

WRMP24 Pre- Consultation and Customer Research

Wessex Water

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Document revisions

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1. Introduction

Pre-consultation of this Plan was undertaken between summer 2021 and draft plan submission in October 2022. During this time, we engaged with regulators and other stakeholders to discuss the overall planning process, analysis methods, forecasting methods, initial outputs and the key emerging issues for the draft Plan.

On 6th May 2022 we started a 5-week consultation, and wrote to our regulators, statutory consultees, and a wide range of stakeholder groups to inform them of our development of this plan and invited them to comment on any changes they would like to see to our existing plan or additional issues they would like us to consider in the development of the new draft plan.

2. Statutory Consultees

All Statutory consultees – Defra (Secretary of State), the Environment Agency, Ofwat, and licenced water suppliers that supply water to premises in our supply area through our supply system – were written to during our consultation period in Spring/Summer 2022. In addition, we held enhanced pre-consultation meetings with the Environment Agency and Ofwat. Natural England were also contacted through both the pre-consultation process, and also through consultation on development of the Strategic Environmental Assessment (SEA) and Habitats Regulations Assessment (HRA).

2.1 Environment Agency

We have a positive working relationship with regional and national Environment Agency staff. We regularly discuss a variety of water resources issues. Extensive liaison has occurred with Environment Agency staff during the pre-consultation period, on the development of this plan, through both pre-consultation meetings, guidance query liaison. All required consultation topics were presented and discussed with the EA, including problem characterisation, water resource zone integrity, decision-making methodology and 1 in 500 drought estimation. We engaged particularly closely in development of scenarios for licence changes and environmental destination scenarios. The EA also attended pre-consultation meetings with Ofwat. The meetings help with the EA are shown in Annex A.

2.2 Ofwat

We held two pre-consultation meetings with Ofwat, first in January 2022, and following an exchange of letters regarding Ofwat consultation feedback, a follow up meeting in June 2022.

3. Non-Statutory Consultees

3.1 Neighbouring water companies

In May 2022 we wrote to our neighbouring water companies (Thames Water, Southern Water, South West Water, Bristol Water, and Veolia) as part of our overall pre-consultation.

We have consulted with our neighbouring companies during the pre-consultation period to discuss the need and potential for bulk supply transfers between companies, both as part of the options appraisal work (see Options Appraisal Technical Appendix), and to agree the volume transfers under Dry Year Annual Average (DYAA) and Dry Year Critical Period (DYCP) scenarios for existing bulk transfer arrangements. These are included in the plan, as shown in the Supply Forecast Technical Appendix.

We are a participant in the West Country Water Resources Group comprising water companies and the Environment Agency. The group was formed in 2017 to discuss common water resource issues and explore future opportunities to ensure the best use of resources both within our region and out of region by transfer to other companies.

The group aims to develop a shared understanding of:

- The current and future availability of water resources for each water company.
- Options available for resource development in each water company area including any related environmental issues (i.e. Water Framework Directive no-deterioration and invasive non-native species).
- Potential options available for future water transfers/trade.

We have liaised with the group in development of this plan, and also in development of the Regional Plan.

3.2 Stakeholder pre-consultation

In addition to statutory consultees, in May 2022, we wrote to a wide range of stakeholder groups that are known to us to have an interest in water resources planning owing to our previous liaison with them. The consultees we contacted included:

- Local Wildlife Trusts
- Internal Drainage Boards
- Bristol Water
- South West Water
- Veolia Water
- Thames Water
- Cholderton Water
- Southern Water
- Canal and River Trust
- Leep Utilities
- Wessex Water's Futures Panel
- Wessex Water's Catchment Panel
- Wessex Water Partnership
- Mere Rivers Group
- Historic England
- RSPB
- Wiltshire Wildlife Trust
- NFU Southwest
- Wessex Chalk Stream and Rivers Trust
- Consumer Council for Water
- Bristol Avon Catchment Partnership
- Dorset Catchment Partnership
- Somerset Catchment Partnership
- Dorset Wildlife Trust
- Hampshire Wildlife Trust
- Campaign to Protect Rural England
- Wessex Chalk Stream and Rivers Trust
- Wiltshire Fishery Association
- Frome, Piddle and West Dorset Rivers Association
- Taunton Fly Fishing Club
- The Angling Trust
- Horticultural Trade Association
- Turf Growers Association
- Wessex Rivers Trust
- Somerset Drainage Boards Consortium
- Somerset Wildlife Trust

- Exmoor National Park
- Avon Wildlife Trust

We received consultation responses from Historic England, Dorset Wildlife Trust and Mere Rivers Group.

4. Environmental Assessment Consultation – (SEA and HRA)

We consulted with statutory consultees in the development of the Strategic Environmental Assessment (SEA) and Habitats Regulations Assessments (HRA) of this plan. Further details of this consultation can be found in the HRA and SEA reports accompanying this plan.

5. Local Authority Consultation

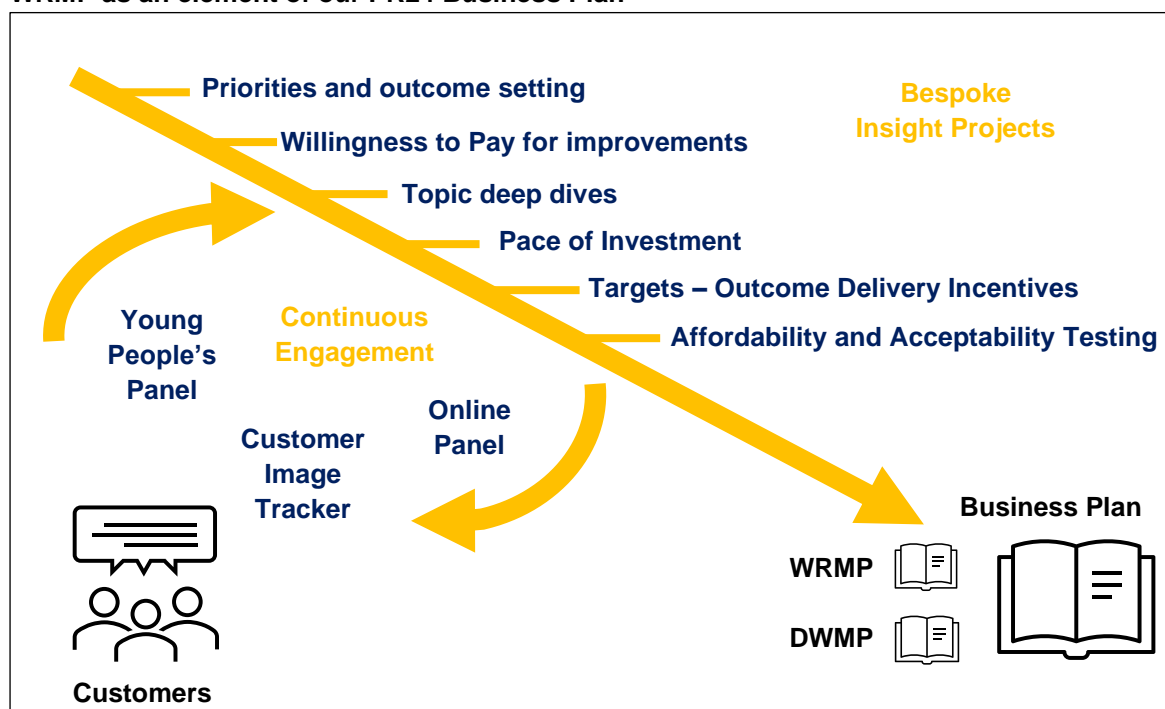
We consulted with local authorities whose areas overlap with our supply area in development of our properties and population forecasts. Further details can be found in the Demand Forecast Technical Appendix.

6. Customer research that has informed this plan

We have a well-established customer engagement programme that seeks to identify customer views on the services we provide and their priorities for our business. Our programme encompasses a mixture of continuous and regular engagements plus bespoke projects to inform specific questions and business strategies.

Figure 6-1 indicates how our customer research programme fits together, providing a 'golden thread' of customer insight to shape our PR24 Business Plan of which this Water Resources Management Plan is a core building block.

Figure 6-1: The ‘golden thread’ of customer insight that has shaped the development of this WRMP as an element of our PR24 Business Plan



Of particular relevance to this WRMP are the following projects and research channels:

- Strategic Direction Research
- Willingness to Pay Research
- Water Resources Customer preferences for the West Country Water Resources Group
- Topic deep dive: Water Use, Water Efficiency and Smart Metering
- Topic deep dive: Leakage (PR19)
- Continuous engagements
 - Young People's Panel
 - Customer Image Tracker
 - 'Have Your Say' customer online panel

The key details of the objectives and methods employed by each insight project are provided below, the findings and how they have been used to steer our Plan are outlined in the Decision Making and Uncertainty chapter.

6.1 Strategic Direction Research

Overview: We commissioned Accent Market Research to provide us with an understanding of customer priorities and expectations for Wessex Water for the next 25 years. The research approach was designed to facilitate the generation of priorities by customers and stakeholders themselves and that these focused on the outcome, or end benefit, to the customer and wider environment.

Timing and methods: A complementary mixture of qualitative and quantitative methods were used. Fieldwork was undertaken between July and September 2021.

- Qualitative:

- Expert co-creation workshop with industry experts and ‘emerging thinkers’ from within Wessex Water.
- Intergenerational family groups – in-home immersion sessions with different generations within the same family to discuss broad priorities and different motivations.
- Focus groups and depth interviews tailored to a range of customer and stakeholder audiences – including industry stakeholders, retailers, businesses, employees, customers including some in vulnerable circumstances.
- Quantitative:
 - Online, face-to-face and telephone survey with uniformed household customers, citizens and businesses plus informed household customers and employees.

This research project with customers was integral to developing our [updated 25-year strategic vision for Wessex Water](#)¹

6.2 Willingness to Pay Research

Phase 1 – priority outcomes

Overview: We commissioned NERA Economic Consulting and Qa Research to estimate customers’ willingness to pay for improvements to the services we provide associated with the priority outcomes defined by the Strategic Direction Research outlined above.

Timing and methods: A complementary mixture of quantitative and qualitative methods were used.

- Quantitative:
 - A stated preference survey asked customers to choose their preferred combination of bill adjustments and service levels for ten attributes for 2025-2030. Five of the attributes related to service outcomes and five to environmental outcomes:
 - A. Reducing lengthy water supply interruptions
 - B. Improving water quality
 - C. Reducing internal and external sewer flooding
 - D. Helping customers experiencing financial difficulty
 - E. Improving customer service
 - F. Taking water out of rivers and streams
 - G. Reducing wastewater pollution incidents
 - H. Improving river and coastal water quality
 - I. Achieving net zero carbon emissions
 - J. Supporting nature and wildlife.
 - The project involved significant testing of attribute wording and customer comprehension to refine and design the survey, followed by cognitive interview testing and piloting and analysis and refinement prior to the main survey launch.

¹ <https://corporate.wessexwater.co.uk/our-future/our-strategic-direction>

- Fieldwork was undertaken between February and April 2022 with online and face-to-face surveys with water and wastewater, water only and wastewater only customers. 5,850 survey responses were collected, arising from a higher than expected response rate of 6.8% from email invitations.
- Qualitative: Following the quantitative survey, to explore the findings further eight online focus groups and 12 in-depth interviews were conducted with a selection of household customers.

Phase 2 – sustainable abstraction

Overview: Building on the Phase 1 Willingness to Pay study, the Phase 2 project aimed to identify customer preferences and associated willingness to pay for investments in activities that could help reduce abstraction from the most environmentally sensitive sources – i.e. improve sustainable abstraction – towards anticipated targets set by regulators. For this study, a 10 MI/d requirement by 2030 was assumed. The potential activities included in this study included: leakage reduction, smart metering, household water efficiency, non household water efficiency, government-led water use appliance labelling and building a new reservoir. Each activity has different pros and cons – for example, cost effectiveness, impact on bill and carbon impact.

Timing and methods: A complementary mixture of quantitative and qualitative methods were used. The project progressed through four steps:

1. Qualitative research to explore customer awareness of the issue of sustainable abstraction. QA conducted a series of deliberative focus groups and depth interviews with customers to test their knowledge of the topic and understanding of stimulus materials.
2. Survey design. A survey was developed containing five stated preference exercises appearing in a logical sequence. The exercises presented different target water volumes to deliver through the activities with different randomly generated bill impacts (linked to true costs and scaled by customer's current bill).
3. Pilot testing of the survey and review and feedback from the CCG. Changes were made to enhance clarity of the introductory text, increase the range of unit prices shown for each investment activity, balance the pros and cons on the show cards, and changes to the options that customers could select to explain the rationale for their choices.
4. Main survey implementation and analysis. Survey ran from 23 March to 17 April 2023, yielding over 2,700 responses from across the full range of each demographic and billing characteristic. The information collected was used to estimate how customers' chosen amount of any given activity changes as it becomes more expensive, and thus their willingness to pay.

6.3 Water resources customer preferences for the West Country Water Resources Group

Overview: Eftec (Economics for the Environment) and ICS Consulting were commissioned to undertake research into customer priorities and preferences for the West Country Water Resources Regional Plan. This work was undertaken collaboratively between Wessex Water, South West Water and Bristol Water. The overall purpose of the project was to support the West Country Water Resources Group in formulating the best value regional

plan for the South West. Many themes were explored with customers including: drought resilience, environmental ambition, trade-off between different options and solutions, timing of investment, option types, inter-company water transfers and overall support for the emerging Regional Plan.

Timing and methods: A complementary mixture of qualitative and quantitative methods were used. Fieldwork was undertaken between June 2021 and March 2022.

- Qualitative:
 - Deliberative approach used with 66 customers in 8 groups that met twice in June and July 2021. Groups differentiated by socio-economic group, age, and current vs future bill payers. Participants were given some reading as a pre-task
 - A single deliberative session was also run with non-household water users from a range of business sector types including hospitality, service industry, tourism, developers agriculture and public services.
- Quantitative:
 - Online survey in Feb-Mar 2022 with regionally representative samples of 1,504 household customers and 304 non-household water users.

6.4 Topic deep dive: Water use, water efficiency and smart metering

Overview: Two 'deep-dive' projects have been undertaken to support the development of future water efficiency services for customers and our smart metering strategy.

- **Garden water use:** We initiated a collaborative project with four other water companies that commissioned Blue Marble to explore garden water use behaviours.
- **Water efficiency and smart metering:** In a follow up project the garden water use study we again commissioned Blue Marble, although this time by ourselves, to run a longitudinal project with a group of Wessex Water customers to explore their appetite for and experiences of water efficiency practices and attitudes towards smart metering.

Timing and methods:

- The garden water use study was a qualitative project that employed an innovative methodology using stop-motion cameras installed near garden taps to observe how customers were using water outdoors. 15 households across five water company areas participated in the study which ran in Summer 2021.
- The water efficiency and smart metering project ran from March to October 2022 and used mostly qualitative engagement approaches initially with a group of 20 households for the first few months and then a reduced group of eight households for the summer months. Engagement with participants involved deliberative in-depth interviews regularly spaced over the duration of the programme, providing water efficiency devices and habits to trial between interviews, co-design workshops with Wessex Water colleagues as well as posting topical questions on WhatsApp.
- These qualitative methods were complemented with a quantitative survey run with our online Have Your Say panel.

6.5 Topic deep dive: Leakage (PR19)

Overview: We commissioned Populus to explore customer attitudes towards leakage, both top of mind and after deliberation. The project worked with groups of customers to co-create performance commitment targets and communications about leakage to use when describing the issue to less well-informed customers.

Timing and methods: Qualitative fieldwork was undertaken between May and August 2016 involving:

- Two stage deliberative workshops using co-creation with 24 customers, Wessex Water staff involved in both workshops.
- The first workshop involved briefing customers on key leakage subject areas and discussing specific aspects
- The second workshop involved co-creation by customers of leakage performance promises and communications
- The promises and communications were tested with:
 - 8 depth interviews with seldom heard customers
 - 8 non-household interviews
 - 20 short hall test “pop up” interviews with customers

6.6 Continuous engagement approaches

6.6.1 Young People’s Panel

Our Young People’s Panel (YPP) brings together a group of around 20 to 30 future bill payers each autumn to work on a real business challenge. We immerse the group of 16- to 18-year-olds with senior managers from a variety of departments and then set them a group task to work on in teams. Around eight weeks later the teams present their ideas and solutions to a judging panel of senior executives. Now in it’s seventh year our YPP has generated a number of ideas that have gone on to be implemented including our Money Back Guarantee² to encourage customers to opt for a meter.

In the last couple of years our YPP has tackled the following business challenges relevant to this WRMP:

- 2021: The customer journey for onboarding to a smart meter. Panellists were asked to design the customer experience for a smart meter launch and subsequent customer engagement. Teams were expected to conduct their own research to understand what customers would want from Wessex Water as part of the smart meter journey, with consideration to lessons learnt from experiences with energy smart meters and views on communication channels and Apps more generally.
- 2022: For this year’s YPP we have welcomed The Consumer Council for Water (CWW) to help steer the project in support their People and Environment engagement programme. The Panel have been set the task of developing a behavioural change campaign that would stimulate customer engagement and action on water saving akin to the ‘Blue Planet Moment’ that instigated consumer action to

² <https://www.wessexwater.co.uk/your-account/water-meters/meter-money-back-guarantee>

reduce the use of single use plastics. At the time of writing the 2022 YPP is in progress, outputs will be available in November.

Further details of our YPP can be found on our website³.

6.6.2 Customer Image Tracker

We have run a continuous customer image tracker survey to measure and monitor household customer views in relation to overall service, value for money and satisfaction for over a decade. The survey also helps identify and monitor customer priorities, awareness of our outbound communications and a 'flexi-section' of questions allows us to switch in and out a suite of questions to explore 'hot topics' such as attitudes to water saving, smart metering and storm overflows.

Blue Marble administer, analyse and provide supporting insight from our Image Tracker survey. 1000 survey responses are collected continuously throughout the year and analysed in quarterly blocks and at year-end. Sampling ensures we have a representative mix of customer types and demographics. In 2021 we redesigned the survey format and switched from an entirely telephone-based method to collect 50% of customer responses using an online completion technique to help ensure we get a representative mix of respondents.

6.6.3 Online 'Have Your Say' Panel

In 2013 we launched our online 'Have Your Say' panel and have since distributed over 25 surveys to over 3,000 Wessex Water customers who have signed up to be a member of the panel. We typically receive 800-1300 survey completions. Surveys are sent via email, sometimes in association another research project, and a newsletter summarising the results is sent to all panellists with information on what Wessex Water will do with the results.

Of particular relevance to this WRMP are the following surveys:

- November 2021 – Future Plans: explored views on service priorities as part of our Strategic Direction Research.
- March 2022 – Water Efficiency and Smart Metering: explored customer appetite for and experiences of water efficiency practices and attitudes towards smart metering.

Further information on our Online Panel is available on our website⁴

7. Public consultation on the draft plan

Following the draft plan submission to regulators in Autumn 2022, we will undertake a public consultation on the draft plan from late 2022 into early 2023, providing further opportunity for comments.

³ <https://corporate.wessexwater.co.uk/our-purpose/serving-people-and-places/young-peoples-panel>

⁴ <https://corporate.wessexwater.co.uk/our-purpose/serving-people-and-places/customer-panel>

Annex A. Pre-consultation with the Environment Agency

Table 7-1 summarises the meetings that were held between Wessex Water and the Environment Agency during pre-consultation.

Table 7-1: Summary of methods discussions with Environment Agency

Meeting Date	Meeting Title	Issues Discussed
12/08/2021	EA-WW Environmental Destination Meeting	Environmental Destination and Sustainability Reductions
04/10/2021	Wessex WRMP24 Options Catch Up	WRMP24 Options appraisal process, methodology and initially identified options
13/12/2021	Wessex Water WRMP24 feasible options	Options Screening and Feasible WRMP24 options
13/12/2021	Wessex Water Environmental Destination – update	Environmental Destination and Sustainability Reductions
18/11/2021	WRMP24 1 in 500 methodology discussions	1 in 500 methodology and issues based on work undertaken by HR-Wallingford for WCWRG
28/01/2022	EA-WW pre-consultation meeting	Discussion of all pre-consultation topics to me presented to ensure covered by January 2022
01/02/2022	ED catch-up	Environmental Destination and Sustainability Reductions
03/02/2022	WRMP24 Wessex Water – Environmental Destination Session	Environmental Destination and Sustainability Reductions
22/02/2022	ED catch-up	Environmental Destination and Sustainability Reductions
17/03/2022	WW Environmental Destination I	Environmental Destination and Sustainability Reductions
24/03/2022	WW Environmental Destination II	Environmental Destination and Sustainability Reductions
28/03/2022	Environmental Destination III: maintaining hope	Environmental Destination and Sustainability Reductions
07/04/2022	Environmental Destination IV: ED and beyond	Environmental Destination and Sustainability Reductions
28/04/2022	ED Data Check	Environmental Destination and Sustainability Reductions
09/05/2022	Finalise WRMP24 ED and licence reduction scenarios	Environmental Destination and Sustainability Reductions
23/05/2022	WINEP/ED licence reduction timing	Environmental Destination and Sustainability Reductions
30/09/2022	Wessex Water dWRMP and sustainability reductions/ED	Environmental Destination and Sustainability Reductions