- Sometimes **paperwork slow to come** e.g. get *approval in principle* but official (which can be a problem when dealing with housing associations who need formal approvals); 'as built' sewer depth plans needed a lot of chasing
- **Section 104/sewer adoptions**: not as straightforward as supply connections
- **Deposit vs. full payments**: feels can slow process. Happy to pay in full if speeds process.
- **Section 98**: feel lose control if offsite works involved  
*'An off site foul water works were approved and paid for but other works within Wessex Water were prioritised'*
- Want to see Wessex Water DS being **crystal clear in its communications** when something is required that is atypical/not standard

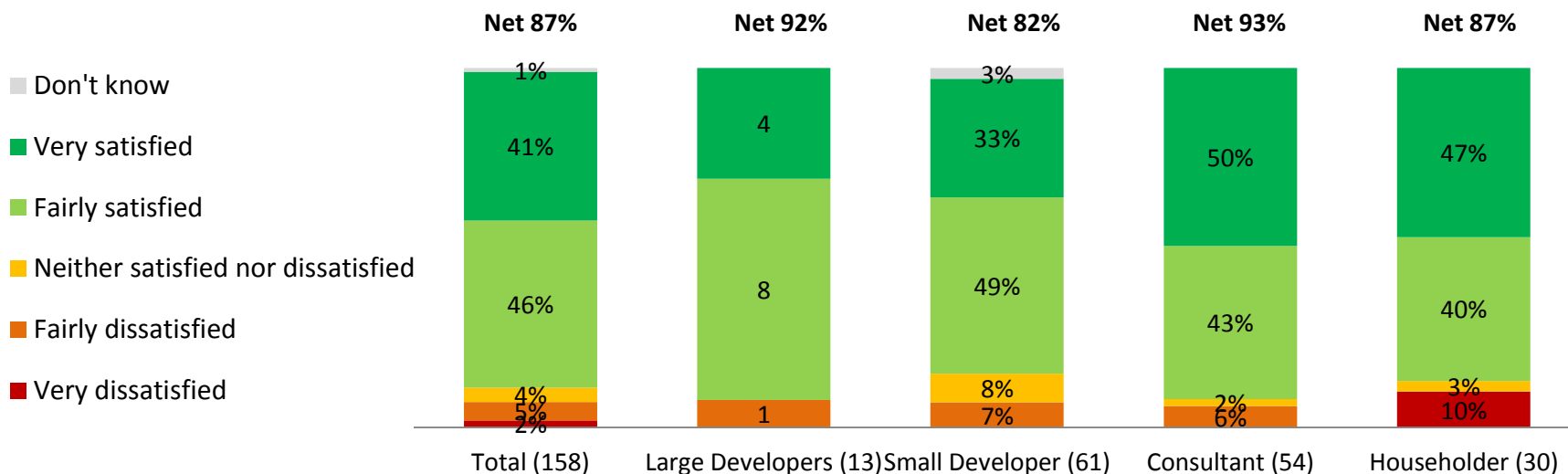
# Service delivery





- There are very high levels of satisfaction with the way the service was ultimately delivered – with 87% of customers saying they were satisfied with this
- A tiny minority (2%) of customers report being ‘very dissatisfied’ with the service they received – this is highest amongst householders (10%)

**Q35. How satisfied were you with the way this service was delivered?**  
**Base: all (158)**



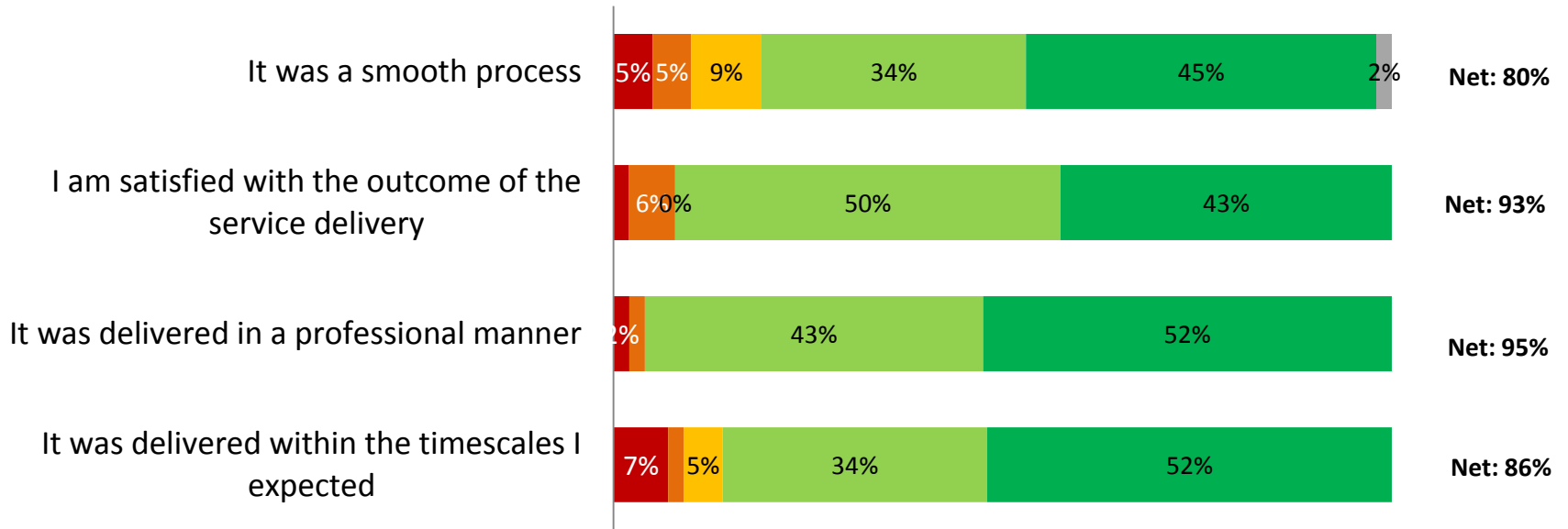
*Very good service and completed quickly*  
 Large Developer

*The 2 guys who did the work were very polite, helpful, went the extra mile. It was really cold, so it wasn't an easy job, they were brilliant. Good humoured throughout. Cheerful, super, great!*  
 Household

- Amongst those who have had the work completed, there are high levels of satisfaction with how this was delivered
- Qualitative interviewees report positive stories of service delivery staff: *'practical and pragmatic', 'trust them to get on with it'*
- It is worth noting that a minority did not agree that the process was 'smooth' or that it was 'delivered within the expected timescales'

**Q36. To what extent do you agree or disagree with the following**  
**Base: all those whose work is completed (44)**

■ Strongly disagree   
 ■ Tend to disagree   
 ■ Neither / nor   
 ■ Tend to agree   
 ■ Strongly agree   
 ■ Don't know / No opinion



# Advocacy and comparison



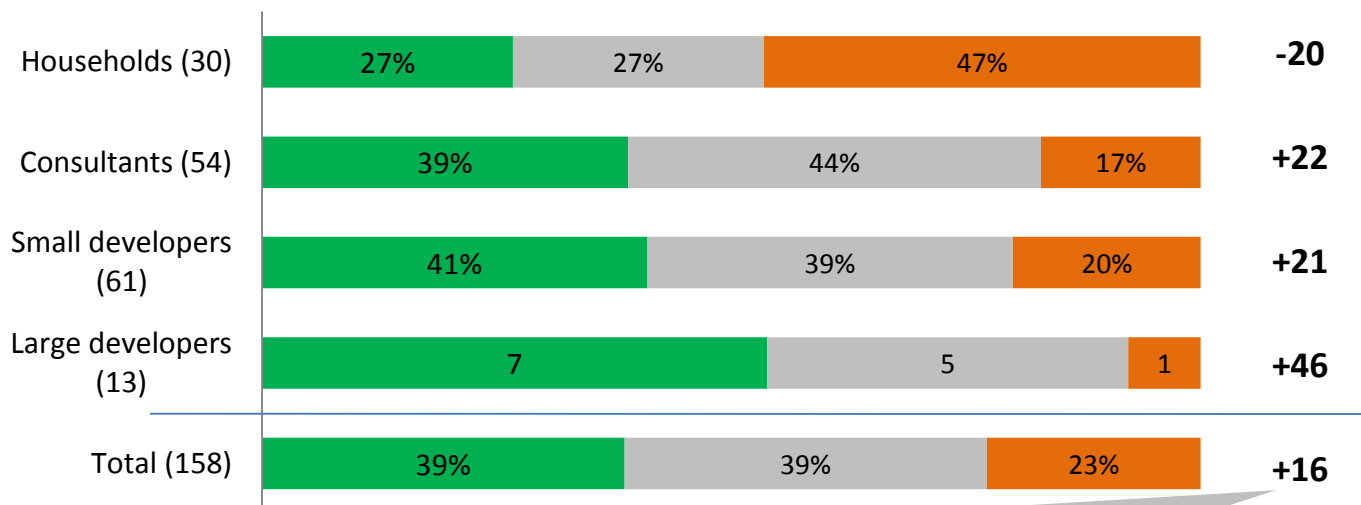
# Net promoter score

- An NPS score is calculated by subtracting ‘detractors’ (those who score 0-6) from ‘promoters’ (those who score 9 or 10)
- WWDS sees positive NPS scores amongst each of its customer types, with the exception of householders
- Large developers give the highest NPS score – half of this group give a score of 9 or 10
- At the present time, the NPS score amongst domestic customers (taken from the 2016/17 tracking study – yet to be completed) is +35

**Q38. If you were able to choose your Developer Service provider, how likely would you be to recommend Wessex Water’s Developer Services to a colleague on a scale of 0-10, where 0 is not at all likely and 10 is extremely likely?**

**Base: all (158)**

■ Promoters (9, 10) ■ Passives (7,8) ■ Detractors 0-6



*It was really good, I was shocked with how easy and quick the whole process was.*  
Consultant

*Application is straight forward but the cost for the amount of work to be done is a very high price.*  
Household

*You don't get to choose what water company you use*  
Large Developer

*There is always room for improvement for every company.*  
Small Developer



## All depth interviewees gave ‘neutral’ scores of 7 and 8

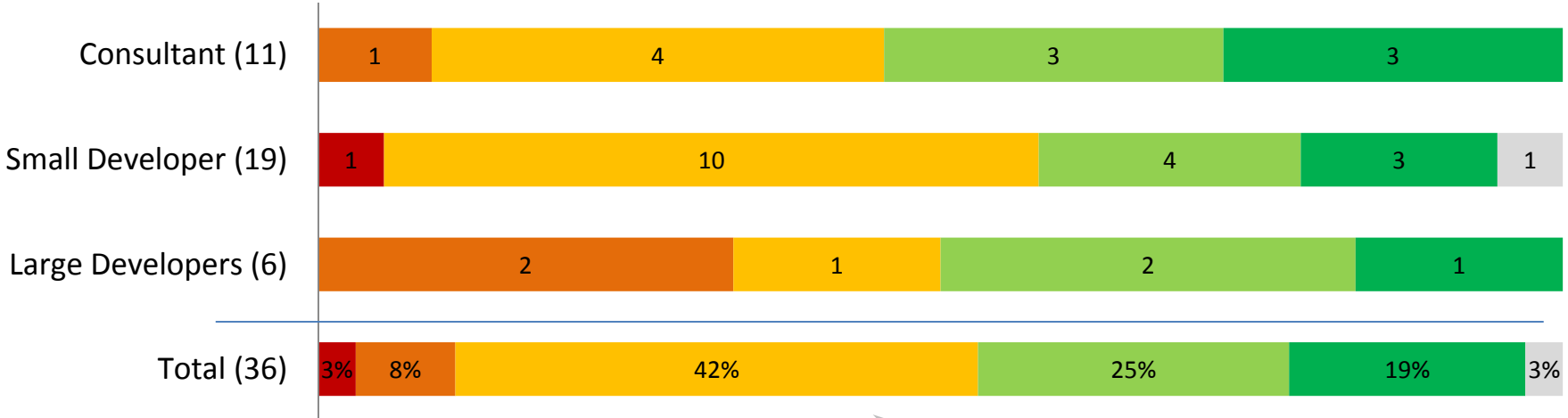
- **Communication:** Keep customer better up to date; can feel in a black hole...show progress; offsite works *‘out of our control’*
- **Timescales:** example of a couple of big schemes where delays have occurred (owing to developer services issues) which leads to loss of confidence; system didn’t spot that application had gone dormant (in the end the Fire service provided a named contact at WW); lower satisfaction for upsizing sewers where more problems/delays occur
- **Advice / help via phone:** needed better guidance on capacity; *‘Very effective on site, the office is the problem’*
- **New processes:** not doing ‘multi-utilities’ anymore; new trench system requires increased paperwork... *‘causing disharmony with the guys on site’*
- **Personnel:** WW seem under-resourced *‘don’t get the same sense that BW and SWW are resource stretched’*; satisfaction very high once got to a person...but the wait suppressed NPS rating
- **Others doing something better:** NHBC and GTC (energy) have good portals

- 28% of customers are using other water company developer services - higher for Large Developers (half of them)
- Qualitative interviews indicate WWDS as likely to be compared favourably to other companies, whose processes can be more clunky or whose staff are considered less experienced

**Q41. Compared to other water companies developer services, how would you rate Wessex Water developer services?**

*Base: all who are using another water company's developer services (36)*

■ Much worse   ■ Somewhat worse   ■ About the same   ■ Somewhat better   ■ Much better   ■ Don't know



*Much easier to deal with compared to SWW Large Developer*

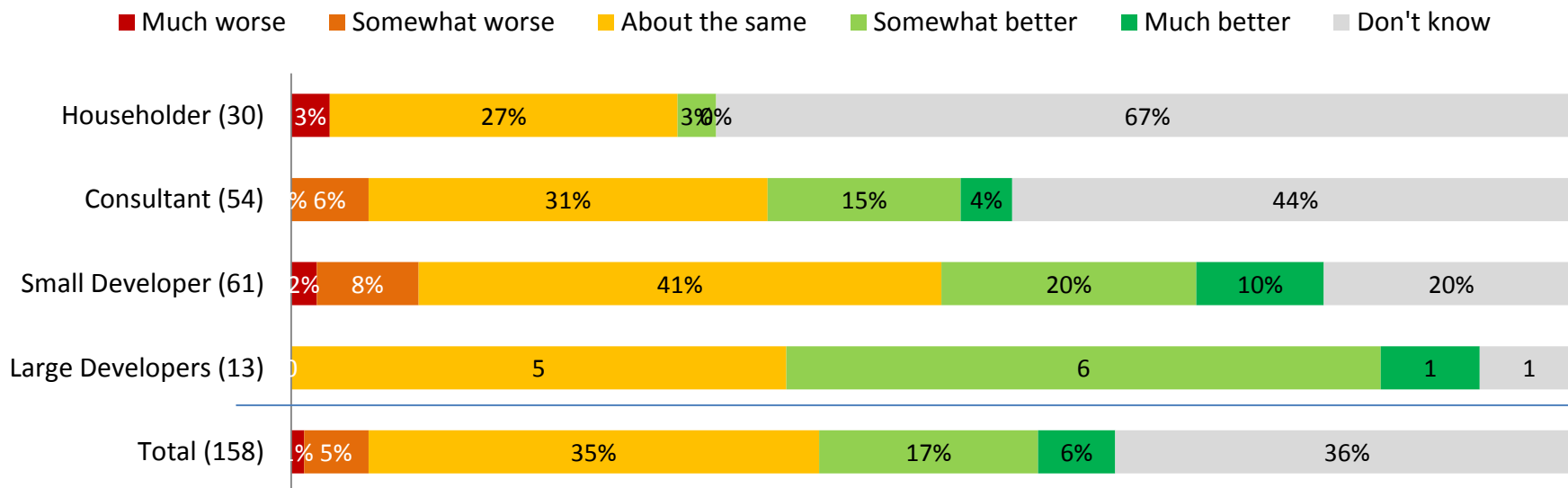
*Compared to some other water companies it wasn't so bad. Consultant*

# Comparisons with other utility providers

- When asked to compare WWDS to the service provided by other utility companies, over a third of respondents cannot answer - reflecting low use of other utility services? This is particularly the case amongst householders
- Where customers can compare, they tend to say it is 'about the same' or 'somewhat better'
- Very few customers say WWDS is worse than dealing with other utility companies

## Q42. Compared to the developer services offered by other utility providers how would you rate Wessex Water's developer services?

Base: all (158)



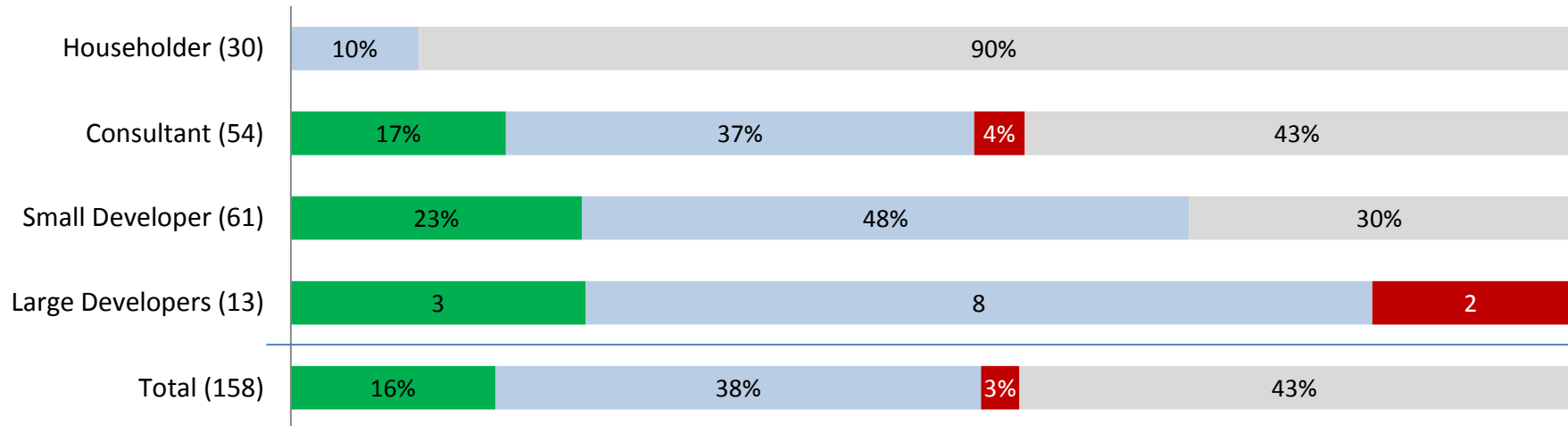
*One of the better organisations to work with  
Small Developer*

- The majority of customers think WWDS’s service has stayed the same over the last 12 months (38%), or cannot answer (43%) – presumably because they do not have prior experience to compare against
- A minority (16%) think WWDS’s service has improved over the last 12 months, with very few (3%) thinking it has got worse
- Customers who have used the service most frequently (submitted more than 5 applications in the last year) are more likely to report seeing improvements
- Those whose most recent service was a water main construction are also more likely to think they have got better in the last 12 months

**Q43. Would you say Wessex Water’s developer services have got better, got worse or stayed the same in the last 12 months?**

*Base: all (158)*

■ Got better   ■ Stayed the same   ■ Got worse   ■ Not applicable/Don't know



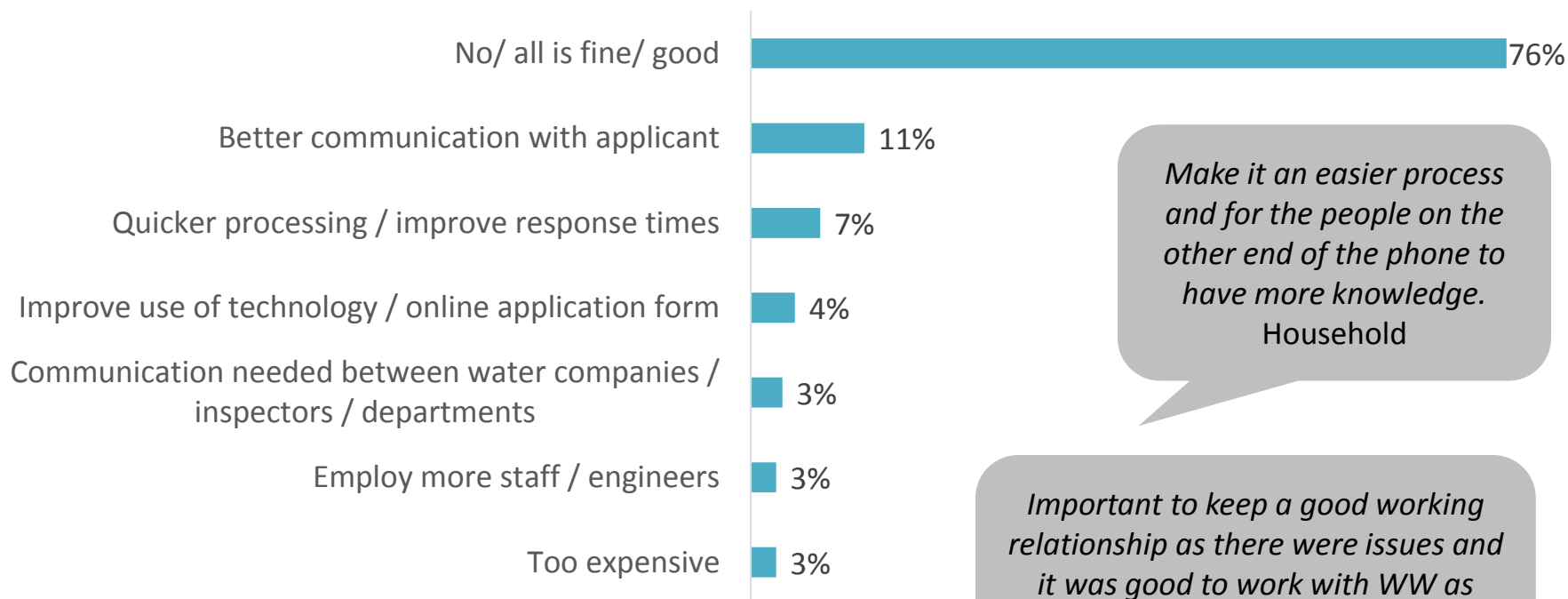


# How WWDS's service could be improved

- When prompted for any additional areas where WWDS could improve, the majority of customers say they have no further feedback (76%)
- Further comments from a minority suggest there is room for improvement with communication, response times, use of technology, resource (staff) levels and value for money

## Do you have any other suggestions as to how Wessex Water's Developer Services could improve its service to you in the future?

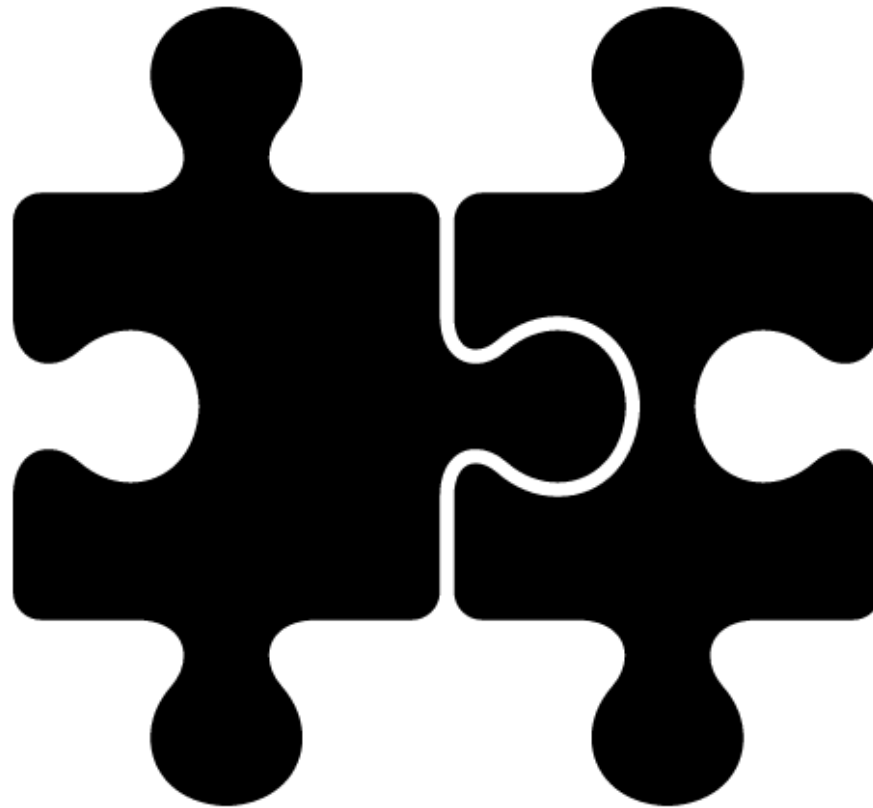
Base: all (158)



*Make it an easier process and for the people on the other end of the phone to have more knowledge.*  
Household

*Important to keep a good working relationship as there were issues and it was good to work with WW as they had flexibility*  
Small Developer

# Conclusions and recommendations



Metric	% positive (net)	% highest score	Comment
<b>Overall satisfaction</b>	89	49	Consultants most positive, householders less positive
<b>Overall VFM</b>	47	13	Householders and small developers less positive
<b>Satisfaction with initial contact</b>	93	39	
<b>Satisfaction with website</b>	86	43	Large developers most satisfied
<b>Application form – ease of use</b>	87	43	Householders least likely to find application easy
<b>Satisfaction with site visit</b>	82	57	Small developers most likely to show dissatisfaction
<b>Overall satisfaction with how application dealt with</b>	82	47	Householders least positive
<b>Satisfaction with service delivery</b>	87	46	Householders least positive
<b>NPS</b>		+16	All positive NPS scores bar householders (-20)
<b>Comparing WW to other WaSCs</b>	44	19	Majority don't know. Very little negativity

**NB: 76% said there were no obvious areas for improvement**

## Application process could be improved for some by:

- Giving more help for Householders e.g. glossary of terms; access to help
- Giving access to help and advice before application is submitted
- Making the form easier to use (especially for householders and small developers who are less familiar with the process)
- Keep communicating throughout the application process (esp. for householder and consultants who are less satisfied) otherwise customers get frustrated
- Creating online forms
- Have a portal for large developers to monitor applications
- Signpost website users to technical information e.g. sewer maps and postcode checkers

## Service delivery improvements:

- 1 in 10 are not satisfied saying it is not always smooth: room for improvement in communicating when problems/delays occur
- Review sewer connections process: slightly more customers who have recently experienced sewer connection saying they were 'passed from pillar to post'
- Introduce a portal for large developers to monitor connections etc.

A good/consistent point of contact is valued: the research has highlighted positive personal service - and many members of staff are to be commended.



# Truth.



“We'd like to confirm, from the crew of Apollo 17, that the world is round.”

**Eugene Cernan,  
Commander**

## Contact

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**Blue Marble Research  
Wessex Water Developers Charges  
Research Debrief 16<sup>th</sup> May 2017**



**Industry objective:** to create a new developers charging structure that is...

**Transparent and customer-focussed charging**

**Fairness and affordability**

**Has environmental considerations**





**Stable and predictable charges**

**Research objectives:** to test a range of new charging structures to recommend the approach meeting the industry objectives and needs of developers

More specifically:

- To identify problems existing charging regime and customers' needs from new charging regime
- To explore customers' response to alternative charging methodologies
  - A shopping-list approach
  - An average-cost approach
- To understand what information customers need/would like in order to understand that charges are cost-reflective
- To ascertain the level of expertise of customers and the most appropriate way to present the Charging Arrangements
- To assess large developers' views on the income offset



 Large developers	 Smaller developers/building firms	 Architects/consultants	 Householders	 Stakeholders/ Influencers
6 x Depth interviews	7 x Depth interviews	5 x Depth interviews	2 x mini-groups (9 customers in total) Taunton, Chippenham	3 x Depth interviews



Mix of face-to-face and telephone interviews, across the Wessex Water region

Fieldwork conducted: w/c 17<sup>th</sup> April – w/c 9<sup>th</sup> May 2017

Customers recruited from Wessex Water’s customer data list based on those who have made an application in last 6 months



## Smaller developers/building firms

## Large developers

## Architects/consultants

## Householders

- MDs, Owners and Directors
- Local or regional
- Mostly domestic developments of 1 to 25 properties
- Experienced, typically 10-20 years in trade
- Contact with Wessex Water, typically 1 to 3 projects a year
- Overview of entire process

- MDs, Directors, Managers
- Regional or national
- Large developments up to 4,000 properties. Mix of domestic and commercial
- Frequent and ongoing contact with Wessex Water
- Relationships with individual staff some regular contact with same person

- MDs, Directors, Consultants
- Regional or national
- Experience of other water companies – able to make comparisons
- Less frequent contact with Wessex Water
- Some with more limited remit e.g. water only/waste only

- New build properties in garden
- House renovations requiring new / separate supply
- Farmers requiring connections in fields / outhouses
- New build for small business
- Mainly one-off experience of using developers services



Perceptions of developer services and current charging regime



High levels of satisfaction amongst developers and consultants  
Good relationships with Wessex Water staff are key to customers' positive experiences

- ✓ *Easy and sensible to deal with*
- ✓ *Individuals helpful and pragmatic*
- ✓ *Accessible, easy going*
- ✓ *Easy to work with*
- ✓ *Responsive*
- ✓ *Do what they say they are going to do*
- ✓ *Open to talking*
- ✓ *Pleasant*
- ✓ *Understand constraints that developers work under*
- ✓ *Get problems sorted quickly*

*However some less positive experiences*

- x *Time consuming*
- x *Lack of co-ordination with other utilities*

*"Of all the utilities I think Wessex Water are probably the easiest to deal with, in terms of times scales and getting back to you and responding."*

Consultant

*"Wessex Water are pretty good, out of all the utility companies they are the best of the bunch."*

Small Developer

Wessex Water developer services compare favourably with other utilities and some other water companies



## No major frustrations with the current charging structure because of positive service experience

*Reflects previous finding that 76% could not identify areas for improvement*

Role of Wessex Water staff and ability to both speak on phone and have site visit contribute towards positive views of current system

Being able to discuss, receive advice and agree plans at a site visit seen as critical part of the quote and application process (especially for large or complex developments)

## Difficult to think about concept of charging structure without considering practicalities of the process

**Therefore, difficult to detach the application / quote process and the costing structure when evaluating and considering new options**



**Resigned acceptance of charges** (and charging structure) due to monopoly status and when passing costs onto customers/including in cost of development

## Large Developers & Consultants

Familiar with process

- Generally consider process to be clear and straightforward
- Sufficient detail and breakdown of costs provided on quote
- Mainly able to check Wessex Water have included what they asked for

## Smaller Developers

- Not always clear what charges are for, some calls for more detailed breakdowns
- Receipt of rebates provides reassurance that paid correct amount
- Fixed costs (as much as absolute cost) important
- Process self-explanatory / easy after completing for first time

*"If that's the way it is then what else can I do, they have the monopoly? They needed to install traffic lights so that adds to the cost.. But what choice is there?"*

Large Developer

*"You have to accept what they say, I don't know if it's fair or not. On anything else you would get 3 quotes, but with utilities you just have to trust it is what they say it costs and assume they're only charging for what they're doing."*

Small Developer

*"I don't find it easy to understand how they work it out – I just trust they're not going to sting me or overcharge me."*

Small Developer





## Greater accessibility and self-service

### Quick Quote function:

Larger developers want ballpark figures without having to make application in early stages or for tenders

### Online services:

Complete online application process without need for paper correspondence (Wales and West Utilities held up as market leader)

### Access to maps:

Free access to maps, man hole info  
Online access (Wales and West Utilities)

*“Quick quote would be useful to give an idea of what it will cost?”*  
Consultant

## Cost transparency and detail

### More detailed break down of costs and contestables:

Particularly in terms of excavation/trench digging.  
Desire to be able to determine if can reduce costs by using contractor rather than Wessex Water to undertake excavations (especially for multi-utility trenches)

*“I like to know the detail as it’s more accurate?”*  
Large Developer

## Accountability/ personal service

### Named contact:

Smaller developers would appreciate having a named contact point

### Quicker timescales:

Although meet promised timescales could these be reduced?  
Especially for revision of quotes

*“I’ve saved the contact details of someone at Wessex so I always know I can go straight through to them.”*  
Small Developer



Despite having positive experiences with Wessex Water staff, the process feels bureaucratic, inflexible and not designed for domestic customers

- ✓ Helpful staff
- ✓ Accessible – quick to answer phone, warm voice
- ✓ .Speed of response
- ✓ Staff attitude – care for the customer
- ✓ Personal service (often same person)
- ✓ Site visit

- ✗ Geared more towards larger developers
- ✗ Paperwork: too much and irrelevant
- ✗ Time consuming, long winded
- ✗ Confusing, over complicated
- ✗ Mixed advice (e.g. re. ownership of land)
- ✗ One instance of unhelpful staff

*“They respond quickly, never put you on hold and you often speak to the same person.”*  
Householder, Melksham

*“The process was long winded and time consuming... I just wanted to get a tap which should be simple...the paper work was too much.”*  
Householder, Taunton

*“The chap on the ground was brilliant, very clear and very straight.”*  
Householder, Taunton

*“I didn’t have one person dealing with the case so I had to keep re-explaining it to people.”*  
Householder, Taunton





## Application process

- Complicated, time-consuming
- Requires knowledge & skills
- Not tailored to householders
- Passed to builders/experts
- Required irrelevant info

## Site Visit













- Invaluable, appreciated
- Opportunity to discuss and have dialogue
- Necessary to ensure that application (and quote) is right
- Wessex Water as experts providing reassurance

## Quote

- Vague recollections, not always checked
- Perception that Wessex Water 'play it safe' and then rebate (especially with road closures)
- Don't have knowledge to check and challenge

Household customers want a more tailored and individualised process

Some would appreciate a dedicated department and application/quote especially for household customers

	Developers and Consultants 	Householders 
<b>Fair</b>	 <ul style="list-style-type: none"> <li>Unable to make judgement – unsure what ‘fair’ means in monopoly context</li> </ul>	
<b>Transparent</b>	 <ul style="list-style-type: none"> <li>Generally happy with degree of transparency</li> </ul>  <ul style="list-style-type: none"> <li>Some requests for greater detail</li> <li>For some, Infrastructure charges not understood</li> </ul>	 <ul style="list-style-type: none"> <li>Transparent to the level required</li> </ul>  <ul style="list-style-type: none"> <li>Costs for self-lay and traffic closures clear</li> <li>But Infrastructure charges not understood</li> </ul>
<b>Cost reflective</b>	 <ul style="list-style-type: none"> <li>Generally assume that being charged appropriately</li> </ul>  <ul style="list-style-type: none"> <li>Some questions re. self-lay and multi-utility trenches</li> </ul>	 <ul style="list-style-type: none"> <li>General acceptance but hard to judge due to limited knowledge of what it costs Wessex</li> <li>Generally happy: <i>“It feels about right”</i></li> <li>But cost for trench digging appears expensive</li> </ul>
<b>Simple / easy to understand</b>	 <ul style="list-style-type: none"> <li>No significant problems with understanding what currently being charged for</li> </ul>	 <ul style="list-style-type: none"> <li>Depends on level of knowledge and expertise</li> <li>Room for improvement</li> </ul>



**Connections charges**



Shown to whole sample (Please see appendix for full stimulus material)

## 1) Average cost

### Water charges

Charge	Number of properties	Fee	Total
Each connection made		£800.00	£0.00
<b>Total</b>			<b>£0.00</b>

### Waste charges

Charge	Number	Fee	Total
Each connection made		£500.00	£0.00
<b>Total</b>			<b>£0.00</b>

## 2) Simple shopping list

### Water charges

Charge	Number Required	Fee	Total
Each connection made		£400.00	£0.00
Length of Road (m)		£200.00	£0.00
Length of Footpath (m)		£200.00	£0.00
Length of Verge (m)		£100.00	£0.00
<b>Total</b>			<b>£0.00</b>

Contingency costs	Number Required	Fee	Total
Traffic management		£500.00	£0.00
Land entry costs		£2,000.00	£0.00
Environmental costs		£2,000.00	£0.00
<b>Total</b>			<b>£0.00</b>

### Waste charges

Charge	Number Required	Fee	Total
<b>100mm PIPE PER LINEAR METRE</b>			
Junction/ saddle		£400.00	£0.00
Existing manhole		£200.00	£0.00
New manhole		£300.00	£0.00
<b>150mm PIPE PER LINEAR METRE</b>			
Junction/ saddle		£400.00	£0.00
Existing manhole		£200.00	£0.00
New manhole		£300.00	£0.00
<b>225mm PIPE PER LINEAR METRE</b>			
Junction/ saddle		£500.00	£0.00
Existing manhole		£200.00	£0.00
New manhole		£300.00	£0.00
<b>300mm PIPE PER LINEAR METRE</b>			
Junction/ saddle		£600.00	£0.00
Existing manhole		£200.00	£0.00
New manhole		£300.00	£0.00
<b>Total</b>			<b>£0.00</b>

Contingency costs	Number Required	Fee	Total
Traffic management		£500.00	£0.00
Land entry costs		£2,000.00	£0.00
Environmental costs		£2,000.00	£0.00
<b>Total</b>			<b>£0.00</b>

## 3) Detailed shopping list

### Water charges

Charge	Number Required	Fee	Total
Administrative charge		£100.00	£0.00
<b>UNMADE SURFACE CHARGES</b>			
Connection up to 32mm up to 2m basic trench charge		£400.00	£0.00
Developer connection charge (developer provides all excavation for ducts)		£400.00	£0.00
Charge per additional metre of trench up to 20m total		£100.00	£0.00
<b>MADE UP SURFACES</b>			
Connection up to 32mm up to 2m basic trench charge		£400.00	£0.00
Developer connection charge (developer provides all excavation for ducts)		£400.00	£0.00
Charge per additional metre of trench up to 20m total		£100.00	£0.00
<b>WALL MOUNTED BOX</b>			
Standard MDPE		£300.00	£0.00
Protective pipe		£400.00	£0.00
<b>STANDARD CHARGES</b>			
Each additional connection through the same duct or trench		£200.00	£0.00
<b>PERMANENT REINSTATEMENT PER LINEAR METRE</b>			
Carriageways		£100.00	£0.00
Footpaths		£100.00	£0.00
<b>ADDITIONAL CHARGES</b>			
Contaminated ground		£100.00	£0.00
Traffic management measures		£500.00	£0.00
<b>Total</b>			<b>£0.00</b>

### Waste charges

Charge	Number Required	Fee	Total
Administrative charge		£100.00	£0.00
<b>CONNECTIONS</b>			
Physical connection up to 150mm (including materials)		£300.00	£0.00
Physical connection up to 225mm (including materials)		£400.00	£0.00
Physical connection greater than 225mm (including materials)		£500.00	£0.00
<b>STANDARD CHARGES</b>			
Inspection via existing manhole (per visit)		£200.00	£0.00
Supervision of a connection to a public sewer via a new manhole		£200.00	£0.00
<b>Total</b>			<b>£0.00</b>

Contingency costs	Number Required	Fee	Total
Traffic management		£500.00	£0.00
Land entry costs		£2,000.00	£0.00
Environmental costs		£2,000.00	£0.00
<b>Total</b>			<b>£0.00</b>



	Average Costs
<b>Strengths</b>	<ul style="list-style-type: none"> <li>• Simple</li> <li>• Easy to calculate costs</li> <li>• Fixed cost / cost certainty</li> </ul>
<b>Weaknesses</b>	<ul style="list-style-type: none"> <li>• Not accurate reflection of all the variable factors</li> <li>• No breakdown of what paying for</li> <li>• Not clear whether waste per connection or per property</li> <li>• Not fair as not cost reflective</li> </ul>
<b>Fair</b>	✘
<b>Transparent</b>	✘
<b>Cost-reflective</b>	✘
<b>Simple</b>	✔
<b>Overall</b>	<b>Rejected:</b> lack of fairness and transparency [Some suggest appropriate for domestic householders]

*"I would prefer to know what I'm paying for, but it's easy to calculate what I'm supposed to be paying." Small Developer*

*"Charges are only going to go up from this one I'd imagine." Small Developer*

*"It would be wrong to have a standard charge because that's not fair; it's transparency and fairness we're after." Small Developer*

*"If you averaged the cost out the standard small domestic would be massively overpriced." Large Developer*

*"It's clear, but it's too broad brush. It's too simplistic to know the real cost of the job later on." Large Developer*

**N.B.** Many did not think this was a realistic option for Wessex Water – could not believe it was viable. So different from current experience that expected this to be quick quote and then charged more for complex or large jobs regardless.



## Simple Shopping List

<b>Strengths</b>	<ul style="list-style-type: none"> <li>• Waste charges clear</li> <li>• Useful for commercial team to build up library of costs</li> <li>• Easy to understand for those familiar with process</li> <li>• Greater detail = easier to see what being charged for</li> </ul>
<b>Weaknesses</b>	<ul style="list-style-type: none"> <li>• Not clear which are compulsory vs. optional charges e.g. if dig themselves</li> <li>• Smaller developers need guidance on land entry and environmental costs</li> <li>• Would need plan/map to make accurate assumptions and calculations</li> </ul>
<b>Fair</b>	✓
<b>Transparent</b>	?
<b>Cost-reflective</b>	✓
<b>Simple</b>	✓
<b>Overall</b>	<b>Preferred by minority:</b> balance between simple, easy to understand and providing sufficiently transparent breakdown

*"It seems easy and straightforward to understand and I could use it myself to calculate the costs."* Consultant

*"If I don't know where the main is I'm not going to know how many meters of dig I'm going to need."* Consultant

*"It would be useful if I could call up and get a plan showing the locations of where water mains are in order to be able to calculate this accurately."* Small Developer

*"I could see Wessex Water adopting this as a middle balance, simple with adequate breakdown. They might start to charge for a full breakdown, detailed quote."* Large Developer



## Detailed shopping list

<b>Strengths</b>	<ul style="list-style-type: none"> <li>• Waste costs easy to calculate</li> <li>• Clear exactly what you are paying for in detail (assuming accompanying information sheet / FAQs)</li> <li>• Accuracy / cost certainty</li> <li>• Ability to discuss and make choices during design process to reduce costs</li> </ul>
<b>Weaknesses</b>	<ul style="list-style-type: none"> <li>• Lack of clarity e.g. if longer than 2m what happens</li> <li>• Not clear which are compulsory vs. optional charges e.g. if dig themselves</li> <li>• Admin charges: not clear why or whether per property or per application</li> <li>• Need guidance, explanatory notes or discussion</li> </ul>
<b>Fair</b>	✓
<b>Transparent</b>	✓
<b>Cost-reflective</b>	✓
<b>Simple</b>	? (but doesn't need to be)
<b>Overall</b>	<b>Preferred by majority:</b> most transparent, cost reflective, fair. Provides greatest scope to reduce/ manage costs

*"The more detail there is the more transparency, and the fairer they are."* Small Developer

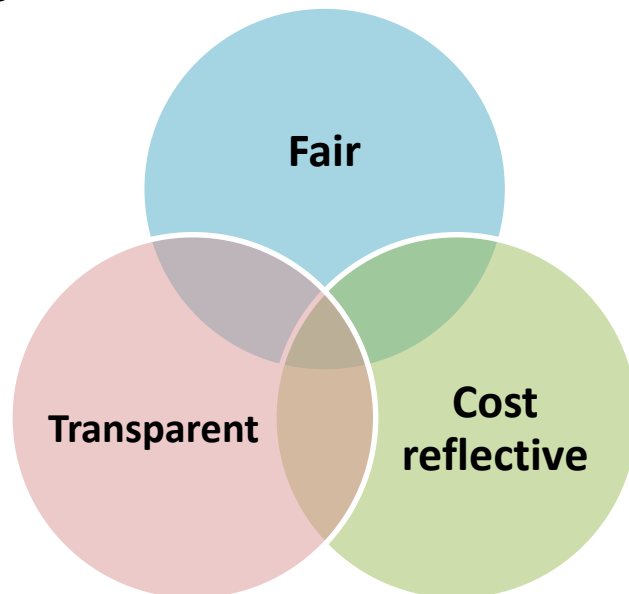
*"This is more of an actual reflection of costs. Is the fairest as more exact and relevant to what they are doing. I don't want to pay for any extras that I might not be using."* Consultant

*"We have to minimise our costs so this gives more clarity and we can double check to ensure we're not overcharged, we want as much detail as possible."* Large Developer



## Fairness:

- *Pay for what you get*
- *Reasonable charge*
- *Can see what you're being charged for*
- *Takes into account the cost of doing the work*
- *Treating you individually*
- *Taking individual circumstances into account*
- *Being charged what it would cost me to dig the trench*



“Fair charge is paying for exactly what you get and no more or less, e.g. if you need 10m you get charged for 10m.” Consultant

“Only charging for the cost of doing the job as opposed to standard rate across the country.” Large Developer

“A just cost that takes into account the costs of doing the work.” Large Developer

“Fair charging means not having the wool pulled over your eyes – clarity and transparency.” Small Developer

In relation to connection charges: fairness, transparency and cost-reflectiveness are intrinsically linked





- “Cost Reflective” not used spontaneously by developers – but concept understood
- For some, cost reflective means will receive a refund if job done more quickly/ cheaply than anticipated

## Vast majority support cost reflective rather than average cost charging

Reasons for supporting for cost reflective charging	Reasons for supporting for average costs
<ul style="list-style-type: none"><li>• Pay for what you need, not funding other people</li><li>• Better for smaller developers as cheaper</li><li>• Fair as reflects the cost of the job</li><li>• Clients scrutinise all costs so need to justify costs with full break down</li><li>• Developer should pay for individual circumstances of site (part of consideration and negotiation when purchasing land)</li><li>• Shouldn't be penalised for others having poor service routes when you've paid more for land with better services</li></ul>	<ul style="list-style-type: none"><li>• Fair that cheaper jobs should subsidise the cost of more expensive ones</li><li>• For large developers, costs will balance out across jobs (<i>swings and roundabouts</i>)</li></ul>

***N.B. Some developers suggest there could be average cost for domestic but cost reflective for commercial developers***



	Average Costs	Simple Shopping List	Detailed Shopping List
<b>Strengths</b>	<ul style="list-style-type: none"> <li>• Simple</li> <li>• Easy to work out costs</li> <li>• Good for providing broad idea of costs</li> <li>• Cost certainty</li> </ul>	<ul style="list-style-type: none"> <li>• Menu based – so can be bespoke</li> <li>• Simpler than current system</li> <li>• Good basis for discussions with WW staff</li> </ul>	<ul style="list-style-type: none"> <li>• Detailed breakdown of what being charged for</li> <li>• Menu based – so can be bespoke</li> </ul>
<b>Weaknesses</b>	<ul style="list-style-type: none"> <li>• Raises questions about whether everything is included – will there be extras?</li> <li>• Average costs means some paying more</li> </ul>	<ul style="list-style-type: none"> <li>• Some unfamiliar terms (e.g. environmental costs) – assume will have supporting information</li> </ul>	<ul style="list-style-type: none"> <li>• Too complex</li> <li>• Would need assistance to complete or expect Wessex to complete</li> <li>• Unsure what is relevant</li> </ul>
<b>Fair</b>	✗	✓	✓
<b>Transparent</b>	✗	✓	✓
<b>Cost-reflective</b>	✗	✓	✓
<b>Simple</b>	✓	?	✗
<b>Overall</b>	Suitable for quick quote function	Preferred option (happy compromise)	Potential role for completion by Wessex Water after site visit



**Average cost option:** rejected primarily due to lack of fairness (because not cost-reflective) and fear of being overcharged

*"It's not fair **everyone's different**"*

*"That would be **incredibly discriminatory** for people with smaller properties."*

*"It's a bit like going into a car salesroom and seeing a mini and a Rolls Royce and the price above it – all cars £5,000 – **it doesn't work.**"*

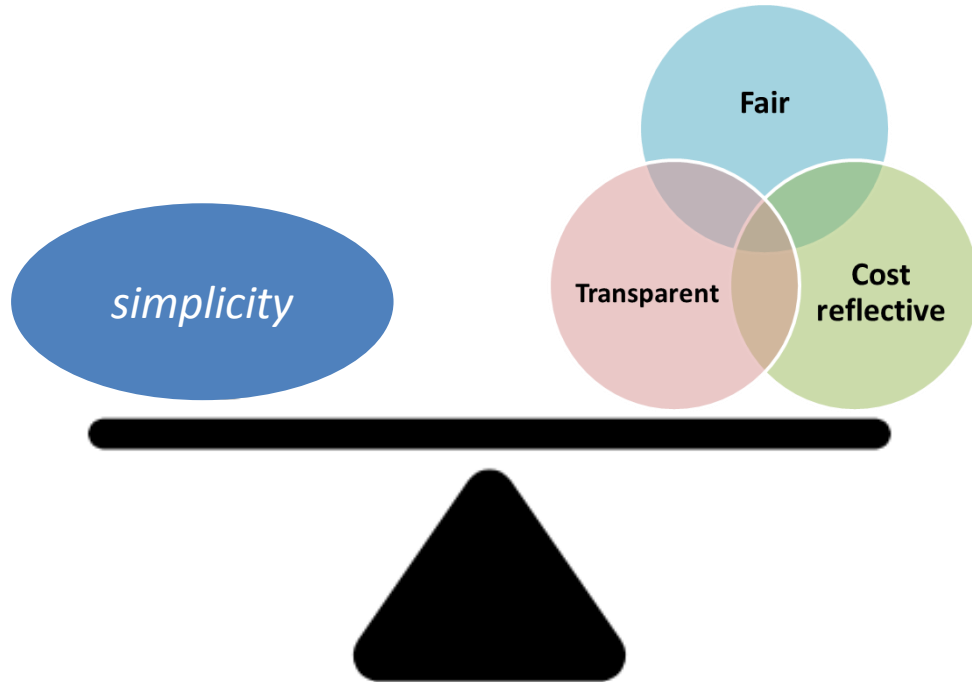
*"My 2 meter connection is then subsidising the people who have had 10 meters – they would need to be very careful about... **It's socially wrong.**"*

**All want cost reflective charging** (but not moving too far away from simplicity)

*"**Too much writing** – I'm phased and I haven't even read it."*

*"The **more granularity** there is the **less I understand** it as I don't have the knowledge. You need to be a professional."*

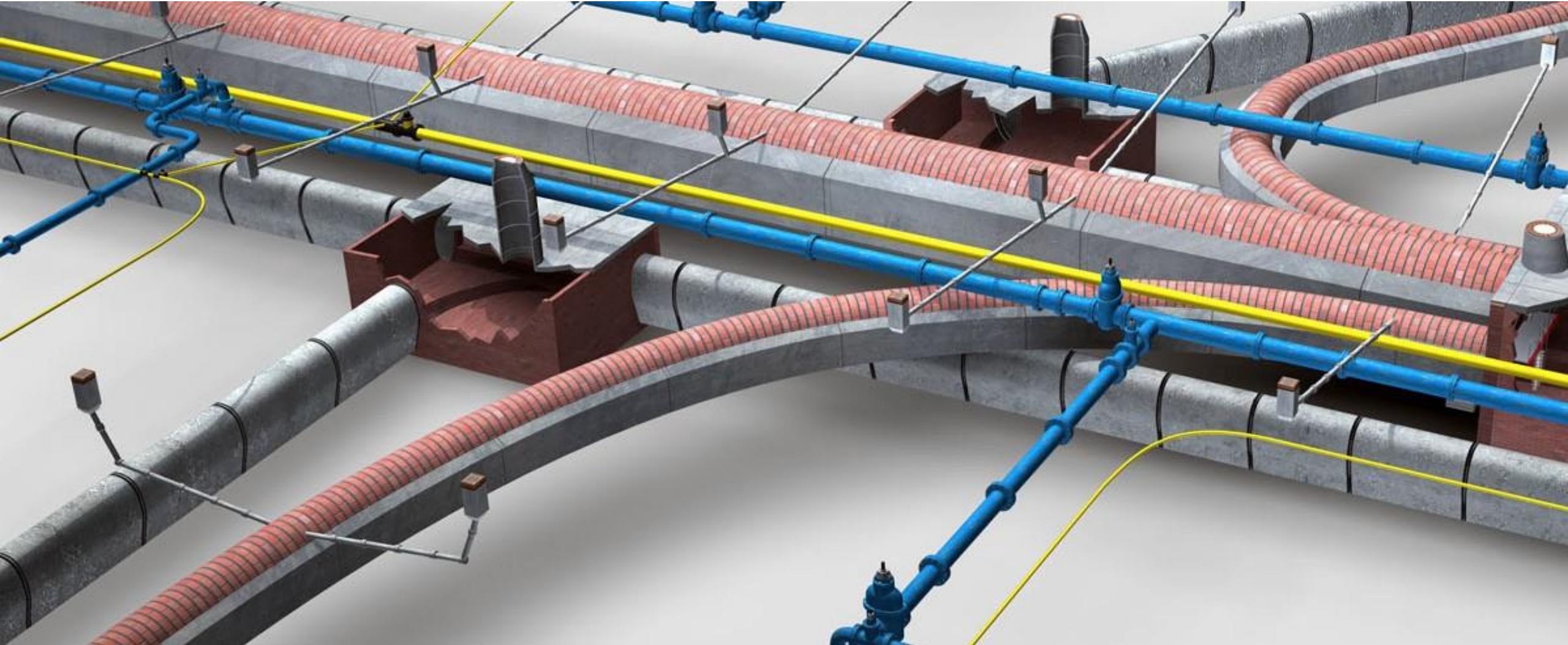
For all customers preferred options are balance between simplicity and fairness, transparency and cost-reflectiveness



**Householders:** greater simplicity required, preference for **Simple Shopping List**



**Developers & Consultants:** simplicity less important, preference for **Detailed Shopping List**



# Infrastructure Charges





## Householders

- Low levels of awareness:
  - some unaware whether paid infrastructure charge
  - some believe paid £0
- Lack of understanding what infrastructure payment is for
- Concept of payment not intuitive (not paying for a service that receiving)

<b>Fair</b>	?
<b>Transparent</b>	?
<b>Cost-reflective</b>	?
<b>Simple</b>	?



## Developers & Consultants

- Almost universal awareness of the charge
- But low levels of understanding about reason for charge and what it's paying for
- Some questioning fairness of an infrastructure charge:
  - future revenue from new properties will pay to improve the infrastructure (paying twice?)
  - developers seen to be improving infrastructure as part of their developments
- Consultants less engaged/opinionated as a cost they pass on

<b>Fair</b>	?
<b>Transparent</b>	?
<b>Cost-reflective</b>	?
<b>Simple</b>	✓

Shown to whole sample (Please see appendix for full stimulus material)

## 1) Average cost

### Water charges

Charge	Number of properties built	Discount for previous useage (number of properties)	Fee	Total
Number of new connections			£400.00	£0.00
<b>Total</b>				<b>£0.00</b>

### Waste charges

Charge	Number of properties built	Discount for previous useage (number of properties)	Fee	Total
Number of new connections			£400.00	£0.00
<b>Total</b>				<b>£0.00</b>

## 2) Zonal charge

### Water charges

Charge	Number of properties	Discount for previous useage (number of properties)	Fee	Total
Zone 1 - no capacity constraints			£0.00	£0.00
Zone 2 - limited capacity constraints			£100.00	£0.00
Zone 3 - moderate capacity constraints			£400.00	£0.00
Zone 4 - severe capacity constraints			£1,000.00	£0.00
<b>Total</b>				<b>£0.00</b>

### Waste charges

Charge	Number of properties	Discount for previous useage (number of properties)	Fee	Total
Zone 1 - no capacity constraints			£0.00	£0.00
Zone 2 - limited capacity constraints			£100.00	£0.00
Zone 3 - moderate capacity constraints			£400.00	£0.00
Zone 4 - severe capacity constraints			£1,000.00	£0.00
<b>Total</b>				<b>£0.00</b>

## 3) Site based charge

### Water charges

Charge	Number of properties	Discount for previous useage (number of properties)	Fee	Total
Site 1			£0.00	£0.00
Site 2			£100.00	£0.00
Site 3			£200.00	£0.00
Site 4			£200.00	£0.00
Site 5			£300.00	£0.00
Site 6				£0.00
Site 7				£0.00
etc				£0.00
				£0.00
<b>Total</b>				<b>£0.00</b>

### Waste charges

Charge	Number of properties	Discount for previous useage (number of properties)	Fee	Total
Site 1			£0.00	£0.00
Site 2			£100.00	£0.00
Site 3			£200.00	£0.00
Site 4			£200.00	£0.00
Site 5			£300.00	£0.00
Site 6				£0.00
Site 7				£0.00
etc				£0.00
				£0.00
<b>Total</b>				<b>£0.00</b>



	Average Costs
<b>Strengths</b>	<ul style="list-style-type: none"> <li>• Simple, straightforward</li> <li>• Easy to use</li> <li>• Fixed costs, cost certainty</li> <li>• Average cost is appropriate</li> <li>• Fair (all pay same as receive same service)</li> </ul>
<b>Weaknesses</b>	<ul style="list-style-type: none"> <li>• Less fair (not cost reflective)</li> <li>• 'Broad brush', insufficient detail, raises questions around fairness</li> </ul>
<b>Fair</b>	<b>Mixed views</b>
<b>Transparent</b>	✓
<b>Cost-reflective</b>	?
<b>Simple</b>	✓
<b>Overall</b>	<b>Preferred (mainly due to simplicity)</b>

*"Infrastructure is something that is more of an average cost, less specific to the site so this lack of detail makes more sense for infrastructure."*  
Small Developer

*"Clear but very broad brush."*  
Large Developer

*"It's the simplest and easiest to understand."*  
Small Developer





## Zonal charges

<b>Strengths</b>	<ul style="list-style-type: none"> <li>Fair (understand why pay more i.e. geographical zone)</li> <li>Provides more detail – more accurate cost</li> <li>Realistic, achievable</li> </ul>
<b>Weaknesses</b>	<ul style="list-style-type: none"> <li>Unclear how zones determined – need greater transparency</li> <li>Feels contradictory to planning policies as will discourage developments in urban areas with potential capacity constraints</li> <li>Unfair – developers shouldn't be paying more for lack of capacity</li> </ul>
<b>Fair</b>	<b>Mixed views</b>
<b>Transparent</b>	?
<b>Cost-reflective</b>	✓
<b>Simple</b>	?
<b>Overall</b>	<b>Preferred by minority</b>

*"It helps you understand what you're being charged for... feels fairest as shows why being charged more or less."*  
Small Developer

*"If you're in Zone 4 it's not fair to pay the same as if in Zone 1. I'm happy to be paying what I should be paying."*  
Small Developer

*"Why should we be having to pay for it anyway? If they're obliged to supply our water to us, which they are, why should we be having to pay extra if there isn't sufficient capacity?"* Large Developer

*"If there's a problem with capacity in certain zones I don't see why the developer should be responsible for paying more."* Large Developer



## Site based Charges

<b>Strengths</b>	<ul style="list-style-type: none"> <li>Assumption that smaller developments will have lower charge and therefore fairer</li> </ul>
<b>Weaknesses</b>	<ul style="list-style-type: none"> <li>Terminology confusing, 'site' to developers means specific building/development site</li> <li>Overly complex (bureaucratic) without perceived benefits – feels unrealistic</li> <li>Unsure how costs will be determined for each 'site'</li> <li>Difficult to estimate costs when purchasing land/planning developments</li> </ul>
<b>Fair</b>	✘
<b>Transparent</b>	✘
<b>Cost-reflective</b>	?
<b>Simple</b>	✘
<b>Overall</b>	<b>Rejected by vast majority as too complex</b>

*“Not sure how this would work, how would they work out which are the most expensive sites compared to others?”*  
 Consultant

*“We wouldn't particularly go with postcodes, if you've got a zone I would have thought that was more of a blanket treatment across a larger area – a fairer way of doing it.”*  
 Large Developer

*“I don't think we need this level of information – it feels convoluted. I don't think Wessex Water can realistically do this.”*  
 Large Developer



Low understanding of what infrastructure charges are and exactly what they cover  
Householders struggle to evaluate the options in terms of fairness, transparency and cost-reflectiveness

	Average Costs	Zonal Charges	Site based Charges
<b>Comments</b>	<ul style="list-style-type: none"> <li>Simple, easy to understand</li> <li>Cost certainty</li> </ul>	<ul style="list-style-type: none"> <li>Unsure how this works</li> <li>Is the system all connected – why capacity problems in one area?</li> </ul>	<ul style="list-style-type: none"> <li>Unsure what comprises a ‘site’</li> <li>Too complicated, site specific feels too detailed</li> <li>Would expect postcode search function adding another layer to process</li> </ul>
<b>Fair</b>	?	?	?
<b>Transparent</b>	✓	?	✗
<b>Cost-reflective</b>	Not intuitively relevant: all receiving the same service ✗ Some question what infrastructure charge actually covers		
<b>Simple</b>	✓	?	✗
<b>Overall</b>	<b>Majority prefer</b>	<b>Minority prefer</b> (as a more accurate cost)	Preferred by 1 as thinks will result in developers being charged more than householders

## Preferences much less clear cut for Infrastructure Charges



**Householders:** unfamiliar, unclear what the charge is for: confusion and uncertainty



**Developers:** lack of understanding, insufficient information on how zonal and site based options would be defined to have clear preferences. (Some lack of familiarity e.g. discount for previous use not understood)

Unlike for Connection Charges fairness not linked with cost-reflectiveness (or transparency)

### Fairness:

- Difficult to judge
- Means different things to different developers
- Some question whether principle of Infrastructure Charge is fair regardless of structure – should developers be responsible?

### Cost reflective:

- Difficult to understand in this context: not reflective of cost of services to the developer but reflective of serving other customers
- Feels more akin to a tax than payment for service

### Transparency:

- Difficult to judge as don't know what Wessex Water are spending the Infrastructure Charge on (no tangible evidence)





**Requisition Charges and Income off set**



<u>Water charges</u>				<u>Waste charges</u>			
Charge	Number Required	Fee	Total	Charge	Number	Fee	Total
Number of Connections		£1,500.00	£0.00	Minor requisition		£80,000.00	£0.00
			<b>Total</b>	£0.00	Major requisition	£700,000.00	£0.00
				<b>Total</b>		£0.00	£0.00

## Average cost option: unanimously rejected

- **Lack of transparency:** e.g. unclear how major and minor waste requisitions are defined
- Unable to judge as no breakdown of what being charged for, but **assume not cost-reflective**
- **Too simple:** given high costs involved want greater detail, sufficiently knowledgeable enough to cope with greater complexity
- Some unable to judge **fairness** as no indication of costs for each activity

*“I would want more of a breakdown because the cost is so high, I would want much more detail.”*  
Large Developer

*“With the higher costs involved it’s a problem with being that simple.”* Large Developer

**N.B. Only discussed where relevant (4 customers)**





## Preferred Option

- Greater detail provided ensures this option is:
  - More transparent
  - More cost-reflective
  - Fairer
- Lack of simplicity is seen as positive, need this level of complexity to adequately reflect wide range of different circumstances
- Indeed some expect even more elements e.g. crossing MOD land

Water charges				Waste charges			
Charge	Number Required	Fee	Total	Charge	Number Required	Fee	Total
Connection charge		£7,000.00	£0.00	100mm PIPE PER LINEAR METRE			
Length of residential road (m)		£400.00	£0.00	In field		£100.00	£0.00
Length of main road (m)		£400.00	£0.00	In crop field		£100.00	£0.00
Length of Footpath (m)		£300.00	£0.00	In footpath		£100.00	£0.00
Length of Verge (m)		£200.00	£0.00	In highway		£200.00	£0.00
Developers site (m)		£200.00	£0.00	Pumping station		£110,000.00	£0.00
<b>Total</b>			<b>£0.00</b>	<b>150mm PIPE PER LINEAR METRE</b>			
				In field		£100.00	£0.00
				In crop field		£200.00	£0.00
				In footpath		£200.00	£0.00
				In highway		£300.00	£0.00
				Pumping station		£110,000.00	£0.00
				<b>225mm PIPE PER LINEAR METRE</b>			
				In field		£100.00	£0.00
				In crop field		£200.00	£0.00
				In footpath		£300.00	£0.00
				In highway		£400.00	£0.00
				Pumping station		£110,000.00	£0.00
				<b>300mm PIPE PER LINEAR METRE</b>			
				In field		£100.00	£0.00
				In crop field		£200.00	£0.00
				In footpath		£300.00	£0.00
				In highway		£400.00	£0.00
				Pumping station		£130,000.00	£0.00
				<b>Total</b>			<b>£0.00</b>

Extras	Number Required	Fee	Total
Valves and hydrants (network control)		£2,000.00	£0.00
Bulk meter (more than 500 metres or 50 units)		£5,000.00	£0.00
Modelling		£3,000.00	£0.00
Cross connections		£4,000.00	£0.00
Booster		£60,000.00	£0.00
Road closure		£3,000.00	£0.00
<b>Total</b>			<b>£0.00</b>

Contingency costs	Number Required	Fee	Total
Traffic management		£500.00	£0.00
Land entry costs		£2,000.00	£0.00
Environmental costs		£2,000.00	£0.00
<b>Total</b>			<b>£0.00</b>

Extras	Number Required	Fee	Total
Major crossings (motorway/canal/ river etc.)		£100,000.00	£0.00
Crossing of commercial business		£10,000.00	£0.00
Crossing of a manufacturing business		£30,000.00	£0.00
Crossing of hedgerows		£10,000.00	£0.00
Crossing of watercourse		£10,000.00	£0.00
<b>Total</b>			<b>£0.00</b>

Contingency costs	Number Required	Fee	Total
Traffic management		£500.00	£0.00
Land entry costs		£2,000.00	£0.00
Environmental costs		£2,000.00	£0.00
<b>Total</b>			<b>£0.00</b>

## Clarification / extra information required:

- Which are optional costs and not payable if self-lay / dig themselves?
- Clarify that relates to off-site not on-site works
- Explanatory notes with definition of terms e.g. environmental costs, land entry, bulk meter
- Clarification of traffic management day rate or per hour?

*"We want to know what we are being charged for, I'd prefer this option as we can double check the charges that are being made on us."*

Large Developer

*"We would expect this to come with explanatory notes explaining who is doing what i.e. whether contractors or developers or Wessex Water are doing the work/digging."*

Large Developer

**N.B. Only discussed where relevant (4 customers)**



**Income Offset is critically important for those who are eligible:** seen as integral aspect of ‘fair’ charging and significant resistance to changes without further details

“This is the first thing we would check that Wessex Water have taken into account.” Large Developer

“It’s only right and proper: we’re providing an income for Wessex so it’s right they take into account the revenue they are going to obtain from the occupied houses – they do get the benefit.” Large Developer

1.

## Removal of Income Offset, but retaining same ‘basket of charges’



- Wouldn’t be fair to change the offset
- Wouldn’t want to see it changed
- Just *‘creative accounting’*
- If same ‘basket of charges’ then it would still have been offset but just not saying it – *‘just words’*
- Less transparent: unable to determine if discount fairly calculated and proportional to size of development

2.

## Altering Income Offset formula to change point at which it kicks in



- Wouldn’t want to see it changed
- Concerned change to threshold would favour Wessex Water and penalise developers
- Question fairness depending on how threshold changed





**Information and communication needs**



Self-service and personal service options have a role to play at different stages of the quotation

## *Online self-service appealing at initial quote stage*

Quick Quote function for ball park figures

Online supportive material e.g. maps, FAQ sheet, download app form

Online portal / application form for those confident in calculating cost themselves (Developers / Consultants)

## *Need to easily speak to a person throughout process*

The need to 'speak to a human' esp. for those less familiar with the process

Phone or email

Some desire for single account manager

## *All expect Wessex Water site-visit to validate quote*

Ability to discuss most efficient and effective approach for specific site – benefits both Wessex and developer

Offers reassurance that applied for and costed what is required esp. for householders / small developers

All developers expect a range of different media channels available to them – growing desire for online



Even with a desire for more online functionalities, the need for a personal/ one-on-one service remains strong

Site visit fundamental requirement for all developers: needed to check, challenge and validate quote

No desire for new charging structure to be a self-complete process

*"We can do an initial quote but a site visit should finalise the form and send the final quote."* Householder, Taunton

*"I would still expect a site visit, I want to do less not more."* Small Developer

- Regardless of new charging structure, all developers still expect the same level of personal service they are currently receiving
- Developers do not think it will be possible to develop a 'self-service' option which meets both developers and Wessex Water's needs. Too complex to be totally self-complete/ online



## Summary and conclusions

1.

## **Strong desire for greater transparency**

- Clearer indication of how infrastructure charges are spent on network re-enforcement
- Improvement in level of detail and granularity of charging and modelling
- Clarity of on-site vs. off-site costs
- Clear indication of self-lay, contestable charging options

2.

## **Desire for consistency and cost certainty**

- Would like greater consistency nationally between water companies
- Cost certainty is important (can't cope with surprises)

3.

## **Connection Charges: need balance of cost-reflective and simplicity**

- Greater scope for simple options, especially with water charges
- Acknowledge different size developers require different levels of detail

4.

## **Infrastructure Charges: significant questions about fairness**

- As an industry, lack of transparency about what infrastructure charges have historically been spent on
- Question responsibility of developers vs. water companies to fund network re-enforcement (perceived lack of transparency exacerbates this perception)
- Want greater transparency on modelling (assumptions and parameters) used to calculate charges
- Zonal or site charging seen as unfair and potential dis-incentive to development in certain areas

## 5. Requisition Charges & Income Offset: call for greater transparency

- Require detailed information (at the individual development level) to determine whether fair and cost-reflective
- Questions over whether water companies (and Wessex Water) are including off-site re-enforcement costs within this – legality questioned
- Lack of clarity and transparency about how Income Offset calculated

## 6. Self-lay, contestable elements should be clearer

- Throughout all communications need for making contestable elements clearer for customers



## Householders



## Developers & Consultants

<b>Connection Charges</b>	<b>Simple Cost Reflective Shopping List</b> <i>Provides appropriate balance between fairness &amp; simplicity</i>	<b>Detailed Cost Reflective Shopping List</b> <i>Provides appropriate balance between fairness &amp; transparency</i>
<b>Infrastructure Charges</b>	<b>Preferences unclear: lack of knowledge</b>	<b>Preferences unclear: industry tension about fairness</b>
<b>Requisition Charges &amp; Income Offset</b>	<b>N/A</b>	<b>Detailed Cost Reflective Shopping List</b> <i>Desire for as much detail as possible including Income Offset calculations</i>

- Potential for separate charging structure and application / quote process for householders vs. developers
- Need for opportunity to discuss application / quote with Wessex Water staff
- Want checking process (i.e. not just self-service)





Appendix



# CONNECTIONS CHARGES: OPTION A

## Water charges

Charge	Number of properties	Fee	Total
Each connection made		£800.00	£0.00
<b>Total</b>			£0.00

## Waste charges

Charge	Number	Fee	Total
Each connection made		£500.00	£0.00
<b>Total</b>			£0.00

# CONNECTIONS CHARGES: OPTION B

## Water charges

Charge	Number Required	Fee	Total
Each connection made		£400.00	£0.00
Length of Road (m)		£200.00	£0.00
Length of Footpath (m)		£200.00	£0.00
Length of Verge (m)		£100.00	£0.00
<b>Total</b>			<b>£0.00</b>

Contingency costs	Number Required	Fee	Total
Traffic management		£500.00	£0.00
Land entry costs		£2,000.00	£0.00
Environmental costs		£2,000.00	£0.00
<b>Total</b>			<b>£0.00</b>

## Waste charges

Charge	Number Required	Fee	Total
100mm PIPE PER LINEAR METRE			
Junction/ saddle		£400.00	£0.00
Existing manhole		£200.00	£0.00
New manhole		£300.00	£0.00
150mm PIPE PER LINEAR METRE			
Junction/ saddle		£400.00	£0.00
Existing manhole		£200.00	£0.00
New manhole		£300.00	£0.00
225mm PIPE PER LINEAR METRE			
Junction/ saddle		£500.00	£0.00
Existing manhole		£200.00	£0.00
New manhole		£300.00	£0.00
300mm PIPE PER LINEAR METRE			
Junction/ saddle		£600.00	£0.00
Existing manhole		£200.00	£0.00
New manhole		£300.00	£0.00
<b>Total</b>			<b>£0.00</b>

Contingency costs	Number Required	Fee	Total
Traffic management		£500.00	£0.00
Land entry costs		£2,000.00	£0.00
Environmental costs		£2,000.00	£0.00
<b>Total</b>			<b>£0.00</b>

# CONNECTIONS CHARGES: OPTION C

## Water charges

Charge	Number Required	Fee	Total
Administrative charge		£100.00	£0.00
UNMADE SURFACE CHARGES			
Connection up to 32mm up to 2m basic trench charge		£400.00	£0.00
Developer connection charge (developer provides all excavation for ducts)		£400.00	£0.00
Charge per additional metre of trench up to 20m total		£100.00	£0.00
MADE UP SURFACES			
Connection up to 32mm up to 2m basic trench charge		£400.00	£0.00
Developer connection charge (developer provides all excavation for ducts)		£400.00	£0.00
Charge per additional metre of trench up to 20m total		£100.00	£0.00
WALL MOUNTED BOX			
Standard MDPE		£300.00	£0.00
Protective pipe		£400.00	£0.00
STANDARD CHARGES			
Each additional connection through the same duct or trench		£200.00	£0.00
PERMANENT REINSTATEMENT PER LINEAR METRE			
Carriageways		£100.00	£0.00
Footpaths		£100.00	£0.00
ADDITIONAL CHARGES			
Contaminated ground		£100.00	£0.00
Traffic management measures		£500.00	£0.00
<b>Total</b>			<b>£0.00</b>

## Waste charges

Charge	Number Required	Fee	Total
Administrative charge		£100.00	£0.00
CONNECTIONS			
Physical connection up to 150mm (including materials)		£300.00	£0.00
Physical connection up to 225mm (including materials)		£400.00	£0.00
Physical connection greater than 225mm (including materials)		£500.00	£0.00
STANDARD CHARGES			
Inspection via existing manhole (per visit)		£200.00	£0.00
Supervision of a connection to a public sewer via a new manhole		£200.00	£0.00
<b>Total</b>			<b>£0.00</b>

Contingency costs	Number Required	Fee	Total
Traffic management		£500.00	£0.00
Land entry costs		£2,000.00	£0.00
Environmental costs		£2,000.00	£0.00
<b>Total</b>			<b>£0.00</b>

# ***Infrastructure charges: Option A***

## **Water charges**

<b>Charge</b>	<b>Number of properties built</b>	<b>Discount for previous useage (number of properties)</b>	<b>Fee</b>	<b>Total</b>
Number of new connections			£400.00	£0.00
<b>Total</b>				<b>£0.00</b>

## **Waste charges**

<b>Charge</b>	<b>Number of properties built</b>	<b>Discount for previous useage (number of properties)</b>	<b>Fee</b>	<b>Total</b>
Number of new connections			£400.00	£0.00
<b>Total</b>				<b>£0.00</b>

# Infrastructure charges: Option B

## Water charges

## Waste charges

Charge	Number of properties	Discount for previous useage (number of properties)	Fee	Total
Zone 1 - no capacity constraints			£0.00	£0.00
Zone 2 - limited capacity constraints			£100.00	£0.00
Zone 3 - moderate capacity constraints			£400.00	£0.00
Zone 4 - severe capacity constraints			£1,000.00	£0.00
<b>Total</b>				<b>£0.00</b>

Charge	Number of properties	Discount for previous useage (number of properties)	Fee	Total
Zone 1 - no capacity constraints			£0.00	£0.00
Zone 2 - limited capacity constraints			£100.00	£0.00
Zone 3 - moderate capacity constraints			£400.00	£0.00
Zone 4 - severe capacity constraints			£1,000.00	£0.00
<b>Total</b>				<b>£0.00</b>



# Infrastructure charges: Option C

## Water charges

Charge	Number of properties	Discount for previous useage (number of properties)	Fee	Total
Site 1			£0.00	£0.00
Site 2			£100.00	£0.00
Site 3			£200.00	£0.00
Site 4			£200.00	£0.00
Site 5			£300.00	£0.00
Site 6				£0.00
Site 7				£0.00
etc				£0.00
				£0.00
				£0.00
<b>Total</b>				£0.00

## Waste charges

Charge	Number of properties	Discount for previous useage (number of properties)	Fee	Total
Site 1			£0.00	£0.00
Site 2			£100.00	£0.00
Site 3			£200.00	£0.00
Site 4			£200.00	£0.00
Site 5			£300.00	£0.00
Site 6				£0.00
Site 7				£0.00
etc				£0.00
				£0.00
				£0.00
<b>Total</b>				£0.00

# Requisition charges: Option A

## Water charges

Charge	Number Required	Fee	Total
Number of Connections		£1,500.00	£0.00
<b>Total</b>			£0.00

## Waste charges

Charge	Number	Fee	Total
Minor requisition		£80,000.00	£0.00
Major requisition		£700,000.00	£0.00
<b>Total</b>			£0.00



# Requisition charges: Option B

## Water charges

Charge	Number Required	Fee	Total
Connection charge		£7,000.00	£0.00
Length of residential road (m)		£400.00	£0.00
Length of main road (m)		£400.00	£0.00
Length of Footpath (m)		£300.00	£0.00
Length of Verge (m)		£200.00	£0.00
Developers site (m)		£200.00	£0.00
<b>Total</b>			<b>£0.00</b>
Extras	Number Required	Fee	Total
Valves and hydrants (network control)		£2,000.00	£0.00
Bulk meter (more than 500 metres or 50 units)		£5,000.00	£0.00
Modelling		£3,000.00	£0.00
Cross connections		£4,000.00	£0.00
Booster		£60,000.00	£0.00
Road closure		£3,000.00	£0.00
<b>Total</b>			<b>£0.00</b>
Contingency costs	Number Required	Fee	Total
Traffic management		£500.00	£0.00
Land entry costs		£2,000.00	£0.00
Environmental costs		£2,000.00	£0.00
<b>Total</b>			<b>£0.00</b>

## Waste charges

Charge	Number Required	Fee	Total
100mm PIPE PER LINEAR METRE			
In field		£100.00	£0.00
In crop field		£100.00	£0.00
In footpath		£100.00	£0.00
In highway		£200.00	£0.00
Pumping station		£110,000.00	£0.00
150mm PIPE PER LINEAR METRE			
In field		£100.00	£0.00
In crop field		£200.00	£0.00
In footpath		£200.00	£0.00
In highway		£300.00	£0.00
Pumping station		£110,000.00	£0.00
225mm PIPE PER LINEAR METRE			
In field		£100.00	£0.00
In crop field		£200.00	£0.00
In footpath		£300.00	£0.00
In highway		£400.00	£0.00
Pumping station		£110,000.00	£0.00
300mm PIPE PER LINEAR METRE			
In field		£100.00	£0.00
In crop field		£200.00	£0.00
In footpath		£300.00	£0.00
In highway		£400.00	£0.00
Pumping station		£130,000.00	£0.00
<b>Total</b>			<b>£0.00</b>

Extras	Number Required	Fee	Total
Major crossings (motorway/ canal/ river etc.)		£100,000.00	£0.00
Crossing of commercial business		£10,000.00	£0.00
Crossing of a manufacturing business		£30,000.00	£0.00
Crossing of hedgerows		£10,000.00	£0.00
Crossing of watercourse		£10,000.00	£0.00
<b>Total</b>			<b>£0.00</b>

Contingency costs	Number Required	Fee	Total
Traffic management		£500.00	£0.00
Land entry costs		£2,000.00	£0.00
Environmental costs		£2,000.00	£0.00
<b>Total</b>			<b>£0.00</b>

## Shown to developers and consultants

### **Customer A**

*A building firm is developing 25 new homes. The job is pretty standard and straightforward, with Wessex excavating, providing and laying water pipes and meter boxes and making sure the connections meet their legal and regulatory requirements.*

### **Customer B**

*A building firm is developing 25 new homes. The development site is more complex, with difficult (rocky) ground conditions, contaminated soil, and the need for traffic management all of which increase Wessex's costs of excavating, providing and laying water pipes and meter boxes and making sure the connections meet their legal and regulatory requirements.*

*How should these builders be charged?*

<b>Cost option 1</b>	<b>Cost option 2</b>
<b><i>Pay for what it actually costs each specific job e.g.</i></b>	<b><i>Both pay the average costs for connecting 25 properties e.g.</i></b>
Customer A pays £15,000	Customer A pays £20,000
Customer B pays £25,000	Customer B pays £20,000

## Shown to householders

### **Customer A**

*Mrs Smith is building a downstairs extension. Limited work is needed but she will need to pay for a water and waste connection – this should be a straight forward connection.*

### **Customer B**

*Mr Williams is also building a downstairs extension. He too will need to pay for a water and waste connection. However, his connection will be less straight forward with more substantial work needed. This is because he lives rurally and has a very long driveway*

*How should these customers be charged?*

<b>Cost option 1</b>	<b>Cost option 2</b>
<b><i>Pay for what it actually costs for each specific job e.g.</i></b>	<b><i>Both pay the average cost for a household connection e.g.</i></b>
Customer A pays £800	Customer A pays £1,650
Customer B pays £2,500	Customer B pays £1,650

### Introductions (5 minutes)

---

- Explain purpose of the research: to gather feedback from customers of Wessex Water's developers services to understand how Wessex Water can improve its service delivery.
- Reassurances: recording, confidentiality, end time etc.
  
- Tell me a little about the business that you work for?
- And what is your role at the business?
- How long have you been in this role?
  
- Before we talk specifically about developer services, tell me a little about your perceptions of Wessex Water as a company. Do you have any particular views on them? How would you describe them? PROBE: trustworthy, efficient, customer care expert, etc.

### Understanding customer priorities (5 minutes)

---

*I want to begin by understanding what you think the features of a good service are in this area.*

- What is most important to you when dealing with an organisation like Wessex Water Developer Services?
- What are your expectations of them?
- I want to understand your priorities as a customer of Wessex Water's Developer services. Are any of the following areas of service more or less important to you? PROBE IN DETAIL ON EACH: Why more/ less important?
  - Cost
  - Turnaround times
  - Customer Service
  - Knowledgeable Staff
  - Simple Process
  - Good Working Relationship between customer and Wessex Water Developer Services
  - Ability to apply and pay for service required online
  - Ability to monitor progress of application online

### Usage and attitudes towards WW developer services overall (15 minutes)

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- Our records show that your most recent dealing with Wessex Water developer services was [INSERT FROM SAMPLE DATABASE] – is this correct?
- Have you had any other dealings with Wessex Water developer services recently?
- How many times have you used Wessex Water's developer's services this year?
- For what different types of service? PROBE: Construction of a new water main, Connection to a water main, Connection to a public sewer, Building over or near a public sewer, Adoption of a new or existing sewer, Diversion of a public sewer, Connection to a water main

- Thinking about your experience of using Wessex Water's developer services overall, how satisfied would you say you are with them?
  - TICK BELOW AS APPROPRIATE then probe: Why did you say that?

Very satisfied	Fairly satisfied	Neither/nor	Fairly dissatisfied	Very dissatisfied

- And again thinking about your overall experiences, how would you rate WW developers services in terms of value for money?
  - Why did you give that score? PROBE in detail

Very good	Fairly good	Neither/nor	Fairly poor	Very poor

- ASK WHERE RELEVANT: You've said that you've used a range of the services they provide. Are you any more or less satisfied with any of these more specific services? Why? PROBE in detail
- ASK WHERE RELEVANT: And how about value for money – are you any more or less satisfied with the value for money provided by these different services? Why? PROBE in detail

**Detailed review of latest service experience (20 minutes)**

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*I want to ask some more specific questions about your most recent experience of using one of WW's developer services – so let's focus on this latest example of [INSERT SERVICE FROM SAMPLE]... Let's start from the beginning of the process.*

**Initial contact**

- How did you initially make contact about this? (telephone, in person, letter, email, application form)
- And is this your preferred way of contacting them, or would you have preferred to do it another way? Why?
- How satisfied or dissatisfied were you with this initial contact? PROBE specifically where relevant:
  - Ease of finding the right contact details
  - Range of contact methods offered
  - Waiting time
  - Response time
  - Number of times they tried to call
  - Perceptions of the person they dealt with
  - Satisfaction with the response they received
  - Website navigation
- In what ways could Wessex Water improve your experience of making this initial contact with them?

- Is there anything they should learn from the way other companies or organisations are enabling you to do this?

### **Making the application**

- What is the current status of your application?
- How did you find the process of making the application? PROBE in detail (clarity of form, length of form, complexity, etc)
- Were you provided with a guidance note on completing the application?
  - How useful did you find this? Why? PROBE in detail
- Did you receive a site visit? If yes...
  - How satisfied were you with this? PROBE fully
- Did you need any help or support from WW's team during the application process? If yes...
  - For what reason?
  - Were they able to help with your query? Why/ why not?
- **PROBE IN GENERAL: What is your expectation of Wessex Water's turnaround time for responding to issues or queries you may have throughout the process? WHERE RELEVANT: Do they meet this expectation, or not?**
- **Once you had submitted your application, what was Wessex Water's turnaround time in terms of:**
  - **Acknowledgement of the application – were you satisfied with this or not? What is your expectation for how long this should take?**
  - **Substantive response to the application - were you satisfied with this or not? What is your expectation for how long this should take?**
- To what extent have WW DS kept you informed of your application status? Was this satisfactory to you?
- Overall, how satisfied or dissatisfied were you with the application process? PROBE fully
- In what ways could Wessex Water improve your experience of making the application?
- Is there anything they should learn from the way other companies or organisations are enabling you to do this?
- **Do any of the other service providers you use (Gas, Electric, Telecoms or Water Companies) offer online electronic applications?**
  - **What does this look like?**
  - **Does it work for you?**
  - **How could we use technology to be of better service to you?**

### **Service delivery (where completed)**

- Tell me about the experience of having the service undertaken...? PROBE on:
  - Professionalism/ expertise of staff
  - Timescales
- **What was Wessex Water's turnaround time in terms of carrying out the work? Were you satisfied with this or not? What is your expectation for how long this should take?**
- Was the work completed to your satisfaction? Why/ why not?
- Are there any comments you would like to add about the application process?

- In what ways could Wessex Water improve your experience of the delivery of the service?
- Is there anything they should learn from the way other companies or organisations do this?

**Advocacy and drawing comparisons (10 minutes)**

---

- If you were able to choose your Developer Services provider, how likely would you be to recommend Wessex Water's Developer Services to a colleague? Please use a scale of 0-10, where 0 is not at all likely and 10 is extremely likely.
  - TICK BELOW AS APPROPRIATE, then probe: Why do you say that?

0	1	2	3	4	5	6	7	8	9	10

- Do you use the developer services of any other water companies? If yes...
  - How does Wessex Water's service compare? Is it better/ worse/ the same? In what ways?
- Have you noticed any change in Wessex Water's service levels in the last year or so?
  - Has the service stayed the same, got better, got worse..?

**Summary and closing comments (5 minutes)**

---

- In what ways could Wessex Water improve its service to developers like you?
- What one thing could they change that would improve the service the most from your point of view?
- WHERE APPROPRIATE: Is there anyone you would like to recognise for the service they have provided?
- Would you be happy to be re-contacted by Wessex Water Developer Services to discuss any issues/suggestions that you reported? IF YES, TAKE CONTACT DETAILS
- Is there anything more you would like to add?
- Thank and close



**SAMPLE**

LARGE DEVELOPERS (AIM FOR 20 QUANT AND 6 QUAL)  
 SMALL DEVELOPERS/BUILDING FIRMS (AIM FOR 50 QUANT)  
 HOUSEHOLDERS (AIM FOR 30 QUANT)  
 ARCHITECTS/CONSULTANTS (AIM FOR 50 QUANT)

**SECTION 1: SCREENING (ALL)**

**S1** Good morning/afternoon/evening. My name is \_\_\_\_\_ from Blue Marble Research, an independent market research company.

We are carrying out a survey on behalf of Wessex Water to find out what customers think about its Developer Services.

The interview takes about 10 minutes and everything you say will be treated in the strictest confidence. All Interviews are carried out under the Market Research Society’s Code of Conduct. Would you be willing to take part?

Yes	<b>S2</b>
No Time Now	<b>Arrange call back</b>
Refused	<b>Thanks &amp; Close</b>

**I just would like to check some details with you before we begin...**

**S2** Our data shows that you contacted Wessex Water about **(INSERT SERVICE TYPE FROM SAMPLE)** in the last 3 months. Is this information correct?

<b>1. Yes</b>	<b>S3</b>
<b>0. No</b>	<b>S4</b>

**S3** Was this the most recent service you have initiated with Wessex Water Developer Services?

<b>1. Yes</b>	<b>S5</b>
<b>0. No</b>	<b>S4</b>

**ASK IF ‘NO’, CODE 0 IN S3**

**S4** What was the most recent service you contacted Wessex Water’s Developer Services about? **(DO NOT READ OUT)**

1. Construction of a new water main
2. Connect to a water main
3. Connect to a public sewer

- 4. Proposal to build over or near a public sewer
- 5. Adoption of a new or existing sewer
- 6. Diversion of a public sewer
- 7. Other, specify: .....

- S5. And what is the status of this service at the moment?
- 1. I have submitted my application but the work is not yet complete
  - 2. I have submitted my application and the work has been completed

**DO NOT ASK HOUSEHOLDERS**

S6 Were you contacting Wessex Water’s Developer Services on behalf of **(ENTER COMPANY NAME FROM CONTACT LIST IF AVAILABLE, IF NOT SKIP QUESTION AND ASK S6)?**

1. Yes	S7
0. No	S6

S7 On behalf of which company have you contacted Wessex Water’s Developer Services? **OPEN**

- S8 What is your position in the company?
- 1. Director
  - 2. Manager
  - 3. Engineer
  - 4. Supervisor
  - 5. Administrative / Clerical support
  - 6. Other (please specify)

- S9 Approximately how many applications have you submitted last year to Wessex Water’s Developer Services?
- 1. 1
  - 2. 2-3
  - 3. 3-5
  - 4. More than 5

- S10 Which of the following services have you used before? **(READ OUT)**
- 1. Construction of a new water main
  - 2. Connection to a water main
  - 3. Connection to a public sewer
  - 4. Building over or near a public sewer
  - 5. Adoption of a new or existing sewer
  - 6. Diversion of a public sewer
  - 7. Other, specify: .....

S11. I’d like to understand your priorities as a customer of these services. Using a scale from 0-10, where 0 is ‘not at all important’ and 10 is ‘extremely important’, how important are each of the following areas of service to you when dealing with an organisation such as Wessex Water’s Developer Services?

**0 TO 10 RATING SCALE. RANDOMISE ORDER.**

1. Cost
2. Turnaround times
3. Customer Service
4. Knowledgeable Staff
5. Simple Process
6. Good Working Relationship between customer and Wessex Water Developer Services
7. Ability to apply and pay for service required online
8. Ability to monitor progress of application online

**SECTION 2: OVERALL SATISFACTION WITH WW AND WWDS**

**ASK ALL**

**Q3.** Overall, how satisfied or dissatisfied are you with Wessex Water’s Developer Services?

- 7. Very Dissatisfied
- 8. Fairly dissatisfied
- 9. Neither Satisfied nor dissatisfied
- 10. Fairly satisfied
- 11. Very satisfied
- 12. Don’t Know **(SPONTANEOUS)**

**Q5** Thinking about value for money, overall how would you rate Wessex Water Developer Services in relation to the services they provide? **(READ OUT)**

- 1. Very good
- 2. Fairly good
- 3. Neither good nor poor
- 4. Fairly poor
- 5. Very poor
- 6. Don’t know **(SPONTANEOUS)**

**Q6.** And again, thinking about Wessex Water’s Developer Services overall, to what extent would you agree or disagree with the following statements?

RANDOMISE ORDER	Strongly disagree	Tend to disagree	Neither/nor	Tend to agree	Strongly agree	Don’t know/no opinion
It provides an efficient service						
It delivers on its promises						
It cares about its customers						
It is expert at what it does						
It fixes any problems quickly						

You said you were currently in contact with Wessex Water’s Developer Services regarding **(INSERT SERVICE TYPE FROM S4 OR IF S4 IS NOT ASKED, THEN FROM CONTACT LIST)**, but you have previously also used some of its other services. For each of the following services: **LIST FROM S10**

**Q7.** How satisfied are you with these services overall?

**Q8.** And how would you rate these services in terms of value for money?

**(DYNAMICALLY PICK MAX 3 OTHER SERVICES FROM S10 TO FILL THOSE WITH LEAST RESPONSES).**

<b>Q7</b>	Very satisfied	Fairly satisfied	Neither/nor	Fairly dissatisfied	Very dissatisfied	Don't know/no opinion
<b>Q8</b>	Very Good	Fairly good	Neither good nor poor	Fairly poor	Very poor	Don't know/no opinion
Current service						
Service 2						
Service 3						
Service 4						

### **SECTION 3: INITIAL CONTACT WITH WW DS**

The next few questions relate specifically to the **(INSERT SERVICE TYPE FROM S4 OR IF S4 IS NOT ASKED, THEN FROM SAMPLE LIST)** service that you have used most recently.

Please think about the initial contact you made to Wessex Water regarding this service

**Q9.** Can you tell me how you initially made contact with them?

1. Telephone
2. Letter
3. Email
4. Application form
5. Visited the office in person

**Q10.** To what extent do you agree with the statement 'it was easy for me to make contact with Wessex Water's Developer services in the way that I wanted to'

0. Strongly agree
1. Tend to agree
2. Nether agree nor disagree
3. Tend to disagree
4. Strongly disagree
5. Don't know/ no opinion

**Q11.** Overall, how satisfied or dissatisfied were you with your initial contact to Wessex Water's developer services?

0. Very Dissatisfied
1. Fairly dissatisfied
2. Neither Satisfied nor dissatisfied
3. Fairly satisfied
4. Very satisfied
5. Don't Know **(SPONTANEOUS)**

**ASK IF SENT EMAIL, LETTER, OR APPLICATION FORM (CODE 2, 3 AND 4 IN Q9)**

**Q12a.** How satisfied were you with the response time?

1. Very Dissatisfied
2. Fairly dissatisfied
3. Neither Satisfied nor dissatisfied
4. Fairly satisfied
5. Very satisfied
6. Don't Know **(SPONTANEOUS)**

**Q12b.** Is there anything Wessex Water could do to improve your experience of making contact with them by **[INSERT AS RELEVANT: LETTER, EMAIL, SUBMISSION OF APPLICATION FORM] OPEN**

**ASK ALL WHO HAD PERSON TO PERSON INTERACTION (CODE 1 OR 5 AT Q9)**

**Q13.** Thinking about the person you dealt with when you made this initial contact, to what extent would you agree or disagree with the following statements.

RANDOMISE ORDER	Strongly disagree	Tend to disagree	Neither/nor	Tend to agree	Strongly agree	Don't know/no opinion
They were efficient						
They were courteous and helpful						
They were knowledgeable						
They took their time to understand my needs						
They took ownership of my enquiry						
They passed me from pillar to post						

**TELEPHONE**

**ASK IF CODE 1 IN Q9**

**Q14.** You said you contacted Wessex Water's Developer Services initially by telephone regarding your most recent application. Do you remember which number you dialed?

2. Operation enquiries (0845 300 4 300)
3. Main switchboard (01225 526000)
4. Developer services direct dial
5. Don't know

**Q15.** On this occasion, did you experience any issues? (DO NOT PROMPT)

0. No issues experienced
1. Difficulty to find the number
2. Difficulty getting through
3. Long waiting time
4. Other, please specify: ...
5. Don't know

**Q16.** How many times did you have to call to get through?

1. 1
2. 2
3. 3
4. More than 3
5. Don't know

**Q17.** How long did you have to wait before your call was answered?

1. Less than a minute
2. 1-2 minutes
3. 3-5 minutes
4. 5-10 minutes
5. More than 10 minutes
6. Don't know



**Q18.** Is there anything Wessex Water Developer Services could do to improve your experience when contacting them by phone? **OPEN**

**WEBSITE**

**Q19.** Have you visited Wessex Water Developer Services website?

- 0. No
- 1. Yes

**Q20.** How satisfied were you with the website in general?

- 1. Very Dissatisfied
- 2. Fairly dissatisfied
- 3. Neither Satisfied nor dissatisfied
- 4. Fairly satisfied
- 5. Very satisfied
- 6. Don't Know (**SPONTANEOUS**)

**Q21.** Regarding the website, to what extent would you agree or disagree with the following statements?

RANDOMISE ORDER	Strongly disagree	Tend to disagree	Neither/nor	Tend to agree	Strongly agree	Don't know/no opinion
It's is easy to navigate						
It is visually appealing						
It provides all information I need						
It loads quickly						

**Q22.** Is there anything Wessex Water Developer Services could do to improve your experience with its website? **OPEN**

**OFFICE VISIT**

**ASK IF VISITED THE OFFICE IN PERSON, CODE 5 IN Q9**

**Q23.** How long did you have to wait when you visited the office in person?

- 1. Less than 5 minutes
- 2. 5-10 minutes
- 3. 11-30 minutes
- 4. 31-60 minutes
- 5. More than 1 hour

**Q24.** Is there anything Wessex Water Developer Services could do to improve your experience when visiting them in person? **OPEN**

**SECTION 4: APPLICATION PROCESS**

**ASK ALL**

Now I would like to understand your views on your most recent application process.

**Q26.** How easy or difficult was it for you to follow the application form?

1. Very difficult
2. Fairly difficult
3. Neither easy nor difficult
4. Fairly easy
5. Very easy
6. Don't Know (**SPONTANEOUS**)

**Q27.** How useful was the guidance note that accompanied the application form?

1. Very useful
2. Fairly useful
3. Neither
4. Not very useful
5. Not at all useful
6. Don't Know (**SPONTANEOUS**)

**Q28** Have you had a site visit?

1. Yes
2. No **GO TO Q30**

**IF HAD A SITE VISIT (CODE 1 IN Q28)**

**Q29.** How satisfied were you with the site-visit?

1. Very unsatisfied
2. Fairly unsatisfied
3. Neither satisfied nor unsatisfied
4. Fairly satisfied
5. Very satisfied
6. Don't Know (**SPONTANEOUS**)

**Q30.** How satisfied are you overall with the way your application has been dealt with?

1. Very unsatisfied
2. Fairly unsatisfied
3. Neither satisfied nor unsatisfied
4. Fairly satisfied
5. Very satisfied
6. Don't Know (**SPONTANEOUS**)

**Q31.** How satisfied are you with the way Wessex Water has kept you informed of what's happening in relation to the status of your application?

1. Very unsatisfied
2. Fairly unsatisfied

- 3. Neither satisfied nor unsatisfied
- 4. Fairly satisfied
- 5. Very satisfied
- 6. Don't Know (**SPONTANEOUS**)

**Q32.** How long did the whole process take from your initial contact through to completion?

- 1. Less than a week
- 2. 1 to 2 weeks
- 3. 2 to 4 weeks
- 4. 4 to 8 weeks
- 5. More than 8 weeks

**Q33.** Regarding the entire application process, to what extent would you agree with the following statements?

RANDOMISE ORDER	Strongly disagree	Tend to disagree	Neither/nor	Tend to agree	Strongly agree	Don't know/no opinion
It is an efficient process						
It is straightforward to complete						
The application timescales are reasonable						
It is a smooth process						

**Q34.** Is there anything Wessex Water Developer Services could do to improve your experience of the application process? **OPEN**

**SECTION 5: SERVICE DELIVERY**

**ASK ALL WHO CODE 2 AT S5**

Now I would like to understand your views on the delivery and outcome of this service.

**Q35.** Overall, how satisfied are you with the way this service was delivered?

1. Very unsatisfied
2. Fairly unsatisfied
3. Neither satisfied nor unsatisfied
4. Fairly satisfied
5. Very satisfied
6. Don't Know (**SPONTANEOUS**)

**Q36.** To what extent would you agree or disagree with the following statements?

RANDOMISE ORDER	Strongly disagree	Tend to disagree	Neither/nor	Tend to agree	Strongly agree	Don't know/no opinion
It was delivered within the timescales I expected						
It was delivered in a professional manner						
I am satisfied with the outcome of the service delivery						
It was a smooth process						

**Q37.** Is there anything Wessex Water Developer Services could do to improve your experience having this service delivered? **OPEN**

**SECTION 6: NET PROMOTER SCORE AND COMPARISONS**

**ASK ALL**

**Q38.** If you were able to choose your Developer Services provider, how likely would you be to recommend Wessex Water’s Developer Services to a colleague? Please use a scale of 0-10, where 0 is not at all likely and 10 is extremely likely.

0	1	2	3	4	5	6	7	8	9	10
---	---	---	---	---	---	---	---	---	---	----

**Q39.** Why do you say that? **(OPEN)**

**DO NOT ASK HOUSEHOLDERS**

**Q40.** Are you using any other water company’s Developer Services?

- 0. No
- 1. Yes

**IF YES AT Q37**

**Q41.** Compared to other water companies Developer Services, how would you rate Wessex Water Developer Services?

- 1. Much worse
- 2. Somewhat worse
- 3. About the same
- 4. Somewhat better
- 5. Much better
- 6. DK

**ASK ALL**

**Q42.** Compared to the developer services offered by other utility providers (gas, electric, telephone etc) how would you rate Wessex Water’s Developer Services?

- 1. Much worse
- 2. Somewhat worse
- 3. About the same
- 4. Somewhat better
- 5. Much better
- 6. DK/NA

**Q43.** Would you say Wessex Water’s developer services have got better, got worse or stayed the same in the last 12 months?

- 1. Got better
- 2. Stayed the same
- 3. Got worse
- 4. Not applicable/ DK

**SECTION 7: COMPLETION**

**Q44.** Do you have any other suggestions as to how Wessex Water's Developer Services could improve its service to you in the future? **OPEN**

**INTERVIEWER TO USE DISCRETION IN ASKING Q45 – ASK ONLY IF INTERVIEWEE HAS INDICATED POSITIVE EXPERIENCE OF SERVICE WITHIN INTERVIEW**

**Q45.** Is there anyone who you would like to recognise for the service they provided? **OPEN**

**Q47.** Would you be happy to be re-contacted by Wessex Water Developer Services to discuss any issues/suggestions that you reported?

- 0. No
- 1. Yes - **REGISTER CONTACT DETAILS**

**THANK AND CLOSE**

## Wessex Water New Connections Charging 1 hour Depth Interview (10.4.17)

### Introductions

**(5 minutes)**

- *Purpose of the project:* to gather feedback from customers of Wessex Water’s developers services about the current charging system and information needs. To understand response to proposed alternative charging methods – N.B. not response to actual charges in £s but how the charges are calculated and communicated
- *Reassurances:* taping, how the information will be used, confidentiality, anonymity
- *Introductions:*
  - Tell me a little about the business that you work for
  - And what is your role in the business?
  - How long have you been in this role?
- Before we talk specifically about the developers services, tell me a little about your perceptions of Wessex Water as a company. Do you have particular views of them? How would you describe them?

### Current customer experiences

**(5 minutes)**

- Can you tell me specifically about your dealings with Wessex Water developer services?
  - How many times have you used the services? Over what time period?
  - When was the last time you had dealings with Wessex Water developer services?
  - Which services have you used?
  - Probe to establish range of different services used and frequency: construction of water mains, connect to water main, connect to public sewer, proposal to build over or near public sewer, adoption of new or existing sewer, diversion of public sewer
  - What is your role in this process?
  - Have you received visits from Wessex Water inspectors as part of this process? How helpful have they been? Why?
- Thinking about your experiences of using Wessex Water’s developer services overall, how satisfied would you say you are with them? Why do you say that?

### Perception of current charging system

**(10 minutes)**

- And thinking specifically about the current charging system for new connections/developers services, how satisfied are you with the process? *N.B. Allow respondents at this point to briefly comment on the actual charge/cost but reminding them that we are interested in the way it is charged vs the actual cost/ amounts.*
- Talk me through the process you go through to find out what the charges will be for a given project. Establish current application process, and channel used i.e. phone, email, onsite
- Where relevant: establish whether experienced connection charges, infrastructure charges and requisition charges.
- Describe the process you go through, what are the positive and negative aspects?
  - How easy is it to find the relevant information you need?



- What sources of information do you use? Do you use the Wessex Water website? Why/why not?
- How clear is it what you will be charged? Why?
- How easy or difficult is it for you to understand what the charges are for at the start of the process? Why do you say that? Probe for specific examples.
- How would you rate the process in terms of how straightforward or complicated it is? Why?
- Do you have any frustrations with the current process and procedures?
- From your perspective are there any changes you would like to see?
  - to the way the charges are structured
  - to the way the charges are communicated to customers

## Response to alternative charging methodologies

(20-25 minutes)

*Interviewer to explain that Wessex Water are looking at changing the way they charge for new connections services with the aim of making the costs simpler and more transparent for customers. We are going to show you a range of different ways in which the charging structure could be amended and want to understand your response to each. Moderator to remind customers that the figures they are about to see are illustrative only and that we are interested in the structure / methodology of the charge.*

### 1. Connections Charges (Water and Waste shown together)

*Show each of the 3 alternative cost options in turn [rotate order].*

*For each:*

- Looking at this talk through how you would go about working out what you would be charged for new connections
- How easy or difficult is this to understand?
- Is there any language or terminology that is unclear? (Probe for specific terms e.g. Fixed Charges, Contestable as applicable)
- How relevant/appropriate does this feel for your type of business?

*Once respondent has considered each option in turn, ask them to consider the 3 options:*

- What are the pros and cons of each of these options?
- Which of these options do you think is easiest to understand? Why?
- Which of these do you think most clearly explains what you are being charged for? Why?
- Which of these do you think is the fairest system? Why?
- Which of these do you think Wessex Water should adopt? Why?
- How is this better than the current system?

### 2. Infrastructure Charges

**NB:** *all customers making new connection will be required to pay an infrastructure charge*

**NB:** *'zone' refers to regional split, 'site' refers to postcode split*

*Show each of the 3 alternative cost options in turn [rotate order]. **Show map for option 2 'zone'***

*For each:*

- Looking at this talk through how you would go about working out what you would be charged
- How easy or difficult is this to understand?

- Is there any language or terminology that is unclear? (Probe for specific terms e.g. Fixed Charges, Contestable as applicable)

*Once respondent has considered each option in turn, ask them to consider the 3 options:*

- What are the pros and cons of each of these options?
- Which of these options do you think is easiest to understand? Why?
- Which of these do you think most clearly explains what you are being charged for? Why?
- Which of these do you think is the fairest system? Why?
- Which of these do you think Wessex Water should adopt? Why?

### **3. Requisition Charges**

***Establish if applied for charge recently, if so continue to show.***

***Show each of the 2 alternative cost options in turn [rotate order].***

*For each:*

- Looking at this talk through how you would go about working out what you would be charged for new connections
- How easy or difficult is this to understand?
- Is there any language or terminology that is unclear?

*Once respondent has considered each option in turn, ask them to consider the 3 options:*

- What are the pros and cons of each of these options?
- Which of these options do you think is easiest to understand? Why?
- Which of these do you think most clearly explains what you are being charged for? Why?
- Which of these do you think is the fairest system? Why?
- Which of these do you think Wessex Water should adopt? Why?
- Are you aware of the Income Offset that applies to the Requisition Charge? Have you had the Income Offset applied to any of your requisitions?
- How much do you understand about the Income Offset that applies to the Requisition Charge?
- How important is the Income Offset for you/your business? Why?

**FOR THOSE WITH SOME KNOWLEDGE:**

- Wessex Water are also reviewing how the Income Offset is applied – to ensure that it is fair and transparent, and cost-reflective, and complies with all the Competition legislation. Wessex Water are looking at a range of different possibilities and want to understand customers' responses.
  - What would your response be if the Income Offset was removed but the way in which the other charges were calculated meant that your overall 'basket of charges' remained the same? How would you feel about this?
  - What would your response be if the way in which the Income Offset formula was calculated was altered which changed the point at which the Income Offset kicks in? How would you feel about this?

## Cost-reflective charging

(5 minutes)

- 
- What does “fair charging” mean to you?
  - And what does “cost reflective charging” mean to you?
  - STIMULUS: Response to worked examples of cost reflective charging with different levels of cross-subsidy/aggregation
    - Which do you think is the fairest method of charging? Why? Explore fully.

## Information and channel needs

(5 minutes)

- 
- What information do you need at different stages of the process?
  - How would you prefer to receive this information e.g. via website, leaflets, phone
  - How much information do you need/want on the website? Do you want to be able to make online applications?
  - How likely would you be to use a ‘quick quote’ function? Why/ why not?
  - Do you expect to be able to work out the costs on your own or would you expect to require input from Wessex Water staff?
    - If so, what sort of input would you want?
    - How confident would you feel filling it in yourself?
  - Do you want or expect some form of checking process in place? What should this look like?
  - What role do you want and expect Wessex Water’s inspectors to play? E.g. site visits? How important, or not, is this for you? Why?

## Summary and closing thoughts

(5 minutes)

- 
- To sum up, as Wessex Water develop their new charging scheme what are the key things they should think about?
  - If there was one single message you would like Wessex Water to take away from this interview what would it be?
  - Any other final comments that you would like to make?
  - Would you be willing to be re-contacted by Blue Marble to take part in any further research?
  - Would you be interested in taking part in any workshops, breakfast events or information providing sessions which Wessex Water Developer Services hold in the future?

**Thank you and close**

## Appendix

*Moderator to use back of pocket to clarify definition of charges if needed*

### **Connection charge (water and waste)**

- When we connect a new household to our network, we need to make a new physical connection and ensure that there is sufficient capacity and pressure in the network to provide for our new customers. The water **Connection Charge** includes the cost of the new pipes required to connect to our mains and the cost of a water meter as well as inspection costs to ensure that the connection meets our standards (and the water is safe to drink).

### **Infrastructure charge**

- The cost of work to reinforce our network and increase its capacity or pressure is recovered through the **Infrastructure Charge**. (To note: until the new rules take effect and new charges are set in April 2018, the existing Requisition Charge recovers an element of network reinforcement costs.)

### **Requisition Charge**

- A new development might require a new mains or public sewer and the developer might require us to do this work for them if, for example, the pipes need to cross a third party's land or there are other reasons why we might be best placed to do that work – the cost of this work is recovered through the Requisition Charge (since the developer has required us to do it).

## Wessex Water New Connections Charging 1½ hour Focus Group (24.4.17)

### Introductions

**(6.00 – 6.10)**

- 
- *Purpose of the project:* to gather feedback from customers of Wessex Water’s developers/ new connections services about the current charging system and information needs. To understand response to proposed alternative charging methods – N.B. not response to actual charges in £s but how the charges are calculated and communicated
  - *Reassurances:* taping, how the information will be used, confidentiality, anonymity
  - *Introductions one by one around group:*
    - Name, where live, how long lived there, who in household, occupation
    - Brief description of reason had new connection (more detail to follow)
  - Before we talk specifically about the new connections services, tell me a little about your perceptions of Wessex Water as a company. Do you have particular views of them?
  - Overall how would you describe them? What words would you use to describe the as a company? Why?

### Customer experience of new connections services

**(6.10 – 6.25)**

- 
- **Self-completion: Q1** Thinking about your experiences of getting a new connection from Wessex Water, on a scale of 1 to 10, how would you rate the service you received? Why do you say that?
  - Go around group and establish scores given
  - Why did you give this score?
  - Probe specifically on:
    - Finding out the information you needed
    - Understanding of how the process operated
    - Speed of response
    - Contact with staff
    - Customer service
  - What worked well? Where did Wessex Water perform well?
  - Are there any aspects that you think Wessex Water should improve? Why?
  - Did the experience change your opinion of Wessex Water in any way?

### Perception of current charging system

**(6.25 – 6.35)**

- 
- We’d now like to specifically think about the current charging system of new connections / developer services?
- Talk me through the process you went through to find out what the charges would be for your specific project. Establish current application process, and channel used i.e. phone, email, onsite
  - Where relevant: establish whether experienced connection charges, infrastructure charges and requisition charges.

- And overall how satisfied were you with the process of finding out how much you would be charged for your new connections. *N.B. Allow respondents at this point to briefly comment on the actual charge/cost but reminding them that we are interested in the way it is charged vs the actual cost/ amounts.*
- Describe the process you went through, what are the positive and negative aspects?
  - How easy is it to find the relevant information you need?
  - What sources of information do you use? Do you use the Wessex Water website? Why/why not?
  - How clear is it what you will be charged? Why?
  - How easy or difficult is it for you to understand what the charges are for at the start of the process? Why do you say that? Probe for specific examples.
  - How would you rate the process in terms of how straightforward or complicated it is? Why?
- Do you have any frustrations with the current process and procedures?
- From your perspective are there any changes you would like to see?
  - to the way the charges are structured
  - to the way the charges are communicated to customers

## Response to alternative charging methodologies

---

*Interviewer to explain that Wessex Water are looking at changing the way they charge for new connections services with the aim of making the costs simpler and more transparent for customers. We are going to show you a range of different ways in which the charging structure could be amended and want to understand your response to each.*

*Moderator to remind customers that the figures they are about to see are illustrative only and that we are interested in the structure / methodology of the charge.*

### 1. Connections Charges (Water and Waste shown together)

**(6.35 – 6.50)**

*Show each of the 3 alternative cost options in turn [rotate order].*

*For each:*

- Looking at this talk through how you would go about working out what you would be charged for new connections
- How easy or difficult is this to understand?
- Is there any language or terminology that is unclear? (Probe for specific terms e.g. Fixed Charges, Contestable as applicable)
- How relevant/appropriate does this feel for you?

*Once respondent has considered each option in turn, ask them to consider the 3 options:*

- What are the pros and cons of each of these options?
- Which of these options do you think is easiest to understand? Why?
- Which of these do you think most clearly explains what you are being charged for? Why?
- Which of these do you think is the fairest system? Why?
- How is this better than the current system?

**Self-complete Q2.** Complete question 2 to summarise which is preferred option.

### 2. Infrastructure Charges

**(6.50 – 7.00)**

*Show each of the 3 alternative cost options in turn [rotate order]. Show map for option 2 'zone'*

*For each:*

- Looking at this talk through how you would go about working out what you would be charged
- How easy or difficult is this to understand?
- Is there any language or terminology that is unclear? (Probe for specific terms e.g. Fixed Charges, Contestable as applicable)

Once respondent has considered each option in turn, ask them to consider the 3 options:

- What are the pros and cons of each of these options?
- Which of these options do you think is easiest to understand? Why?
- Which of these do you think most clearly explains what you are being charged for? Why?
- Which of these do you think is the fairest system? Why?
- Which of these do you think Wessex Water should adopt? Why?

**Self-complete Q3.** Complete question 3 to summarise which is preferred option.

### Cost-reflective charging

**(7.00 – 7.10)**

- 
- What does “fair charging” mean to you?
  - And what does “cost reflective charging” mean to you?
  - STIMULUS: Response to worked examples of cost reflective charging with different levels of cross-subsidy/aggregation
    - Which do you think is the fairest method of charging? Why? Explore fully.

### Information and channel needs

**(7.10 – 7.20)**

- 
- What information do you need at different stages of the process?
  - How would you prefer to receive this information e.g. via website, leaflets, phone
  - How much information do you need/want on the website? Do you want to be able to make online applications?
  - How likely would you be to use a ‘quick quote’ function? Why/ why not?
  - Do you expect to be able to work out the costs on your own or would you expect to require input from Wessex Water staff?
    - If so, what sort of input would you want?
    - How confident would you feel filling it in yourself?
  - Do you want or expect some form of checking process in place? What should this look like?
  - What role do you want and expect Wessex Water’s inspectors to play? E.g. site visits? How important, or not, is this for you? Why?

### Summary and closing thoughts

**(7.20 – 7.25)**

- 
- To sum up, as Wessex Water develop their new charging scheme what are the key things they should think about?
  - If there was one single message you would like Wessex Water to take away from this interview what would it be?
  - Any other final comments that you would like to make?

## Appendix

*Moderator to use back of pocket to clarify definition of charges if needed*

### **Connection charge (water and waste)**

- When we connect a new household to our network, we need to make a new physical connection and ensure that there is sufficient capacity and pressure in the network to provide for our new customers. The water **Connection Charge** includes the cost of the new pipes required to connect to our mains and the cost of a water meter as well as inspection costs to ensure that the connection meets our standards (and the water is safe to drink).

### **Infrastructure charge**

- The cost of work to reinforce our network and increase its capacity or pressure is recovered through the **Infrastructure Charge**. (To note: until the new rules take effect and new charges are set in April 2018, the existing Requisition Charge recovers an element of network reinforcement costs.)

### **Requisition Charge**

- A new development might require a new mains or public sewer and the developer might require us to do this work for them if, for example, the pipes need to cross a third party's land or there are other reasons why we might be best placed to do that work – the cost of this work is recovered through the Requisition Charge (since the developer has required us to do it).



Name: \_\_\_\_\_

- 1) Thinking about your experiences of getting a new connection from Wessex Water, on a scale of 1 to 10, how would you rate the service you received? *Please circle one number below*



Very poor

1	2	3	4	5	6	7	8	9	10
---	---	---	---	---	---	---	---	---	----



Excellent

For the above question, please explain why you gave that score?

### Connection Charges

- 2) Which of the 3 options we have discussed do you think Wessex Water should adopt for connection charges? *Please tick one option*

Option A	
Option B	
Option C	

Why?

### Infrastructure Charges

- 3) Which of the 3 options we have discussed do you think Wessex Water should adopt for infrastructure charges? *Please tick one option*

Option A	
Option B	
Option C	

Why?

## Background

Water UK publishes a quarterly report on a set of performance metrics on developer services derived from monthly returns data provided by all WaSC and WoCs. Although the report shows that for many metrics all companies score very highly, Wessex Water is not performing as well as other water companies and currently appears mid table for water services and in the bottom quartile for drainage services

The metrics relate to hard measures e.g. response times to a series of activities using targets that have been developed by industry working groups. These are gathered from operational data and do not involve the customers' perceptions of service.

## Objectives

Wessex Water would like independent and objective research to achieve two objectives:

1. To measure customers' views on their service experience to establish whether recent variable performance against industry targets is having any impact on satisfaction
2. To identify, if appropriate, where service could be improved

## Sample and methodology

There are 4 groups of customers receiving developer services to be included in this research, as follows;

- Large developers e.g. Barrett Homes
- Smaller developers/building firms
- Householders
- Architects/consultants

The 'universe' of customers varies between these categories with relatively few large developers (perhaps 25) and many hundreds of domestic householders. However we can assume that the groups also differ in terms of their expectations and experience of Wessex Water Developer Services with developers and consultants having a great deal of experience whereas householders may only make one application.

The contact database is currently being organised to show the number of customers who have had recent contact (over the last 3 months to ensure the experience is fresh in the memory). For the purposes of this proposal we have recommended a total sample size of 150 but we will review this on receipt of the contact database.

Importantly, the research will be designed so that customers comment on a range of contact activities (to correspond with the Water UK categories) acknowledging that some customers will have experienced several different types of activities whereas others may only have experienced one.

In terms of survey methodology, we propose the following:

- A series of 6 face to face depths (probably just with larger developers – tbd): these will be used to explore service experience and overall satisfaction with Wessex Water qualitatively
- 150 x 12 minute telephone interviews with all categories of customer: the telephone approach will enable us to construct a sample that is representative of customers

## Survey design

The survey will include the following questions

- Spontaneous satisfaction with Wessex Water (asked before the survey drills into the detail of service delivery)
- Awareness and usage of range of developer services
- For all used, satisfaction with most recent experience
- Pre-coded rating question about e.g. timeliness, clarity of information, value for money etc for each activity used
- Perceptions of Wessex Water (using trust measures that we use in the annual domestic customer tracking survey)
- Net promoter score for developer services
- For those using other water company developer services, comparison question
- For those not using other water company developer services, comparison with other utilities
- Open ended question to suggest room for improvement

We will also ask respondents if they are willing to be re-contacted for any follow up research, should this be required.

## Timetable

w/c	Activity
31 <sup>st</sup> October	Agree proposal; WW finalise contact list of customers who have experienced developer services in last 3 months
7 <sup>th</sup> November	BM develop screening questionnaire, discussion guide (for f2f depths) and draft survey
14 <sup>th</sup> November	Survey agreed (suggest a meeting at this point); survey programming; forewarning email to all customers on database
21 <sup>st</sup> November	Fieldwork: depths and survey to run concurrently
28 <sup>th</sup> November	Fieldwork
5 <sup>th</sup> December	Complete fieldwork and data processing
12 <sup>th</sup> December	Data analysis
19 <sup>th</sup> December	Research debrief

## Background

Water companies are legally required to connect new housing developments to their existing networks and it is anticipated that demand for such new connections will be significant in the next few years considering the government's house building targets. Nationally developers have commented that water company charges are preventing them from building new houses and therefore Defra and Ofwat are revising the current charging regime.

The intention of the government is that the new charging regime should reduce bureaucracy and increase accountability and Defra have set out four principles for Ofwat to apply in setting the rules:

- Fairness and affordability
- Environmental considerations
- Stable and predictable charges
- Transparent and customer-focussed charging

Ofwat issued its rules in December 2016 and the charges will take effect in April 2018 with the new charges being published in February 2018.

In light of this Wessex Water is reviewing its 2018/19 charges for water and sewerage for work relating to a range of activities including:

- Connections to a water mains
- Connections to a public sewer
- Proposals to build over (or near) a public sewer
- Construction of a new water main
- Construction of a new public sewer
- Diversion of a public sewer
- Adoptions of water mains
- Adoptions of public sewers
- Self-lay charges
- New appointee and variation (NAV) charges

In line with Ofwat's expectations Wessex Water wish to engage with their customers as they develop their new charges to ensure they reflect customers' needs.

## Objectives

Previous research conducted by Blue Marble Research on behalf of Wessex Water relating to default tariffs (as part of the PR14 engagement) and more recently a developer customer experience and satisfaction study have already provided some insight into the views of customers using new connections services. However, Wessex Water now wish to commission research to specifically inform the development of the new charging structure.

The objectives are:

- (a) To define the problems of the existing charging regime and what customers want from the new charging regime
- (b) To assess whether customers would be in favour of more information on Wessex Water's website
- (c) To explore customers' response to alternative charging methodologies
  - a. A shopping-list approach

- b. An average-cost approach
  - (d) To understand what information customers need/would like in order to understand that charges are cost-reflective
  - (e) To ascertain the level of expertise of customers and the most appropriate way in which to present the Charging Arrangements
  - (f) To assess large developers' views on the income offset currently applied to the requisition charge and their views on it being applied to the new infrastructure/ network reinforcement charge

## Research Considerations

Customers using new connections services are very diverse including domestic customers dealing with single property on a one-off connection and developers of various sizes (domestic or industrial/commercial). Our proposed sample design ensures a **good cross-section of customers** are represented within the research and that the methodology is appropriate for each customer segment. In addition, when developing the discussion guide and stimulus material we will need to ensure they adequately reflect the different customer experiences and knowledge.

The connections charging strategy is complex with multiple elements and we will need to understand in detail customers' experiences and attitudes to a range of elements including: their current service experiences; attitudes towards the principles of the charging policy (e.g. transparency vs. simplicity); their understanding of some specific terms (e.g. cost-reflective, upfront cost); response to proposed alternative charging methodologies; and information/channel preferences. The level of questioning and probing required argues for a **qualitative approach** where we are able to explore responses in detail.

It will be necessary to **develop a range of stimulus materials** to use within the research and anticipate that Blue Marble and Wessex Water will need to work in collaboration to ensure these reflect the internal company thinking but are presented in a customer friendly manner. We recommend this is discussed at a face to face meeting – potentially once 'straw man' materials have been drawn up as a starting point. We will develop different stimulus materials for the different customer segments to reflect their differing levels of familiarity and use of services. Drawing on our experience of the default business tariffs we recommend using a range of stimulus which prompt responses to both principles (e.g. acceptability of principle of cross-subsidy) and practical examples (e.g. whether a specific individual/business should pay more than another in specific circumstances).

Wessex Water has set up a **working group** which meets fortnightly to look at the current charging system and the development of the new charges. A questionnaire has been distributed to this group to understand the cost drivers and views of alternative charging options for three different elements, namely: connection charges, requisition charges and infrastructure charges. The responses to this questionnaire will provide important background information and should be taken into account when designing the stimulus material and questions for this research.

## Sample and methodology

We recommend structuring the sample using the same 4 customer segments as in the previous research: 1) large developers, 2) smaller developers/building firms, 3) householders and 4) architects/consultants. We also recommend including an additional sample group of stakeholders/influencers.

Large developers	Smaller developers/building firms	Architects/consultants	Householders	Stakeholders/Influencers
6 x Depth interviews	6 x Depth interviews	6 x Depth interviews	2 x mini-groups (5-6 people in each group)	3 x Depth interviews

We propose conducting individual depth interviews with the **non-household customers** since their experiences and needs may vary considerably. It will be important to understand the individual experiences, circumstances, needs and response to the charging options all of which argues for individual depth interviews. In addition, depth interviews offer complete confidentiality and anonymity so businesses can be entirely open without fear of revealing sensitive information to potential competitors. We propose conducting around half of these as face to face interviews at the respondents' place of work and lasting up to one hour. However, in order to increase efficiency - particularly for sample groups which may be geographically dispersed - we will conduct the remainder as telephone or Skype interviews.

Our previous experience of recruiting large developers is that they are interested in participating in research on behalf of Wessex Water. However, we anticipate it may be more difficult to recruit smaller developers and building firms (for whom connections services/charges may not be as significant an issue) and therefore we have included within our costs an allowance for giving these customers a financial incentive for their participation. N.B. We recommend that pre-warning letters are sent out by Wessex Water and we can help provide suitable wording for this letter.

It will be important to ensure the research includes customers who are able to comment on a range of contact activities and therefore types of charges (including connection charges, infrastructure charges and requisition charges). We will discuss with Wessex Water the profile of their customers and the information held on their recent activities before specifying in more detail the quotas that should be imposed in order to ensure a good cross section within the sample (including those who deal with domestic vs. industrial developments).

We recommend conducting group discussions (5-6 people in each) amongst **household customers**. A group environment is more appropriate for this audience who are more likely to have only had one-off experience of connections services/charging and therefore greater insight will be achieved through sharing experiences and views. Groups provide an efficient approach for hearing from a larger number of customers especially where there are fewer confidentiality issues. We will select the locations once we have reviewed the customer lists and can identify locations with sufficiently large clusters of customers. The group discussions will be held in a central hotel/meeting room venue and will last 1½ hours. Customers will be offered a financial incentive as a 'thank you' for their participation.

We have assumed that Wessex Water will be able to provide Blue Marble with a list of recent customers with contact details (name, organisation, address, telephone number, type of customer and type of activity) which we can use for recruitment. We recommend this list is based on those customers who have recently (within the last 6 months?) completed the connections process so that they are able to reflect on the entire process and comment from an informed position.

We propose including 3 interviews with key **stakeholders or influencers** who as knowledgeable contacts may be able to provide a more 'informed' viewpoint – for instance key consultants who are

known to Wessex Water or representative groups such as the Home Builders Federation. We have assumed that Wessex Water will be able to provide a list of suggested contact names for this sample group.

### Discussion Guide

The discussion guides for the depth interviews and group discussions will be developed in collaboration with Wessex Water. After initial discussions, we anticipate that it will cover the following broad themes and will be adapted to reflect the different customer segments.

- Current Customer experience
  - Length and extent of experience of connections services/charging
  - Perceptions inspector visit process if relevant
  - Perceptions of current charging scheme (complexity, transparency etc)
  - Information sources currently used
- Need for changes to current charging scheme
  - Unprompted discussion of how scheme could be improved/changed
  - Need for transparency vs. simplicity
- Response to alternative charging methodologies using stimulus for connection charges, infrastructure charges and requisition charges as appropriate
  - Clarity, comprehension (understanding of key terms e.g. Fixed Charges, Contestable,
  - Transparency
  - Simplicity
  - Fairness
- Explore “Cost-reflective” charging
  - Spontaneous understanding of the term cost reflective and fair charging
  - Response to principle of cost reflective charging
  - Response to worked examples of cost reflective charging with differing levels of cross-subsidy/aggregation
- Information needs in future
  - Role of quick quote functions
  - Role of website
  - Role of inspectors
  - Need of checking processes

## Timetable

Below is an outline timetable for this project which we anticipate will be agreed along with key milestone dates (e.g. stimulus sign-off) on commission.

Week commencing			March				April				May	
			6	13	20	27	3	10	17	24	1	8
Activity	BM	WW										
Project commission		x										
Provision of customer lists		x										
Finalise sample structure	x	x										
Pre-warning letter sent	x	x										
Set-up meeting to discuss stimulus and discussion guide	x	x										
Recruitment	X											
Provide first draft discussion guide for comment	X											
Discussion guide and stimulus finalised	x	x										
Fieldwork*	X											
Analysis	X											
Debrief presentation of findings	x	x										
Final report	x											

\*N.B. We have allowed 3 weeks for fieldwork as this covers the Easter holiday period.