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## PR19 Customer Acceptability Research: Wales

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Report prepared for:  
**Hafren Dyfrdwy**

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JN 5214



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# Glossary of terms

**Numerous abbreviations are used throughout this report. In order for the reader to have a quick reference point, a list of abbreviations used throughout is included here:**

**ST:** Severn Trent

**HD:** Hafren Dyfrdwy

**P:** Powys

**W:** Wrexham

**HH:** Household

**NHH:** Non-Household

**JAMS: Just About Managing**  
Those who sometimes struggle/  
struggle/always struggle to pay  
their household bills

**Low income:** Household income  
below £20,000 per annum

**Health & wellbeing:** Customers who  
either have a disability themselves or  
are in a household with someone who  
has a disability

**Service experience:** Customers  
who have experienced a service issue

**Domestic:** Business customers who  
use water mainly for domestic purposes

**Operational:** Business customers who  
use water mainly for operational purposes

**Below £600:** Business customers  
whose bill is £600 or less per annum

**£601+:** Business customers  
whose bill is above £600  
per annum

**\***: Indicates a low base size





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# 1. Background & objectives

An outline of our  
understanding of the  
research requirements





# Background

**Hafren Dyfrdwy (HD) is preparing its business plan for 2020-2025. Within this process HD wants to put forward a truly customer centric plan, which delivers the service levels that customers care about, with bills that will be affordable for all.**

As part of the process, HD wanted to give customers the opportunity to comment on their plans and make meaningful choices on the service levels they want HD to deliver.

This culminated in an overall plan, with a bill impact and service improvements. This plan was tested with customers to gauge their acceptability.

**HD had two overarching business objectives that it was looking to tackle through this piece of research:**

## Research Objectives

**1**

To determine the overall acceptability of the PR19 business plan in terms of bill impact, bill profile (2020-2025) and service improvements across different customer groups (general HH and NHH customers, younger bill payers, those in financially vulnerable circumstances and hard to reach customers).

**2**

To understand why the business plan is acceptable or not and the implications for affordability.

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## 2. Methodology





# Methodology

We adopted a face-to-face CAPI methodology for this piece of customer engagement in order to enable us to gain the greatest level of coverage across the HD region.

## CAPI

**The face-to-face interviews were carried out by our Welsh field-force of experienced, quality assured interviewers. Interviews were carried out in accordance with industry (IQCS/MRS) standards and quality procedures.**

**Not only did this methodology allow us to cover the core HD customer base, it also enabled us to ensure that we covered a range of vulnerable and harder to reach groups within the research (detailed later in the document) whilst also targeting some other niche audiences (i.e. a farmers market in Powys).**

We also offered respondents the chance to complete the survey in Welsh if they wanted to.

As a final step, pre-fieldwork, we undertook a pilot phase, filming 5 x interviews with household customers to gauge their understanding of the questionnaire and to assist adapting where necessary.



# Sample: who we spoke to

We spoke to a representative sample of HD's HH and NHH customer base (see overleaf); this included a sample of Powys dual and single service customers along with a sample of customers in Wrexham.

In surveys such as this, the results are subject to certain confidence intervals. The confidence interval (or margin of error) is a plus-or-minus figure that allows you to say that you are 95% confident that, had the entire population from which the sample had been drawn from been surveyed, the figure you have ended up with would have fallen somewhere in between this interval.

\* The questionnaire was available to those who have a single service from Powys (waste only or water only). 12 water only respondents were recruited.

The below table details confidence intervals for a range of sample sizes.

Sample size	Confidence intervals
200	+/-6.9%
<b>100</b>	<b>+/-9.8%</b>
50	+/-13.8%





# Quotas & weighting

A final sample of HH customers is shown here.



Fieldwork between 2<sup>nd</sup>  
June & 29<sup>th</sup> June 2018

		Wrexham		Powys	
		(CAPI)		(CAPI)	
		Completes (weighted)	% (weighted)	Completes (weighted)	% (weighted)
Gender	Male	89 (96)	48%	82 (87)	48%
	Female	111 (104)	52%	97 (94)	52%
Age	18-24	14 (12)	6%	8 (9)	5%
	25-34	31 (27)	13%	17 (19)	11%
	35-49	51 (47)	24%	43 (45)	25%
	50-64	55 (58)	29%	58 (51)	29%
	65-74	29 (33)	17%	39 (40)	22%
	75+	20 (23)	11%	14 (16)	9%
SEG	AB	47 (57)	29%	51 (55)	30%
	C1C2	87 (87)	44%	72 (72)	41%
	DE	64 (54)	27%	55 (51)	28%
Income	£19,999 or less	70 (61)	31%	14 (14)	8%
	£20,000 or more	43 (45)	23%	20 (21)	12%
Meter	Metered	106 (85)	43%	71 (72)	40%
	Unmetered	90 (112)	56%	100 (98)	54%
TOTAL		200 (200)		179 (180)	

# Quotas & weighting

A final sample of NHH customers is shown here.



Fieldwork between 6<sup>th</sup>  
June & 2<sup>nd</sup> July 2018



Size of business

	(Wrexham)		(Powys)	
	Completes (weighted)	% (weighted)	Completes (weighted)	% (weighted)
Micro (0-9 employees)	(62)	84%	(50)	84%
Small (10-49 employees)	(12)	16%	(9)	16%
TOTAL	74 (74)		60 (60)	

# Coverage of HD operating region

A snapshot of the postcodes we surveyed is shown here, demonstrating a good coverage across the HD operating region.



# Proportion of other key demographics



Wrexham




Powys

Demographic traits	HH (weighted data)	%	HH (weighted data)	%
JAMS (customers who feel they are Just About Managing to pay their bill)	87/200	44%	48/180	27%*
Q28: Digitally enfranchised (those accessing the internet once a week or less)	40/200	20%	54/180	30%*
Q26 Low income (less than 19,999 a year per household)	61/200	31%	14/180	8%*
Q23: Health and wellbeing vulnerability	36/200	18%	41/180	23%
Q5: Those who have experienced a service issue	97/200	48%	57/180	32%*

\* = sig diff to Wrexham





# Proportion of other attitudinal traits



Attitudinal traits	HH (weighted data)	%	HH (weighted data)	%	NHH (weighted data)	%	NHH (weighted data)	%
Customers who believe water companies should not have shareholders so all profits should be re-invested in services for customers	145/200	73%	154/180	85%	54/74	72%	45/60	75%
Customers who believe water companies make too much profit	59/200	29%	68/180	38%	28/74	37%	29/60	49%
Customers who trust the water company to make the right investment choices	140/200	70%	133/180	74%	49/74	66%	30/60	50%

# Service experience issues



	 Wrexham	 Powys
Tap water that tastes or smells unpleasant	14%	16%
Discoloured tap water (water that is brown/orange/cloudy)	28%	13%*
Low water pressure at your tap	19%	3%*
An interruption to your water supply that you were not notified about in advance	11%	1%*
Noise, disruption and inconvenience from water company repairs (e.g. traffic, dust, etc.)	N/A	N/A
You requested information on having a free water meter installed or free water saving devices	1%	0%
A water leak	8%	3%*
A flood of sewage in your home	0%	1%
A flood of sewage in your garden or on your land	0%	1%
Seeing pollution in rivers	0%	2%
Query about your [water/wastewater] bill	4%	1%
You requested information or support because you were struggling to pay your bill	1%	0%
Other	2%	2%
None of the above	52%	68%*

\* = sig diff to Wrexham

# Service experience issues



**Wrexham**



**Powys**

	Wrexham	Powys
Tap water that tastes or smells unpleasant	6%	20%*
Discoloured tap water (water that is brown/orange/cloudy)	17%	3%*
Low water pressure at your tap	10%	0%*
An interruption to your water supply that you were not notified about in advance	3%	0%
You requested information on having a free water meter installed or free water saving devices	0%	2%
A water leak	3%	2%
A flood of sewage in your business	0%	2%
A flood of sewage around your business	0%	2%
Seeing pollution in rivers	0%	8%*
Query about your [water/wastewater] bill	1%	5%
Other	3%	8%
None of the above	62%	65%

\* = sig diff to Wrexham

# Proportion of other key demographics

	<div>n=200</div> <div>Wrexham</div>	<div>n=180</div> <div>Powys</div>
Q27: I never struggle to pay my household bills	55% (111)	72% (130)*
Q27: I sometimes struggle to pay my household bills but I usually manage to keep on top of it	37% (73)	19% (34)*
Q27: I struggle to pay my household bills and I am often behind in my payments	5% (10)	6% (10)
Q27: I always struggle to pay my household bills and I am often behind in my payments	2% (4)	2% (3)
Q27: I would rather not say	2% (4)	2% (3)

\* = sig diff to Wrexham

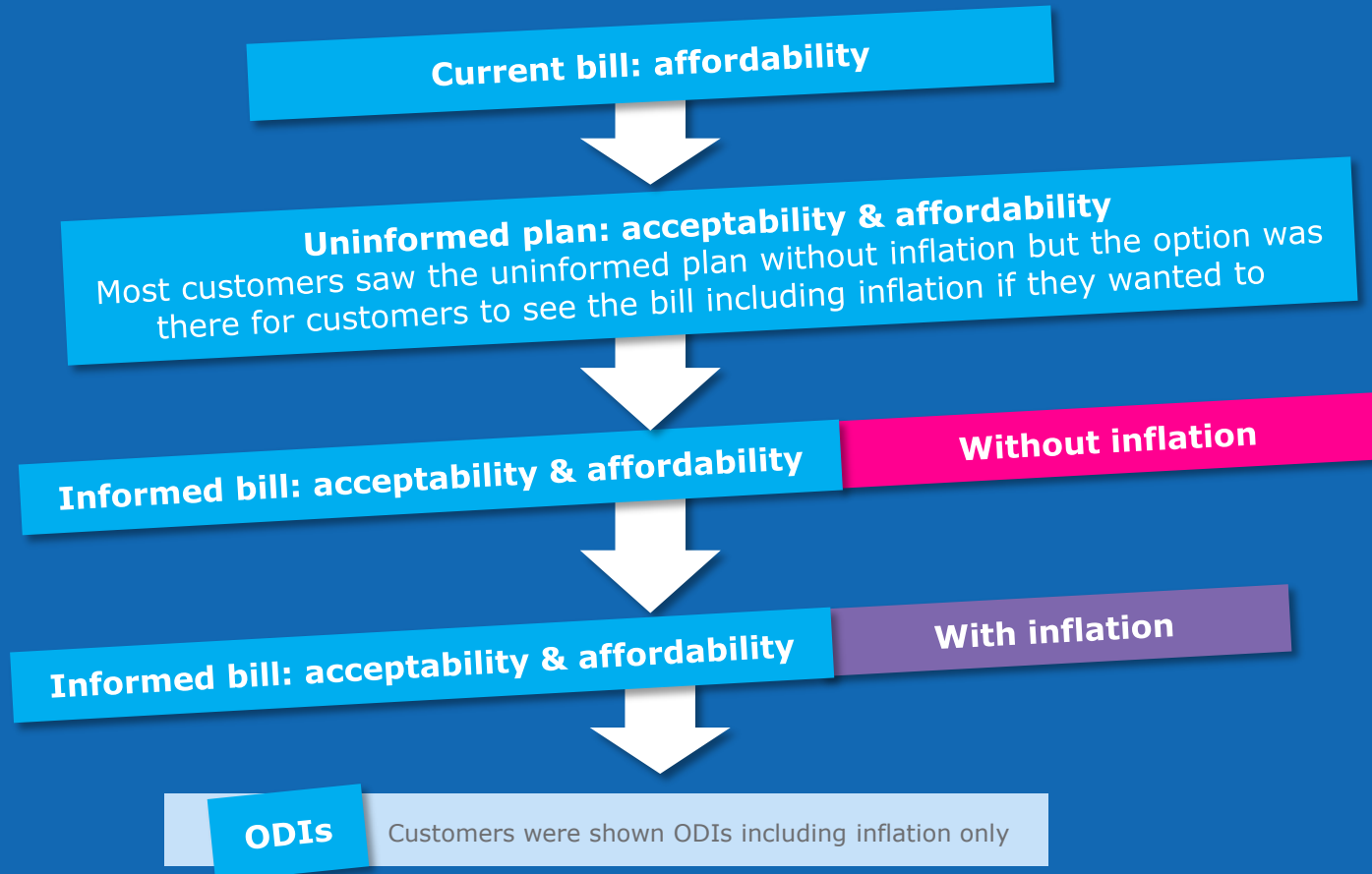
Those who sometimes struggle, struggle, or always struggle are referred to as JAMS throughout this report.





# Questionnaire

We structured the questionnaire in a way that began by asking customers about their current bill before providing them with a view of the plan (i.e. without specifics of what the plan will entail). A more informed view was then gained before customers were asked for their views towards the ODIs:



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## 3. Pilot

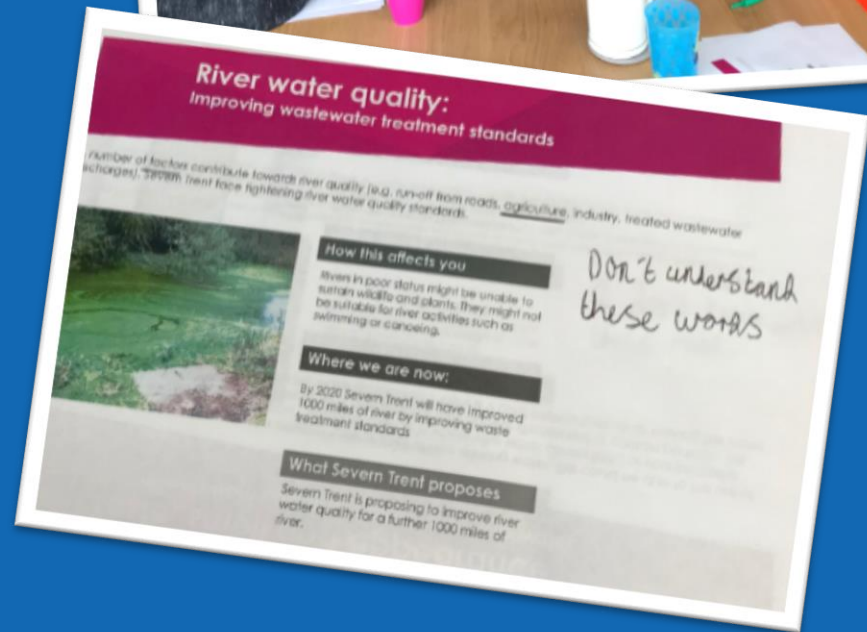


# Pilot phase (the 10 year old test)

**In a pilot we subjected the materials used in the survey to our “10 year old test” and filmed 5 interviews to gauge initial understanding of the survey:**

This consisted of holding a mini focus group with six 10 year olds to gauge understanding and assess the clarity of the stimulus that then went on to be used in fieldwork – you really can’t get a more honest opinion!

Following the feedback from the 10 year old test, we learnt that some of the language used in the draft materials was too complex along with the fact that the showcards could have been made, on the whole, clearer to understand!





# Pilot phase

## (a live test run with customers)

**As a final step, before launching the survey fully across the HD customer base, we undertook a pilot phase.**

This consisted of filming 5 x live interviews with household customers to gauge their understanding of the questionnaire in order to provide the research team with live feedback on the survey and whether it would be necessary to make further refinements to it.





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## 4. Report context





# Differences in sentiment found throughout the report

This research was taking place in a period of time where the industry is being frequently scrutinised in the mainstream media and by high profile politicians, including the Secretary of State for Environment, Michael Gove.

It is worth noting this backdrop against which we were asking customers to gauge their acceptability of various bill amounts, as this may have been in customers' minds and thus playing a role in the figures we gathered.

**Michael Gove**

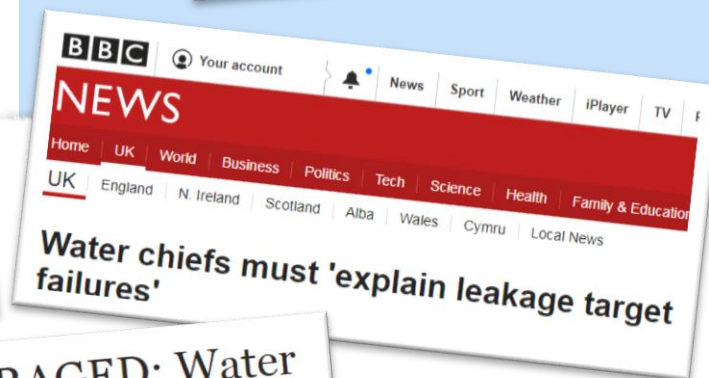
**Secretary  
of State for  
Environment**



**Michael Gove launches searing attack on water company bosses over tax avoidance and executive pay**

The Environment Secretary said the firms have 'avoided paying taxes' and 'rewarded the already well-off'

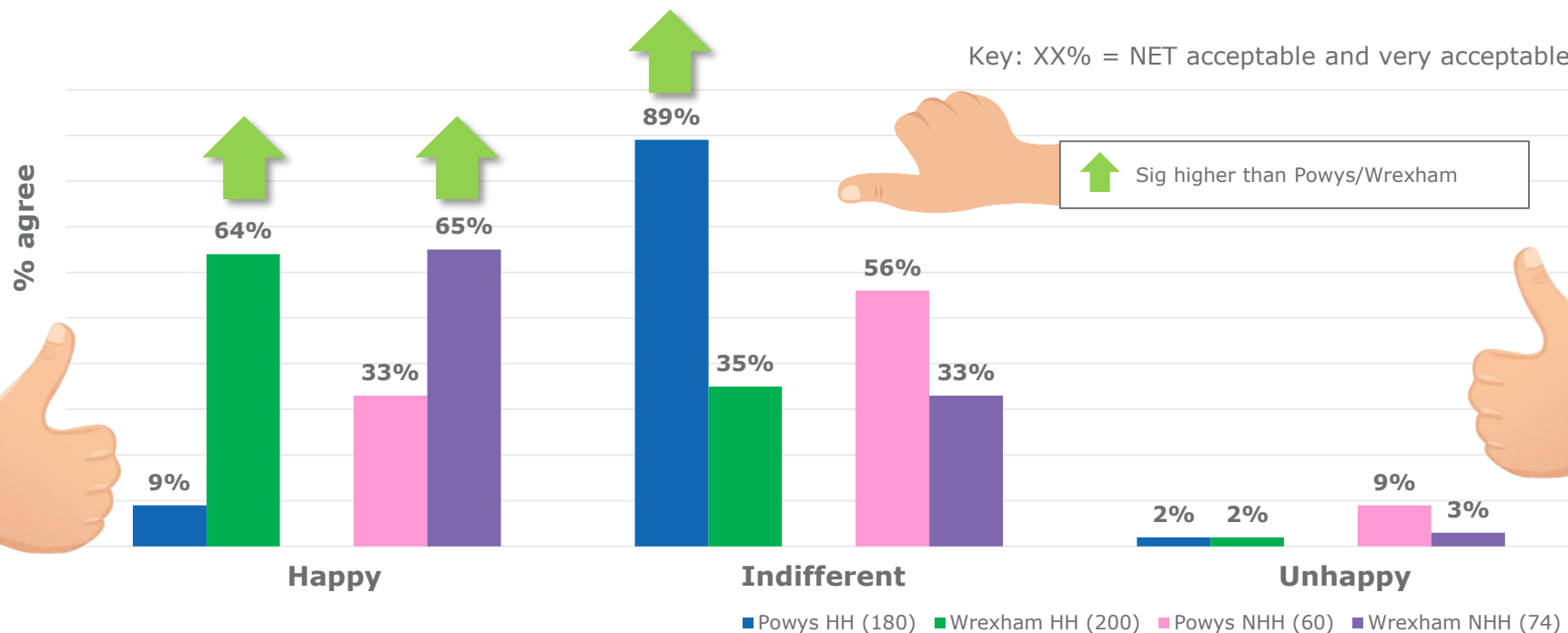
**Michael Gove ENRAGED: Water firms FAIL to cut leakages as UK struggles with HEATWAVE**





# Differences in sentiment found throughout the report

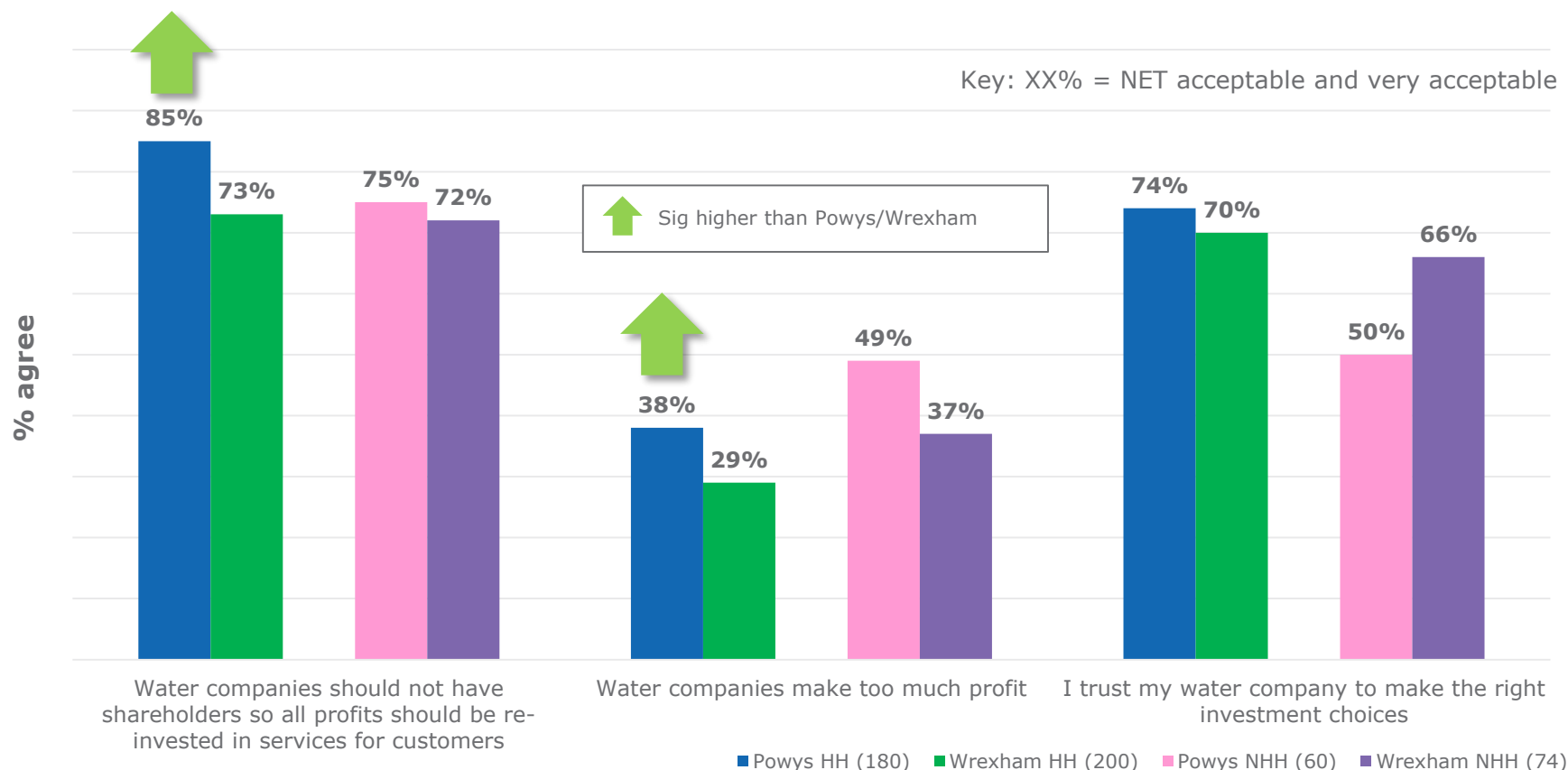
Throughout this report there are numerous instances where the views between customers in Powys and customers in Wrexham are significantly different. We feel this is important to state upfront as the difference in sentiment permeates throughout. To add context to this, towards the end of the survey we included a question in order to ascertain how customers feel about being supplied by HD and as is shown below, across both HH and NHH groups, sentiment varied considerably by region.





# Differences in sentiment found throughout the report

A more negative outlook towards water companies in general was also observed amongst customers in Powys which is reflected in the acceptability results detailed later in this report.





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## 5. Executive Summary



# Executive Summary (1)

## Uninformed acceptability: no inflation

Acceptability of the proposed plan was first ascertained in a relatively uninformed manner. Customers had some initial information read out to them concerning how Hafren Dyfrdwy is required by the water industry regulator, Ofwat, to produce a plan explaining how they will provide water and sewerage services, and the investments they will make, for the 5-year period 2020 to 2025. Following this, they were told that over the five year period customer water and wastewater bills will change and were then given a percentage by which their bill will be changing, before the effect of inflation is added in. Acceptability was then asked on this basis.

## Household customers

From this 'uninformed' position, the majority of both household and non-household customers in Wrexham and in Powys found the plan to be acceptable, although this view was significantly stronger amongst customers in Wrexham than amongst those in Powys.

	<b>NET Total Acceptability:</b> (W n = 200) (P n = 180)	<b>NET Acceptability: JAM</b> (W n = 87) (P n = 48)	<b>NET Acceptability: Low income</b> (W n = 61) (P n = 14)*	<b>NET Acceptability: Health &amp; wellbeing</b> (W n = 60) (P n = 54)	<b>NET Acceptability: Service experience</b> (W n = 96) (P n = 57)
<b>Wrexham</b>	<b>87%</b>	84%	88%	85%	83%
<b>Powys</b>	<b>65%</b>	54%	61%	65%	65%

● Significantly  
different  
to Powys/  
Wrexham



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# Executive Summary (2)

## Non-Household customers

Amongst non-household customers, significantly more customers in Wrexham (77%) found the proposed plan acceptable compared to their Powys counterparts (cf. 60%).



# Executive Summary (3)

## Agreement with the proposed plan of improvements

Customers were transitioned from an uninformed to a more informed position gradually. In order to begin informing customers about the proposed plan they were first shown a number of performance commitments and asked the extent to which HD should aim to improve their performance in these areas.

There was a consensus across cohort group that the performance commitments should be improved, albeit it to varying degrees with the views in Wrexham again being more positive than those coming out of Powys.

	Water supply improvements	Waste water improvements	Other service commitments	% agreeing with each area
Wrexham HH	79%	N/A	77%	
Powys HH	63%	64%	62%	
Wrexham NHH	81%	N/A	78%	
Powys NHH	55%	53%	58%	

Customers were able to offer their comments should they have any after rating the extent to which they agreed with each area of performance and whilst most chose not to, of those that did there was a prevalent view that HD should always be looking to improve, so the fact that HD has identified numerous ways to do so was a positive.



# Executive Summary (4)

## Informed acceptability: no inflation

Customers were next shown information in order to gain a more informed view of the plan, without the impact of inflation being taken into account. This consisted of hearing information around what the average household bill for water and wastewater services is predicted to be by 2020 for their particular circumstance (i.e. customers in Powys were shown different information than customers in Wrexham; different sized businesses were shown different information also).



## Household customers

Amongst household customers, when shown the plan excluding inflation, acceptance was measured at 86% in Wrexham and 51% in Powys. Whilst there were no differences by sub-group, there were numerous by region as shown by the green highlighting in the below table.

	<b>NET Total Acceptability:</b> (W n = 200) (P n = 180)	<b>NET Acceptability: JAM</b> (W n = 87) (P n = 48)	<b>NET Acceptability: Low income</b> (W n = 61) (P n = 14)*	<b>NET Acceptability: Health &amp; wellbeing</b> (W n = 60) (P n = 54)	<b>NET Acceptability: Service experience</b> (W n = 96) (P n = 57)
<b>Wrexham</b>	<b>86%</b>	81%	84%	89%	82%
<b>Powys</b>	<b>51%</b>	41%	57%	45%	50%



Significantly  
different  
to Powys/  
Wrexham

## Non-Household customers

Amongst non-household customers, significantly more customers in Wrexham find the proposed plan acceptable compared to Powys customers (86% cf. 57%), when shown the plan excluding inflation.

# Executive Summary (5)

## Informed acceptability: with inflation

The next step in informing customers about the plan was to provide them with the associated bill impacts, but this time using figures that included the impact of inflation.

## Household customers

Whilst acceptance of the plan reached over three-quarters amongst customers in Wrexham, only 43% of customers in Powys concurred, suggesting that presenting bill profiles with or without inflation does make a significant difference to net acceptability.

	<b>NET Total Acceptability:</b> (W n = 200) (P n = 180)	<b>NET Acceptability: JAM</b> (W n = 87) (P n = 48)	<b>NET Acceptability: Low income</b> (W n = 61) (P n = 14)*	<b>NET Acceptability: Health &amp; wellbeing</b> (W n = 60) (P n = 54)	<b>NET Acceptability: Service experience</b> (W n = 96) (P n = 57)
<b>Wrexham</b>	<b>78%</b>	69%	75%	79%	74%
<b>Powys</b>	<b>43%</b>	31%	45%	38%	41%

Significantly  
different  
to Powys/  
Wrexham

## Non-Household customers

Amongst NHH customers, acceptance measured at 83% in Wrexham compared with less than half (45%) amongst customers in Powys.



# Executive Summary (6)

## Affordability

Because customers were asked about current and future affordability at numerous points throughout the survey, we are able to look at the proportion of customers who find their current bill affordable as well as the proportion of customers who would find their future bill affordable.

Perceived affordability is unsurprisingly lowest when prices were viewed with inflation, with the lowest levels of perceived affordability being found amongst Powys household customers.



	Current affordability	Affordability (no inflation)	Affordability (with inflation)	% agreeing that the prices mentioned are/would be affordable
Wrexham HH	75%	78%	73%	
Powys HH	68%	36%	28%	
Wrexham NHH	81%	77%	76%	
Powys NHH	52%	45%	32%	

# Executive Summary (7)

## Views towards the ODI mechanism

Firstly, when viewing the penalty mechanism, significantly more HH customers in Wrexham find the ODIs acceptable compared to those in Powys (63% cf. 56%), particularly those who have experienced a service issue or those who are just about managing to pay their bills. This regional trend was consistent across the NHH cohort too (76% Wrexham cf. 35% Powys).

When examining the reward mechanism, interestingly, support dropped amongst HH customers in Wrexham to 51% (from 63%) but remained steady amongst HH customers in Powys at 57% (cf. 56%) with a similar pattern observable amongst the NHH cohort (74% Wrexham cf. 50% Powys).

Customers did also have it clarified that in reality the bill that customers will pay will fall somewhere between the maximum possible penalty/reward and then when a final measure of acceptability of the ODI mechanism was gained, it was found that three-fifths (59%) of HH customers in Powys and 70% of those in Wrexham along with over half of NHH customers in Powys (52%) and 86% of NHH customers in Wrexham found the mechanism acceptable.



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## 6. Uninformed acceptability:

**No inflation**





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## 6a. Uninformed acceptability:

What **HH** respondents were shown/told in order to gain an **uninformed** view of the plan

**Depending on the type of customer being surveyed, they were told that:**

**Powys**

Over the five year period customer bills will increase on average by 6%, before the effect of inflation is added in.

**Wrexham**

Over the five year period customer bills will increase on average by 1%, before the effect of inflation is added in.

**For the full description of the question/context please see Appendix (p133 +134)**





# Summary: uninformed acceptability

A summary of uninformed acceptability of the proposed plan along with where any significant differences reside in the data.

HD HH customers

	<b>NET Total Acceptability:</b> (W n = 200) (P n = 180)	<b>NET Acceptability: JAM</b> (W n = 87) (P n = 48)	<b>NET Acceptability: Low income</b> (W n = 61) (P n = 14)*	<b>NET Acceptability: Health &amp; wellbeing</b> (W n = 60) (P n = 54)	<b>NET Acceptability: Service experience</b> (W n = 96) (P n = 57)
<b>Wrexham</b>	<b>87%</b>	84%	88%	85%	83%
<b>Powys</b>	<b>65%</b>	54%	61%	65%	65%

No inflation

## **NB. The changes to bills that customers were shown:**

**Powys:** Over the 5 year period customer water bills will increase on average by 6%.

**Wrexham:** Over the 5 year period customer water bills will increase on average by 1%.

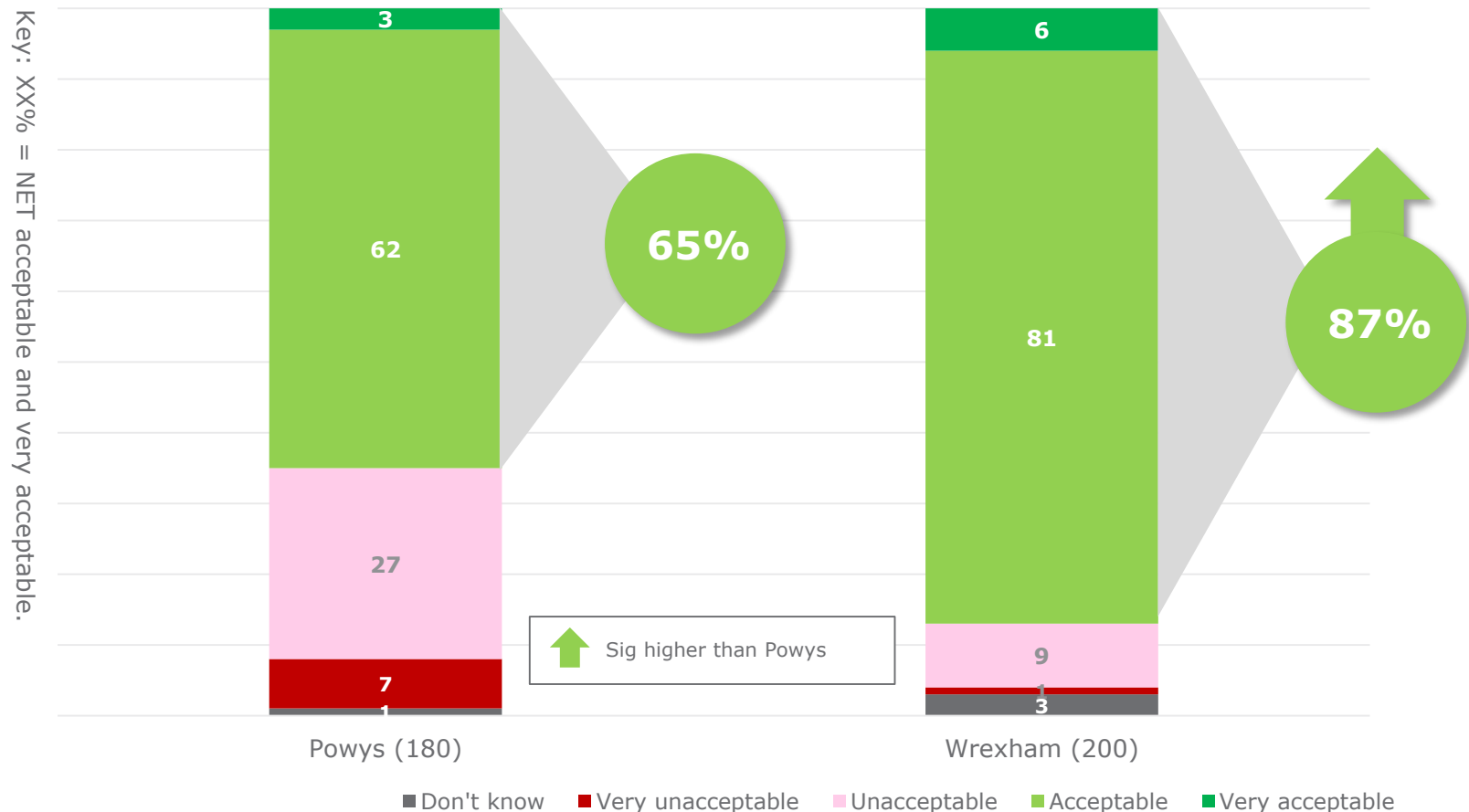


-  Significantly different than their region's average
-  Significantly different to Powys/Wrexham

NETS displayed are the sum of those who selected either acceptable or very acceptable

# Uninformed acceptability

From an 'uninformed' position, the majority of both cohorts found the plan to be acceptable, although this view was significantly stronger amongst customers in Wrexham than amongst those in Powys.

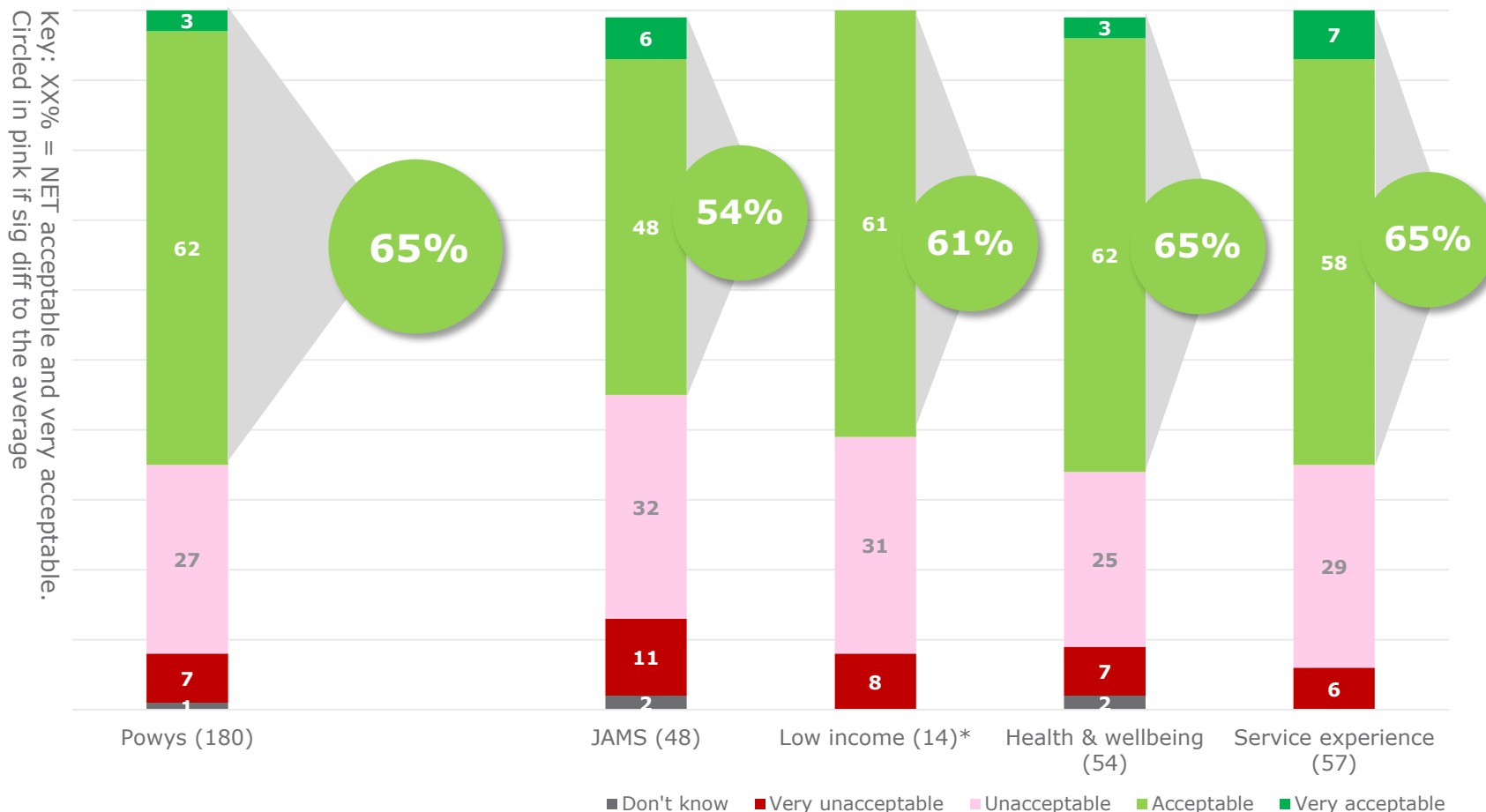






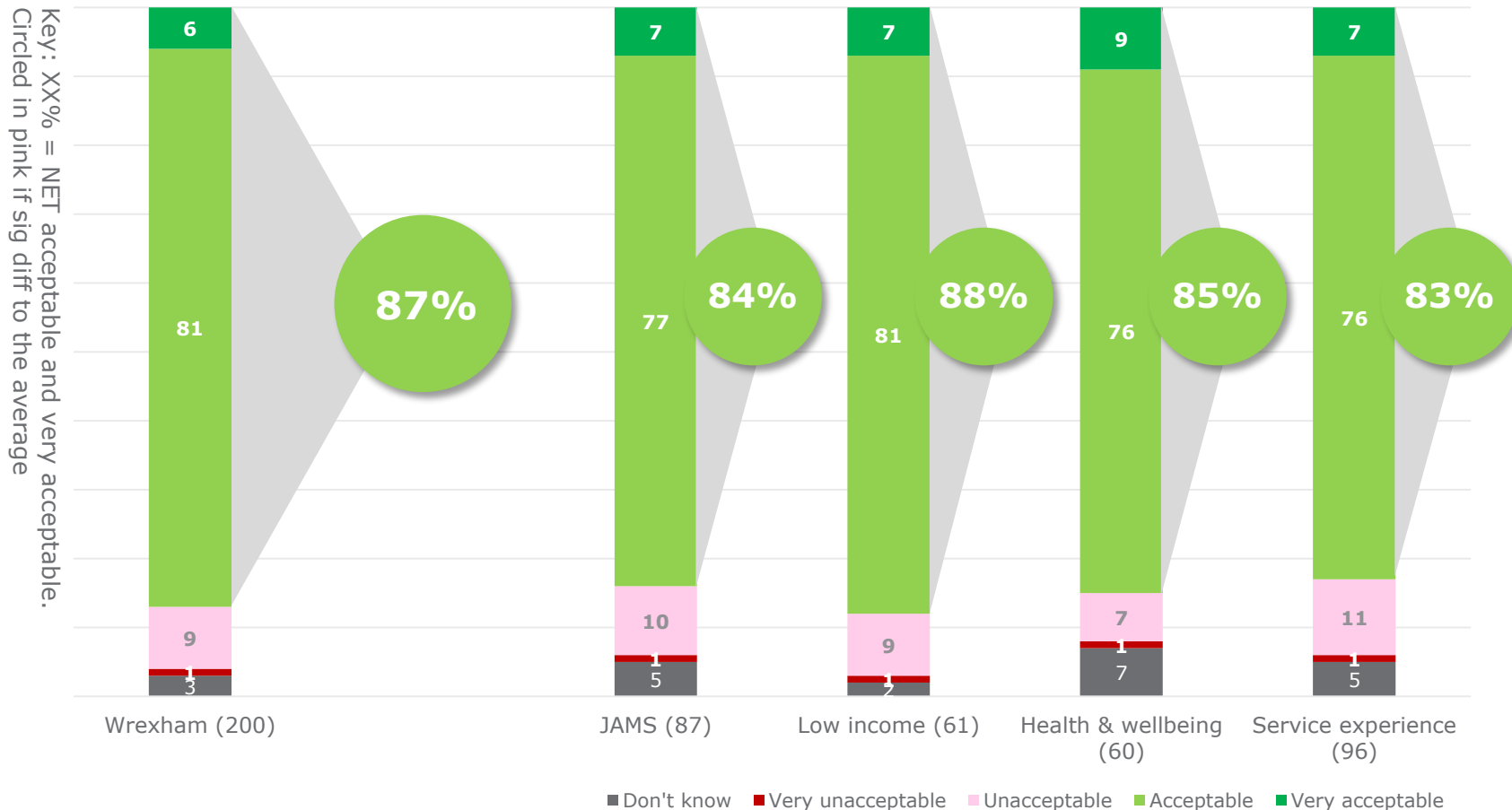
# Uninformed acceptability

Amongst Powys customers, there were no significant differences by key sub-groups when examining acceptance of the proposed plan compared to the overall customer base.



# Uninformed acceptability

As was the case in Powys, there were no significant differences by key sub-group in Wrexham when examining acceptance of the proposed plan compared to the overall customer base.



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## 6b. Uninformed acceptability:

What **NHH** respondents were shown/told in order to gain an **uninformed** view of the plan

**Depending on the type of customer being surveyed, they were given the following information**

**Powys micro**

Over the five-year period customer bills will increase on average by 6%, before the effect of inflation is added in.

**Powys small**

Over the five-year period customer bills will increase on average by 4.8%, before the effect of inflation is added in.

**Wrexham micro/small**

Over the five-year period customer bills will increase on average by 0.7%, before the effect of inflation is added in.

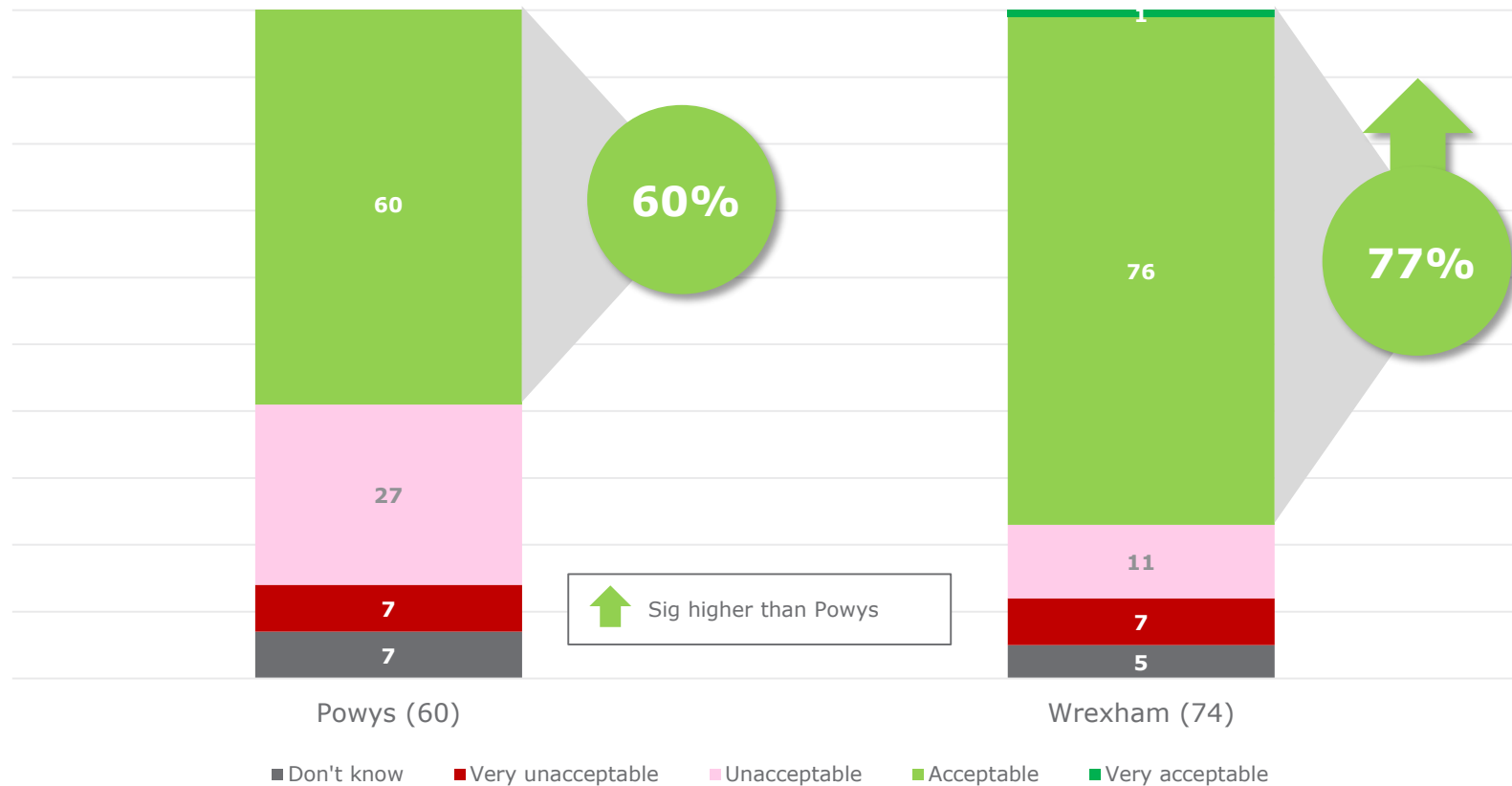
NB. Customers did have the option to see the difference that inflation could make to their bill if they wanted to.

**For the full description of the question/context please see Appendix (p135 +p136)**

# Uninformed acceptability

As was the case with their HH counterparts, when placed into an 'uninformed' position, the majority of both NHH cohorts found the plan to be acceptable, although this view was significantly stronger amongst businesses in Wrexham than it was amongst businesses in Powys.

Key: xx% = NET acceptable and very acceptable



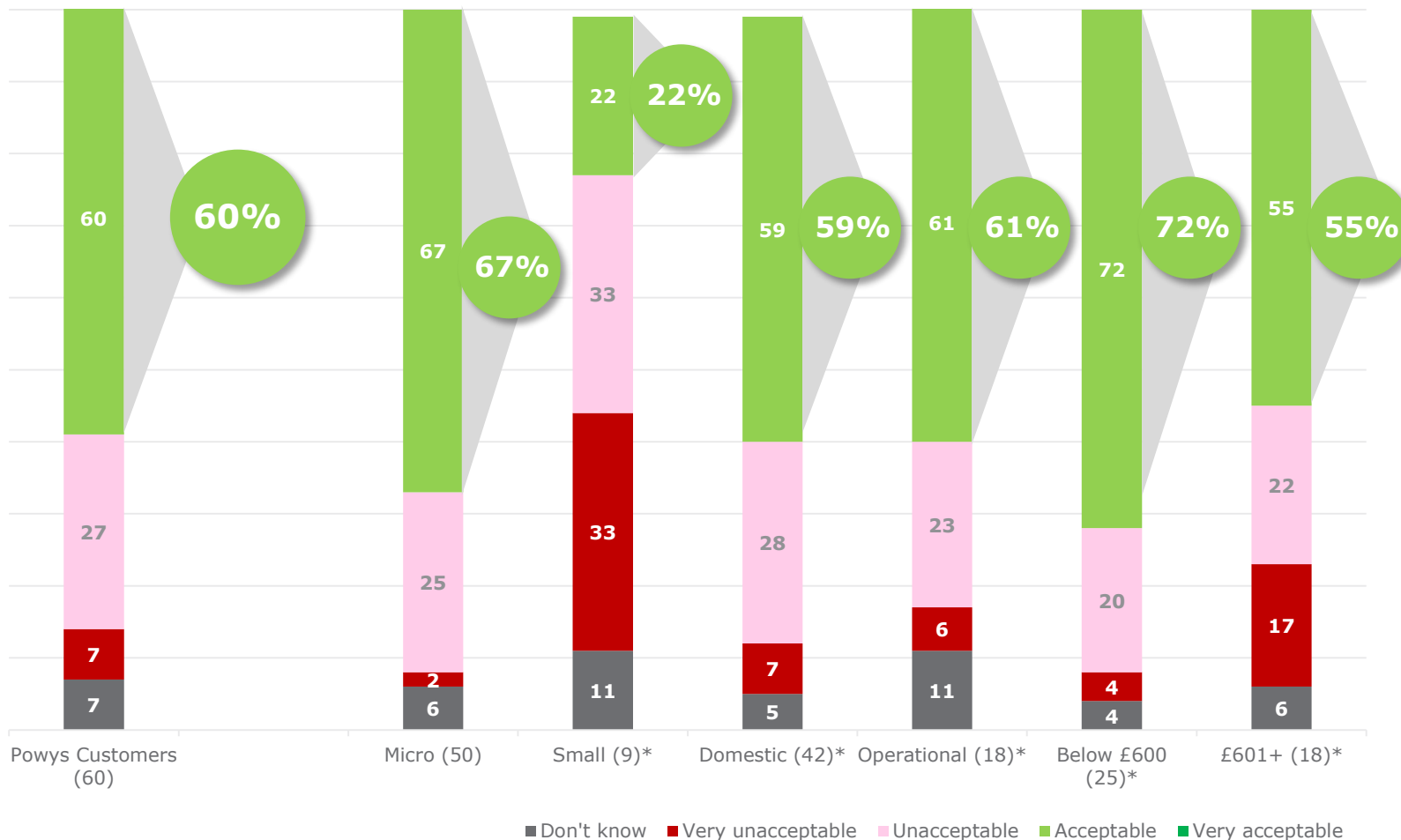
HD NHH customers

No inflation

# Uninformed acceptability

Analysis by sub-group is displayed below for indicative purposes only, as the base sizes at this level of analysis are very low.

Key: XX% = NET acceptable and very acceptable.  
Circled in pink if sig diff to the average.



HD NHH customers: POWYS

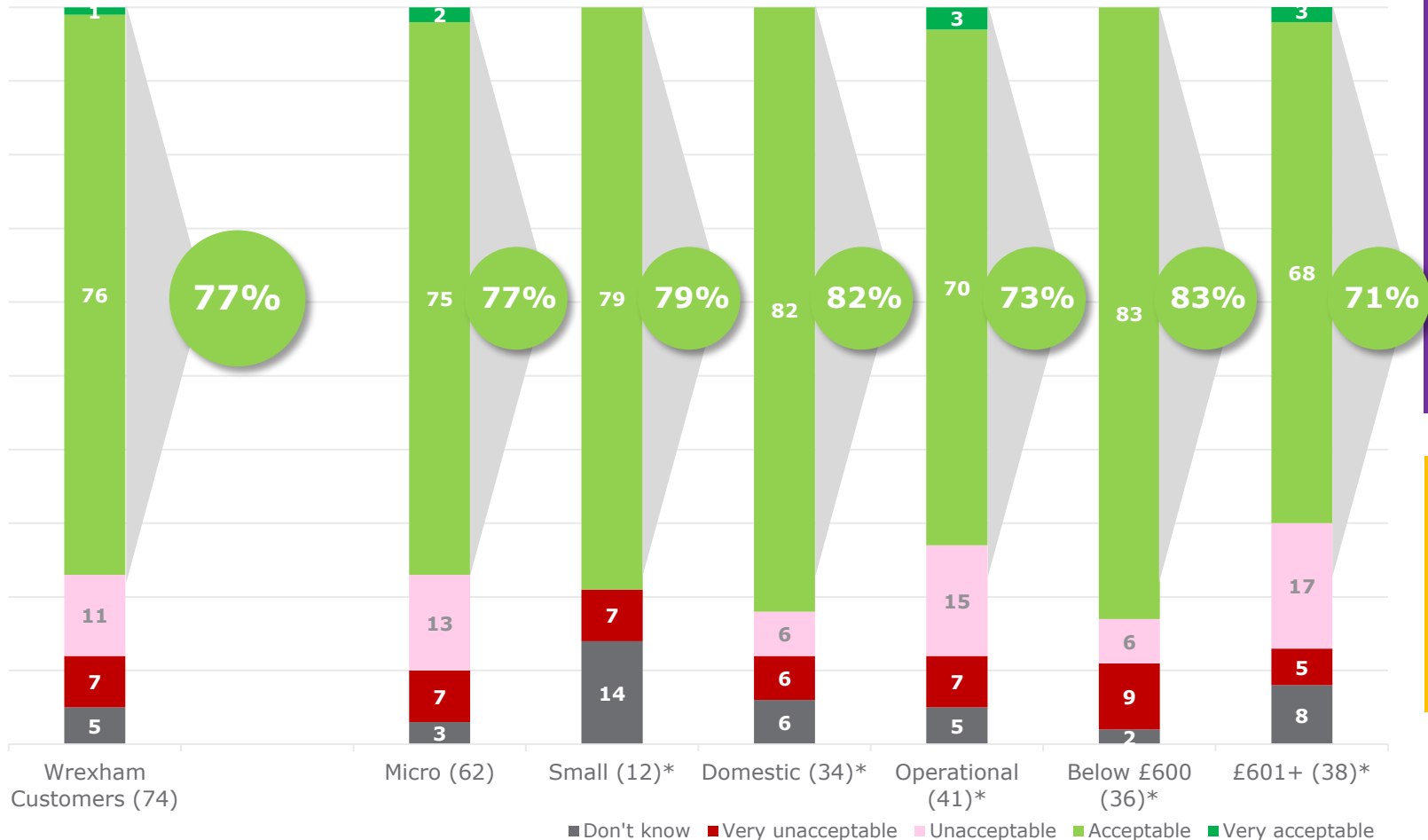
No inflation



# Uninformed acceptability

Analysis by sub-group is displayed below for indicative purposes only, as the base sizes at this level of analysis are very low.

Key: XX% = NET acceptable and very acceptable.  
Circled in pink if sig diff to the average



HD NHH customers: WREXHAM

No inflation

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## 7. Agreement with the proposed plan of improvements

In order to begin informing customers about the proposed plan they were shown a number of performance commitments and asked the extent to which HD should aim to improve their performance in these areas.

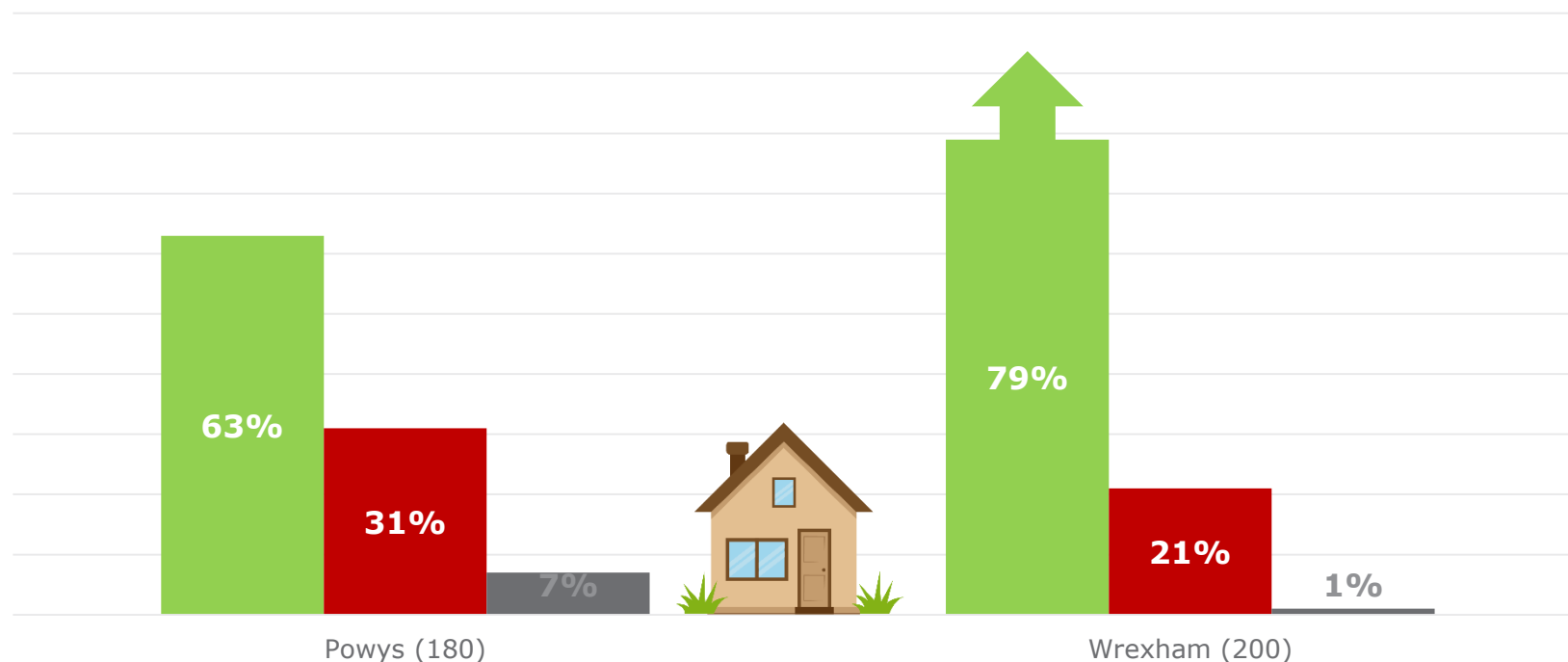
**For the full description of the showcards please see Appendix (p142 + p144)**



# Agreement with the proposed plan of water supply improvements

There was a strong consensus amongst customers in Wrexham (and to a lesser extent amongst customers in Powys) that HD should be committing to improve performance across the water supply commitments.

HD HH customers



■ I agree Hafren Dyfrdwy should be committing to improve in these areas

■ I would rather keep services the same (no improvement) and the bill be as low as possible

■ DK



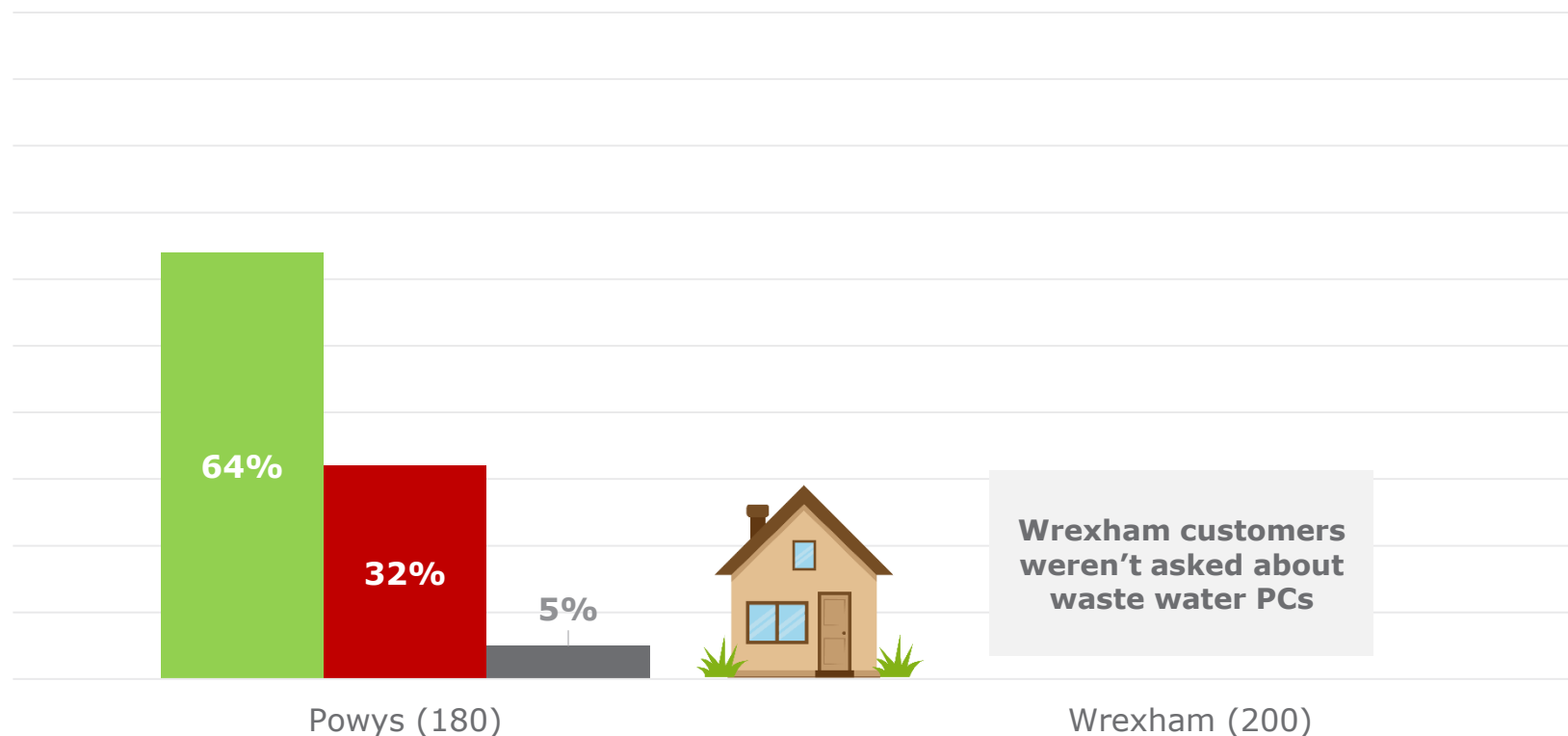
Sig higher than Powys



# Agreement with the proposed plan of waste water improvements

Almost two-thirds of Powys customers believe that HD should look to improve their performance in relation to waste water commitments

HD HH customers



- I agree Hafren Dyfrdwy should be committing to improve in these areas
- I would rather keep services the same (no improvement) and the bill be as low as possible
- DK



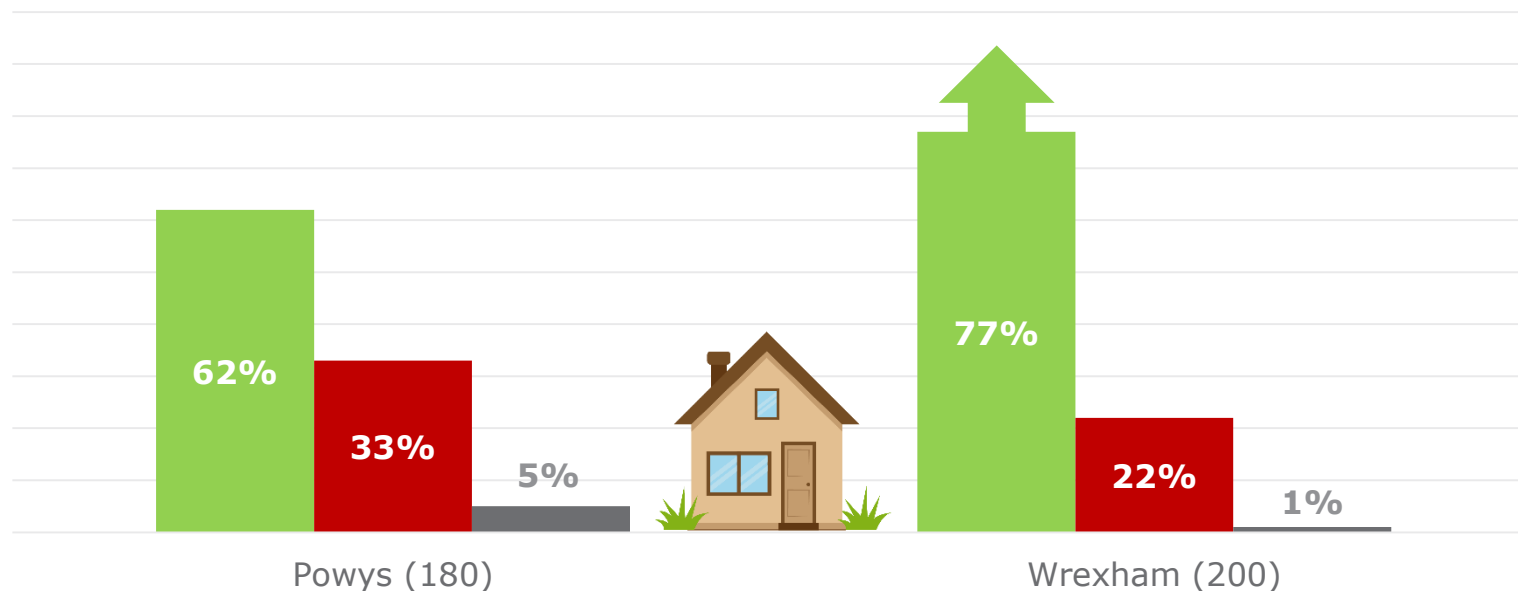
Sig higher than Powys



# Agreement with the other service commitments

As was seen in relation to the water service commitments, increasing performance in relation to the other service commitments was seen to be important by the majority of Powys customers and those in Wrexham.

HD HH customers



■ I agree Hafren Dyfrdwy should be committing to improve in these areas

■ I would rather keep services the same (no improvement) and the bill be as low as possible



Sig higher than Powys



# HH customers were able to offer their comments after rating their agreement with each performance area...

## 73% of customers in Powys offered no comment

Some people require more help/people who are struggling should be helped

5%

They must always look to improve

4%

It's important to educate people

4%

Water quality is poor

2%

Other

5%

## 58% of customers in Wrexham offered no comment

They must always look to improve

10%

I'm just generally satisfied

6%

Water quality is poor

5%

Some people require more help/ people who are struggling should be helped

2%

Other

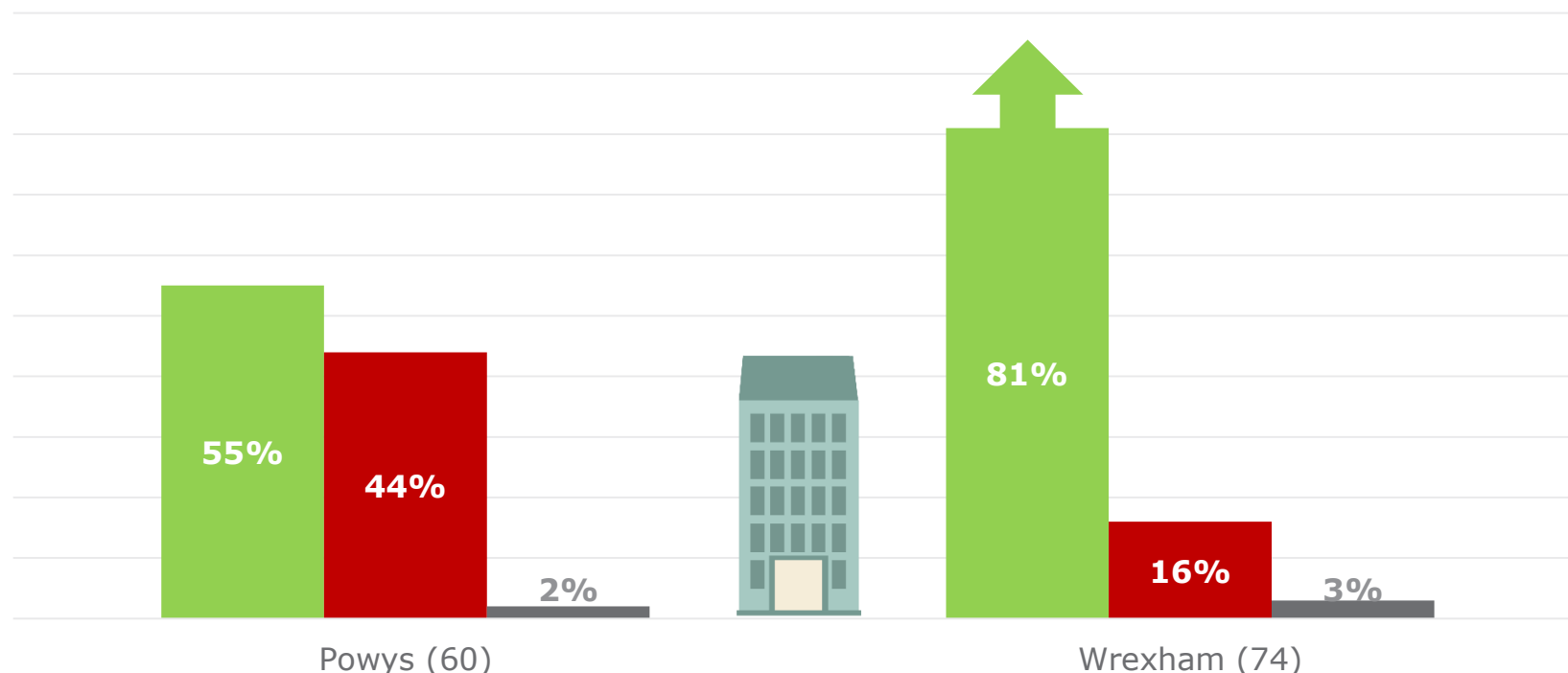
8%



# Agreement with the proposed plan of water supply improvements

Similar to the pattern witnessed amongst HH customers, we see stronger levels of agreement amongst NHH customers in Wrexham than Powys, with the latter region's view being relatively split.

HD NHH customers



■ I agree Hafren Dyfrdwy should be committing to improve in these areas

■ I would rather keep services the same (no improvement) and the bill be as low as possible

■ DK



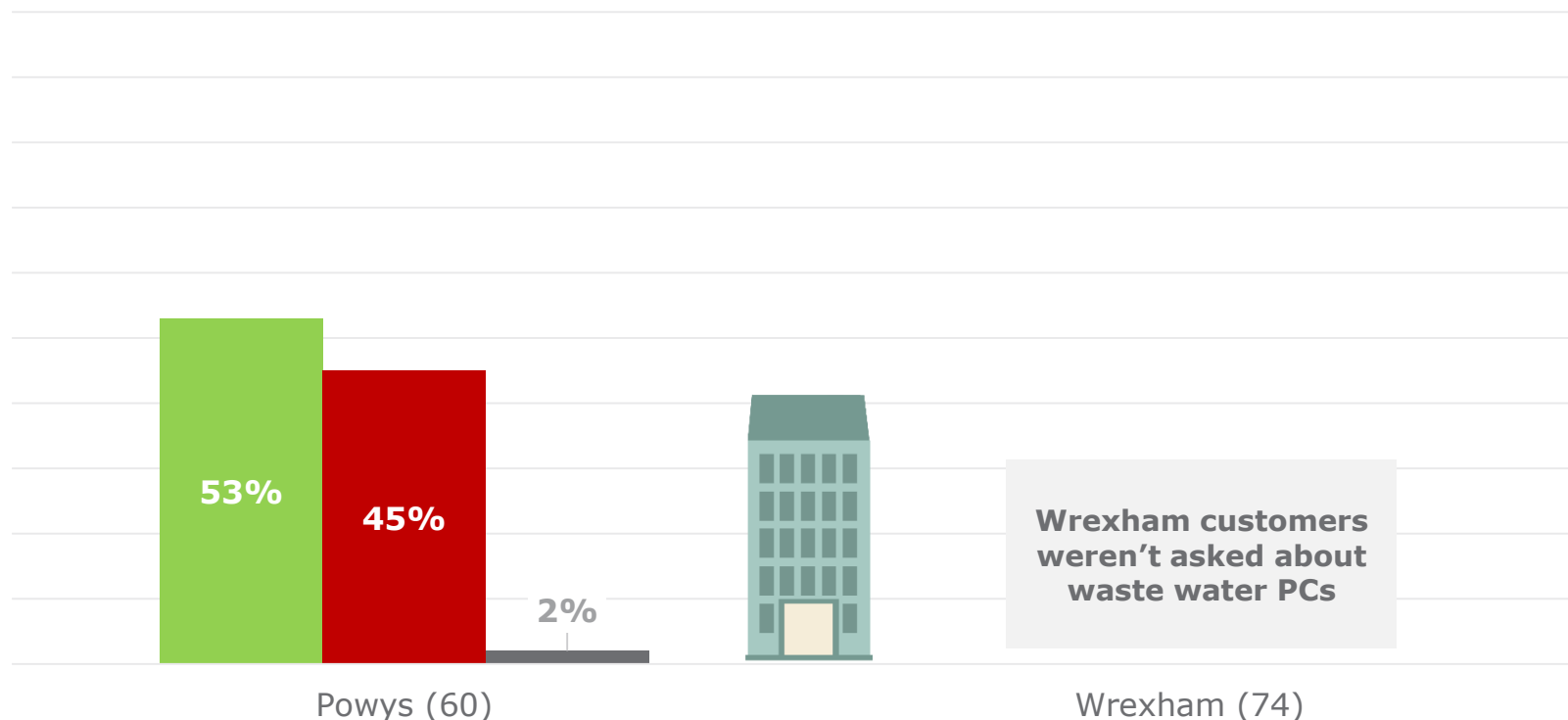
Sig higher than Powys



# Agreement with the proposed plan of waste water improvements

Views were relatively split amongst customers in Powys as to whether HD should be looking to improve their performance in relation to waste.

HD NHH customers



- I agree Hafren Dyfrdwy should be committing to improve in these areas
- I would rather keep services the same (no improvement) and the bill be as low as possible
- DK

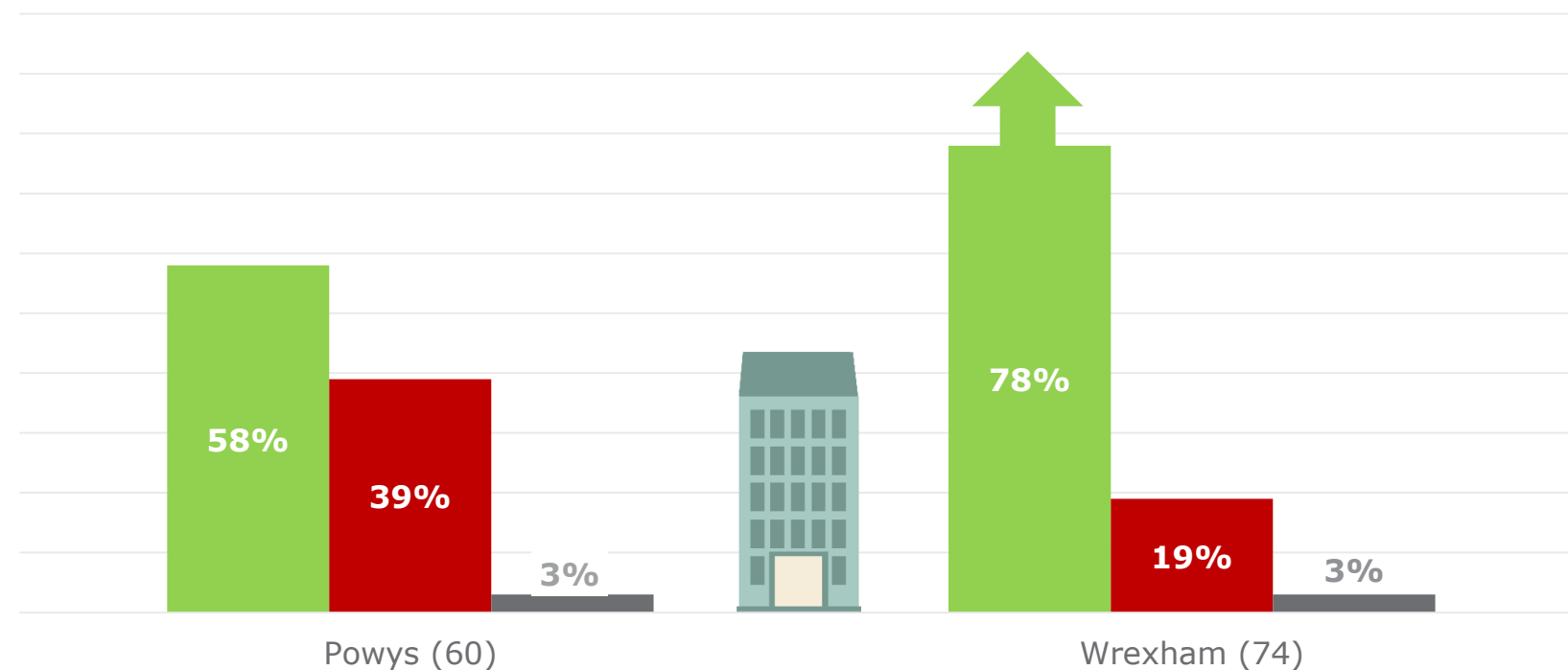




# Agreement with the other service commitments

Customers in Wrexham were significantly more likely than customers in Powys to feel that HD should improve their performance in relation to the other service commitments, however it is worth noting that nearly three-fifths (58%) of Powys customers agreed too.

HD NHH customers

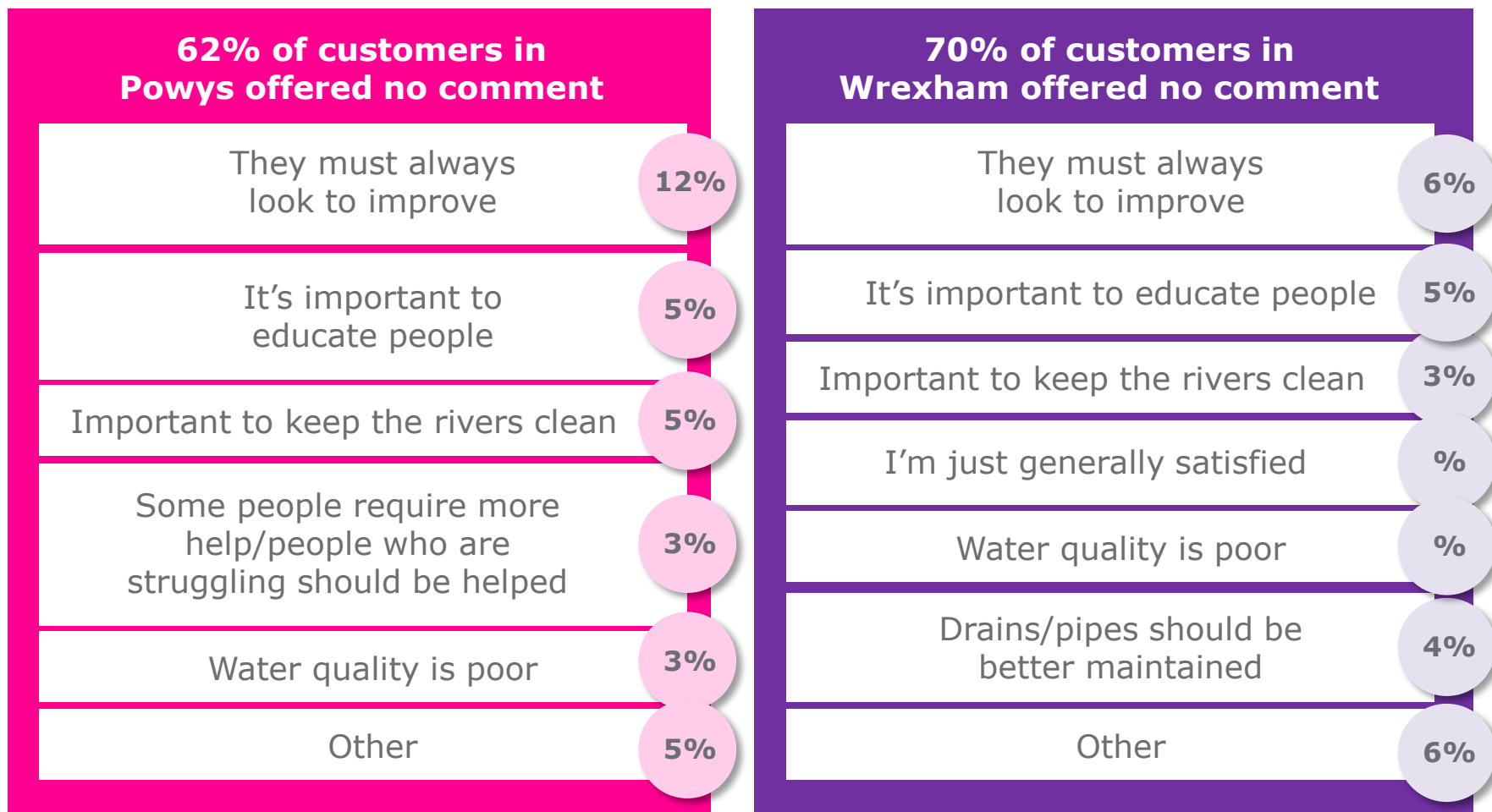


- I agree Hafren Dyfrdwy should be committing to improve in these areas
- I would rather keep services the same (no improvement) and the bill be as low as possible
- DK

↑ Sig higher than Powys



## NHH customers were able to offer their comments after rating their agreement with each performance area...



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## 8. Informed acceptability





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## 8a. Informed acceptability:

Customers were shown information in order to gain an **informed** view of the plan, **without** the impact of inflation being taken into account.

The next few slides illustrate the findings from the HH customers surveyed.

**Depending on the type of customer being surveyed, they were told that:**

### **Powys**

The average household bill for water and wastewater services by 2020 is predicted to be £280. The plans that your water company is proposing will mean that the average household bill for water and wastewater services will increase from £280 in 2020 to £297 by 2025, excluding the impact of inflation. This is an increase of 6%.

### **Wrexham**

The average household bill for water services by 2020 is predicted to be £170. The plans that your water company is proposing will mean that the average household bill for water services will increase from £170 in 2020 to £172 by 2025, excluding the impact of inflation. This is an increase of 1%.

NB. Customers did have the option to enquire more about the plan should they have wished to at which point they could have been shown the difference that inflation could make to their bill.

**For the full description of the question/context please see Appendix (p137 + 138)**

# Summary: informed acceptability

Significantly more customers in Wrexham find the proposed plan, presented without inflation, to be acceptable compared to customers in Powys.

	<b>NET Total Acceptability:</b> (W n = 200) (P n = 180)	<b>NET Acceptability: JAM</b> (W n = 87) (P n = 48)	<b>NET Acceptability: Low income</b> (W n = 61) (P n = 14)*	<b>NET Acceptability: Health &amp; wellbeing</b> (W n = 60) (P n = 54)	<b>NET Acceptability: Service experience</b> (W n = 96) (P n = 57)
<b>Wrexham</b>	<b>86%</b>	81%	84%	89%	82%
<b>Powys</b>	<b>51%</b>	41%	57%	45%	50%

HD HH customers

No inflation

## **NB. The changes to bills that customers were shown:**

**Powys:** £280 in 2020 to £297 in 2025.  
An increase of 6%.

**Wrexham:** £170 in 2020 to £172 in 2025.  
An increase of 1%.



- Significantly different than their region's average
- Significantly different to Powys/Wrexham

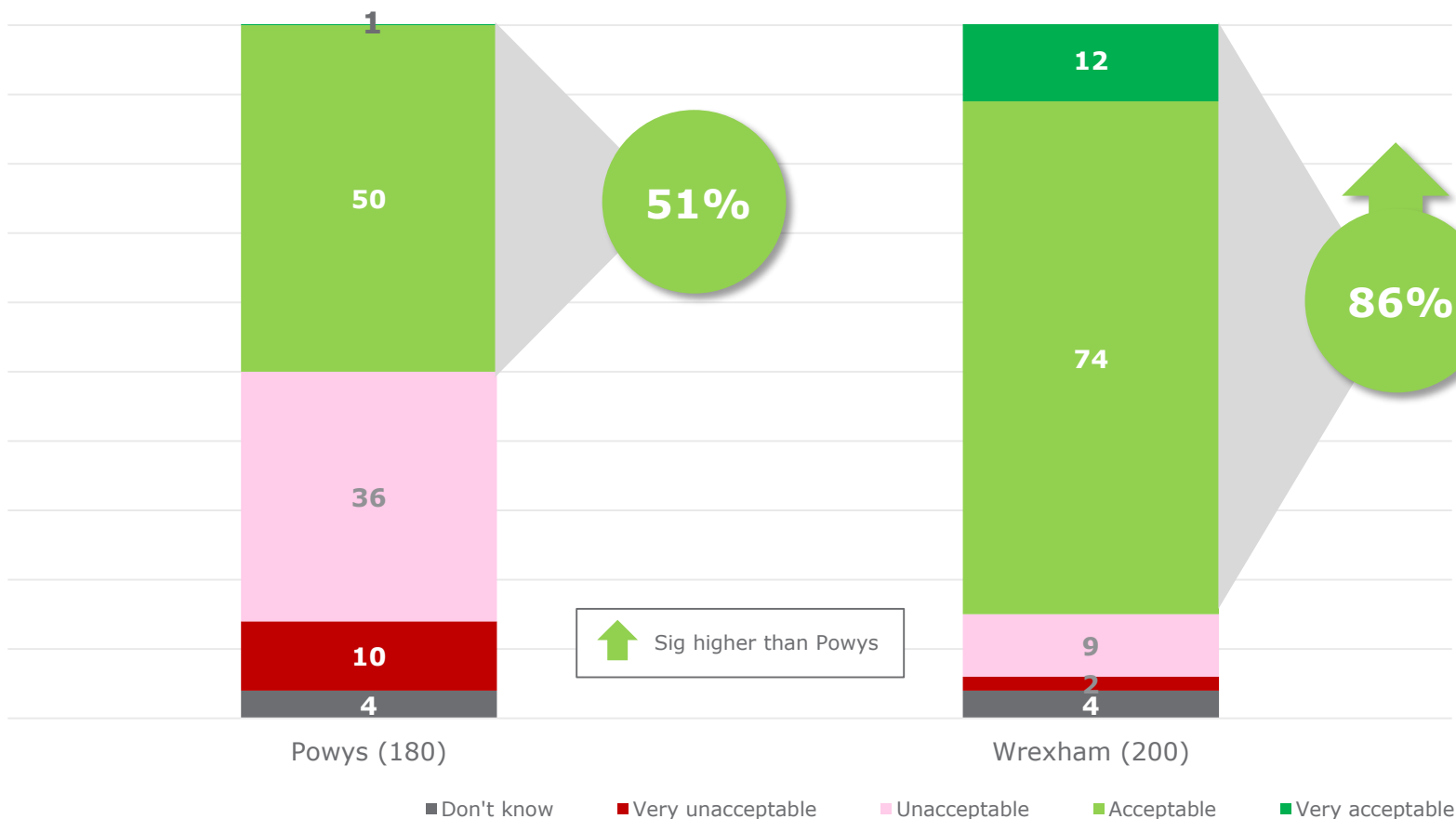
NETS displayed are the sum of those who selected either acceptable or very acceptable



# Informed acceptability

Once customers were informed about the plan, acceptability was measured at 86% amongst HH customers in Wrexham compared but only 51% amongst customers in Powys.

Key: xx% = NET acceptable and very acceptable



HD HH customers

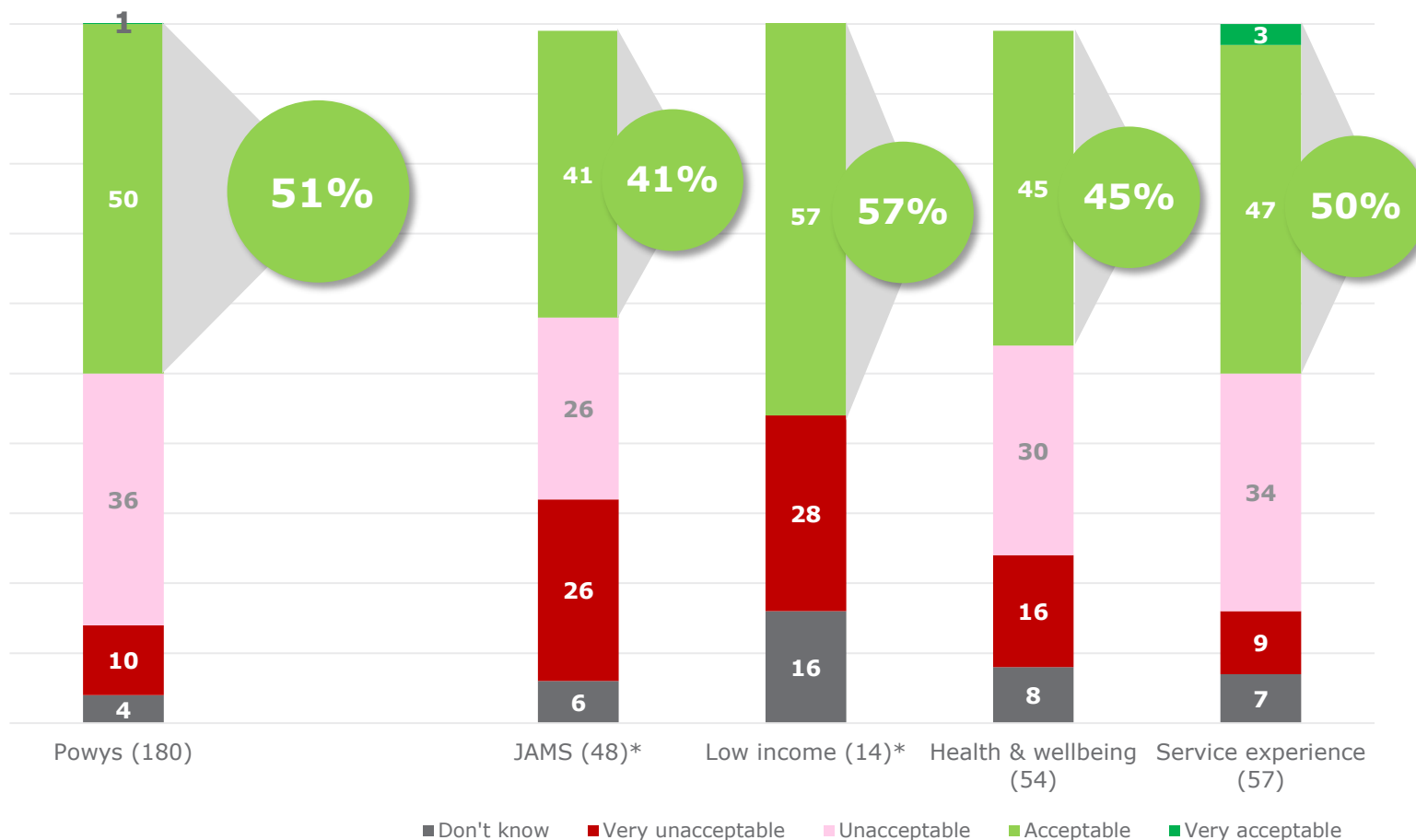
No inflation



# Informed acceptability

Amongst Powys customers, there were no significant differences by key sub-groups compared to the overall customer base, when examining acceptance of the proposed plan compared to the overall customer base.

Key: XX% = NET acceptable and very acceptable.  
Circled in pink if sig diff to the average



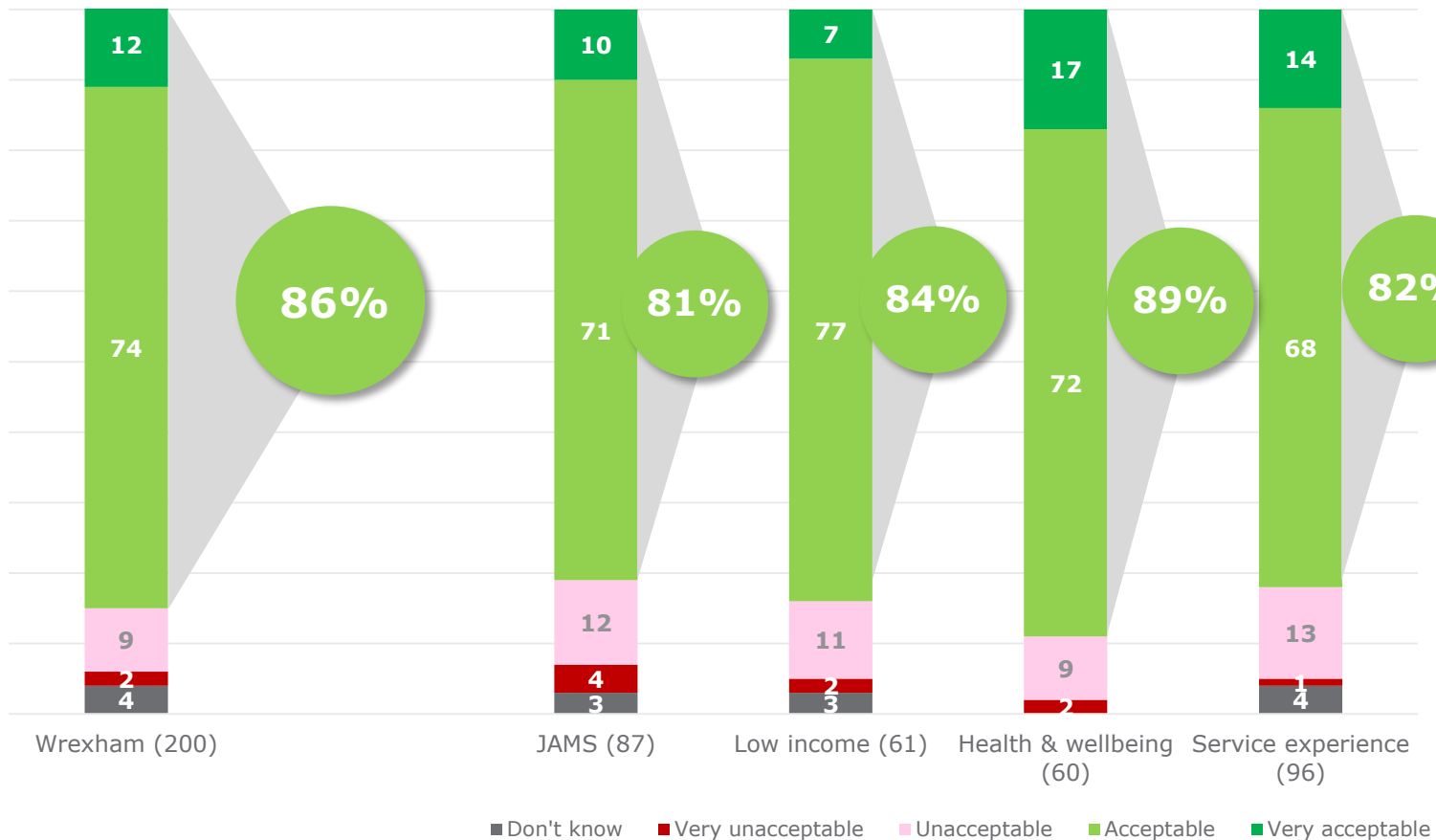
HD HH customers POWYS

No inflation

# Informed acceptability

As was the case in Powys, there were no significant differences by key sub-group in Wrexham when examining acceptance of the proposed plan compared to the overall customer base, but the majority of each sub-group were accepting of what they heard.

Key: XX% = NET acceptable and very acceptable.  
Circled in pink if sig diff to the average



HD HH customers WREXHAM

No inflation

# Reasons for acceptability (informed)



**Powys**

N=91

**Wrexham**

N=171

HD HH customers

No inflation

**76%** The proposed improvements are needed

**26%** I will have to pay the bill anyway

**13%** All customers will benefit from the improvements

**12%** The proposed improvements are worth the money

**12%** I am happy to pay the proposed bill amount

**10%** My household will benefit from the proposed improvements

**7%** It will improve the environment in the region

**7%** The proposed bill amount is affordable

**7%** The proposed improvements represent good value for money

**0%** Other

**0%** Don't know

**58%** I will have to pay the bill anyway

**55%** All customers will benefit from the improvements

**46%** The proposed bill amount is affordable

**43%** The proposed improvements are needed

**40%** It will improve the environment in the region

**40%** My household will benefit from the proposed improvements

**38%** I am happy to pay the proposed bill amount

**37%** The proposed improvements are worth the money

**37%** The proposed improvements represent good value for money

**1%** Other

**0%** Don't know

**Reasons why the informed proposed plan is acceptable**

Key: xx% = Highlighted in green if sig diff to equivalent P or W figure.



# Reasons for unacceptability (informed)

Whilst base sizes need to be considered, a feeling that the bill is already too expensive was prevalent across both regions.



HD HH customers

No inflation

Key: xx% = Highlighted in green if sig diff to equivalent P or W figure.

Powys N=83	Wrexham N=22*
<b>58%</b> Already too expensive/it will still be too expensive	<b>46%</b> Already too expensive/it will still be too expensive
<b>25%</b> I expect better improvements for these prices	<b>46%</b> Company profits too high already
<b>14%</b> Company profits too high already	<b>35%</b> Factoring in inflation will mean an unacceptable rise
<b>14%</b> Don't agree with these service changes for this price	<b>32%</b> More investment required in infrastructure (paid for by provider)
<b>8%</b> Factoring in inflation will mean an unacceptable rise	<b>19%</b> Don't agree with these service changes for this price
<b>5%</b> More investment required in infrastructure (paid for by provider)	<b>16%</b> I expect better improvements for these prices
<b>1%</b> Other	<b>14%</b> Other
<b>0%</b> Don't know	<b>5%</b> Don't know

Reasons why the informed proposed plan is unacceptable

Q15b: Please click any of the reasons below that explain why the proposed plan is unacceptable to you? HD - All respondents who code acceptable n=135. NB This question was a pre-coded list.

\* = caution low base size

## 8b. Informed acceptability:

Customers were shown information in order to gain an **informed** view of the plan, **with** the impact of inflation being taken into account.

The next few slides illustrate the findings from the HH customers surveyed.

**Depending on the type of customer being surveyed, they were given the following information:**

### **Powys**

The average household bill for water and wastewater services by 2020 is predicted to be £280. The plans that your water company is proposing will mean that the average household bill for water and wastewater services, including a forecast for the effect of inflation, will increase from £280 in 2020 to £326 by 2025, a 16% increase.

### **Wrexham**

The average household bill for water services by 2020 is predicted to be £170. The plans that your water company is proposing will mean that the average household bill for water services, including a forecast for the effect of inflation, will increase from £170 in 2020 to £189 by 2025, an 11% increase.

**For the full description of the question/context please see Appendix (p137 + 138)**



# Summary: informed acceptability

Significantly more Wrexham customers found the proposed plan acceptable compared to Powys customers, when they were shown the plan including inflation.

HD HH customers

With inflation

	NET Total Acceptability: (W n = 200) (P n = 180)	NET Acceptability: JAMS (W n = 87) (P n = 48)	NET Acceptability: Low income (W n = 61) (P n = 14)*	NET Acceptability: Health & wellbeing (W n = 60) (P n = 54)	NET Acceptability: Service experience (W n = 96) (P n = 57)
Wrexham	78%	69%	75%	79%	74%
Powys	43%	31%	45%	38%	41%

**NB. The changes to bills that customers were shown:**

**Powys:** £280 in 2020 to £326 in 2025.  
An increase of 16%.

**Wrexham:** £170 in 2020 to £189 in 2025.  
An increase of 11%.



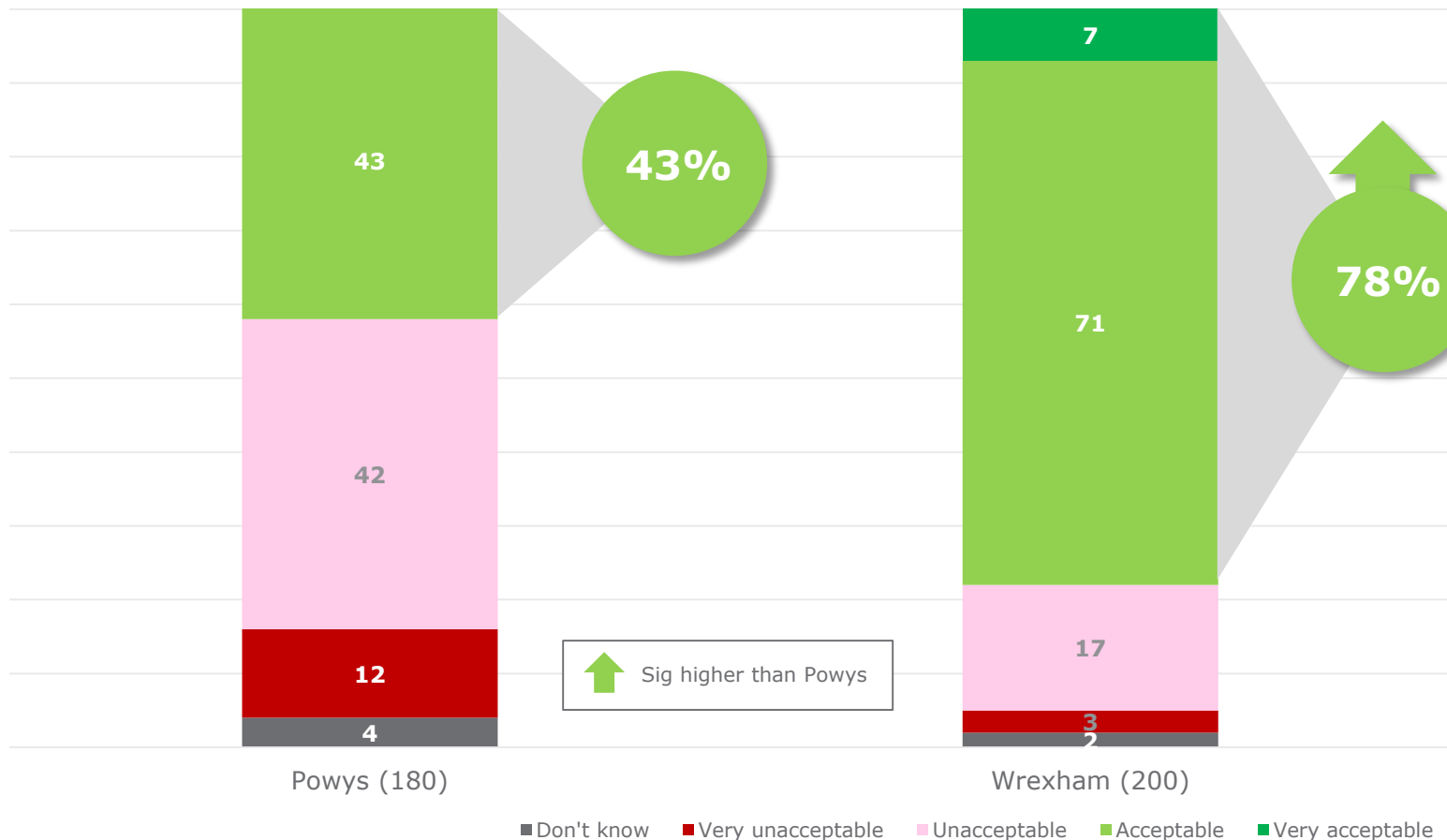
- Significantly different than their region's average
- Significantly different to Powys/Wrexham

NETS displayed are the sum of those who selected either acceptable or very acceptable

# Informed acceptability

Once the impact of inflation had been revealed, just over three-quarters (78%) of customers in Wrexham found the plan to be acceptable; significantly more than was found in Powys (43%).

Key: xx% = NET acceptable and very acceptable



HD HH customers

With inflation



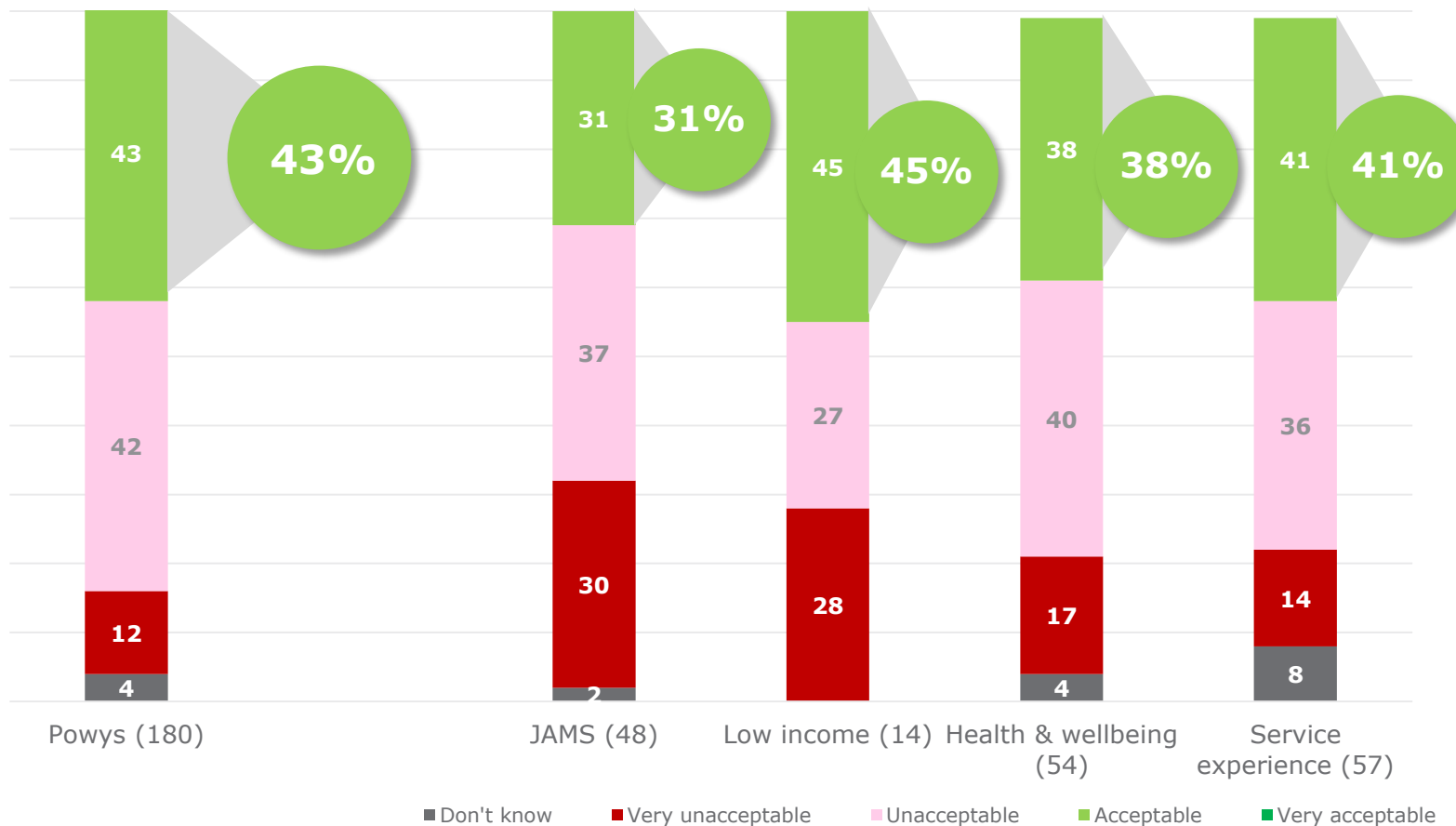
# Informed acceptability

Amongst customers in Powys, there were no significant differences by key sub-group when examining acceptance of the proposed plan compared to the overall customer base.

Key: XX% = NET acceptable and very acceptable.  
Circled in pink if sig diff to the average

HD HH customers POWYS

With inflation





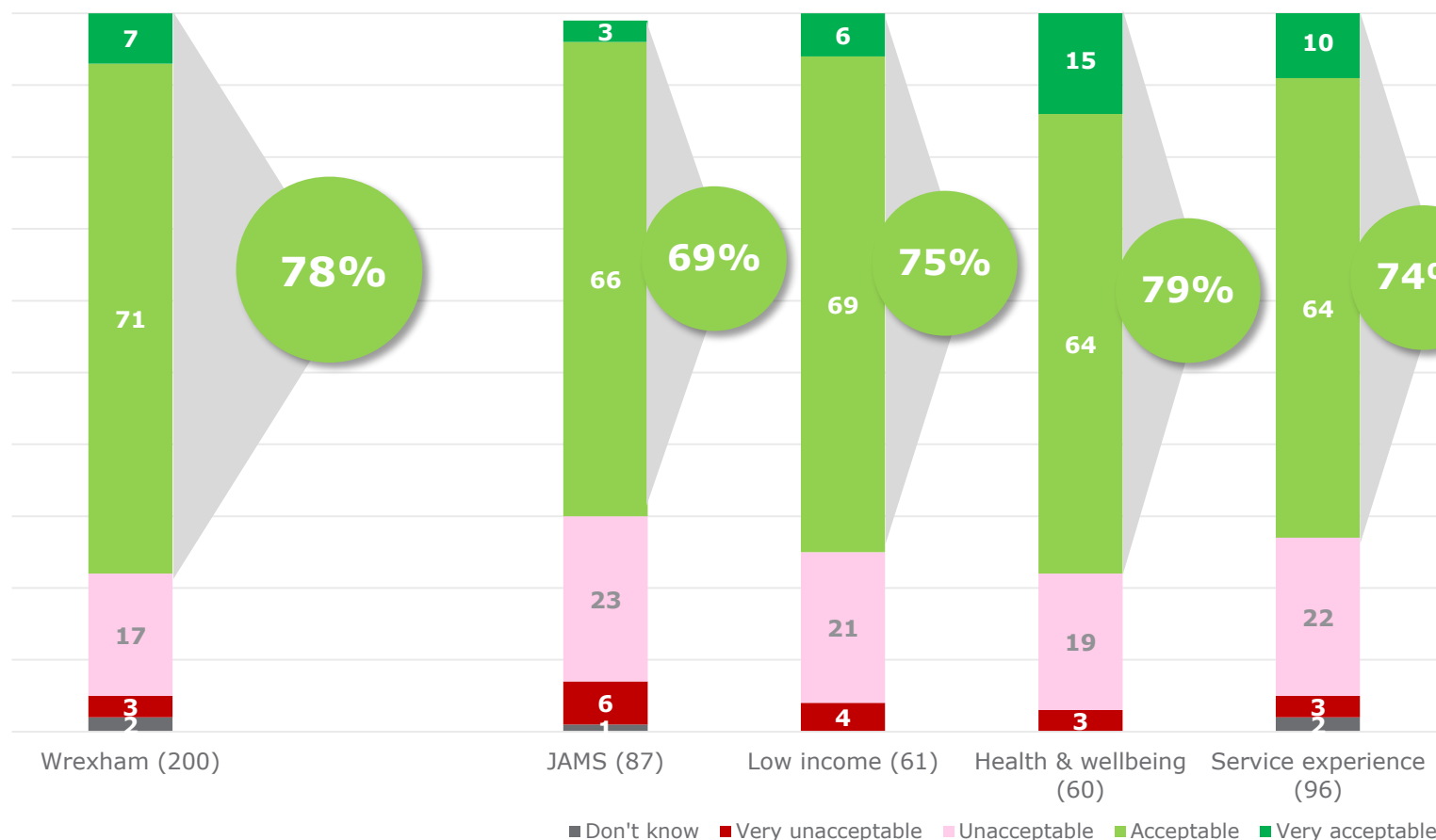
# Informed acceptability

As was the case in Powys, there were no significant differences by key sub-group in Wrexham when examining acceptance of the proposed plan compared to the overall customer base.

Key: XX% = NET acceptable and very acceptable.  
Circled in pink if sig diff to the average

HD HH customers WREXHAM

With inflation





## 8c. Informed acceptability:

NHH customers were also shown information in order to gain an **informed** view of the plan, **without** the impact of inflation being taken into account.

The next few slides illustrate the findings from the NHH customers surveyed.

**Depending on the type of customer being surveyed, they were given the following information:**

### **Powys Micro**

The average household bill for water and wastewater services by 2020 is predicted to be £368. Hafren Dyfrdwy's plan will mean that average non-household bill for water and wastewater services, will increase from £368 to £390 by 2025 (a 6% increase) *excluding* the impact of inflation.

### **Powys Small**

The average household bill for water and wastewater services by 2020 is predicted to be £3,772. Hafren Dyfrdwy's plan will mean that average non-household bill for water and wastewater services, including a forecast for the effect of inflation, will increase from £3,772 to £3,953 by 2025 (a 4.8% increase) *excluding* the impact of inflation.

### **Wrexham Micro**

The average household bill for water services by 2020 is predicted to be £179. Hafren Dyfrdwy's plan will mean that average non-household bill for water and wastewater services including a forecast for the effect of inflation, will increase from £179 to £180 by 2025 (a 0.7% increase) *excluding* the impact of inflation.

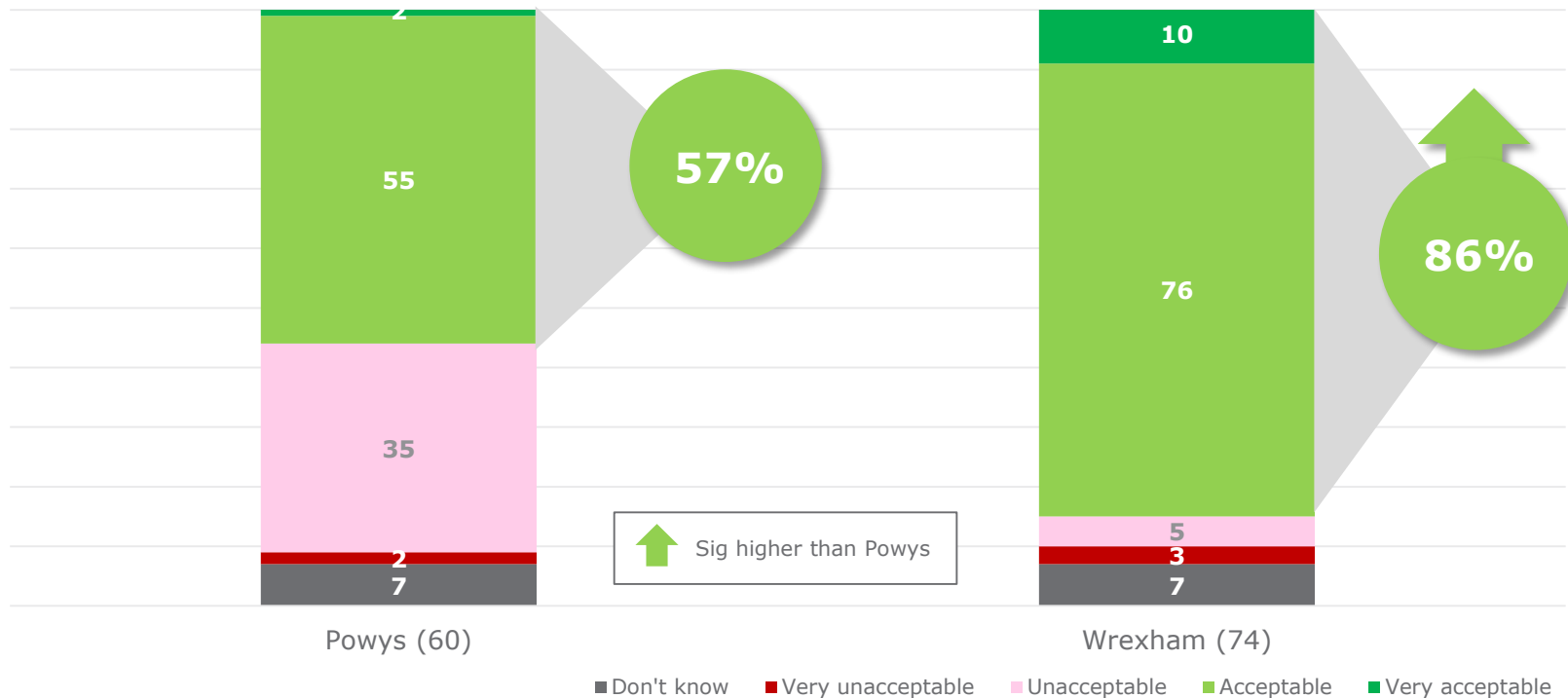
### **Wrexham Small**

The average household bill for water services by 2020 is predicted to be £2,298. Hafren Dyfrdwy's plan will mean that average non-household bill for water and wastewater services including a forecast for the effect of inflation, will increase from £2,298 to £2,313 by 2025 (a 0.7% increase) *excluding* the impact of inflation.

**For the full description of the question/context please see Appendix (p139 +140)**

# Informed acceptability

The majority of NHH customers in Wrexham (86%) who were shown the proposed plan, including inflation, found it to be acceptable, significantly more than was observed in Powys, however nearly three-fifths (57%) of this cohort found the plan acceptable also.



HD NHH customers

Without inflation

**NB. The changes to bills that customers were shown:**

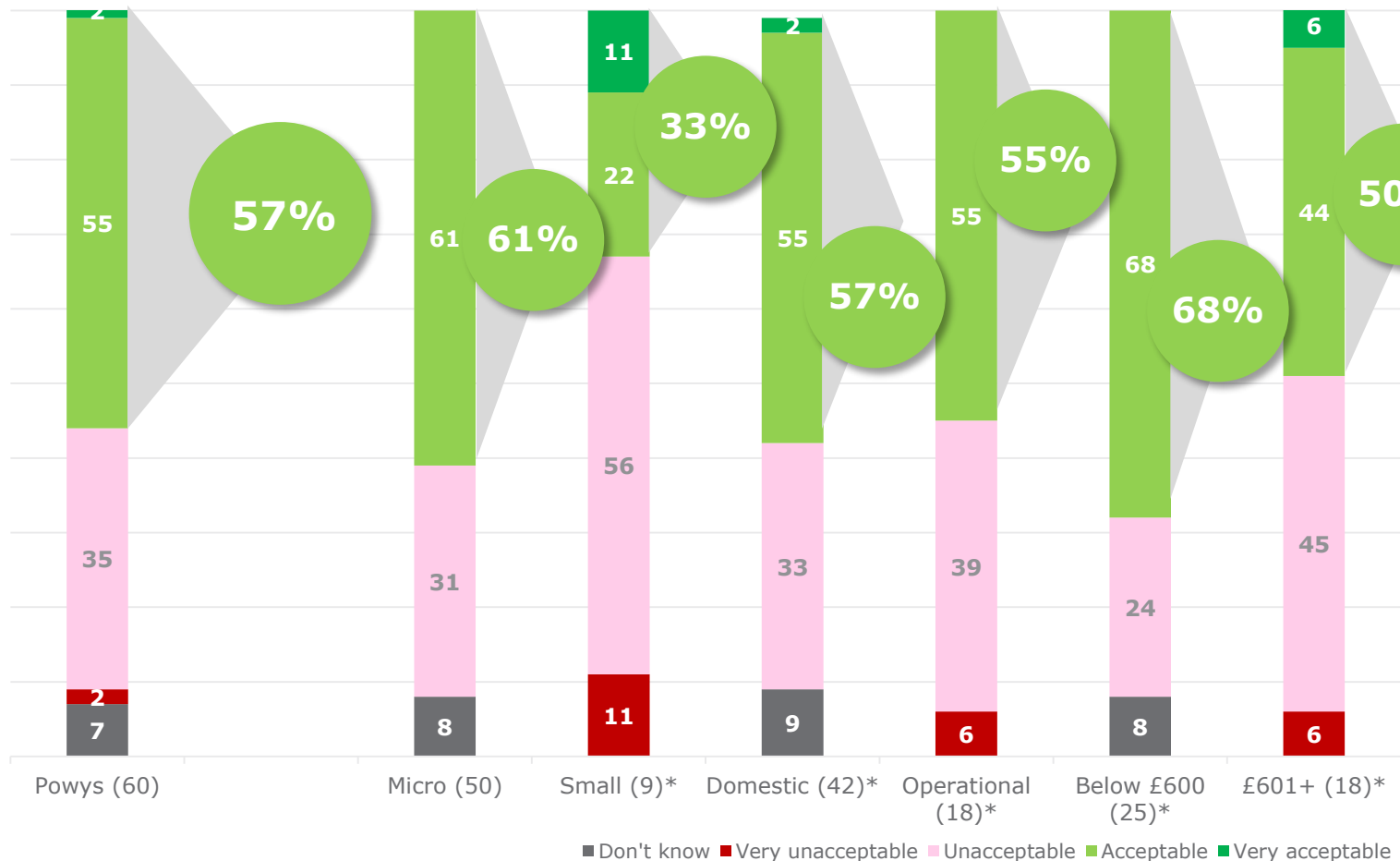
**Micro/Small:** will decrease on average by 6% (micro) and 4.8% (small).



# Informed acceptability

Views amongst micro customers are in line with total acceptance. Other sub-groups are included for indicative purposes only as the base sizes at this level are very low.

Key: XX% = NET acceptable and very acceptable.  
Circled in pink if sig diff to the average



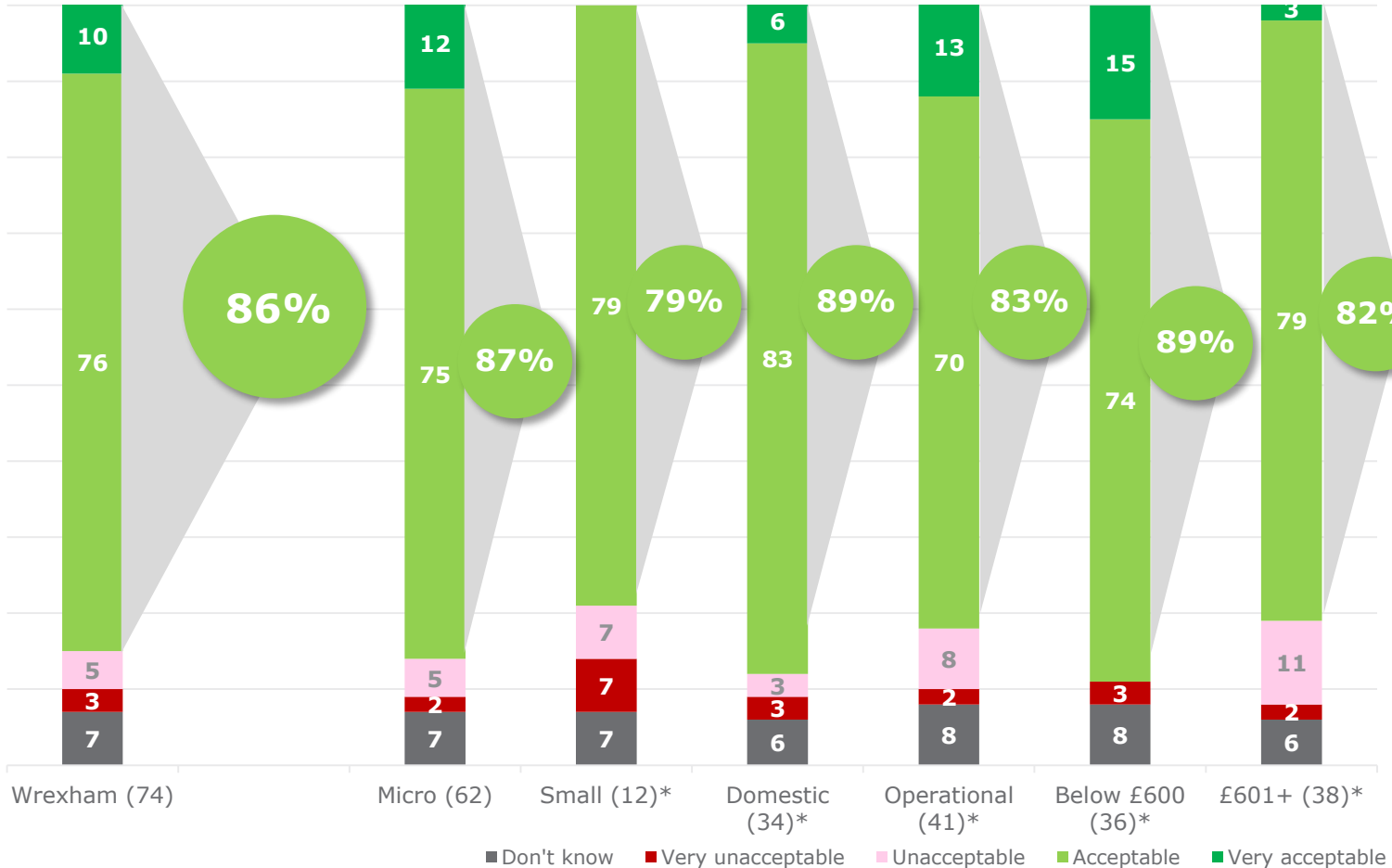
HD NHH customers POWYS

Without inflation

# Informed acceptability

Views from micro customers are in line with total acceptance. Other sub-groups are included for indicative purposes only as the base sizes at this level are very low.

Key: XX% = NET acceptable and very acceptable.  
Circled in pink if sig diff to the average



HD NHH customers WREXHAM

Without inflation



## 8d. Informed acceptability:

NHH customers were also shown information in order to gain an **informed** view of the plan, **with** the impact of inflation being taken into account.

The next few slides illustrate the findings from the NHH customers surveyed.

**Depending on the type of customer being surveyed, they were given the following information:**

### **Powys Micro**

The average household bill for water and wastewater services by 2020 is predicted to be £368. Hafren Dyfrdwy's plan will mean that average non-household bill for water and wastewater services, including a forecast for the effect of inflation, will increase from £368 to £428 by 2025 (a 16% increase).

### **Powys Small**

The average household bill for water and wastewater services by 2020 is predicted to be £3,772. Hafren Dyfrdwy's plan will mean that average non-household bill for water and wastewater services, including a forecast for the effect of inflation, will increase from £3,772 to £3,335 by 2025 (a 15% increase).

### **Wrexham Micro**

The average household bill for water services by 2020 is predicted to be £179. Hafren Dyfrdwy's plan will mean that average non-household bill for water and wastewater services including a forecast for the effect of inflation, will increase from £179 to £197 by 2025 (a 10% increase).

### **Wrexham Small**

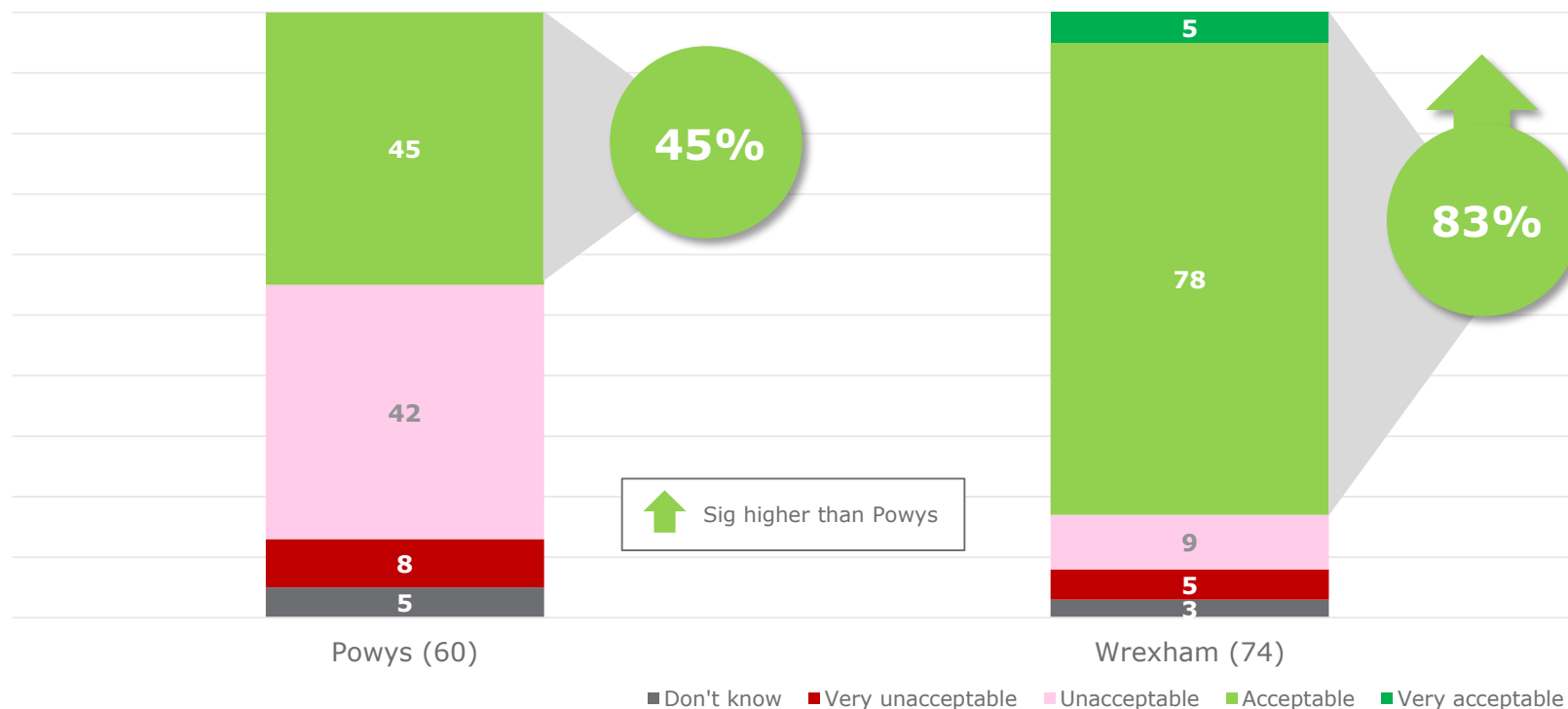
The average household bill for water services by 2020 is predicted to be £2,298. Hafren Dyfrdwy's plan will mean that average non-household bill for water and wastewater services including a forecast for the effect of inflation, will increase from £2,298 to £2,537 by 2025 (a 10% increase).

**For the full description of the question/context please see Appendix (p139 + 140)**



# Informed acceptability

When viewing the plan, including inflation, the majority of non-household customers in Wrexham (83%) found it to be acceptable; again this was significantly higher than the levels of acceptance observed in Powys (45%).



**NB. The changes to bills that customers were shown:**

**Micro/Small:** will decrease on average by 16% (micro) and 15% (small).

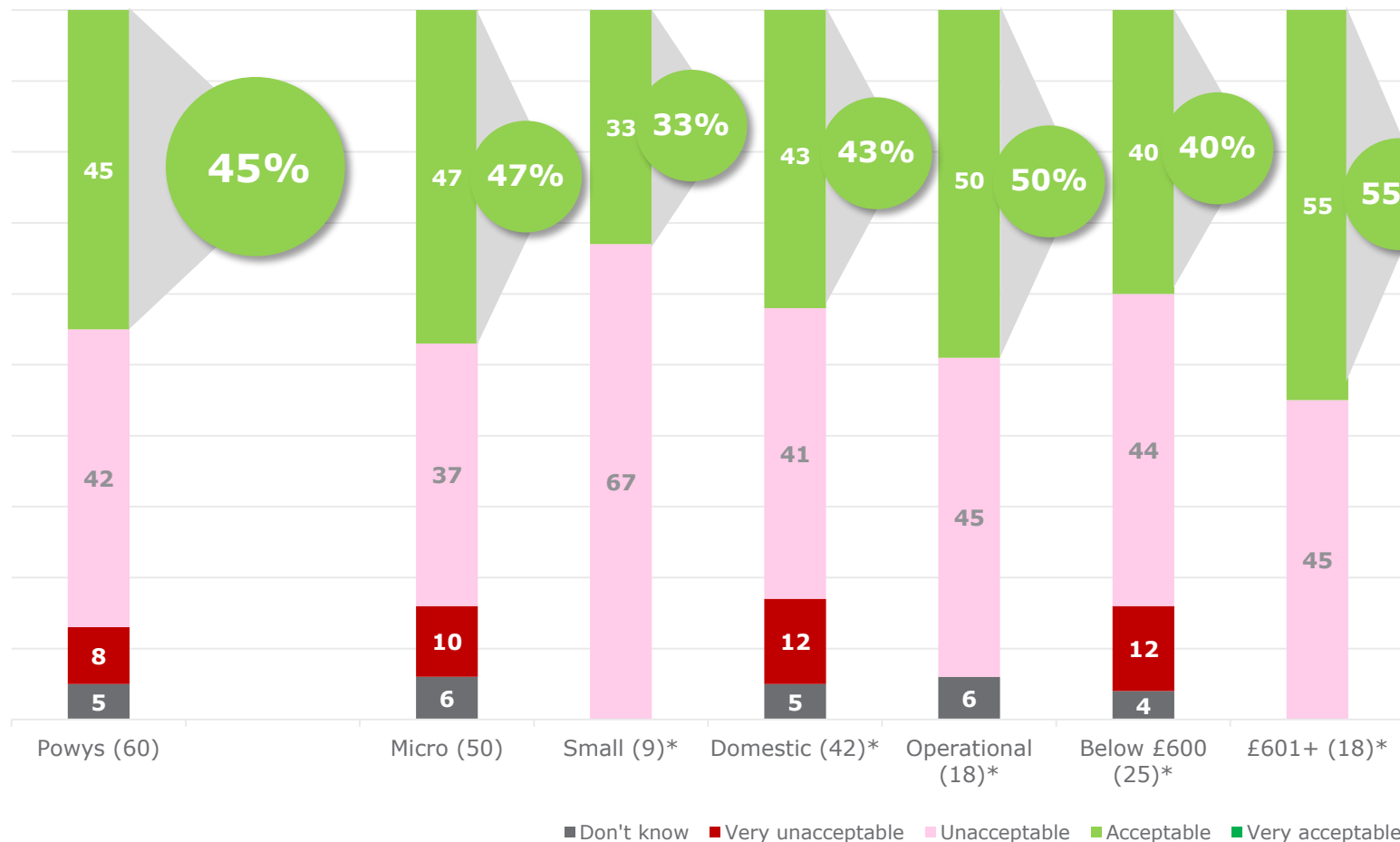




# Informed acceptability

Views from micro customers are in line with total acceptance. Other sub-groups are included for indicative purposes only as the base sizes at this level are very low.

Key: XX% = NET acceptable and very acceptable.  
Circled in pink if sig diff to the average



HD NHH customers POWYS

With inflation



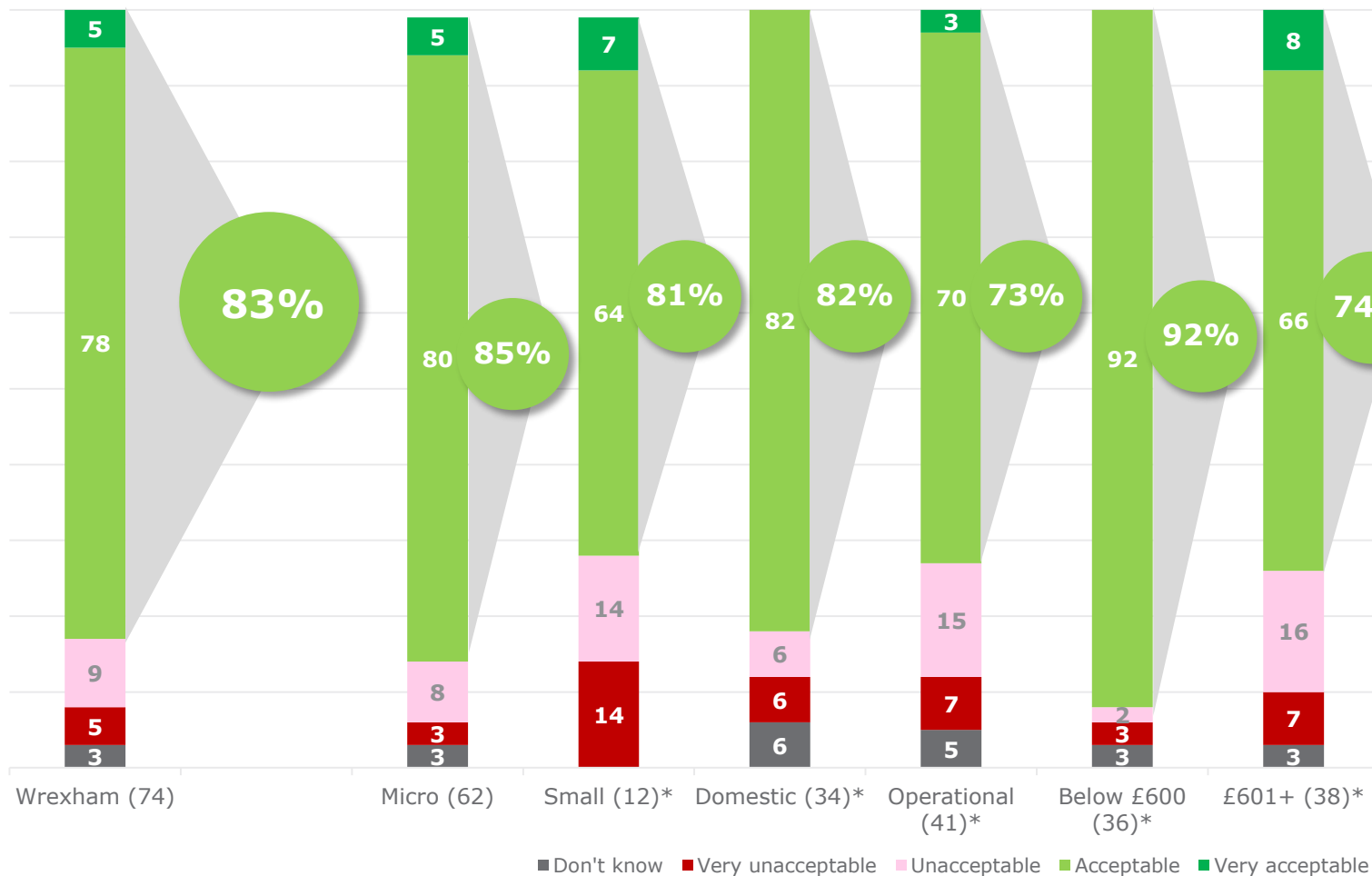
# Informed acceptability

Views from micro customers are in line with total acceptance. Other sub-groups are included for indicative purposes only as the base sizes at this level are very low.

Key: XX% = NET acceptable and very acceptable.  
Circled in pink if sig diff to the average

HD NHH customers WREXHAM

With inflation





# Reasons for acceptability (informed)

The main reasons why the plan is deemed acceptable centre around having to pay the bill anyway and the fact improvements are needed.



HD NHH customers

**POWYS**

N=34

**WREXHAM**

N=63

47% The proposed improvements are needed

**70%** I will have to pay the bill anyway

41% It will improve the environment in the region

**64%** The proposed improvements are worth the money

38% All customers will benefit from the improvements

60% It will improve the environment in the region

38% I will have to pay the bill anyway

**59%** All customers will benefit from the improvements

30% My business will benefit from the proposed improvements

52% The proposed improvements are needed

27% The proposed bill amount is affordable

45% The proposed bill amount is affordable

24% The proposed improvements are worth the money

**44%** I am happy to pay the proposed bill amount

6% The proposed improvements represent good value for money

35% My business will benefit from the proposed improvements

6% I am happy to pay the proposed bill amount

**35%** The proposed improvements represent good value for money

2% Other

**Reasons why the informed proposed plan is acceptable**

Key: **xx%** = Highlighted in green if sig diff to the other region's equivalent statistic

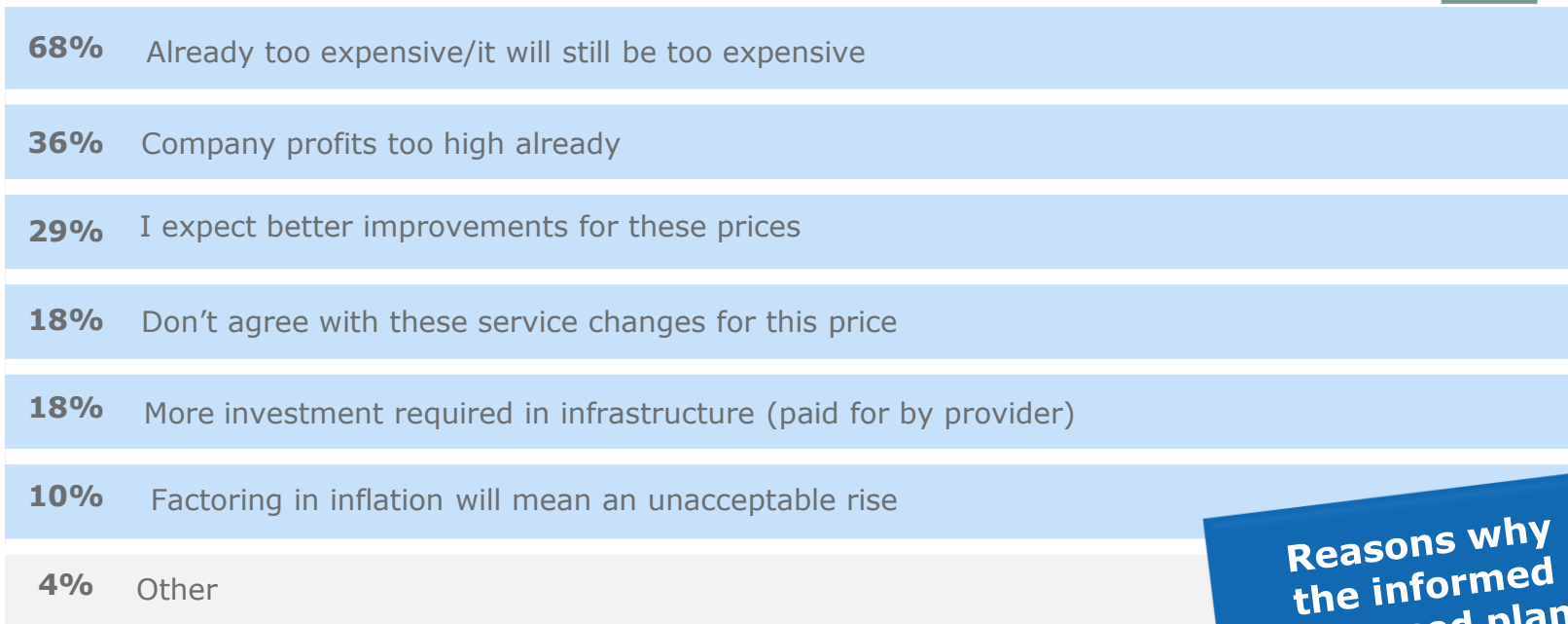
# Reasons for unacceptability (informed)

Over two thirds of HD customers feel that the bill is too expensive already and just over a third believe the company profits are too high.



NHD HH customers

Wrexham N=6 Powys N=22



**Reasons why  
the informed  
proposed plan  
is unacceptable**

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## 9. Summary of acceptability

This brief section summarises the various levels of customer acceptability from the previous sections, across the various bill options shown – both when uninformed and when informed.



# Perceptions of acceptability amongst HH customers in Powys

HD HH  
customers

In Powys a steady decrease in acceptability was observed the more customers became informed about the proposed plan, with just over two-fifths (43%) ultimately finding the plan, including inflation, acceptable.

	NET Total acceptability: (P n = 180)	NET acceptability: JAM (P n = 48)	NET acceptability: Low income (P n = 14)*	NET acceptability: Health & wellbeing (P n= 54)	NET acceptability: Service experience (P n = 57)
Uninformed acceptability: no inflation	65%	54%	61%	65%	65%
Informed acceptability: no inflation	51%	41%	57%	45%	50%
Informed acceptability: with inflation	43%	31%	45%	38%	41%



Significantly  
different than  
the Powys total



# Perceptions of acceptability amongst HH customers in Wrexham

Over three-quarters (78%) of HH customers in Wrexham found the plan, including inflation, acceptable.

HD HH  
customers

	NET Total acceptability: (W n = 200)	NET acceptability: JAM (W n = 87)	NET acceptability: Low income (W n = 61)	NET acceptability: Health & wellbeing (W n = 60)	NET acceptability: Service experience (W n = 96)
Uninformed acceptability: no inflation	87%	84%	88%	85%	83%
Informed acceptability: no inflation	86%	81%	84%	89%	82%
Informed acceptability: with inflation	78%	69%	75%	79%	74%



Significantly  
different than  
the Wrexham  
total



# Reasons for unacceptability changing when presented with inflation

The majority of reasoning related to issues related to price.

Wrexham N=40 Powys N=34





# Perceptions of acceptability amongst NHH customers in Powys

HD NHH customers

Amongst NHH customers in Powys, just under half (45%) deemed the plan acceptable when presented with inflation.

	NET Total acceptably (P n = 60)	NET acceptably Micro (P n = 50)
Uninformed acceptability: no inflation	60%	67%
Informed acceptability: no inflation	56%	61%
Informed acceptability: with inflation	45%	47%



Significantly  
different than  
the Powys total

# Perceptions of acceptability amongst NHH customers in Wrexham

Amongst NHH customers in Wrexham, around eight out of every ten customers deemed the plan acceptable when presented with inflation.

	NET Total acceptably (W n = 74)	NET acceptably Micro (W n = 62)
Uninformed acceptability: no inflation	77%	77%
Informed acceptability: no inflation	85%	87%
Informed acceptability: with inflation	83%	85%

HD NHH customers



Significantly  
different than  
the Wrexham  
total

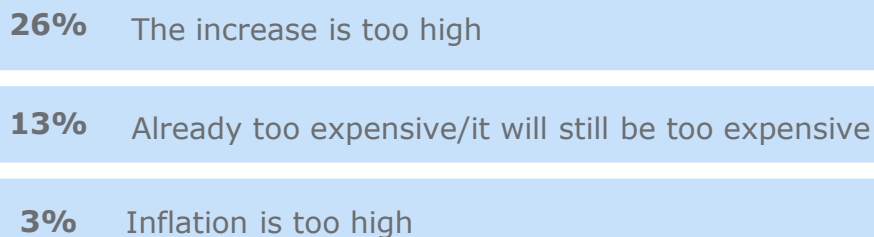


# Reasons for unacceptability change from earlier

Over two thirds of HD customers feel that the bill is too expensive already and just over a third believe the company profits are too high.



HD NHH customers



**Reasons why  
the informed  
proposed plan  
is unacceptable**

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## 10. Affordability

A look at the proportion of customers who find their current bill affordable as well as the proportion of customers who *would* find their future bill affordable

Customers were asked about how affordable they felt their bill *is* and *would be* at four different points in the questionnaire:

- They were asked about their current bill
- They were asked about the affordability of the proposed bill when in an uninformed position and using figures that *excluded* inflation
- They were asked about the affordability of the proposed bill once informed, but using figures that *excluded* inflation
- They were asked about the affordability of the proposed bill once informed, but using figures that *included* inflation





# Perceptions of affordability amongst HH customers in Powys

Affordability adopts a predictable downwards trajectory as customers were asked about ever increasing amounts. There were very few differences by sub-group however, it is noteworthy that JAMS customers were least likely to find any bill amount affordable.

	<b>NET Total affordability:</b> (P n = 180)	<b>NET affordability: JAM</b> (P n = 48)	<b>NET affordability: Low income</b> (P n = 14)*	<b>NET affordability: Health &amp; wellbeing</b> (P n = 54)	<b>NET affordability: Service experience</b> (P n = 57)
<b>Current affordability</b>	<b>68%</b>	38%	43%	64%	55%
<b>Uninformed affordability:</b> pink inflation	<b>41%</b>	24%	44%	34%	40%
<b>Informed affordability:</b> pink inflation	<b>36%</b> 30% / 4% / 4% / 2%	23%	42%	26%	39%
<b>Informed affordability:</b> inflation	<b>28%</b> 28% / 2% / 5% 2%	19%	30%	25%	25%

Key = x% that remained affordable

/ X% that moved from an affordable position to an unaffordable position / x% moved to neither / x% that moved to a DK



Significantly different than the Powys total



# Perceptions of affordability amongst HH customers in Wrexham

Amongst customers in Wrexham a similar pattern was observable however, there were much higher levels of perceived affordability apparent.

	<b>NET Total affordability:</b> (W n = 200)	<b>NET affordability: JAM</b> (W n = 87)	<b>NET affordability: Low income</b> (W n = 61)	<b>NET affordability: Health &amp; wellbeing</b> (W n = 60)	<b>NET affordability: Service experience</b> (W n = 96)
<b>Current affordability</b>	<b>75%</b>	58%	71%	65%	75%
<b>Uninformed affordability:</b> no inflation	<b>81%</b>	66%	69%	71%	77%
<b>Informed affordability:</b> no inflation	<b>78%</b> 71% / 2% / 7% / 1%	64%	73%	70%	75%
<b>Informed affordability:</b> inflation	<b>73%</b> 67% / 4% / 7% / 0%	56%	66%	61%	61%

Key = x% that remained affordable

/ X% that moved from an affordable position to an unaffordable position / x% moved to neither / x% that moved to a DK



Significantly different than the Wrexham total



# Perceptions of affordability amongst NHH customers in Powys

Less than half NHH customers in Powys deemed the plans affordable, with one-third of micro businesses deeming the plan to be affordable when shown including inflation.

	NET Total affordability (P n = 60)	NET affordability Micro (P n = 50)
Current affordability	52%	53%
Uninformed affordability: no inflation	35%	37%
Informed affordability: no inflation	45% 28% / 2% / 5% / 0%	49%
Informed affordability: inflation	32% 30% / 3% / 10% / 2%	33%



Significantly different  
than the Powys total

Key = x% that remained affordable

/ X% that moved from an affordable position to an unaffordable position / x% moved to neither / x% that moved to a DK



# Perceptions of affordability amongst NHH customers in Wrexham

Three-quarters (76%) of NHH customers in Wrexham deemed the plan to be affordable when shown including inflation.

	NET Total affordability (P n = 74)	NET affordability Micro (P n = 62)
Current affordability	81%	78%
Uninformed affordability: no inflation	71%	70%
Informed affordability: no inflation	77% 67% / 1% / 3% / 0%	77%
Informed affordability: inflation	76% 72% / 1% / 4% / 0%	77%



Significantly different than the Wrexham total

Key = x% that remained affordable

/ X% that moved from an affordable position to an unaffordable position / x% moved to neither / x% that moved to a DK

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# 11. Views towards ODI mechanism





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# 11a. HH views towards ODI penalty mechanism when **not meeting** targets

**Customers in Powys were given the following information:**

**Customers in Powys**

If Hafren Dyfrdwy does not meet all of its targets, the average 2025 bill, including inflation, could come down further. The lowest the average 2025 bill could be would be £317.

**Customers in Wrexham:**

If Hafren Dyfrdwy does not meet its targets, the average 2025 bill, including inflation, could come down further. The lowest the average 2025 bill could be is £182.

However, this would mean the service you receive is not as good as the plan you saw earlier. For example there would be more water quality complaints, supply interruptions, leakage, properties suffering from low pressure, and flooding incidents.





# Summary: ODIs – penalties

Almost two thirds of customers in Wrexham find the ODIs acceptable.

HD HH customers

	NET Total Acceptability: (W n = 200) (P n = 180)	NET Acceptability: JAM (W n = 87) (P n = 48)	NET Acceptability: Low income (W n = 61) (P n = 14)*	NET Acceptability: Health & wellbeing (W n = 60) (P n = 54)	NET Acceptability: Service experience (W n = 96) (P n = 57)
Wrexham	63%	64%	65%	68%	54%
Powys	56%	34%	28%	52%	39%

**NB.** The changes to bills that customers were shown:

**Powys:** Lowest average bill could be = £317.

**Wrexham:** Lowest average bill could be = £182.



- Significantly different than their region's average
- Significantly different to Powys/Wrexham

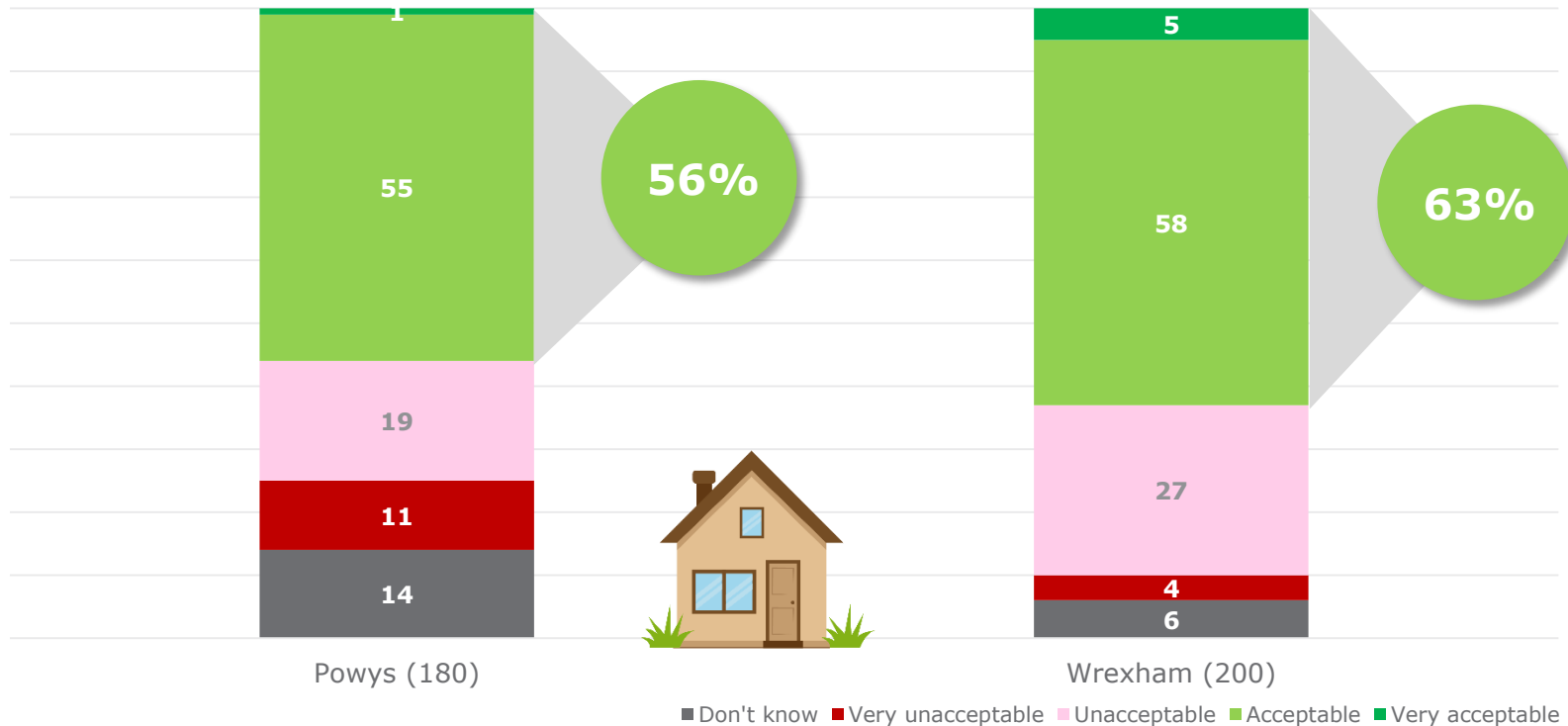
NETS displayed are the sum of those who selected either acceptable or very acceptable



# Acceptability of ODIs

Over half of customers felt the ODI mechanism was acceptable once they were shown how their HH bill could go down should HD not meet their targets.

Key: xx% = NET Acceptability



**NB. Customers were told that the average 2025 bill could come down:** Powys: The lowest the average 2025 bill could be would be £317. Wrexham: The lowest average 2025 bill could be would be £135

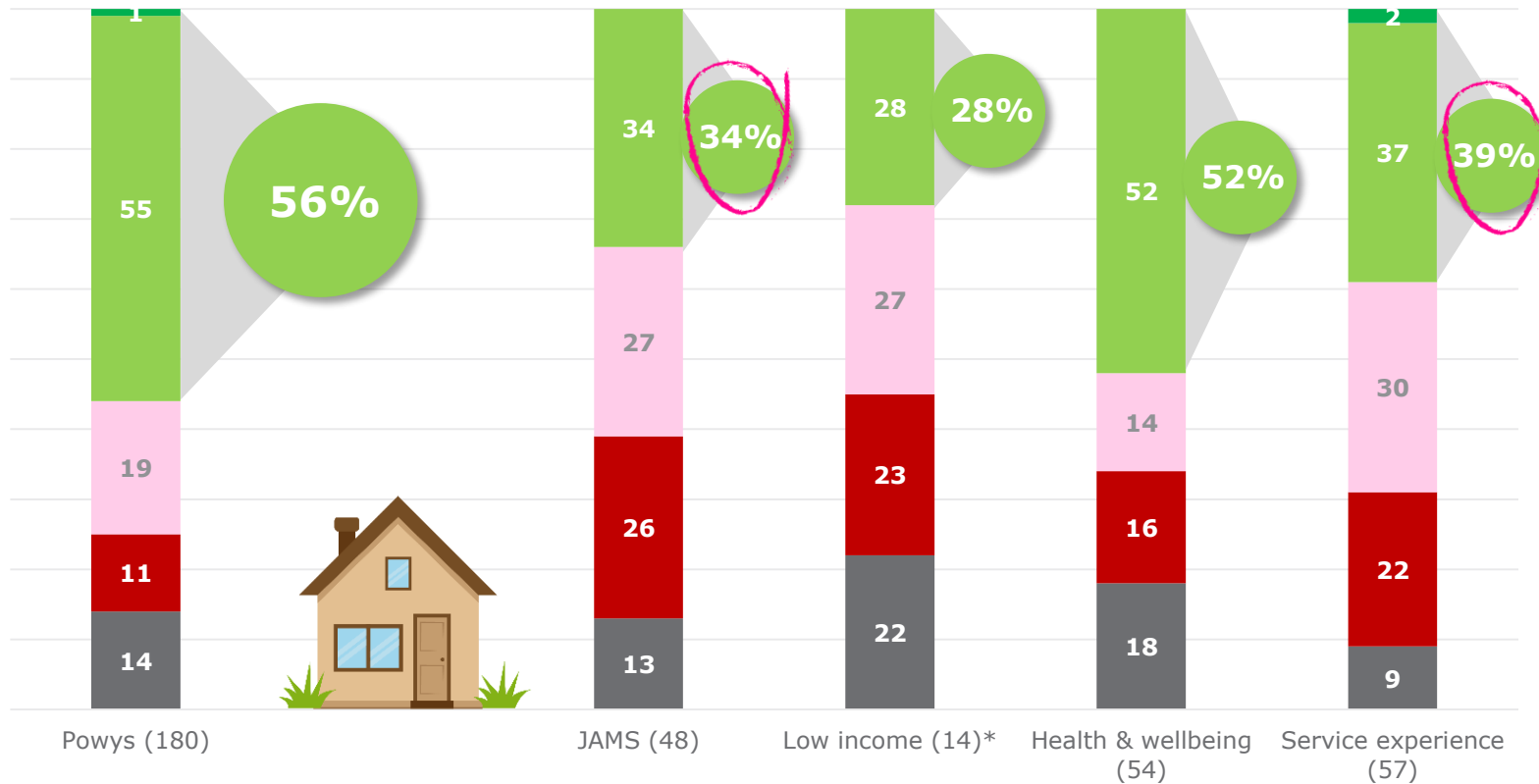
Q17A: Overall, how acceptable do you consider this proposal? Base: All Respondents. Powys (weighted data) n=180, Wrexham (weighted data) n=200.



# Acceptability of ODIs

Acceptability was significantly lower amongst those on a low income, JAMs customers and those who have experienced a service issue than the overall Powys customer base.

Key: XX% = NET acceptable and very acceptable.  
Circled in pink if sig diff to the average



HD HH customers POWYS

**NB. Customers were told that the average 2025 bill could come down:**

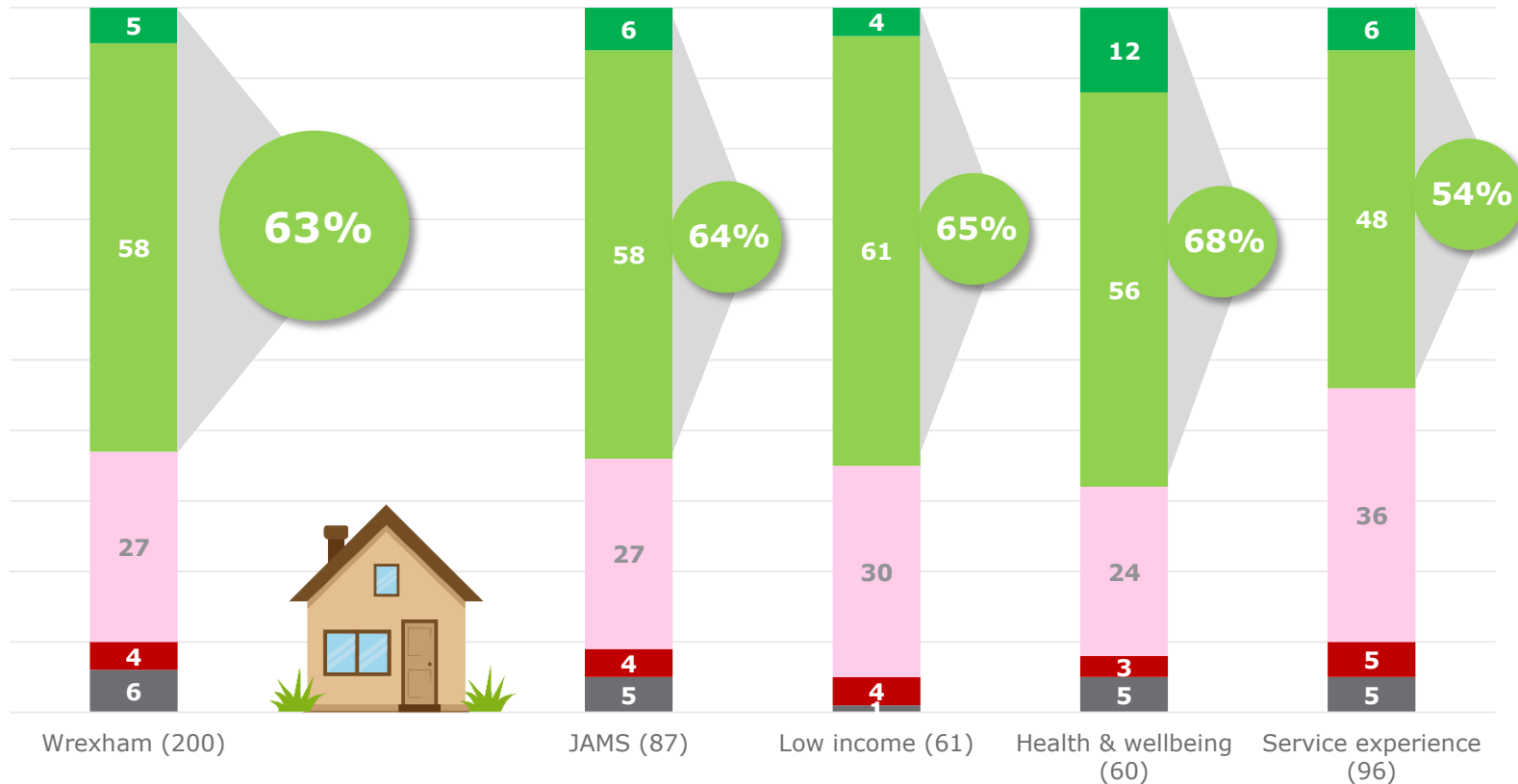
Powys: The lowest the average 2025 bill could be would be £317



# Acceptability of ODIs

Nearly two-thirds of customers in Wrexham found the ODI mechanism acceptable, a view that was consistent across sub-groups.


Key: XX% = NET acceptable and very acceptable.  
Circled in pink if sig diff to the average.



HD HH customers WREXHAM

**NB. Customers were told that the average 2025 bill could come down:**

Wrexham: The lowest average 2025 bill could be would be £135.



# 11b. NHH views towards ODI penalty mechanism when **not meeting** targets

## Customers in Powys were given the following information:

### Micro

If Hafren Dyfrdwy **does not meet** all of its targets, the average 2025 bill, including inflation, could come down further. The lowest the average 2025 bill could be would be £418.

### Small

If Hafren Dyfrdwy **does not meet** all of its targets, the average 2025 bill, including inflation, could come down further. The lowest the average 2025 bill could be would be £4,216.

## Customers in Wrexham were given the following information:

### Micro

If Hafren Dyfrdwy **does not meet** all of its targets, the average 2025 water bill, including inflation, could come down further. The lowest the average 2025 water bill could be would be £189.

### Small

If Hafren Dyfrdwy **does not meet** all of its targets, the average 2025 water bill, including inflation, could come down further. The lowest the average 2025 water bill could be would be £2,436.

However this would mean the service you receive is not as good as the plan you saw earlier. For example there would be more water quality complaints, supply interruptions, leakage, properties suffering from low pressure, and flooding incidents.

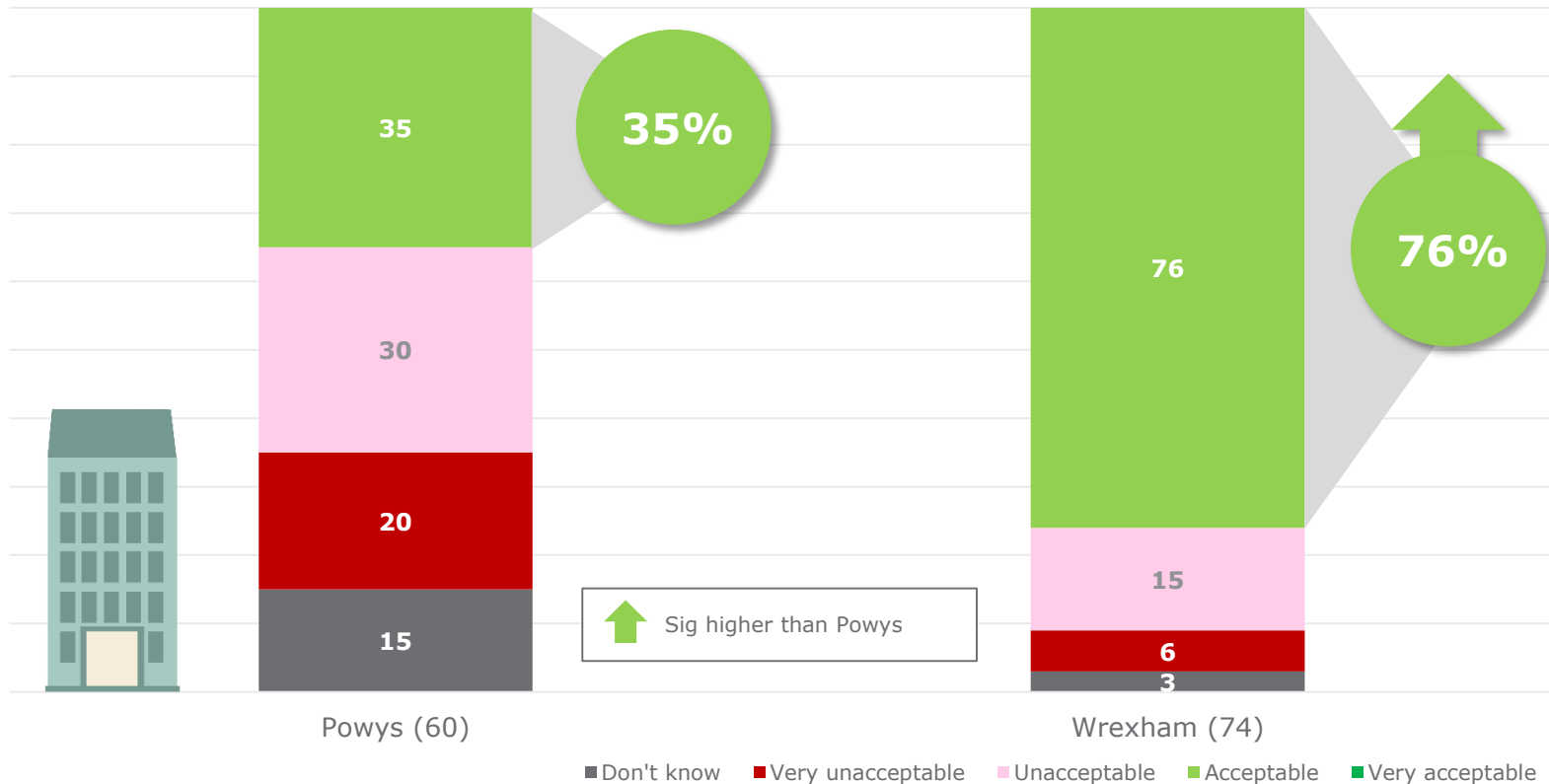


# Acceptability of ODIs

Over three quarters (76%) of NHH customers in Wrexham find the ODI penalty mechanism acceptable compared with only around a third (35%) in Powys.

HD NHH customers

Key: XX% = NET acceptable and very acceptable.



**NB. The changes to bills that customers were shown:** Powys: Lowest average bill micro = £418 small = £4,216 Wrexham: Lowest average bill micro = £189 small = £2,436

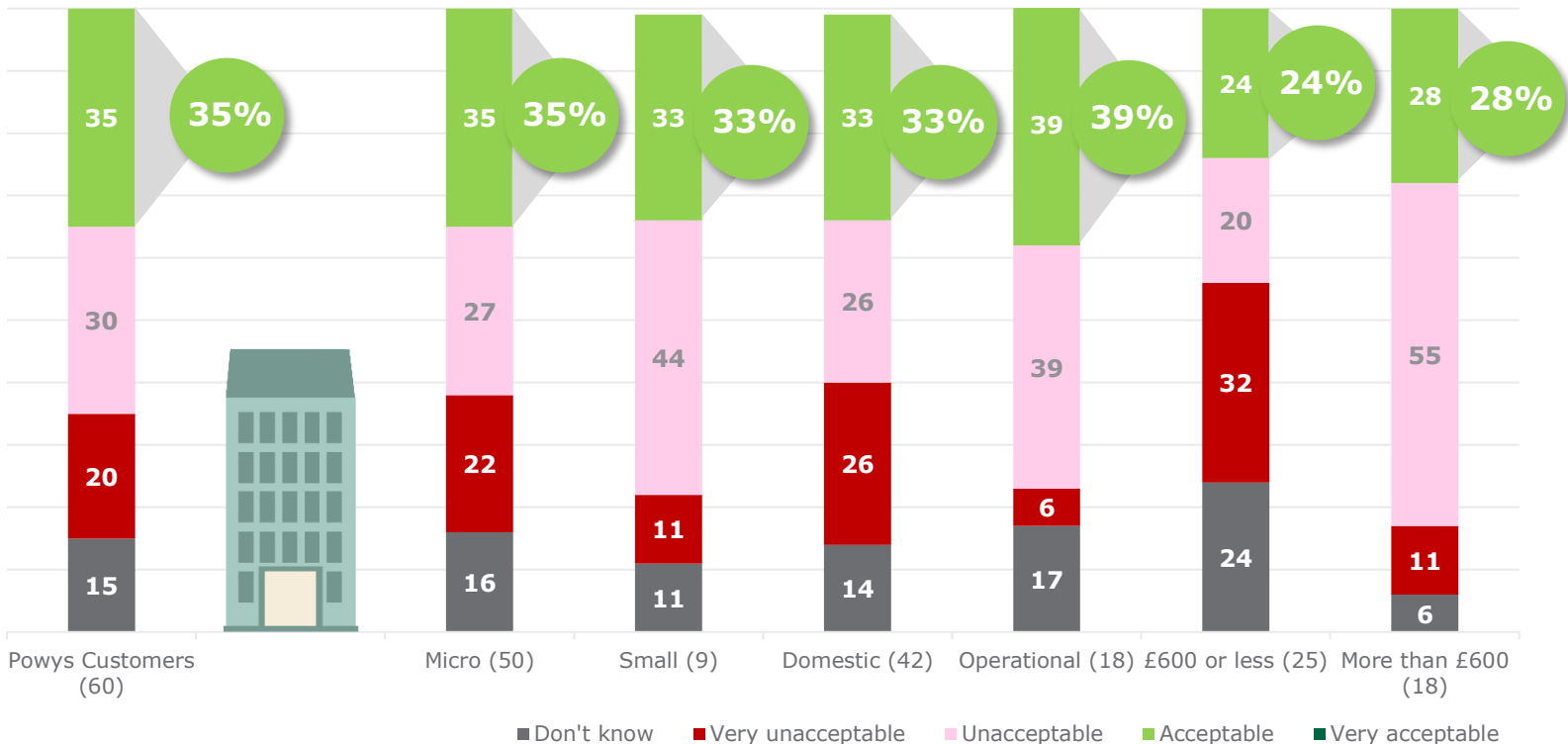




# Acceptability of ODIs

Low levels of acceptability were observed once Powys customers were shown how their NHH bill could go down should HD not meet their targets.

Key: XX% = NET acceptable and very acceptable.  
Circled in pink if sig diff to the average



HD NHH customers POWYS

**NB. The changes to bills that customers were shown:**

Powys: Lowest average bill micro = £418 small = £4,216

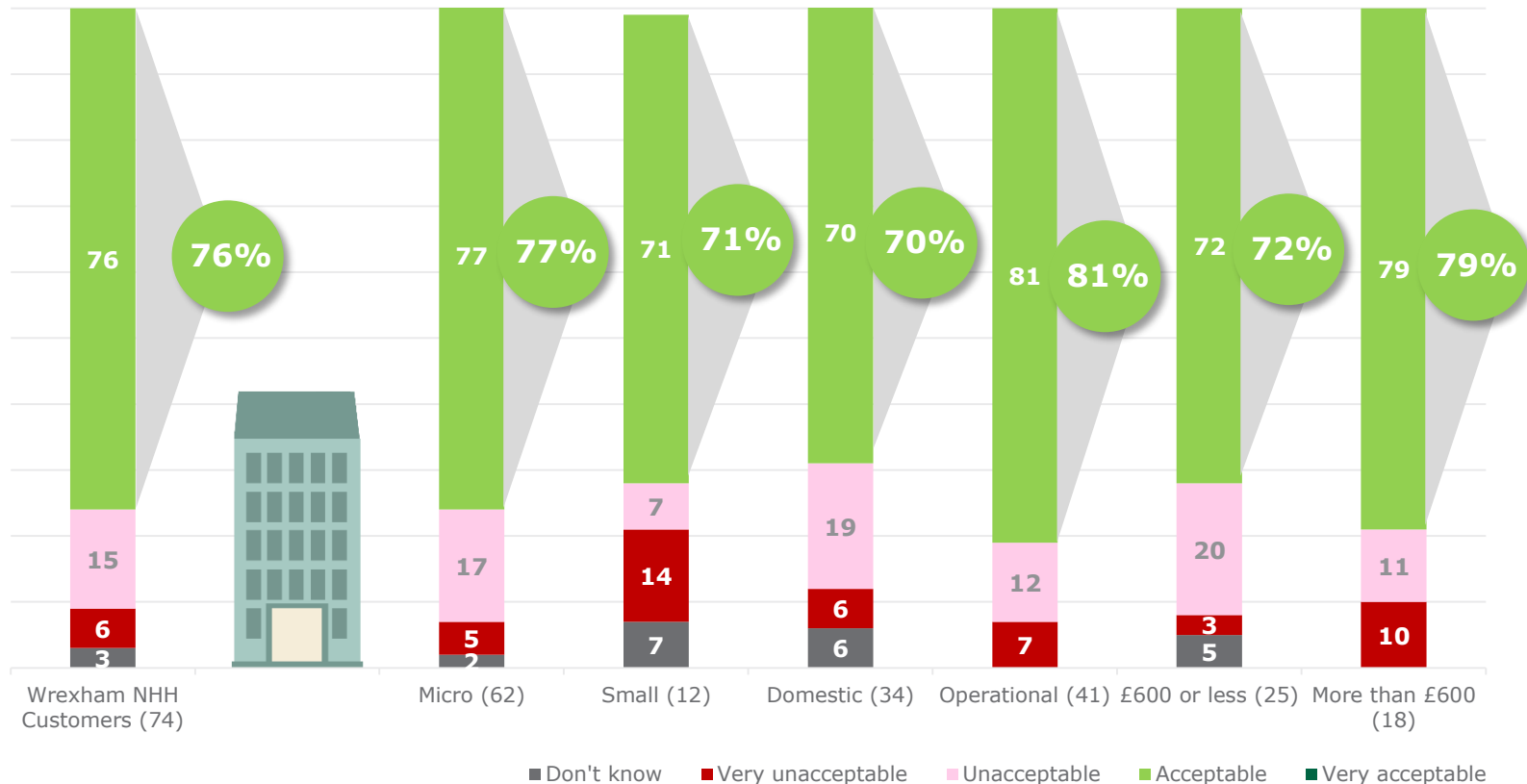


# Acceptability of ODIs

High levels of acceptability were observed once customers in Wrexham were shown that their NHH bill could go down should HD not meet their targets.

HD NHH customers WREXHAM

Key: XX% = NET acceptable and very acceptable.  
Circled in pink if sig diff to the average.



**NB. The changes to bills that customers were shown:**

Wrexham: Lowest average bill micro = £189 small = £2,436.

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# 11c. HH views towards ODI incentive mechanism when exceeding targets

## Customers in Powys were given the following information:

On the other hand, if Hafren Dyfrdwy exceeds all of its targets, the average 2025 bill, including inflation, could be higher. The highest the average 2025 bill could be would be £335.

## Customers in Wrexham were given the following information:

On the other hand, if Hafren Dyfrdwy exceeds its targets, the average 2025 bill, including inflation, could be higher. The highest the average 2025 bill could be would be £196.

This would mean the service you receive would be better than the plan we showed you earlier. For example, there would be fewer water quality complaints, fewer supply interruptions, less leakage and fewer properties suffering from low pressure.



# Summary: ODIs – rewards

Around half of Powys and Wrexham HH customers felt the ODIs rewards are acceptable.

HD HH customers

	<b>NET Total Acceptability:</b> (W n = 200) (P n = 180)	<b>NET Acceptability: JAM</b> (W n = 87) (P n = 48)	<b>NET Acceptability: Low income</b> (W n = 61) (P n = 14)*	<b>NET Acceptability: Health &amp; wellbeing</b> (W n = 60) (P n = 54)	<b>NET Acceptability: Service experience</b> (W n = 96) (P n = 57)
<b>Wrexham</b>	<b>51%</b>	41%	45%	55%	46%
<b>Powys</b>	<b>57%</b>	48%	45%	54%	42%

**NB. The changes to bills that customers were shown:**

**Powys:** Highest average bill could be = £335.

**Wrexham:** Highest average bill could be = £196.



Significantly different than their region's average



Significantly different to Powys/ Wrexham

NETS displayed are the sum of those who selected either acceptable or very acceptable

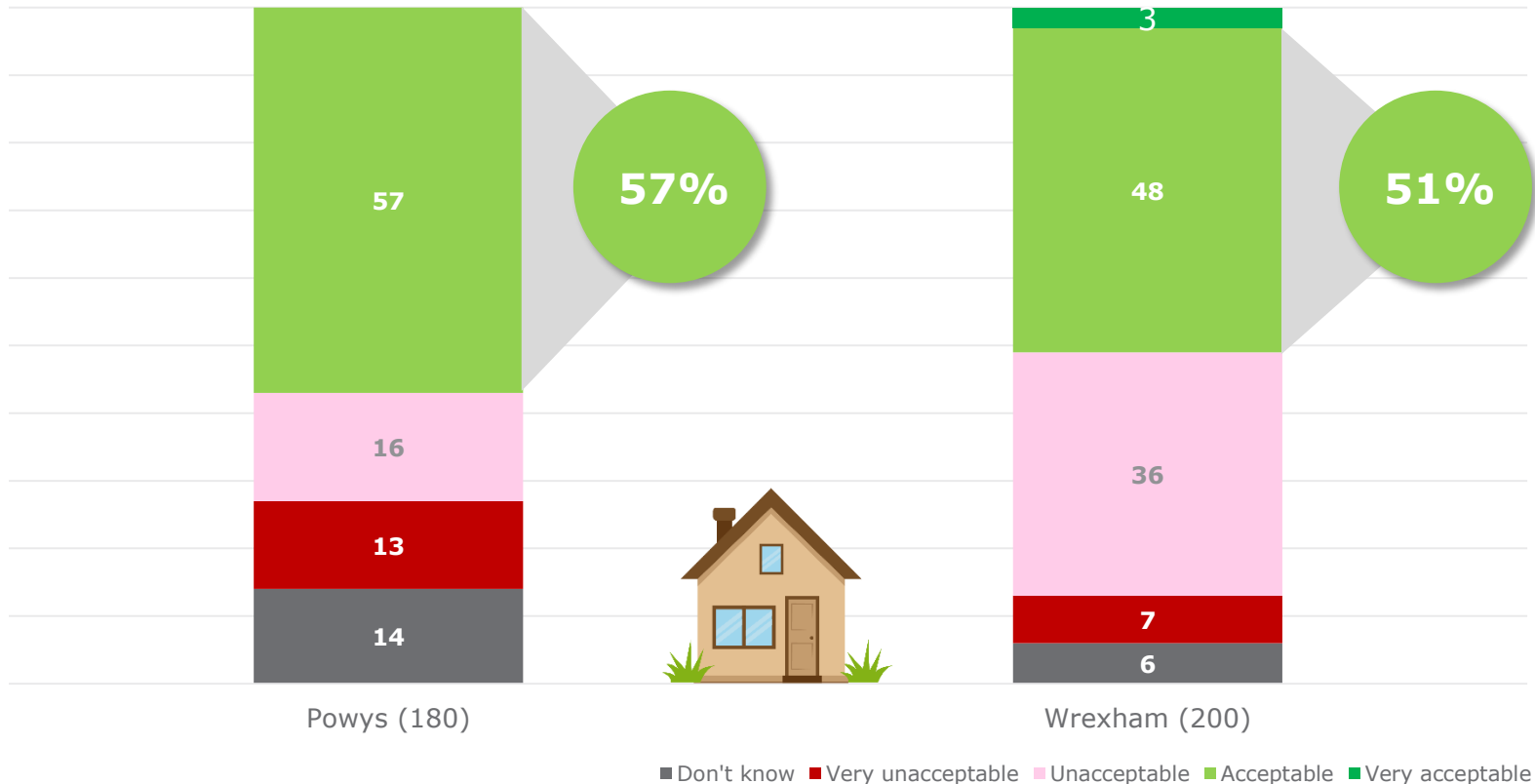


# Acceptability of ODIs

Bills going up for exceeding targets were seen as acceptable by over half of Powys customers and just under half of Wrexham customers.

HD HH customers

Key: XX% = NET acceptable



**NB. The changes to bills that customers were shown:**

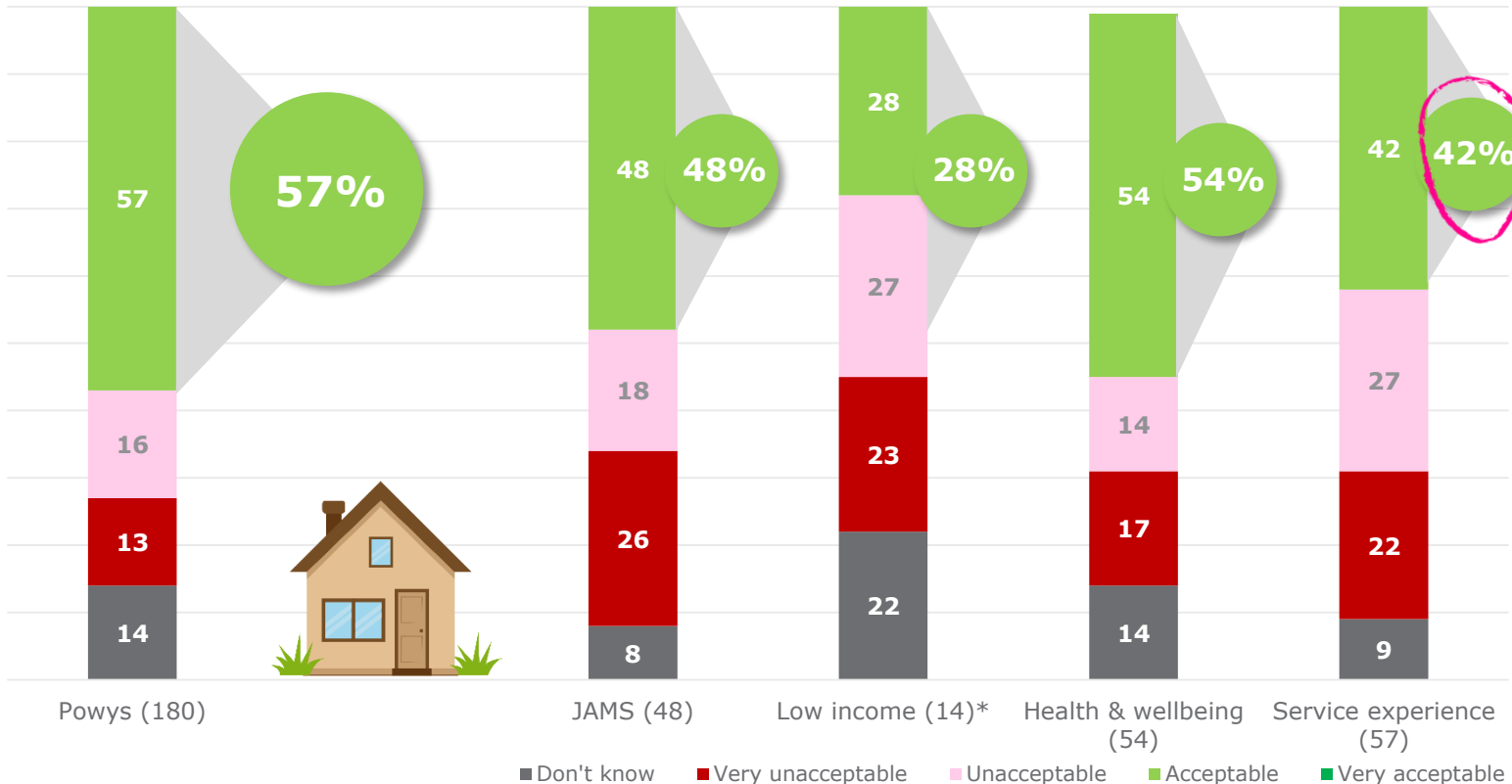
Powys: Highest average bill = £139 Wrexham: Highest average bill = £196



# Acceptability of ODIs

Acceptability was significantly lower amongst those on a low income and those who have experienced a service issue than the wider Powys customer base.

Key: XX% = NET acceptable and very acceptable.  
Circled in pink if sig diff to the average.



HD HH customers POWYS

**NB. The changes to bills that customers were shown:** Powys: Highest average bill = £139.



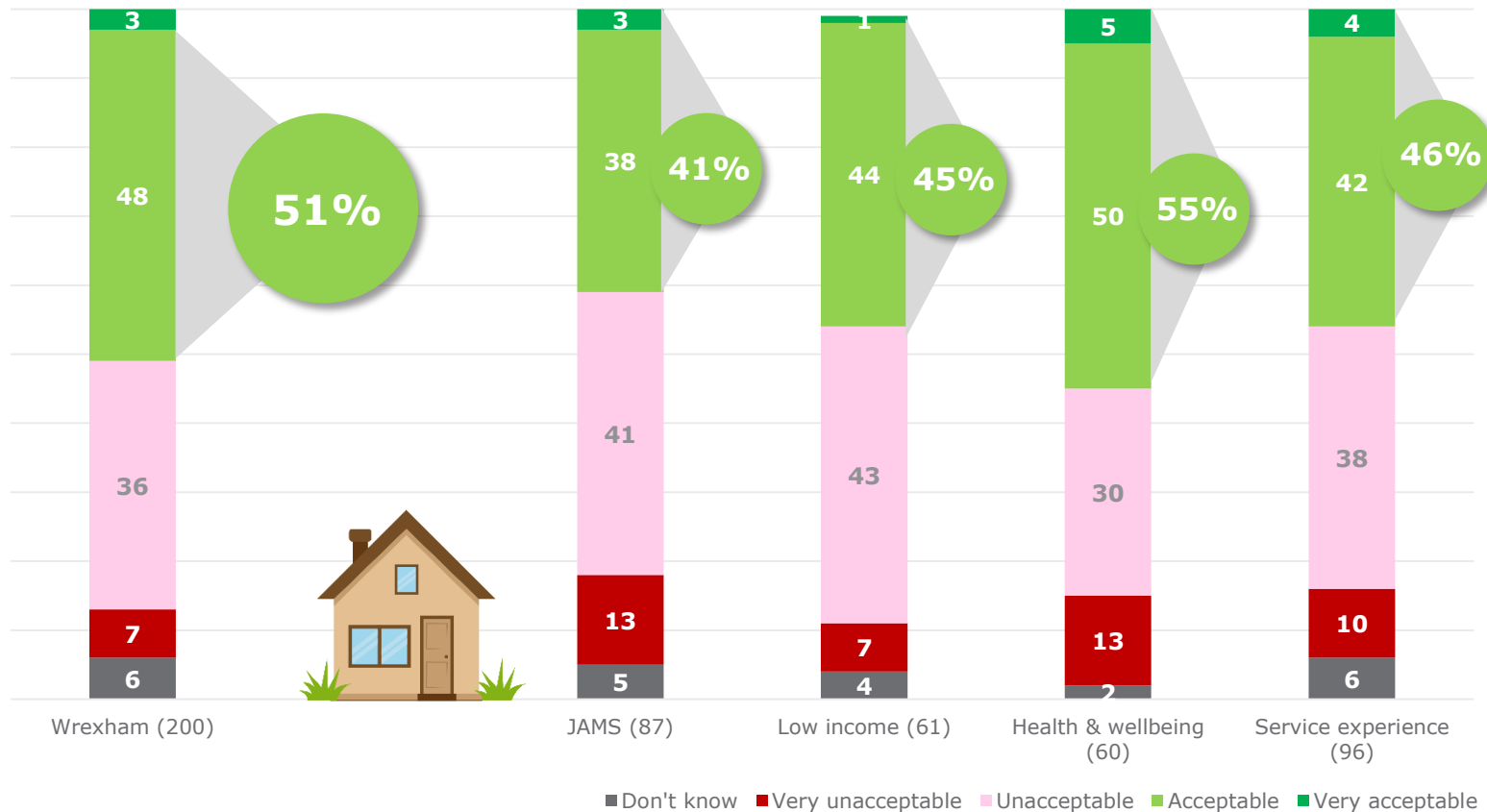


# Acceptability of ODIs

Aside from those health and wellbeing customers, acceptance was less than half for customers.

Key: XX% = NET acceptable and very acceptable.  
Circled in pink if sig diff to the average.

HD HH customers WREXHAM



**NB. The changes to bills that customers were shown:**

Wrexham: The lowest average 2025 bill could be would be £135.



# 11d. NHH views towards ODI incentive mechanism when **exceeding** targets

## Customers in Powys were told:

### Micro

On the other hand, if Hafren Dyfrdwy exceeds all of its targets, the average 2025 bill, including inflation, could be higher. The highest the average 2025 bill could be would be £438

### Small

On the other hand, if Hafren Dyfrdwy exceeds all of its targets, the average 2025 bill, including inflation, could be higher. The highest the average 2025 bill could be would be £4,455

## Customers in Wrexham were told:

### Micro

On the other hand, if Hafren Dyfrdwy exceeds all of its targets, the average 2025 water bill, including inflation, could be higher. The highest the average 2025 water bill could be would be £205

### Small

On the other hand, if Hafren Dyfrdwy exceeds all of its targets, the average 2025 water bill, including inflation, could be higher. The highest the average 2025 water bill could be would be £2,638

This would mean the service you receive would be better than the plan we showed you earlier. For example, there would be fewer water quality complaints, fewer supply interruptions, less leakage, and fewer properties suffering from low pressure.

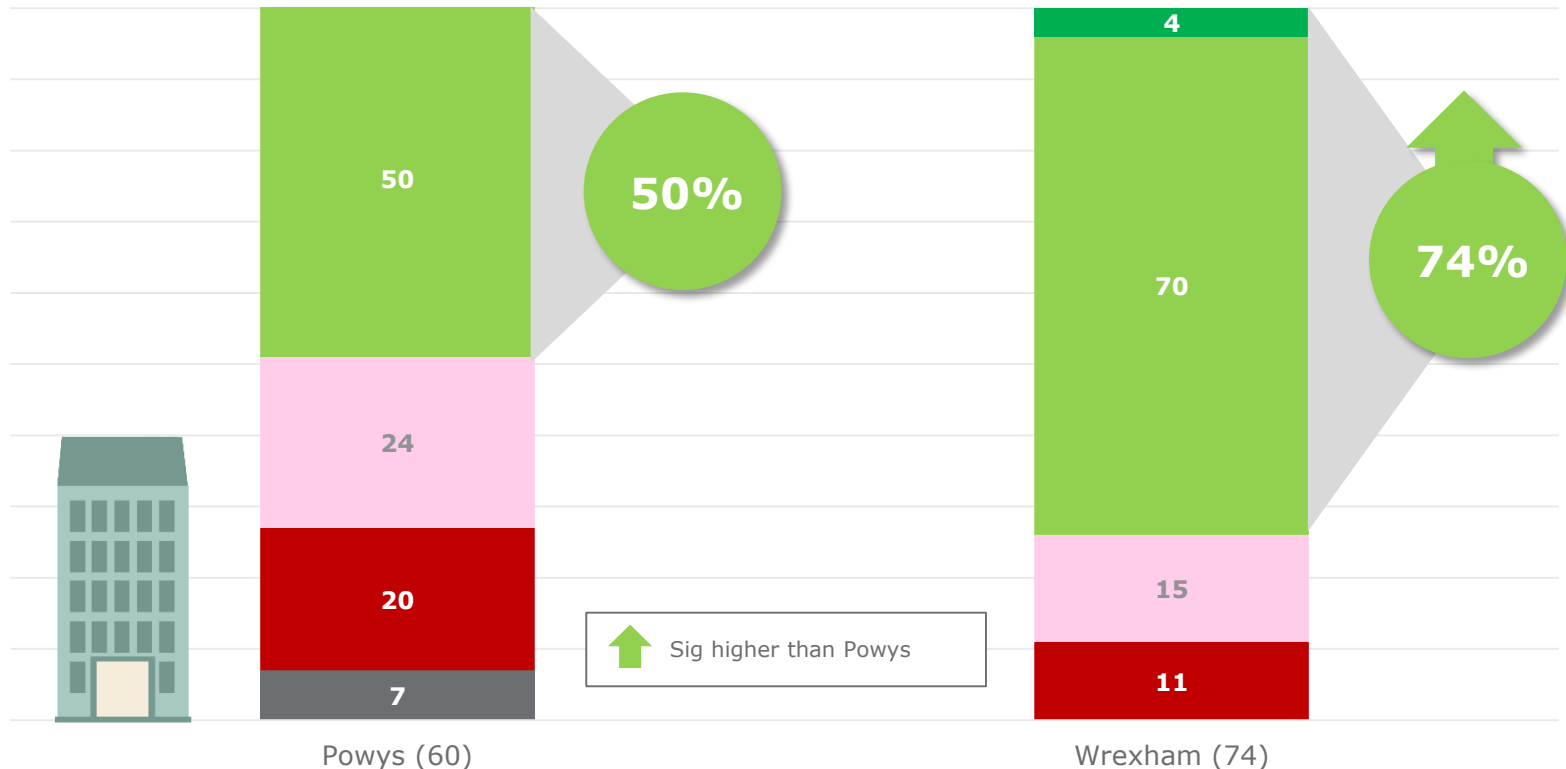


# Acceptability of ODIs

Over three quarters of non-household customers in Wrexham found the ODI reward mechanism acceptable compared with half of those in Powys.

HD NHH customers

Key: XX% = NET acceptable and very acceptable



■ Don't know ■ Very unacceptable ■ Unacceptable ■ Acceptable ■ Very acceptable

**NB. The changes to bills that customers were shown:** Powys: Lowest average bill micro=£438 small = £4,455 Wrexham: Lowest average bill micro=£205 small=£2,638

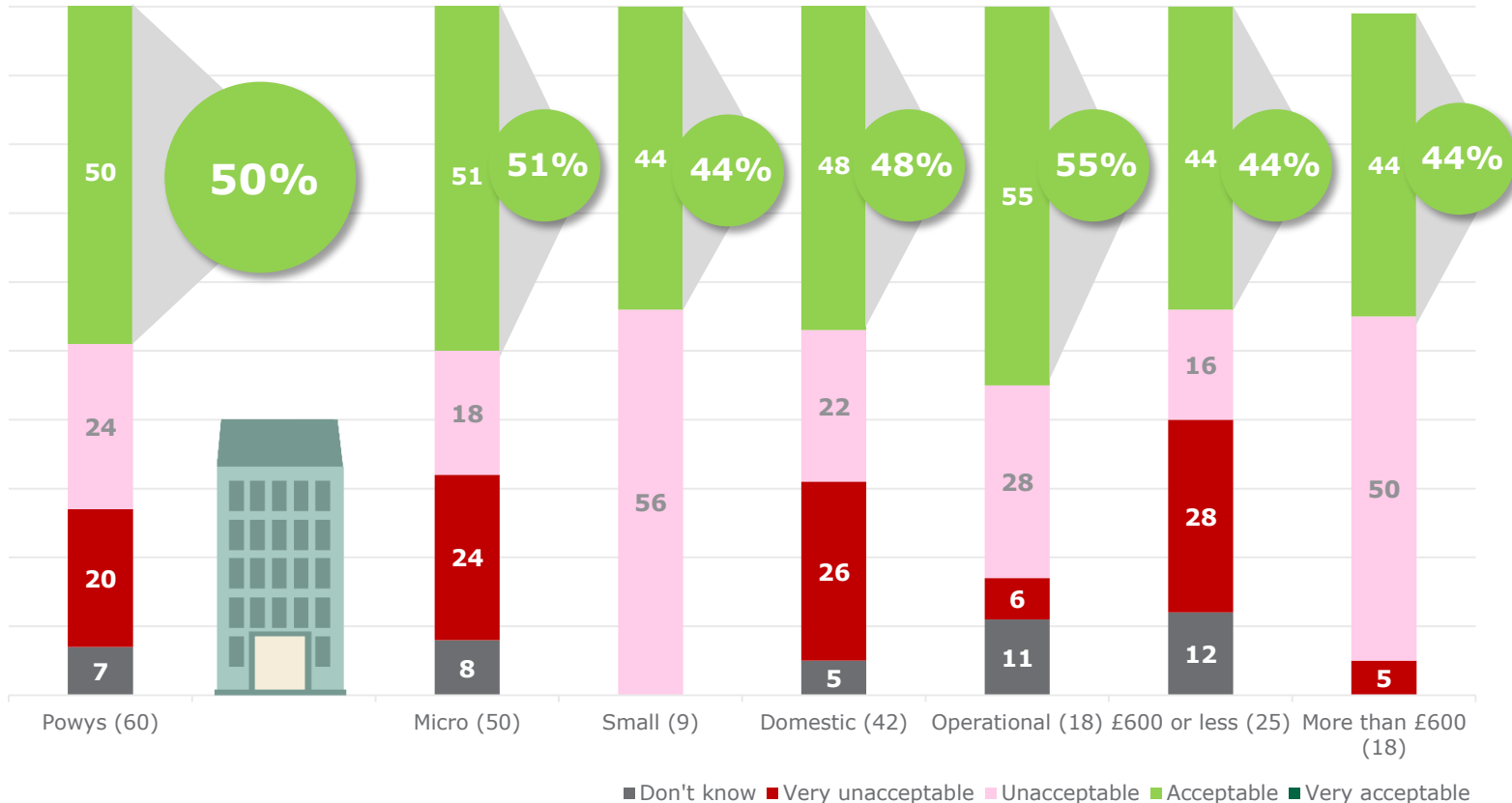


# Acceptability of ODIs

Views were split amongst customers in Powys when shown that their NHH bill could go up should HD exceed their targets.

Key: XX% = NET acceptable and very acceptable.  
Circled in pink if sig diff to the average.

HD NHH customers POWYS



**NB. . The changes to bills that customers were shown:**

Powys: Lowest average bill micro = £438 small = £4,455.

Q17B. After reading what you have just read, could you please state whether you think this is acceptable to you a business customer?

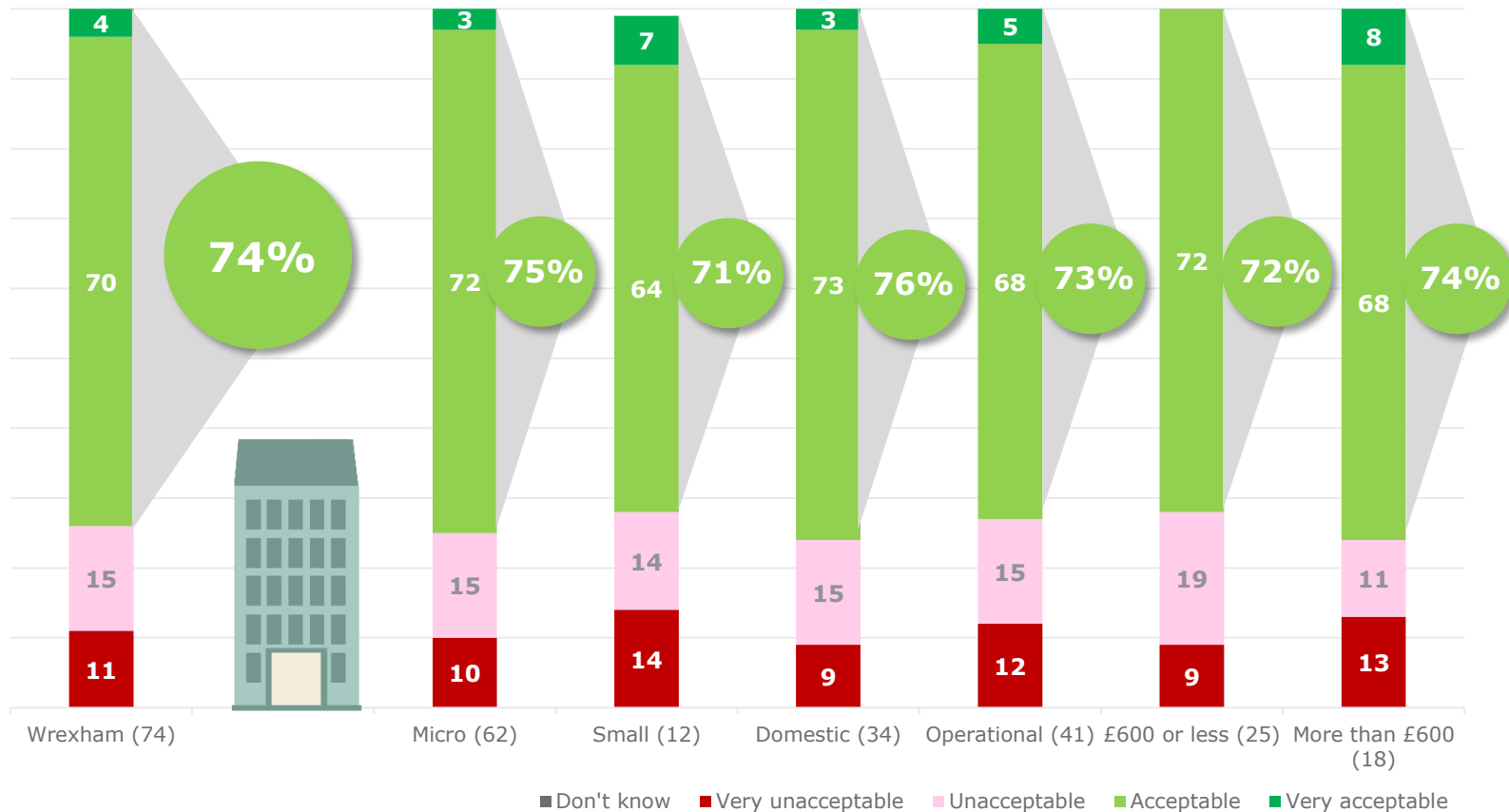
104 Base: All Respondents Powys (weighted data) n=60.



# Acceptability of ODIs

High levels of acceptability were observed once Wrexham customers were shown their NHH bill could go up should HD exceed their targets.

Key: XX% = NET acceptable and very acceptable.  
Circled in pink if sig diff to the average.



HD NHH customers WREXHAM


**NB. . The changes to bills that customers were shown:**

Wrexham: Lowest average bill micro = £205 small = £2,638.

Q17B. After reading what you have just read, could you please state whether you think this is acceptable to you a business customer?

105 Base: All Respondents Wrexham (weighted data) n=74.





**11e. Views  
towards ODI  
mechanism once it  
had been clarified  
that in reality the  
bill that customers  
will pay will  
fall somewhere  
between the  
extremes detailed  
previously**

**Customers were told the following after  
being shown what the lowest and highest  
average 2025 bill could be:**

In reality the bill you will pay will fall somewhere between these two extremes, depending on how Hafren Dyfrdwy performs, Hafren Dyfrdwy will be assessed against each target, and a “penalty” for not meeting a different target.



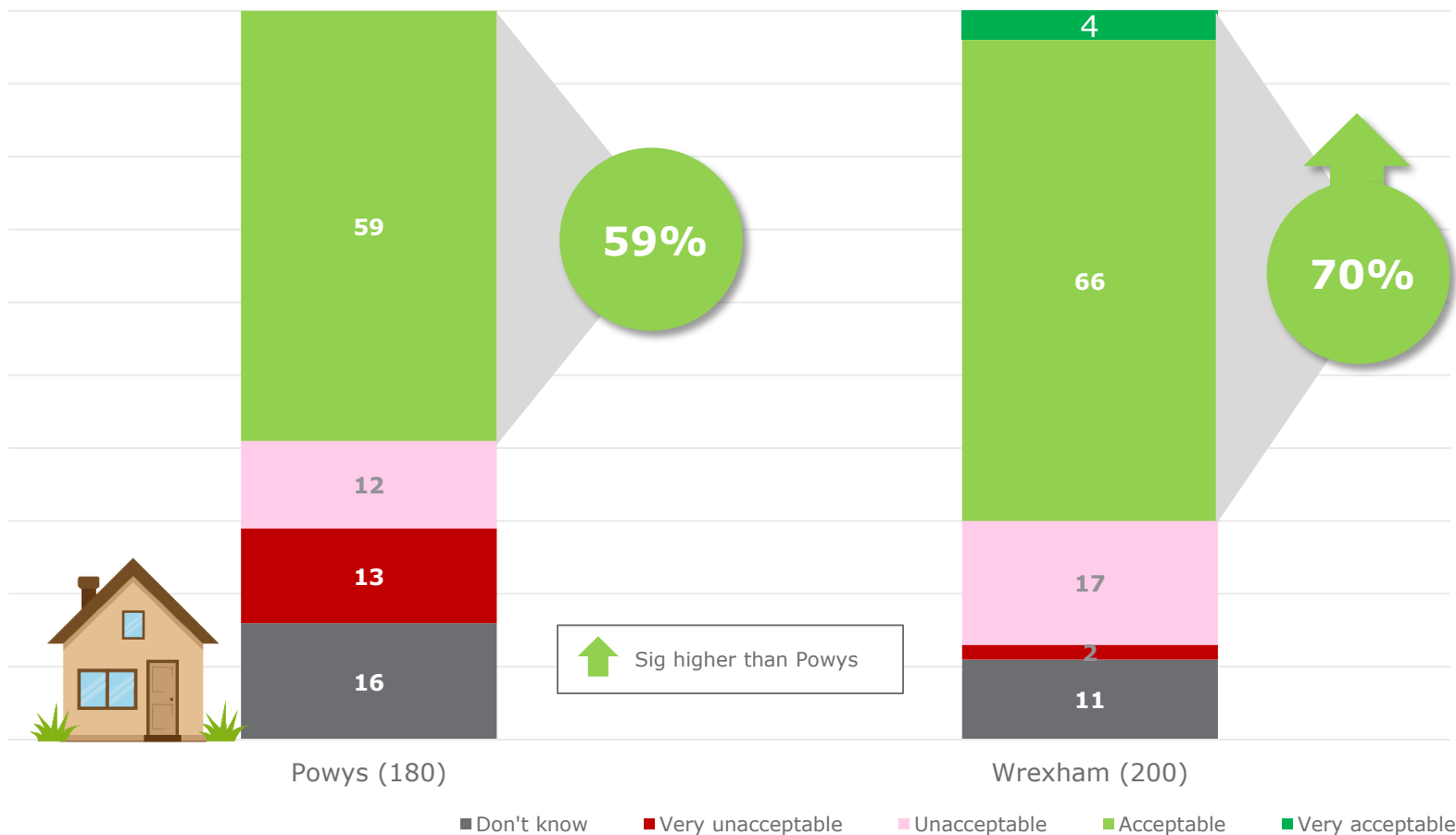


# Acceptability of ODI mechanism

Almost three quarters of HH customers in Wrexham find the rewards and penalties mechanism acceptable, while three-fifths (59%) of customers in Powys concur.

HD HH customers

Key: xx% = NET Acceptability

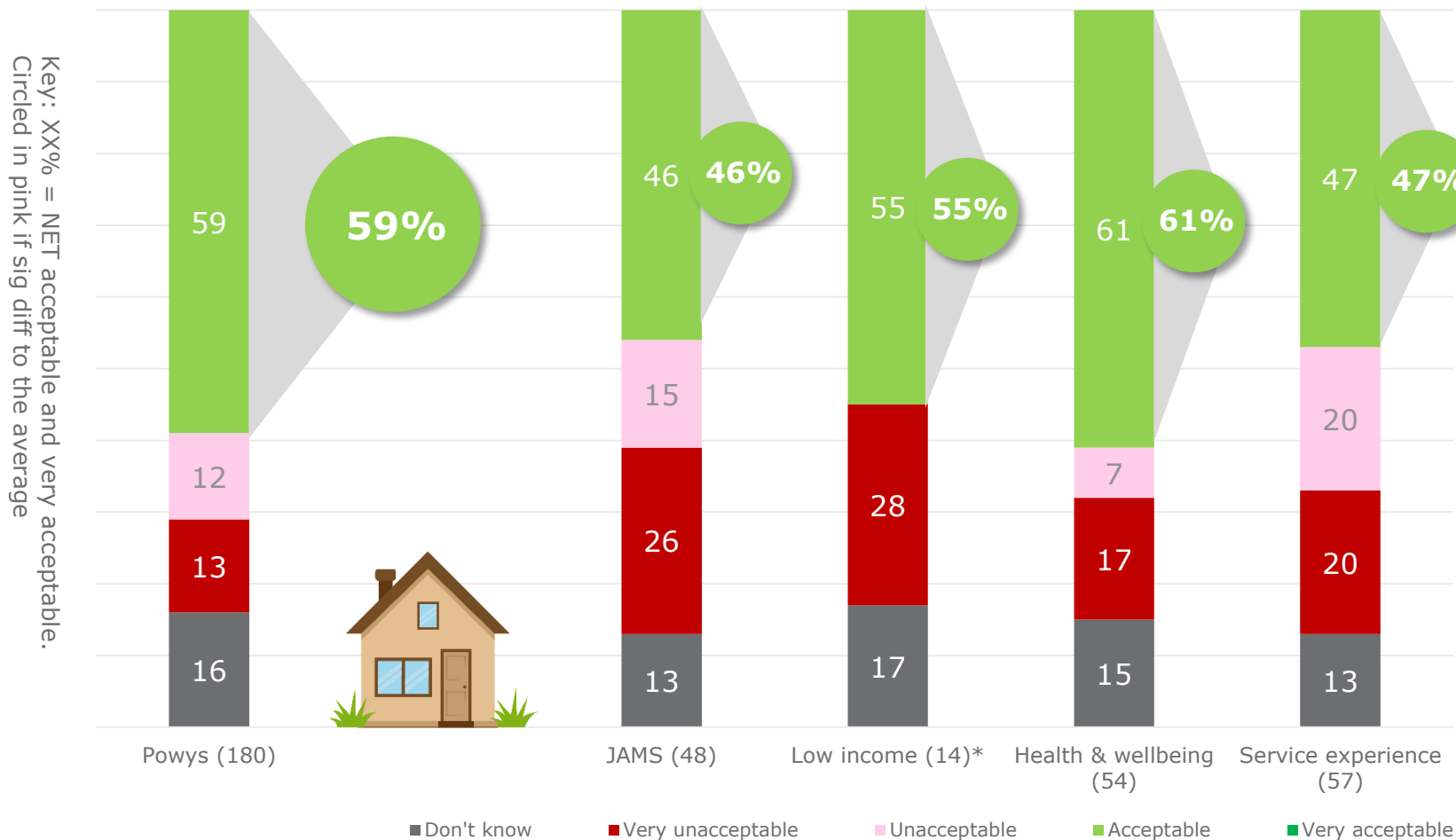




# Acceptability of ODI mechanism

Acceptability amongst sub-groups was broadly in line with the overall Powys customer base, of whom three-fifths found the mechanism acceptable.

HD HH customers POWYS

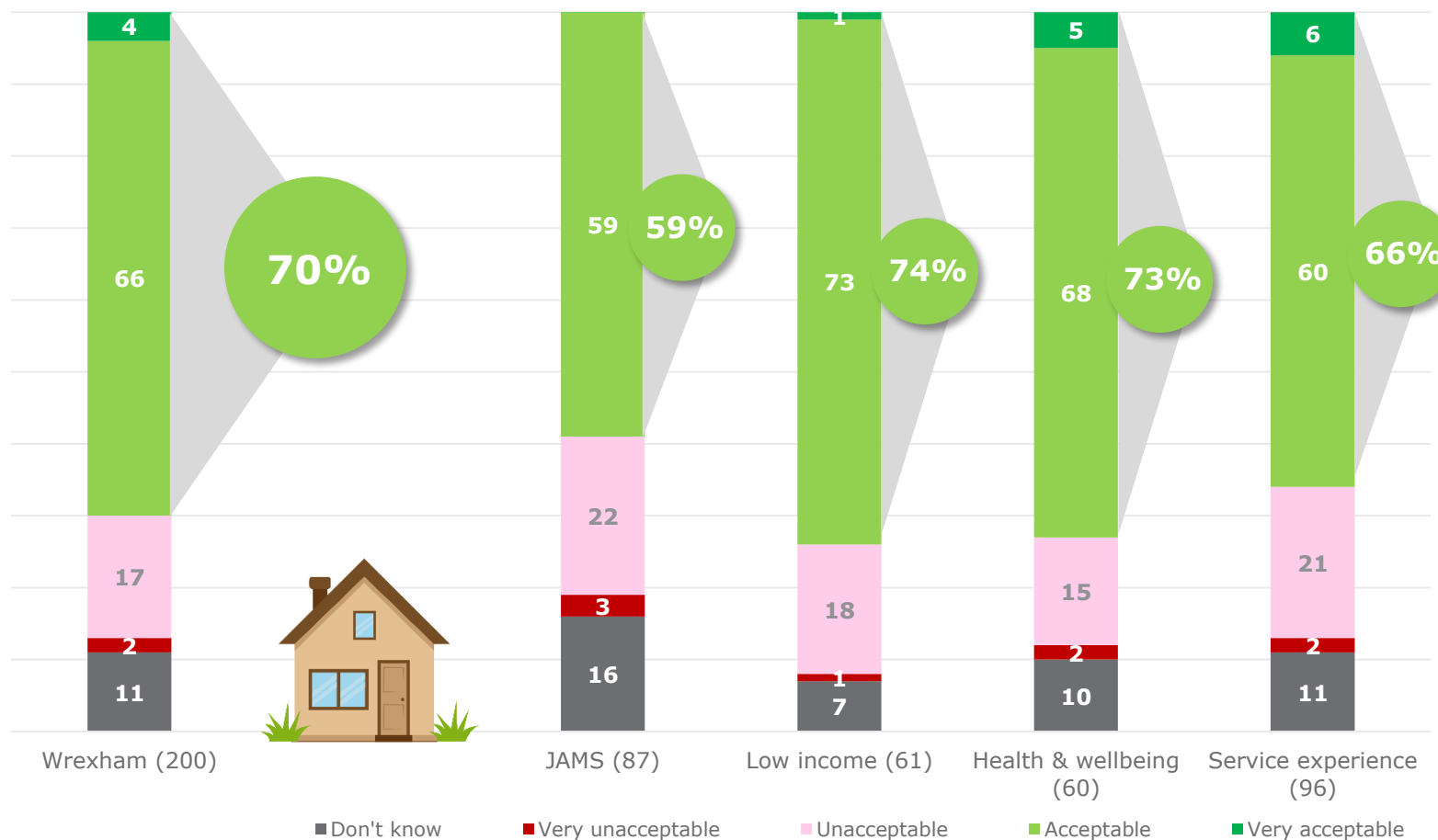




# Acceptability of ODI mechanism

Seven out of every ten HH customers in Wrexham found the ODI mechanism acceptable once clarified.

Key: XX% = NET acceptable and very acceptable.  
Circled in pink if sig diff to the average.



HD HH customers WREXHAM

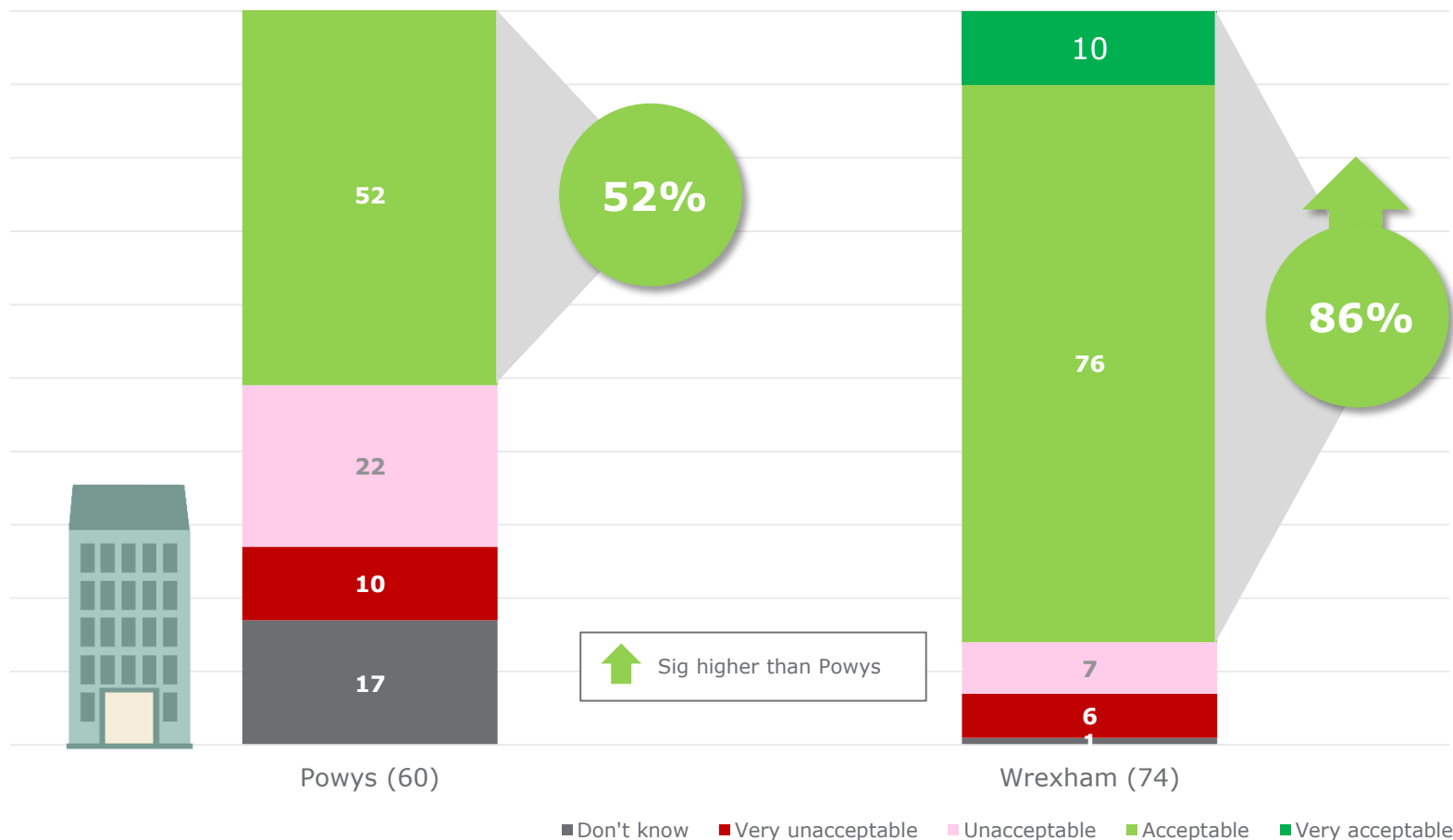


# Acceptability of ODI mechanism

The vast majority of non-household customers in Wrexham found the ODI mechanism acceptable, while just over half of Powys HH customers felt the same.

HD NHH customers

Key: XX% = NET acceptable and very acceptable.

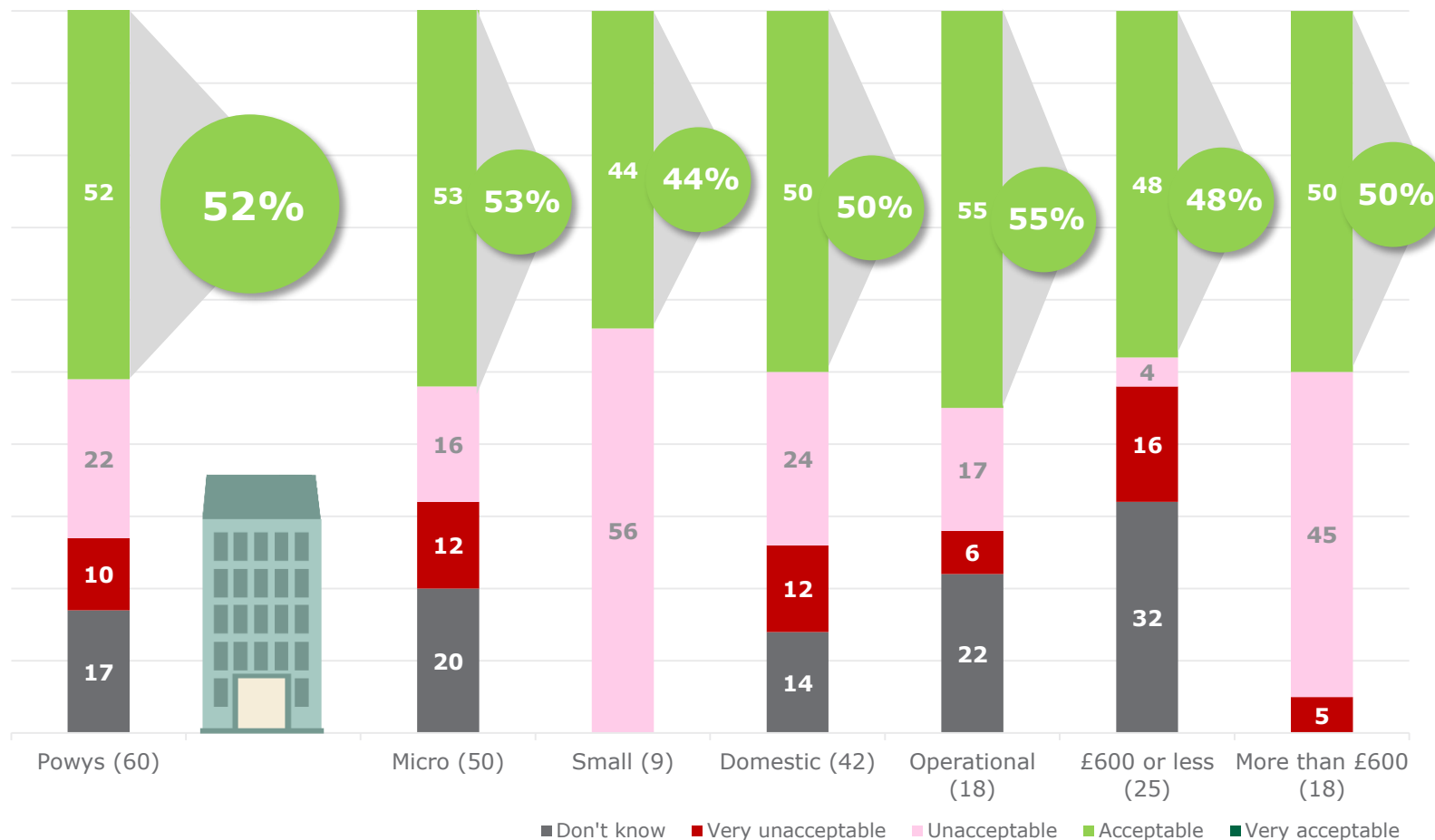




# Acceptability of ODI mechanism

Acceptability amongst sub-groups was broadly in line with the wider NHH customer base in Powys.

Key: XX% = NET acceptable and very acceptable.  
Circled in pink if sig diff to the average.



HD NHH customers POWYS

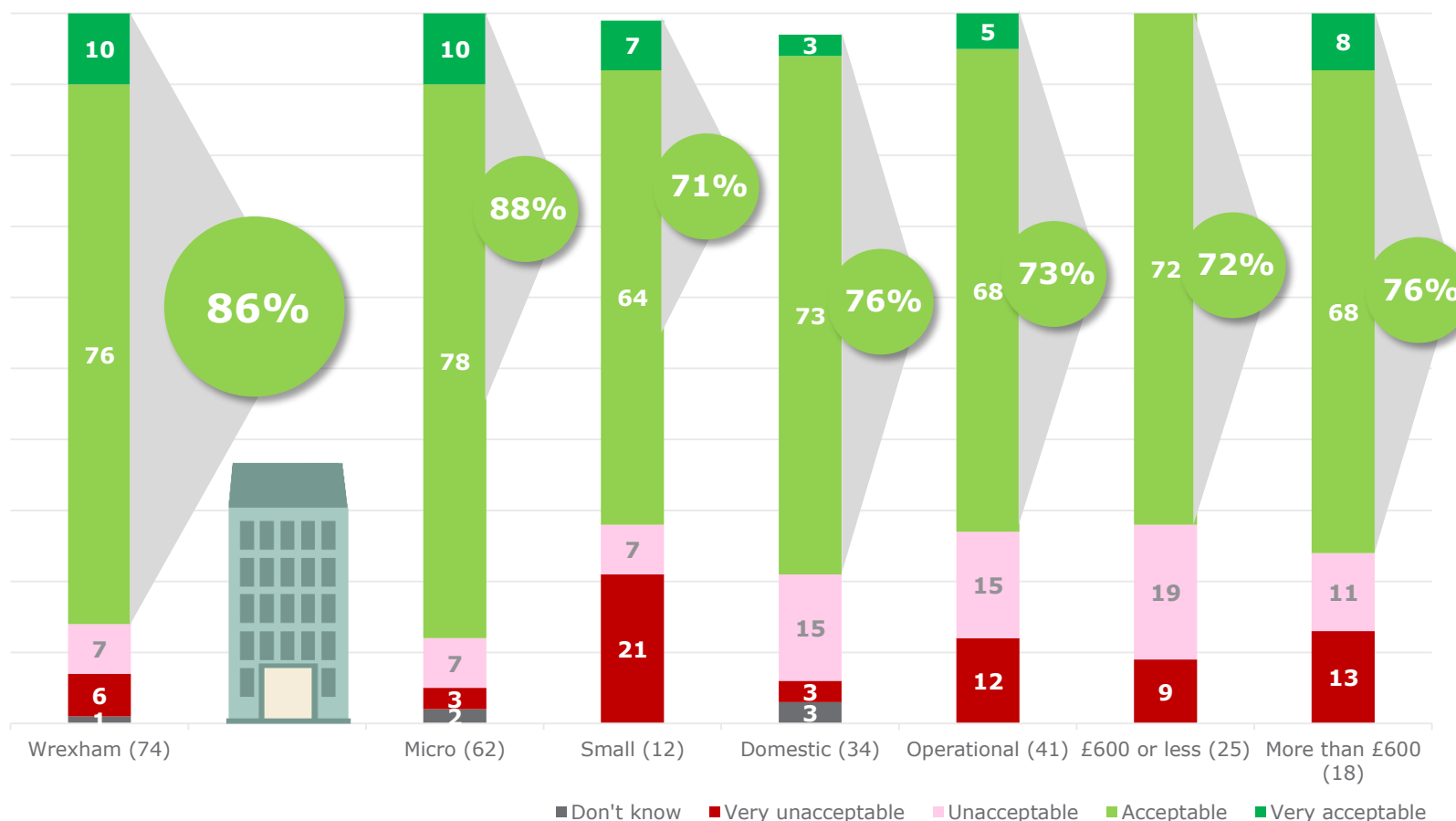


# Acceptability of ODI mechanism

High levels of acceptability were observed once Wrexham customers were shown their NHH bill would fall somewhere in between the two extremes associate with penalties and rewards.

HD NHH customers WREXHAM

Key: XX% = NET acceptable and very acceptable.  
Circled in pink if sig diff to the average.





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## 12. Appendix



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# 12a Current bill





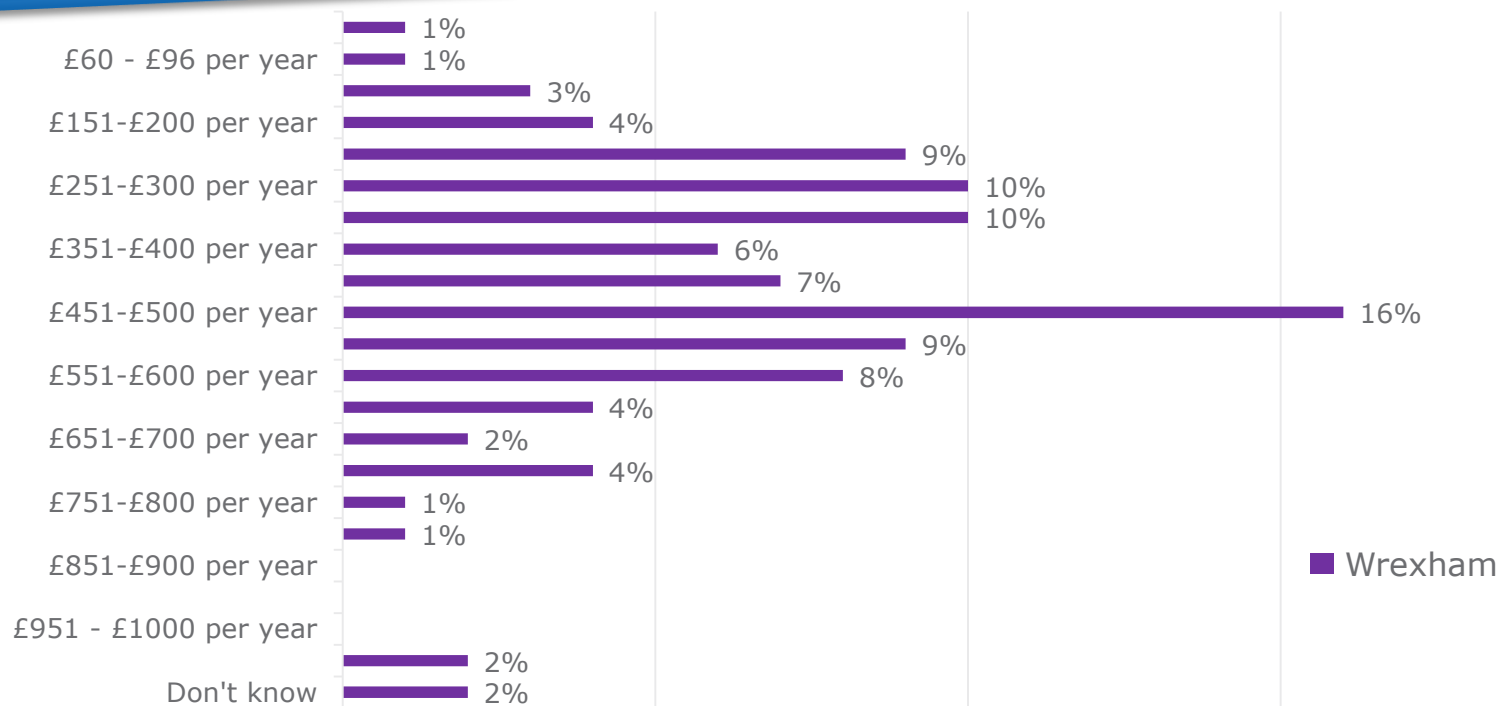
# What customers are currently paying

Two thirds of customers in Wrexham pay £500 or less per year.



Wrexham HH customers

## Combined current bill







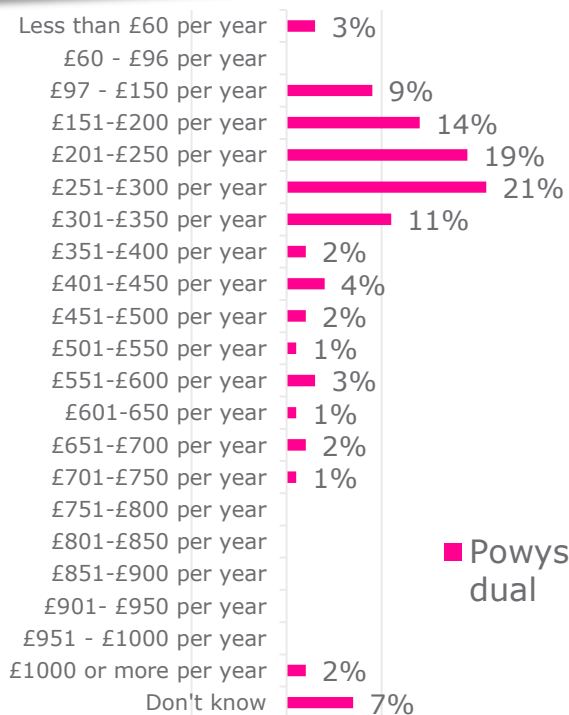
# What customers are currently paying

Powys bills vary, however, the majority of customers pay less than £350/year. Those paying between £97 and £300/year are more likely to agree that their bill is affordable.

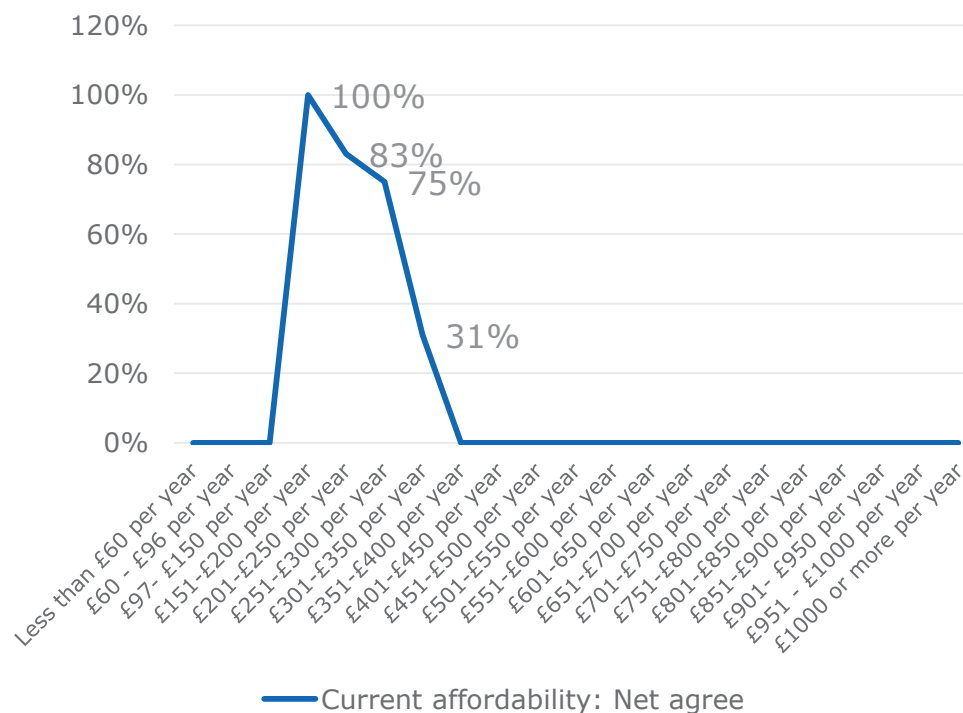


Powys HH customers

## Current bill



## Affordability vs. bill amount



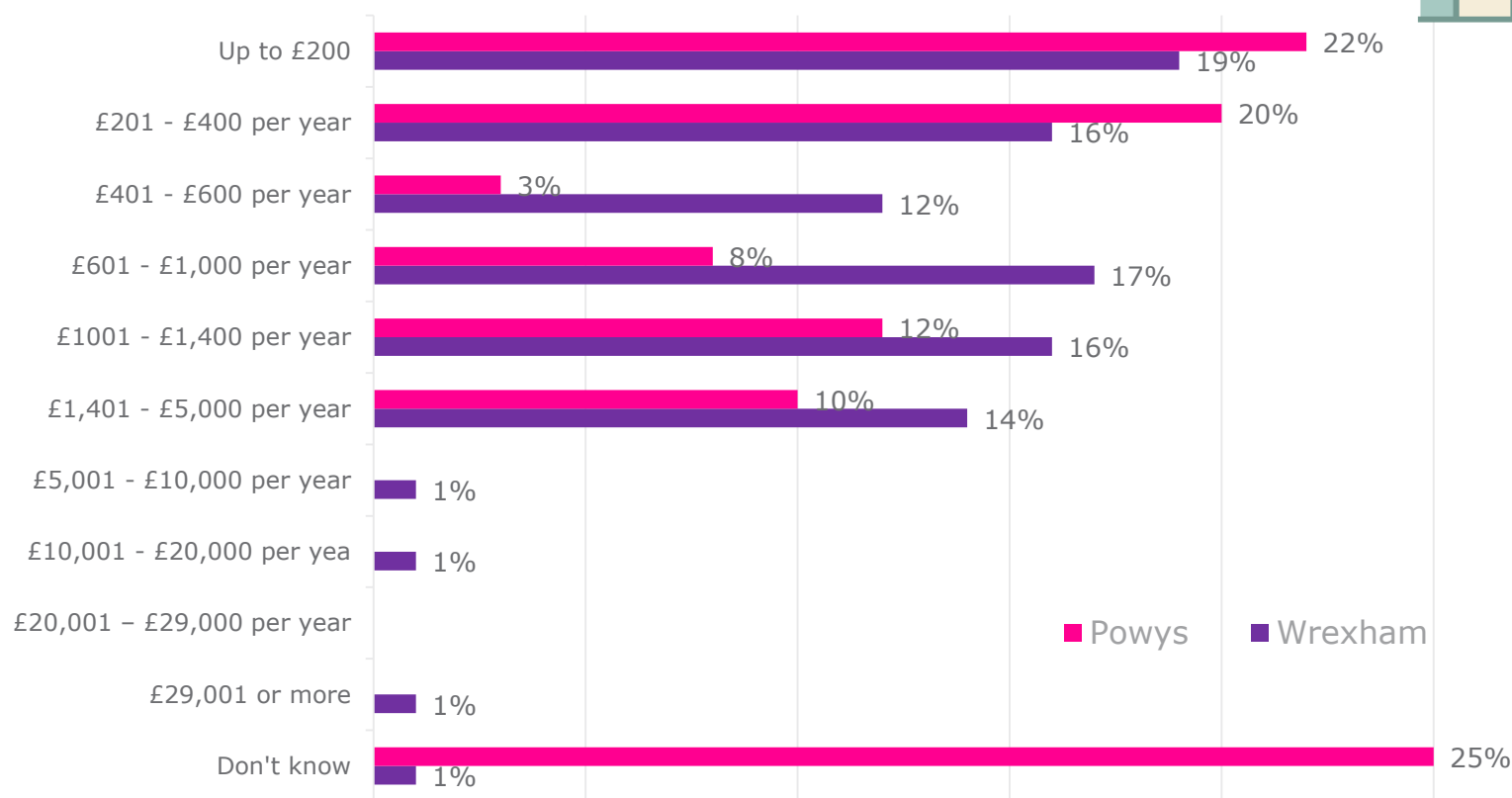


# What businesses are currently paying

The majority pay £5,000 or less a year. This is not surprising given that our sample was comprised of micro or small businesses.



NHH customers



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# 12ai Service experience







# Service experience

Customers were asked about a range of experiences they could have had personally and tap water that tastes or smells unpleasant or is discoloured were the most cited.

HD HH customers

	P	W
Tap water that tastes or smells unpleasant	16%	14%
Discoloured tap water (water that is brown/orange/cloudy)	13%	28%
Low water pressure at your tap	3%	19%
An interruption to your water supply that you were not notified about in advance	1%	11%
Noise, disruption and inconvenience from water company repairs (e.g. traffic, dust, etc.)	0%	0%
You requested information on having a free water meter installed or free water saving devices	0%	1%
A water leak	3%	8%
A flood of sewage in your home	1%	0%
A flood of sewage in your garden or on your land	1%	0%
Seeing pollution in rivers	2%	0%
Query about your bill	1%	4%
You requested information or support because you were struggling to pay your bill	0%	1%
You requested additional support (e.g. different bill format, to be included on the priority services register)	0%	0%
Other (please specify)	2%	2%
None of the above	68%	52%





# Service experience

Customers were also asked if they had contacted ST about any of the issues they had experienced and issues with tap water were the most commonly cited reason why customers had chosen to contact ST.

HD HH customers

	P	W
Tap water that tastes or smells unpleasant	27%	6%
Discoloured tap water (water that is brown/orange/cloudy)	19%	11%
Low water pressure at your tap	6%	5%
An interruption to your water supply that you were not notified about in advance	0%	5%
Noise, disruption and inconvenience from water company repairs (e.g. traffic, dust, etc.)	0%	0%
You requested information on having a free water meter installed or free water saving devices	0%	1%
A water leak	7%	6%
A flood of sewage in your home	2%	0%
A flood of sewage in your garden or on your land	4%	0%
Seeing pollution in rivers	0%	0%
Query about your bill	2%	7%
You requested information or support because you were struggling to pay your bill	0%	1%
You requested additional support (e.g. different bill format, to be included on the priority services register)	0%	1%
None of the above	46%	66%





# Service experience

Whilst the majority of NHH customers hadn't experienced any of the issues put to them, tap water was the most commonly cited experience mentioned.

NHH customers

	P	W
Tap water that tastes or smells unpleasant	20%	6%
Discoloured tap water (water that is brown/orange/cloudy)	3%	17%
Low water pressure at your tap	0%	10%
An interruption to your water supply that you were not notified about in advance	0%	3%
Noise, disruption and inconvenience from water company repairs (e.g. traffic, dust, etc.)	0%	0%
You requested information on having a free water meter installed or free water saving devices	2%	0%
A water leak	2%	3%
A flood of sewage in your business	2%	0%
A flood of sewage around your business	2%	0%
Seeing pollution in rivers	8%	0%
Query about your water bill	5%	1%
You had changed water retailer from Water Plus and now are no longer eligible to switch to another water supplier	0%	0%
Other	8%	3%
None of the above	65%	62%





# Service experience

Of the minority who had experienced some of the issues detailed on the previous slide, very few had actually contacted ST about them.

NHH customers

	P	W
Tap water that tastes or smells unpleasant	19%	0%
Discoloured tap water (water that is brown/orange/cloudy)	5%	7%
Low water pressure at your tap	0%	15%
An interruption to your water supply that you were not notified about in advance	0%	4%
Noise, disruption and inconvenience from water company repairs (e.g. traffic, dust, etc.)	0%	0%
You requested information on having a free water meter installed or free water saving devices	5%	0%
A water leak	0%	7%
A flood of sewage in your business	5%	0%
A flood of sewage around your business	5%	0%
Seeing pollution in rivers	5%	0%
Query about your water bill	14%	4%
You had changed water retailer from Water Plus and now are no longer eligible to switch to another water supplier	0%	0%
Other	19%	4%
None of the above	38%	61%



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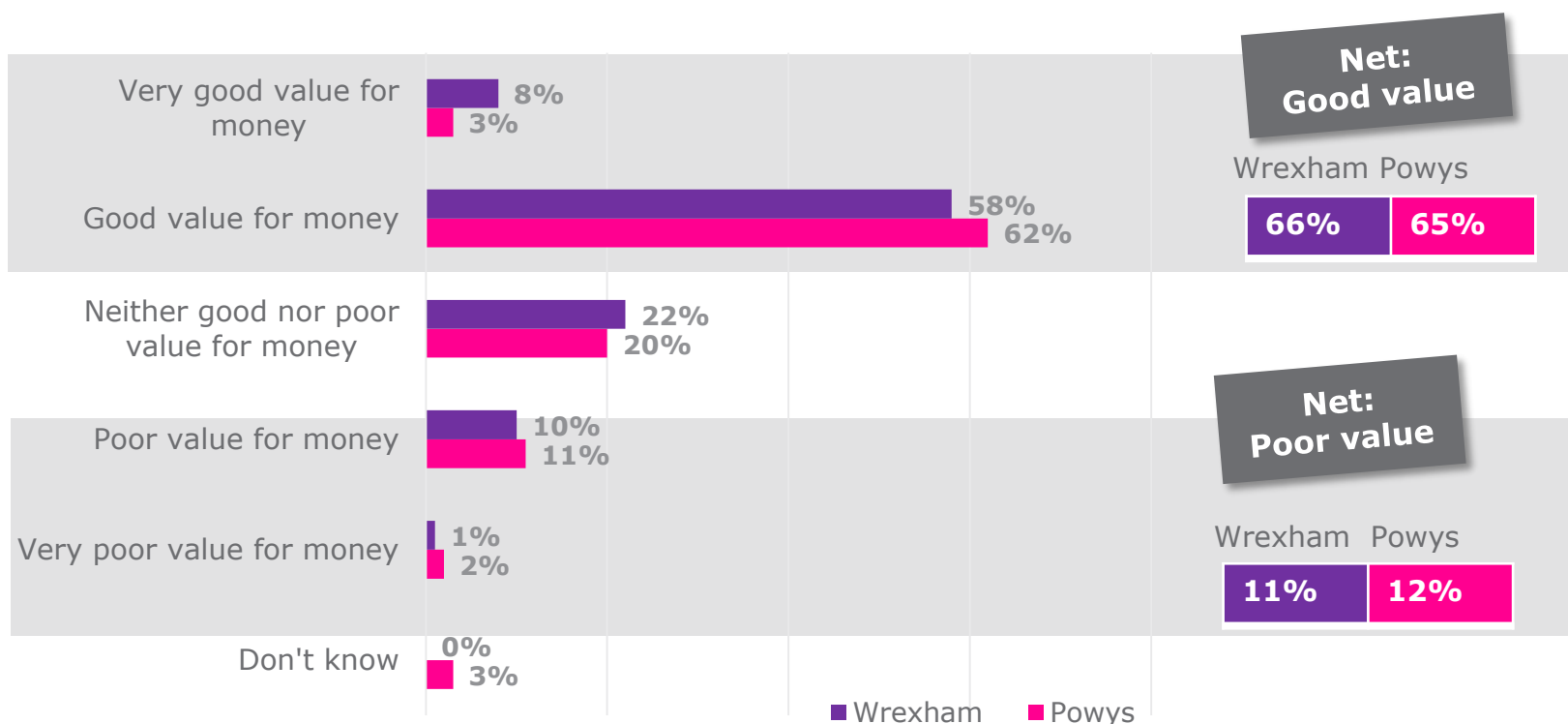
## 12b Perceived value for money



# Perceived value for money

The majority of HH customers feel that HD offers good value for money - this is something often driven by the fact that in a monopolised market, customers realise that there is little to compare VFM to. This statement is applicable to both customers in Wrexham and Powys.

HD HH customers

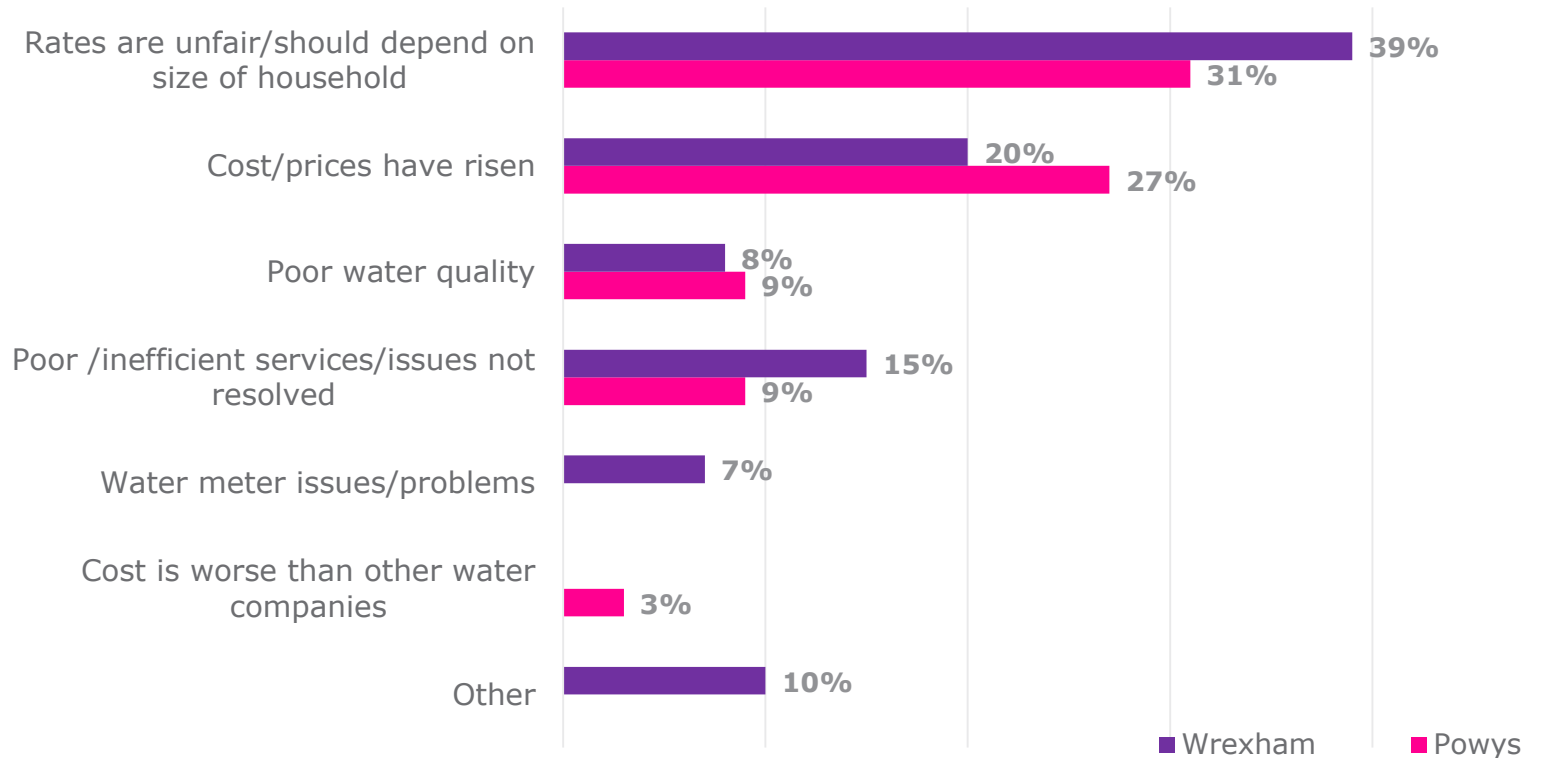




# Reasons for customers believing it is poor value

Just over a third of customers feel the rates are unfair and should depend on the household

HD HH customers

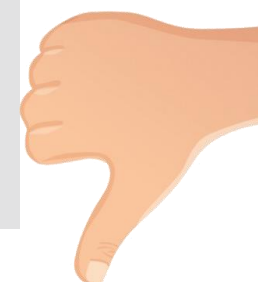
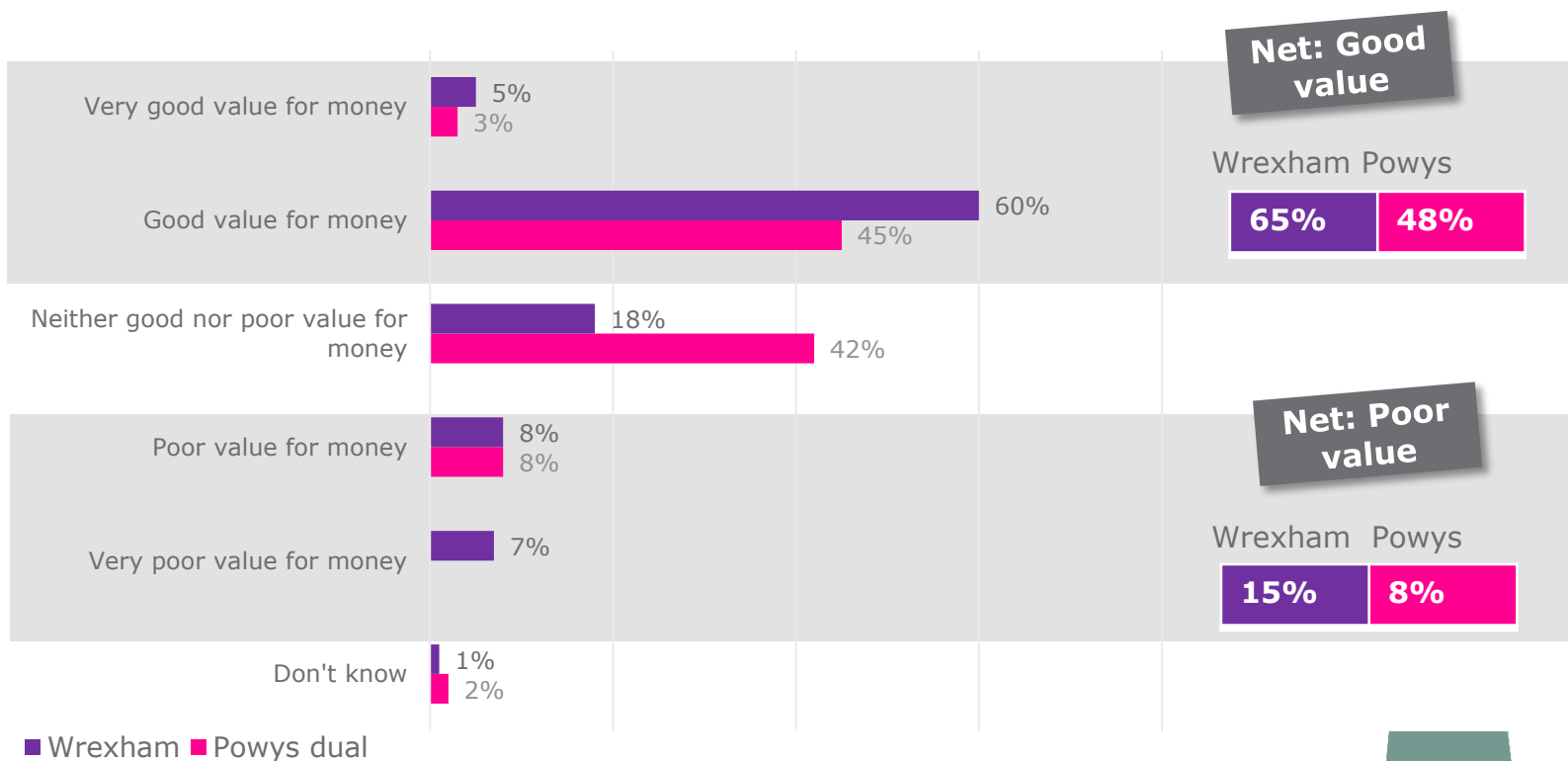


# Perceived value for money

Nearly two-thirds (65%) of Wrexham NHH customers feel as though the water services they receive from HD provide good VFM while just under half (48%) of customers in Powys feel the service they receive is value for money.



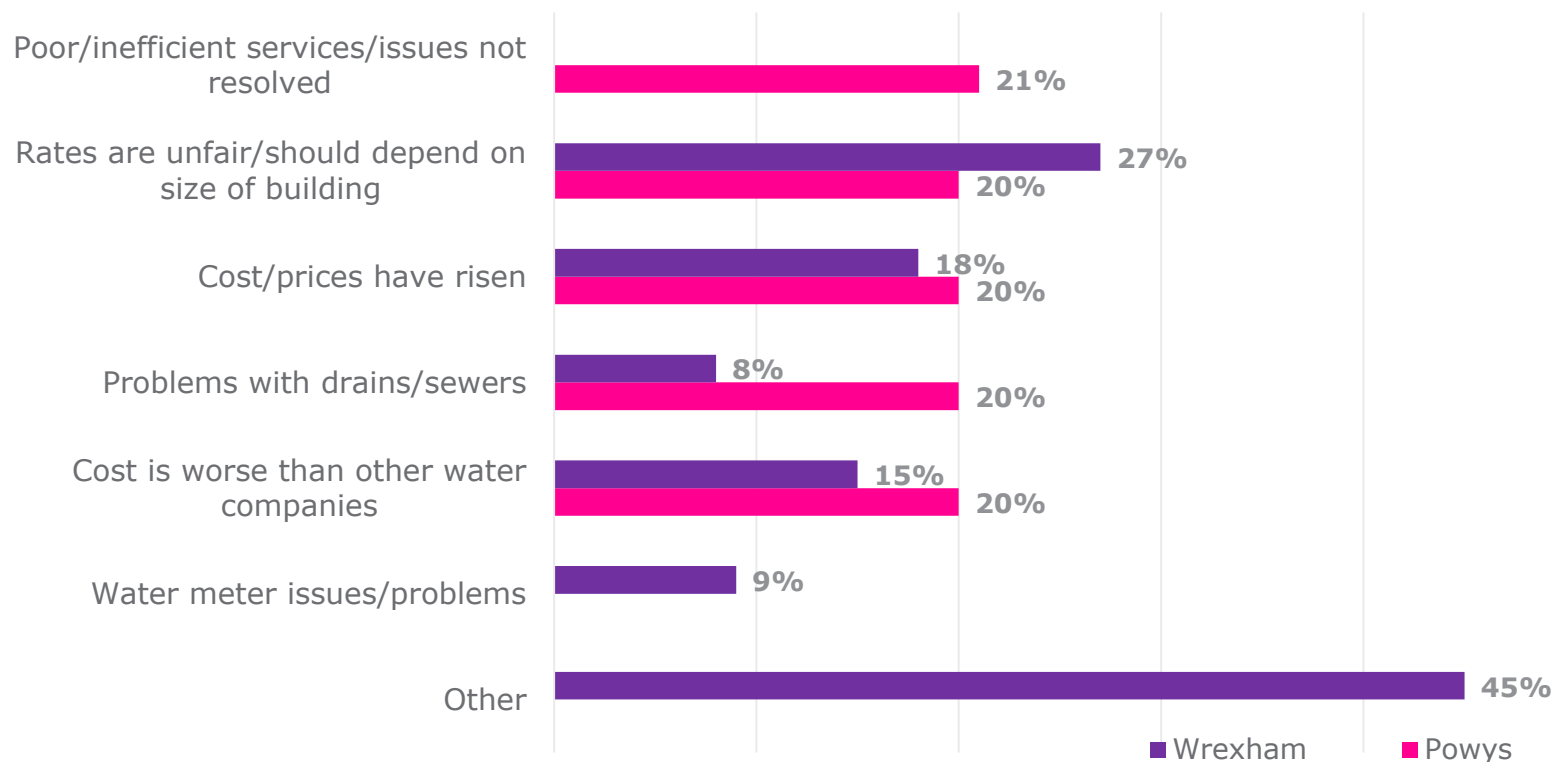
NHH customers



# Reasons for customers believing it is poor value

Around a fifth of NHH customers believe it is poor value for money due to poor or inefficient service, unfair rates, rising prices, problems with drains and a higher cost than other water companies

NHH customers



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## **12c Other demographics & attitudes**

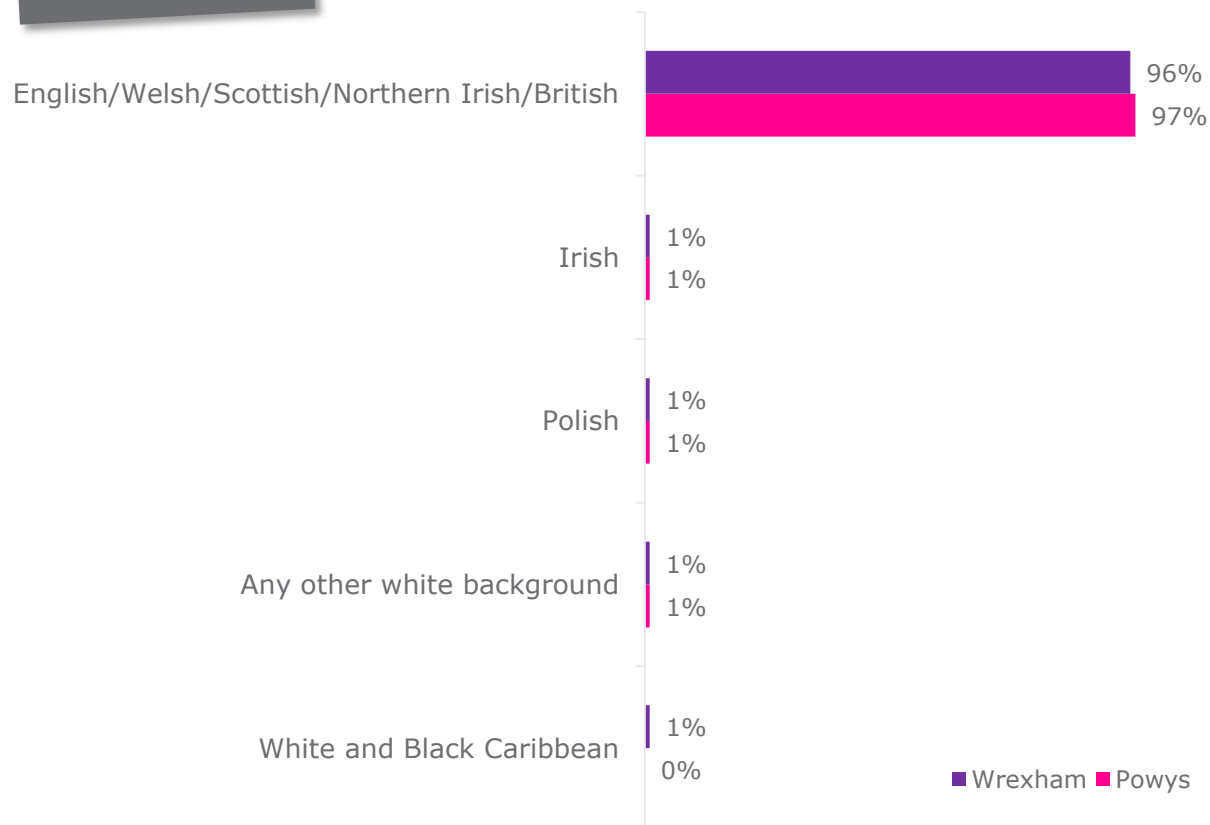




# Demographics: ethnicity

The majority of respondents are white British.

## Ethnicity



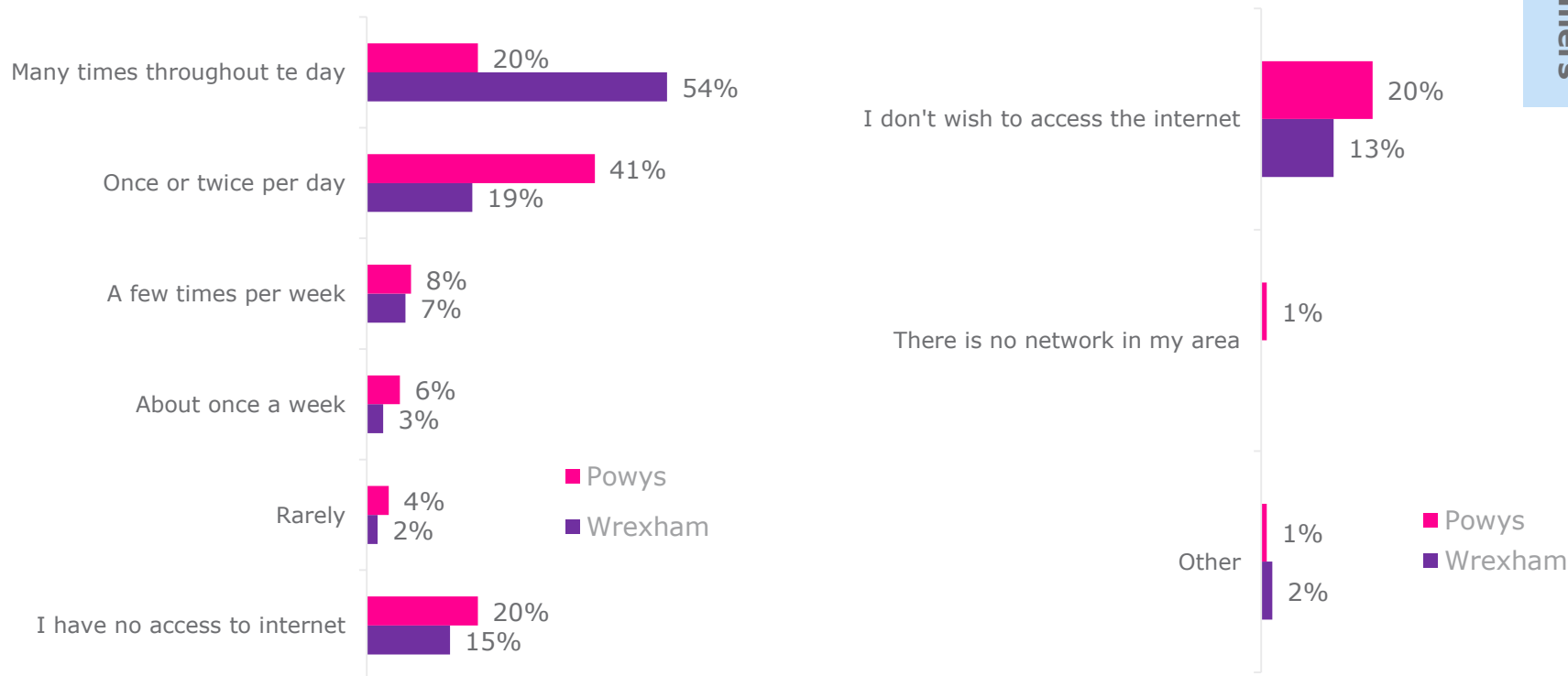


# How often customers typically access the internet

Over half of customers are accessing the internet at least once a day or more. A fifth of Powys customers have no access to the internet.



HD HH customers



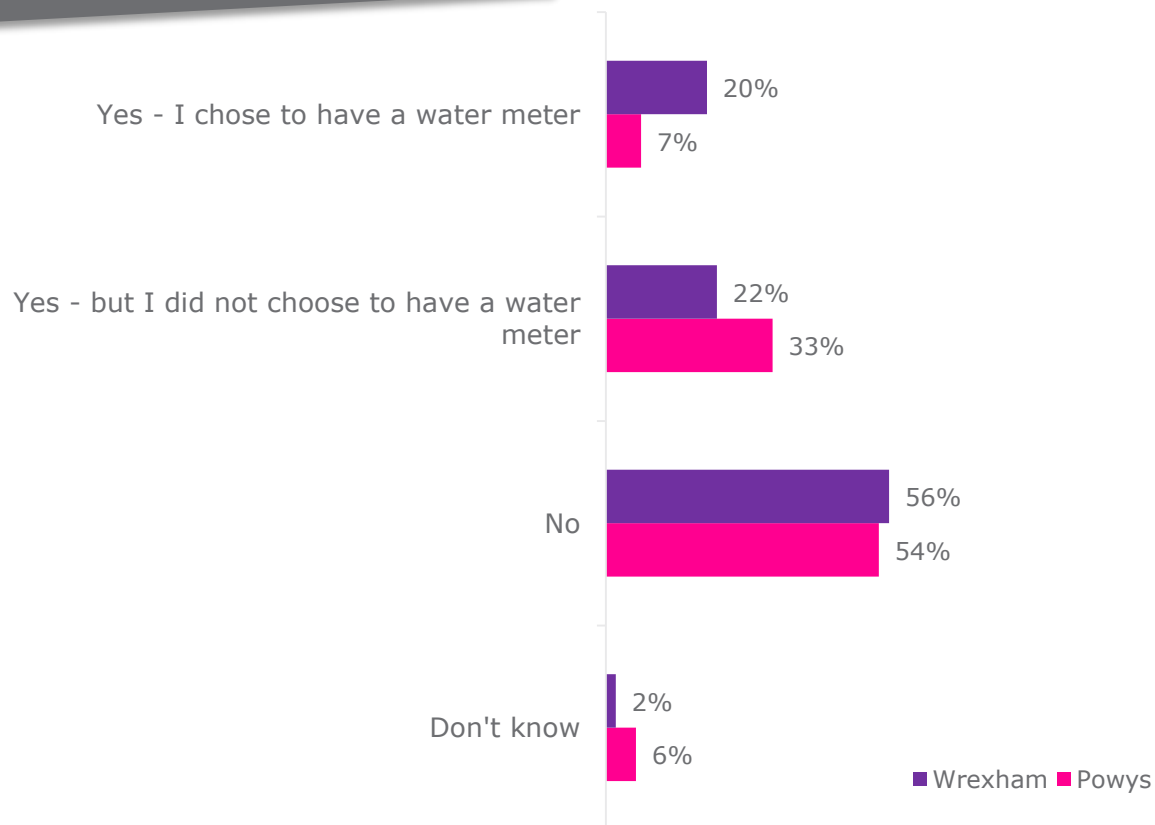
Those that do not have access to the internet (n=6) (Q29) give the following reasons: "I am too old", "I am registered blind", "I have no interest in it" and "I do not trust it"





# Breakdown: metered/unmetered customers

## Metered/unmetered

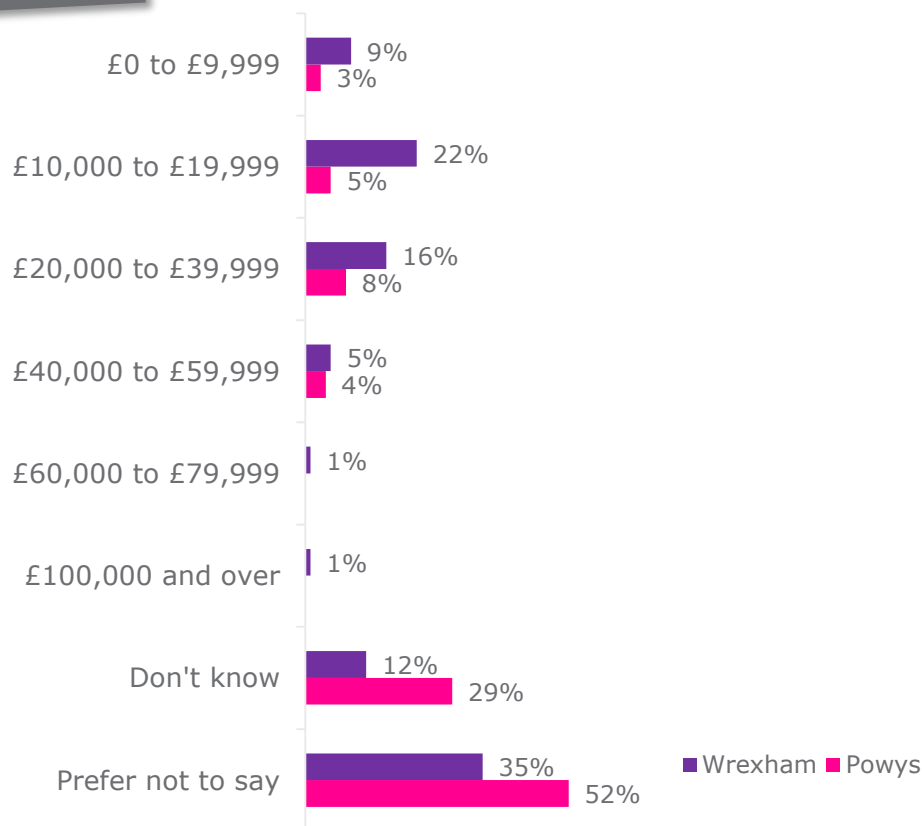




# Breakdown: income

Over half of Powys HH customers prefer not to say while just over a quarter of Powys customers don't know their household income.

## Household Income



# Sectors by business size

Non-household



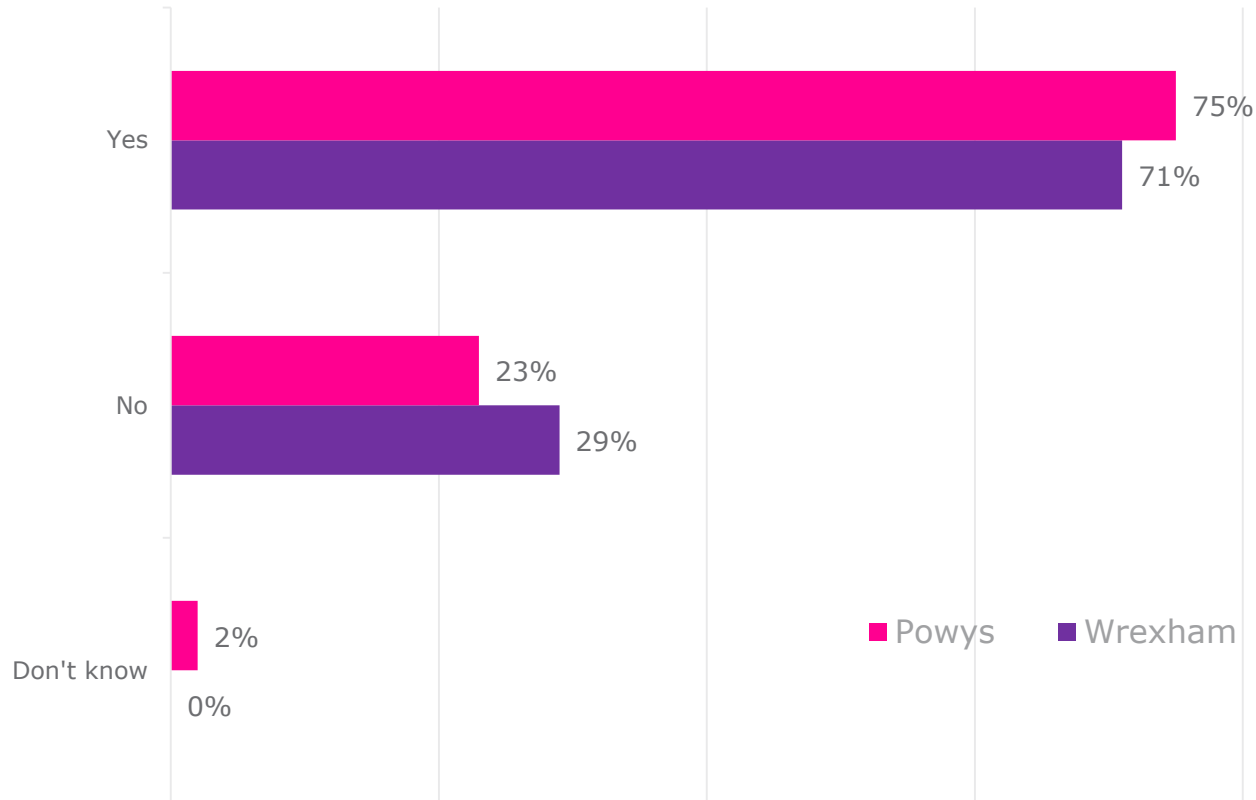
	Domestic	Operational	Wholesale/ retail/trade sector	Industrial sector	Public sector	Other sector
Wrexham: Micro (0-9 employees) and small (10 – 49 employees)	45%	55%	49%	14%	1%	36%
Powys: Micro (0-9 employees) and small employees (10 – 49 employees)	70%	30%	63%	3%	12%	22%

# Awareness of Hafren Dyfrdwy

Around three quarters of NHH customers are aware that they are now served by Hafren Dyfrdwy.

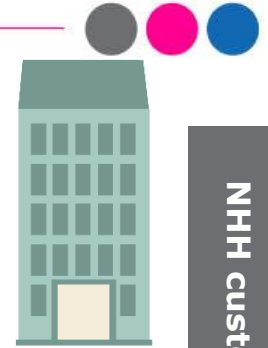


NHH customers



# Feelings about no longer being eligible for retail competition in Wales

The majority of customers did not mind or did not think there to be competition.



I don't wish to see competition for the supply of water

*Powys, micro customer*

Not particularly bothered by that. Water is water. You only get it from one space and that's the sky

*Powys, micro*

Keep it simple! There should be only one supplier of water

*Powys, micro customer*

It doesn't bother me

*Powys, small customer*

Not an issue for me

*Powys, small customer*

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# 12d Household showcards







# Uninformed Acceptability

HD HH customers: POWYS

## Powys HH customers were shown:

Like all other water companies, Hafren Dyfrdwy is required by the water industry regulator, Ofwat, to produce a plan explaining how they will provide water and sewerage services, and the investments they will make, for the 5-year period 2020 to 2025. From 2020 Hafren Dyfrdwy will introduce new service levels up to 2025. Services will either improve or stay at current levels. Hafren Dyfrdwy will:

- Maintain high levels of drinking water compliance
- Maintain high levels of wastewater treatment compliance
- Maintain water mains and sewers to prevent collapses and blockages
- Make other improvements where necessary.

Over the five year period customer water and wastewater bills will increase, on average by 6%, before the effect of inflation is added in.

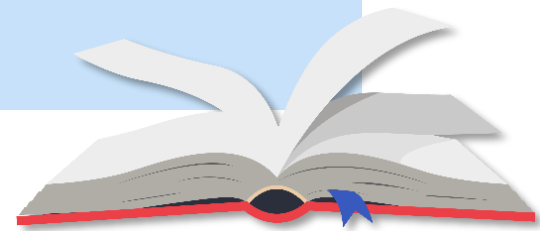
## If required:

For your information, inflation is the increase, usually of a basket of goods and services, over a given time period. Incomes and pensions can also

rise in line with inflation which can offset the increase in cost of goods and services. Forecasts from the Bank of England estimate that inflation over the next 5 years will be around 2% per year.

This means that based on an average water and wastewater bill of £280 in 2020, over the five year period the average water and wastewater bill would increase to £297 in 2025. After the impact of inflation is taken into account, the average water and wastewater bill would be £326 in 2025. This is a 16% increase.

Overall, how **acceptable** do you consider this proposal is for your overall [water and wastewater] bill?





# Uninformed Acceptability

HD HH customers: WREXHAM

## Wrexham HH customers were shown:

Like all other water companies, Hafren Dyfrdwy is required by the water industry regulator, Ofwat, to produce a plan explaining how they will provide water services, and the investments they will make, for the 5-year period 2020 to 2025.

From 2020 Hafren Dyfrdwy will introduce new service levels up to 2025. Services will either improve or stay at current levels. Hafren Dyfrdwy will:

- Maintain high levels of drinking water compliance
- Maintain water mains to prevent collapses and blockages
- Make other improvements where necessary.

Over the five-year period customer water bills will increase on average by 1%, before the effect of inflation is added in.

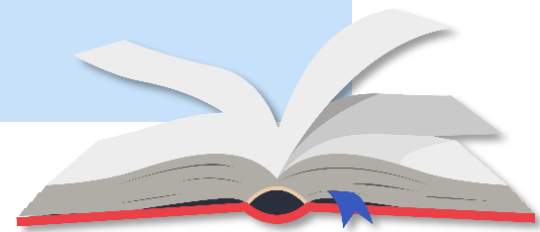
### If required:

For your information, inflation is the increase, usually of a basket of goods and services, over a given time period. Incomes and pensions can also rise in line with inflation which can offset the increase in cost of goods and services.

This means that based on an average water bill of £170 in 2020, over the five-year period the average water bill would increase to £172 in 2025. After the impact of inflation is taken into account, the average water bill would be £189 in 2025. This is a 11% increase.

Please remember that Welsh Water supply your wastewater services and these charges might go up or down between 2020 and 2025. The following questions focus only on your water charges.

Overall, how **acceptable** do you consider this proposal is for your overall [wastewater] bill?





# Informed Acceptability

## Powys HH customers were shown:

**Q13A (no inflation)** The average household bill for water and wastewater services by 2020 is predicted to be £280. The plans that your water company is proposing will mean that the average household bill for water and wastewater services will increase from £280 in 2020 to £297 by 2025, excluding the impact of inflation. This is an increase of 6%.

### *What is inflation?*

#### **If respondent asks, read out:**

Inflation is the rate of increase in prices for goods and services. So, if inflation is 3% higher than 12 months earlier, 4 pints of milk which was £1 twelve months ago will now cost £1.03. Incomes and pensions can also rise in line with inflation which can offset the increase in cost of goods and services.

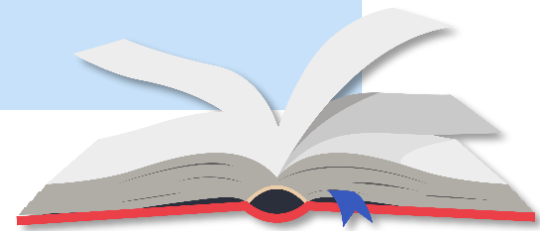
Inflation could add a further £29 to your bill by 2025.

Given the information you have been provided, overall how acceptable do you now consider the proposed plan to be?

**Q16A (with inflation)** We would now like to show you your future [water and wastewater] bill, including a forecast for inflation. The average household bill for water and wastewater services by 2020 is predicted to be £280. The plans that your water company is proposing will mean that the average household bill for water and wastewater services, including a forecast for the effect of inflation, will increase from £280 in 2020 to £326 by 2025, a 16% increase. Given the information you have been provided, overall how acceptable do you now consider the proposed plan to be?

HD HH customers: POWYS

No Inflation  
and inflation





# Informed Acceptability

HD HH customers: WREXHAM

No Inflation  
and inflation

## Wrexham HH customers were shown:

**Q13A (no inflation)** The average household bill for water services by 2020 is predicted to be £170. The plans that your water company is proposing will mean that the average household bill for water services will increase from £170 in 2020 to £172 by 2025, excluding the impact of inflation. This is an increase of 1%.

### What is inflation?

#### If respondent asks, read out:

Inflation is the rate of increase in prices for goods and services. So, if inflation is 3% higher than 12 months earlier, 4 pints of milk which was £1 twelve months ago will now cost £1.03. Incomes and pensions can also rise in line with inflation which can offset the increase in cost of goods and services.

Inflation could add a further £17 to your bill by 2025. Given the information you have been provided, overall how acceptable do you now consider the proposed plan to be?

**Q16A (with inflation)** The average household bill for water services by 2020 is predicted to be £170. The plans that your water company is proposing will mean that the average household bill for water services will increase from £170 in 2020 to £172 by 2025, excluding the impact of inflation. This is an increase of 1%.

### What is inflation?

#### If respondent asks, read out:

Inflation is the rate of increase in prices for goods and services. So, if inflation is 3% higher than 12 months earlier, 4 pints of milk which was £1 twelve months ago will now cost £1.03. Incomes and pensions can also rise in line with inflation which can offset the increase in cost of goods and services.

Inflation could add a further £17 to your bill by 2025. Given the information you have been provided, overall how acceptable do you now consider the proposed plan to be? We would now like to show you your future [water and wastewater/wastewater/water] bill, including a forecast for inflation

Please remember that this bill is only for your water charges and that Welsh Water supply your wastewater services and these charges may go up or down between 2020 and 2025. The average household bill for water services by 2020 is predicted to be £170. The plans that your water company is proposing will mean that the average household bill for water services, including a forecast for the effect of inflation, will increase from £170 in 2020 to £189 by 2025, a 11% increase.

Given the information you have been provided, overall how acceptable do you now consider the proposed plan to be?

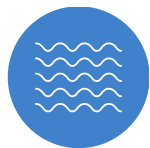


## SHOWCARD 1

**Hafren Dyfrdwy serves ~ 120,000  
properties in mid & North Wales**



## SHOWCARD 2



# Water supply commitments

## 2020-2025



severn dee



### Leakage

Reduce leakage by at least 7.5%.



### Water supply interruptions

Reduce the average time that properties are without a water supply each year (because of maintenance or burst pipes) from 11 minutes to 8 minutes. A **27%** improvement.



### Lead in drinking water

Start a programme of lead pipe inspection and replacement in schools and nurseries and target replacement in hotspot areas.



### Low pressure

Reduce the number of properties that are affected by persistent low pressure from 56 to 42.  
A **25%** improvement.



### Taste, smell & appearance of tap water

Reduce customer complaints about the taste, smell & appearance of tap water from 410 per year to 310 per year. A **24%** improvement.

### Our plan will also...

- Maintain high levels of drinking water compliance.
- Maintain water mains to prevent bursts.



## SHOWCARD 3



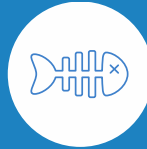
# Waste Water commitments

## 2020-2025



### Internal sewer flooding

Reduce the number of properties flooded internally with sewage from 6 incidents per year to 5 per year.  
A **17%** improvement.



### Pollution incidents

Reduce the number of minor pollution incidents (of rivers, streams etc.) from 9 per year to 6 per year. A **33%** improvement.



### River water quality

Improve the quality of water in 22 miles of rivers by improving sewage treatment standards.

### Our plan will also...

- Maintain high levels of wastewater treatment compliance.
- Maintain sewers to prevent collapses and blockages.

## SHOWCARD 4



# Other service area commitments 2020-2025



### Education

Hafren Dyfrdwy is proposing to increase education activities with school children, including more fun learning using virtual reality games.



### Helping customers who struggle

Increase the proportion of customers who are helped through bill discounts and other options from **54%** of customers to **73%** of customers who are struggling to pay their water bill.



### Supporting customers in vulnerable circumstances

Hafren Dyfrdwy is setting up a new priority services register (for customers with medical conditions or other circumstances which may leave them vulnerable during an incident) and is proposing to offer tailored services (such as delivering bottled water) to **100%** of customers on the register during an incident.



### Biodiversity

Hafren Dyfrdwy will enhance biodiversity on 400 hectares of land as part of jointly funded work with partners like the RSPB.

A hectare is the equivalent of one international rugby field.

## SHOWCARD 5

# Taste, smell & appearance

## Complaints from customers about their tap water



severn dee



You may occasionally become aware of a different taste or smell of your drinking water. This could be due to the use of chlorine to maintain good hygiene in the pipe network, a change in where your water comes from, or your plumbing.

Your water should be clear, but very occasionally for a short time it may appear different in colour. This can be caused by a burst main or leak, or air making the water appear white.

Your water will still be safe to drink.

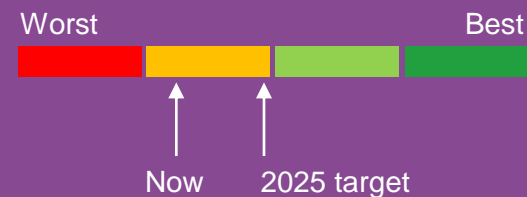
### Where we will be in 2020:

Around 410 complaints per year about the taste, smell and appearance of drinking water.

### What Hafren Dyfrdwy proposes for 2025:

Reduce complaints to no more than 310 per year about the taste, smell and appearance of drinking water. This represents a 24% improvement.

### How Hafren Dyfrdwy compares to other companies:



## SHOWCARD 6

# Water supply interruptions

Losing the water supply to your home for hours at a time



From time to time, water pipes burst and Hafren Dyfrdwy is unable to keep the water supply flowing to your home.

Your water supply at your home or business would be interrupted. You may or may not be warned about this in advance and it could last a few hours, or a day or more.

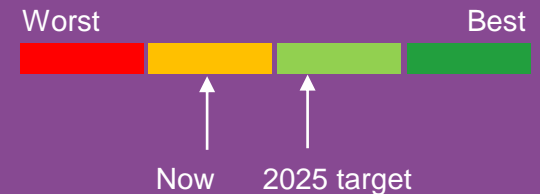
### Where we will be in 2020:

Every year some customers in the region experience an interruption to supply. Hafren Dyfrdwy reports on the average length of interruption across all customers. In 2020 this will be around 11 minutes.

### What Hafren Dyfrdwy proposes for 2025:

To reduce the average length of interruptions across all customers to 8 minutes. This represents an 27% improvement.

### How Hafren Dyfrdwy compares to other companies:



## SHOWCARD 7

### Leakage

Water leaking from pipes



severn dee



Underground pipes supply the tap water to your property. Sometimes pipes can leak and water is lost between the treatment works and your property.

You might see water running down the street or experience traffic disruption while a leak is being repaired. You might have a leak on your supply pipe which you own and which is your responsibility to repair.

#### Where we are now:

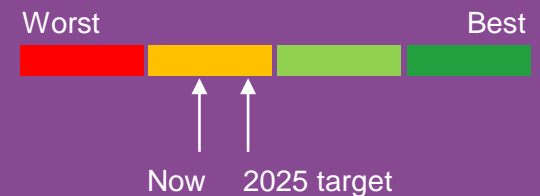
Around 6 mega litres per day of leakage.

A standard **Olympic-size swimming pool** contains 2.5 mega litres of water.

#### What Hafren Dyfrdwy proposes for 2025:

To reduce leakage by at least 7.5%.

#### How Hafren Dyfrdwy compares to other companies:



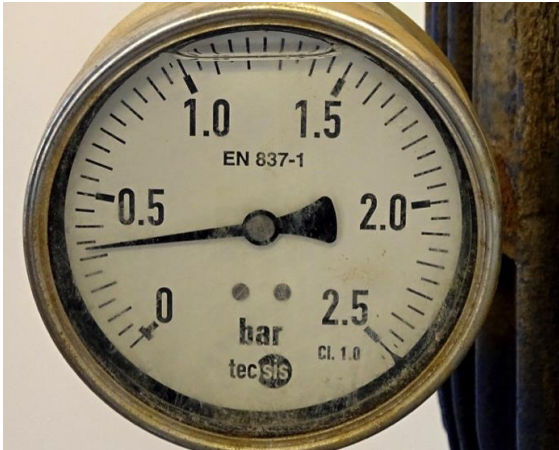
## SHOWCARD 8

### Low pressure

Water trickling from your tap, which can affect showers and boilers



severn dee



You should expect the water to arrive at your home/business under a certain pressure so that it flows well from the tap. Low pressure can reduce water flow to a dribble and some modern boilers and showers will not work below certain pressure levels.

There is a minimum standard on pressure that water companies have to reach. Very occasionally Hafren Dyfrdwy doesn't meet this standard.

#### Where we will be in 2020:

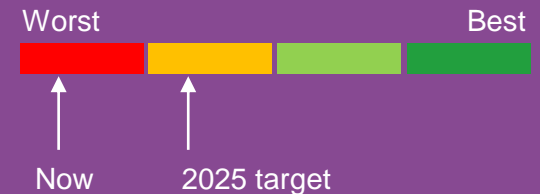
The number of properties in the region are affected by persistent low pressure is 56.

#### What Hafren Dyfrdwy proposes for 2025:

To reduce the number of properties to 42.

This represents a 25% improvement.

#### How Hafren Dyfrdwy compares to other companies:





## SHOWCARD 9

# Lead pipes

Protecting properties, schools and nurseries from lead in drinking water



severn dee



Water leaving the treatment works is virtually free of lead, but small traces can sometimes be picked up as the water passes through old lead pipes.

Whilst water pipes in the road are owned by Hafren Dyfrdwy, customers own the part of the supply pipe that lies within their property boundary.

There are strict regulations concerning the amount of lead allowed in drinking water. Public health officials are currently considering reducing the current standard and this is likely to come into force in 2030.

### How this affects you...

Lead can cause health problems – particularly among young children. Lead can build up in your body over a period of time, so long term exposure to even small amounts of lead can be harmful.

### What Hafren Dyfrdwy proposes by 2025:

**Offer all schools & nurseries in the region the opportunity to be tested against the tighter lead standards and offer replacement if lead pipes are found.**

Plus there will be proactive targeted replacement in a few hotspot areas where samples are only just complying with the current standard, and improved awareness and education about lead in water for all.

## SHOWCARD 10

# River water quality

Improving wastewater treatment standards



severn dee



**A number of things are responsible for river quality** (e.g. run-off from roads, farms, factories, treated wastewater discharges).

**Hafren Dyfrdwy faces tightening river water quality standards.**

### How this affects you...

Rivers in poor status might be unable to support wildlife and plants. They might not be suitable for river activities such as swimming or canoeing.

### Where we will be in 2020:

By 2020 Hafren Dyfrdwy will have finished investigating which rivers need improvement, due to its activities

### What Hafren Dyfrdwy proposes for 2025:

To improve river water quality for an additional 22 miles (36 km) of river. This represents the entire length of river in the region where there is evidence that Hafren Dyfrdwy are a cause of poor water quality.

## SHOWCARD 11

# Biodiversity

Protecting the natural environment & encouraging diverse plants and wildlife



severn dee



**Biodiversity is the variety of plant and animal life in a particular habitat.**

Hafren Dyfrdwy takes water from the environment and puts treated waste water back in. It therefore has a duty of care to the environment.

Hafren Dyfrdwy has a legal duty to enhance biodiversity to preserve and improve the ecosystems in Wales.

## How this affects you...

You might notice Hafren Dyfrdwy protecting, restoring and improving rare species and habitats. There might be more wildflowers and birds at visitor sites and in protected areas.

## What Hafren Dyfrdwy proposes for 2025:

Hafren Dyfrdwy will enhance biodiversity on 400 hectares of land as part of jointly funded work with partners like the RSPB. This represents the largest patch of land in the region which requires biodiversity improvement.

A hectare is the equivalent of one international rugby field.

## SHOWCARD 12

# Internal sewer flooding

Waste water from sewers overflowing into your home



**Hafren Dyfrdwy's sewers collect wastewater from homes and businesses, as well as rainwater that runs off roofs and driveways.**

Most of the time the sewers work well, but sometimes they get blocked or, if there is heavy rainfall, there might be too much water for the size of the sewer. This can lead to homes and businesses being flooding with sewage.

The impact can range from a small amount of sewage in your home /business to your ground floor being completely flooded.

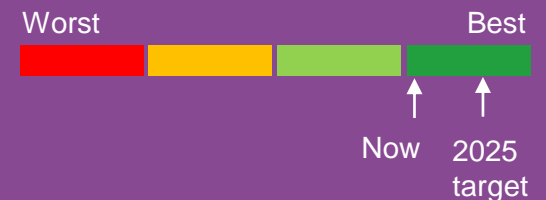
### Where we will be in 2020:

Around 6 internal flooding incidents per year.

### What Hafren Dyfrdwy proposes for 2025:

To reduce internal flooding incidents to 5 per year.

### How Hafren Dyfrdwy compares to other companies:



## SHOWCARD 13

# Pollution Incidents

Waste water contaminating rivers  
and polluting the environment



severn dee



**It is Hafren Dyfrdwy's responsibility to treat wastewater, and return it safely to the river.**

Occasionally, a problem can arise with one of their wastewater treatment works or their sewers. This can lead to pollution in rivers, which can damage the environment.

These pollution incidents could affect a small area of the river for a short amount of time. Wildlife in and around the rivers could be affected.

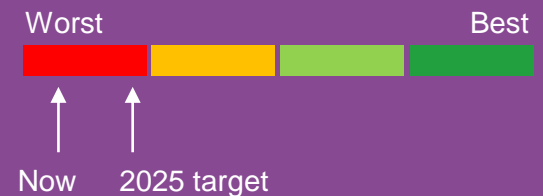
### Where we will be in 2020:

9 minor pollution incidents  
each year.

### What Hafren Dyfrdwy proposes for 2025:

To reduce pollution incidents  
to 6 per year. This represents  
an improvement of 33%.

### How Hafren Dyfrdwy compares to other companies:



## SHOWCARD 14

### Education

Inspiring customers to use water wisely



severn dee



**Hafren Dyfrdwy works with school children to teach them about using water responsibly and what not to flush down the toilet.**

The company also provides free in-home water efficiency checks to help customers save water and work with restaurants to prevent fats and oils being put down drains.

Small changes to your water usage can help ensure there will be enough water for future generations.

Disposing of items like fats and wipes correctly prevents sewer flooding.

#### Where we are now:

Hafren Dyfrdwy currently runs assemblies in schools and helps customers use less water (for example by installing water saving devices).

#### What Hafren Dyfrdwy proposes by 2025:

Hafren Dyfrdwy is proposing to increase their education activities with school children, including more fun learning using virtual reality games.



## SHOWCARD 15

### Education

Inspiring customers to use water wisely



severn dee



**Hafren Dyfrdwy works with school children to teach them about using water responsibly.**

The company also provides free in-home water efficiency checks to help customers save water.

Small changes to your water usage can help ensure there will be enough water for future generations.

#### Where we are now:

Hafren Dyfrdwy currently runs assemblies in schools and helps customers use less water (for example by installing water saving devices).

#### What Hafren Dyfrdwy proposes by 2025:

Hafren Dyfrdwy is proposing to increase their education activities with school children, including more fun learning using virtual reality games.

## SHOWCARD 16

# Helping customers who struggle

Supporting customers who struggle to pay their water bill



Hafren Dyfrdwy provides a range of support options to customers who are struggling to pay their water bill.

### How this affects you...

You might qualify for support if you are struggling to pay your bill. This could range from a discount on your bill to flexible payment plans.

### Where we will be in 2020:

Hafren Dyfrdwy will be supporting 54% of customers who are struggling to pay their water bill through bill discounts and other options.

### What Hafren Dyfrdwy proposes by 2025:

A new range of support options which will support 73% of customers who are struggling to pay their water bill.

## SHOWCARD 17

# Supporting priority service customers in an incident



severn dee



Hafren Dyfrdwy has a *priority services register* which lists those customers in vulnerable circumstances who might need tailored support such as delivery of bottled water in an incident.

### How this affects you...

Some people have medical conditions or other circumstances, which means a disruption to their water supply can cause huge problems for them. The priority services register helps us to help these customers when they need it most.

### Where we are now:

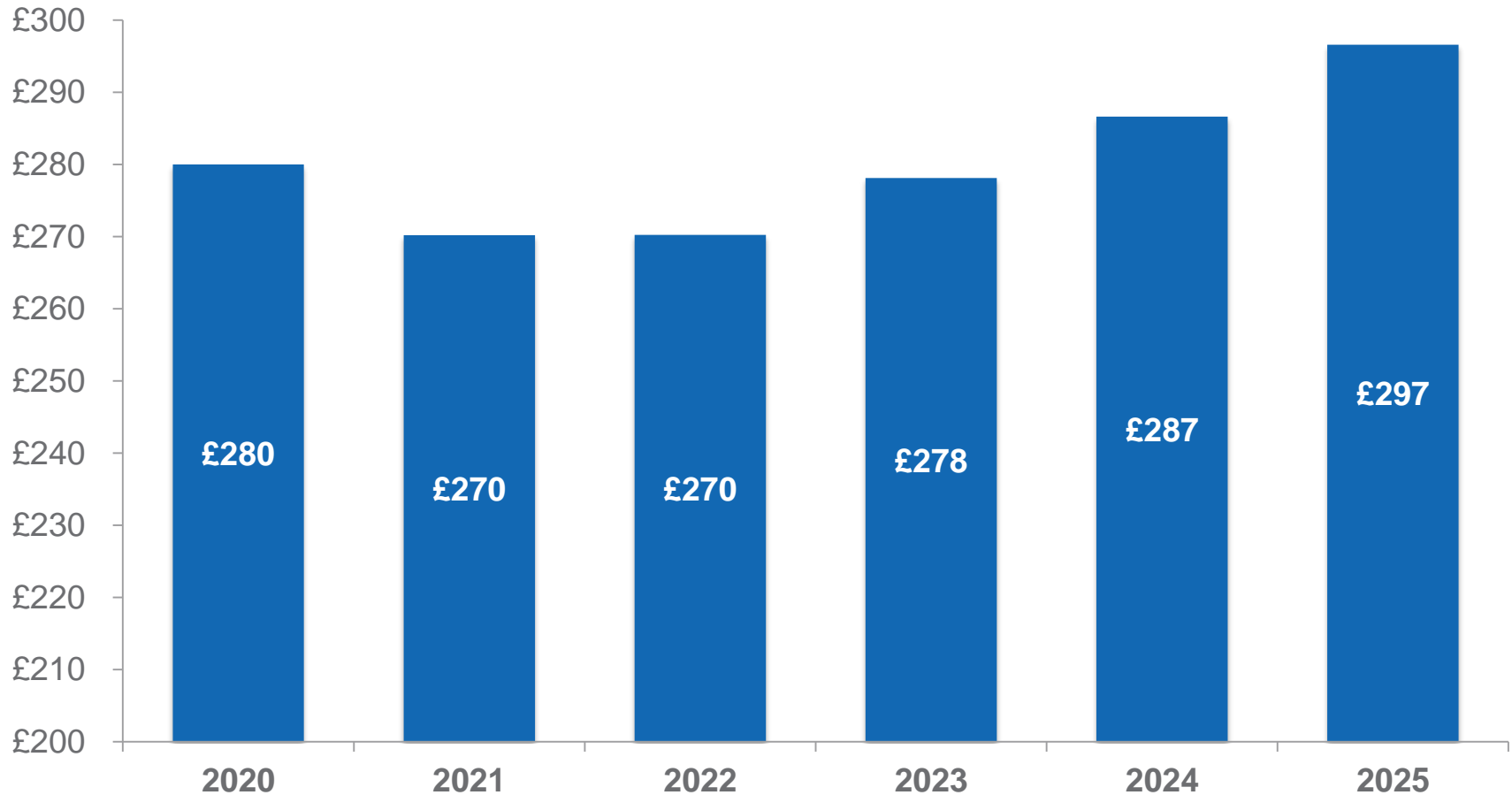
Hafren Dyfrdwy currently offers bottled water to vulnerable customers in an incident.

### What Hafren Dyfrdwy proposes

Hafren Dyfrdwy has set up a new priority services register and is proposing to offer tailored services to 100% of customers on the register during an incident.

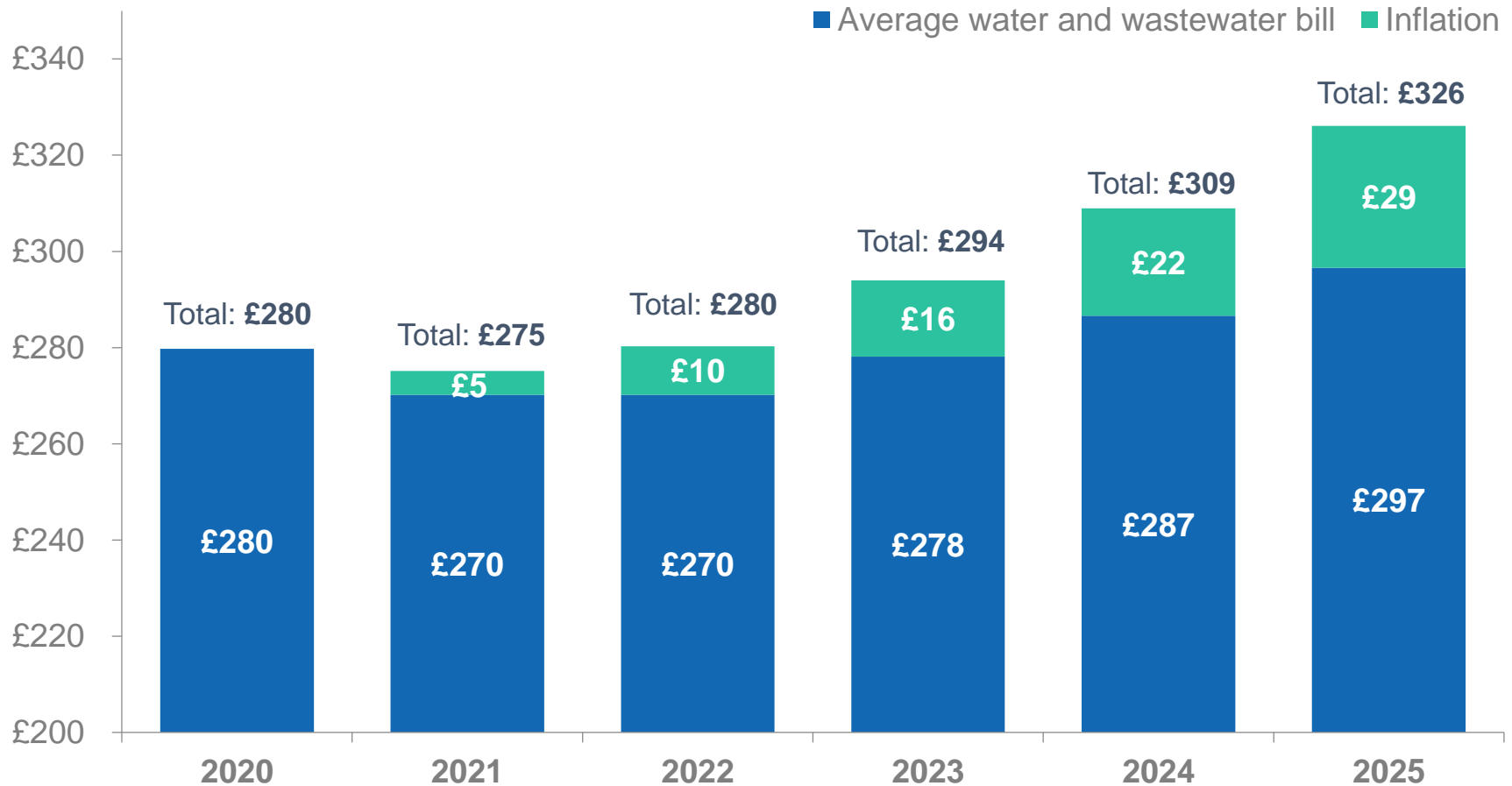
## SHOWCARD 18

# Average household water & wastewater bill *excluding inflation*



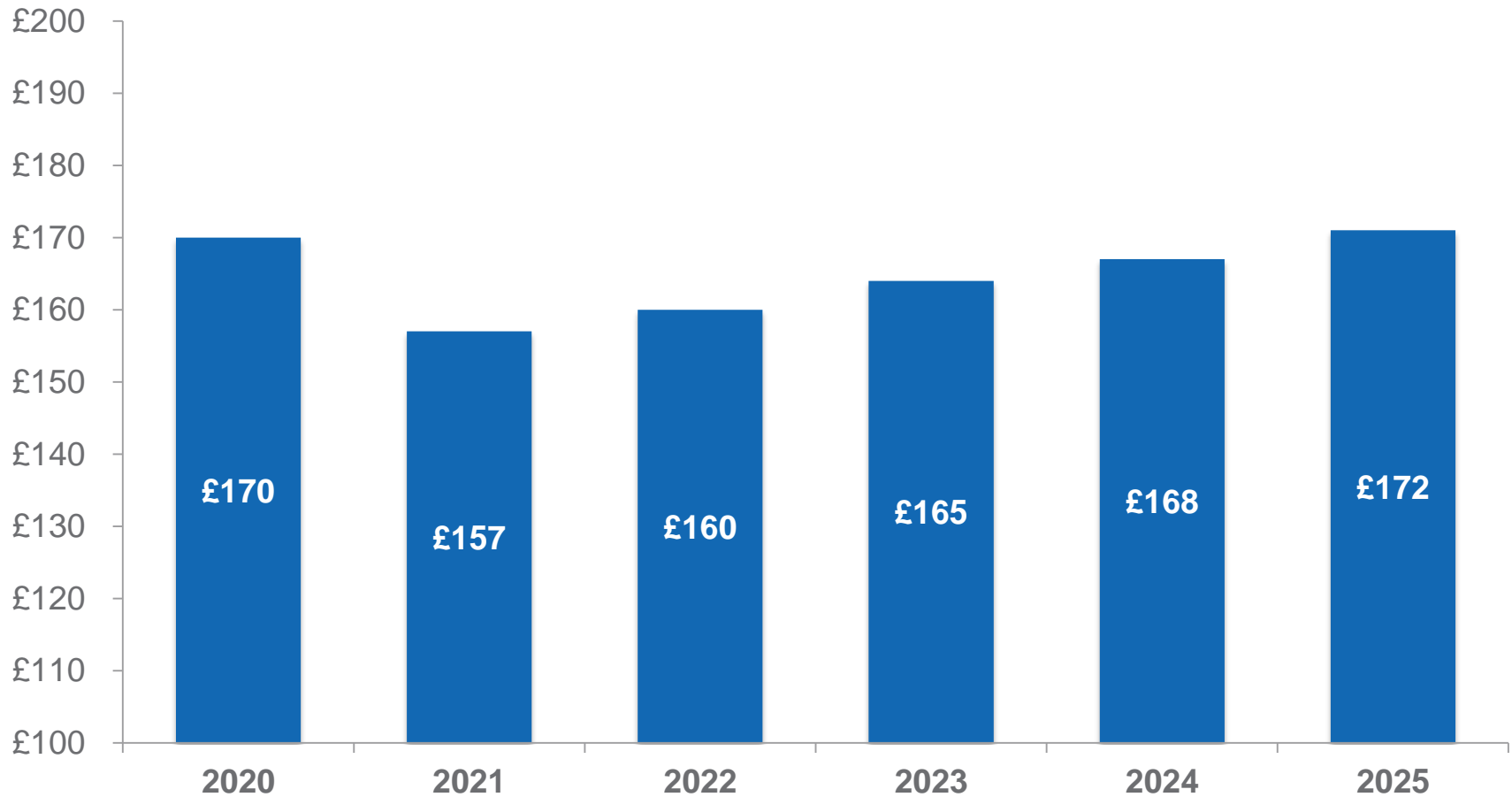
## SHOWCARD 19

# Average household water & wastewater bill *including inflation*



## SHOWCARD 20

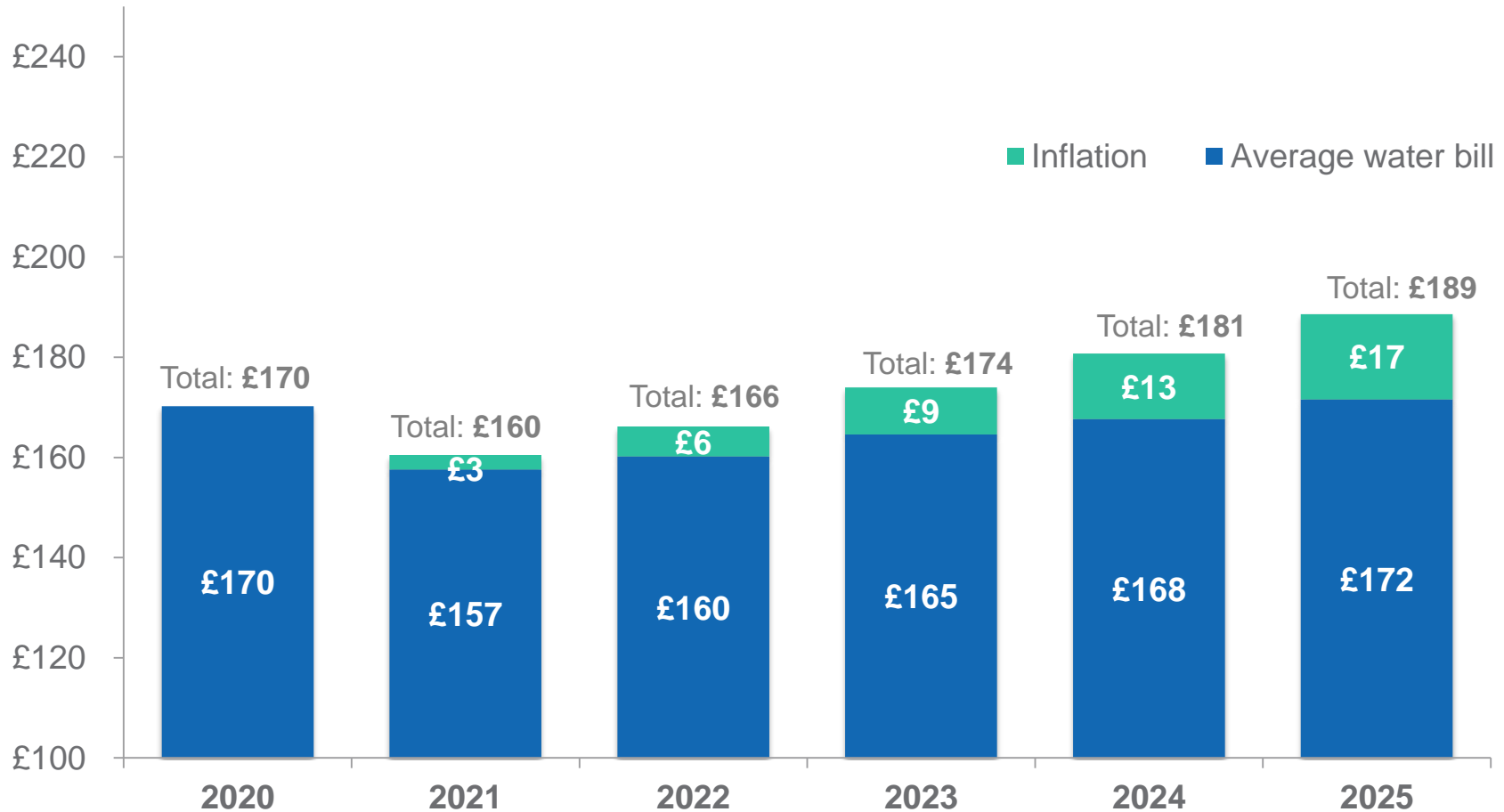
# Average household water bill *excluding inflation*





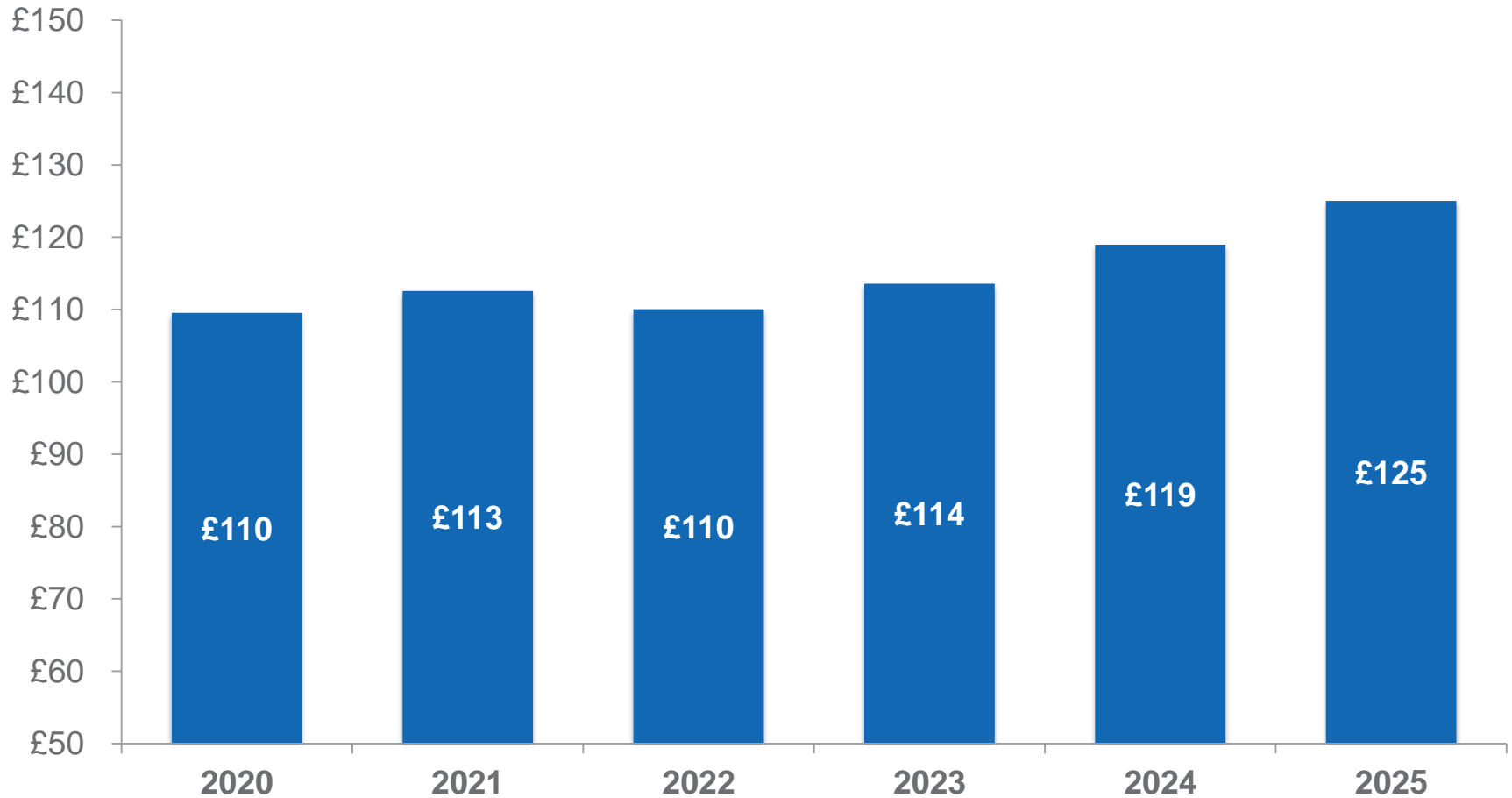
## SHOWCARD 21

# Average household water bill *including inflation*



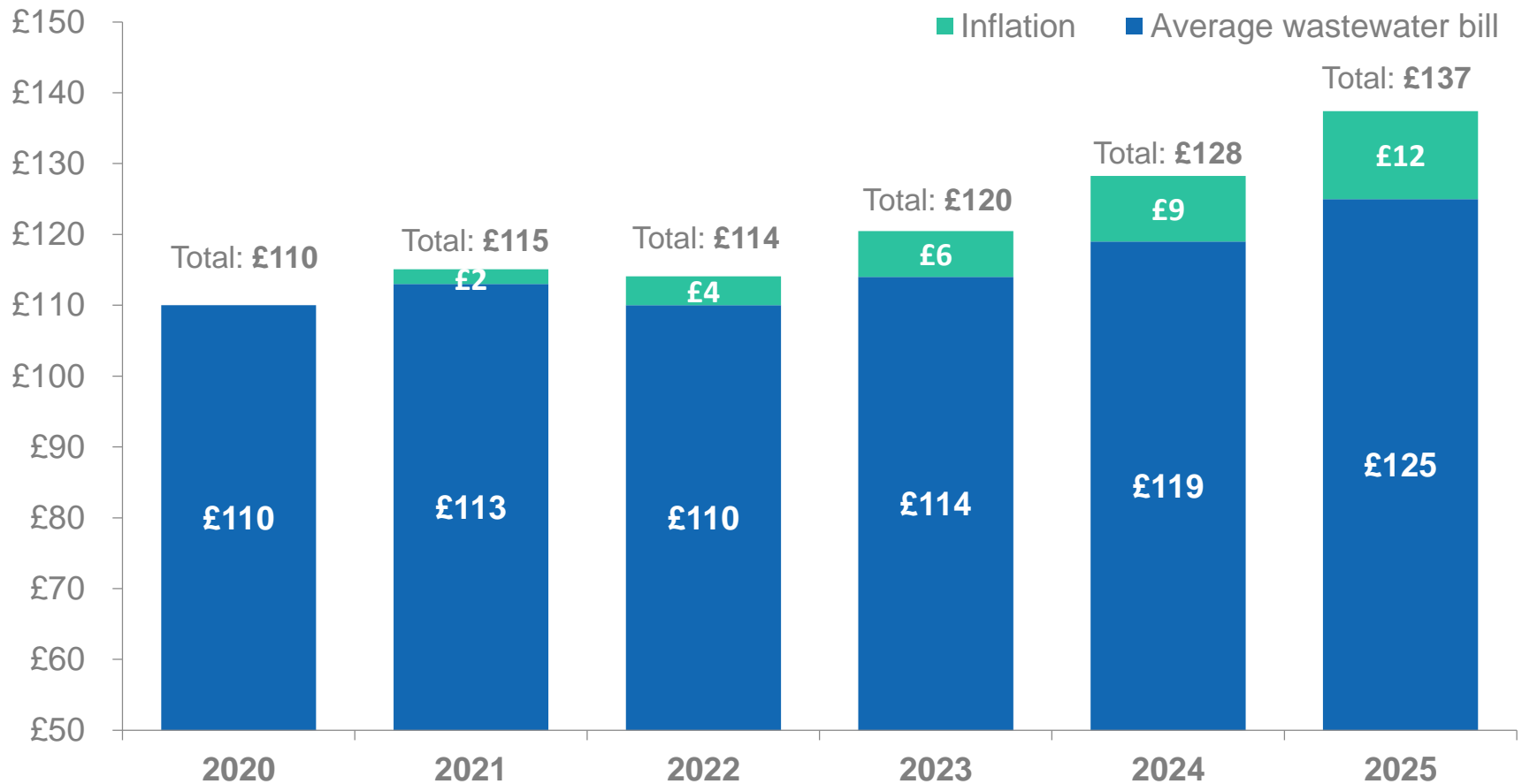
## SHOWCARD 22

# Average household wastewater bill *excluding inflation*



## SHOWCARD 23

# Average household wastewater bill *including inflation*



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**12e**  
**Non-household**  
**showcards**





# Uninformed Acceptability

## Powys NHH customers were shown:

Like all other water companies, Hafren Dyfrdwy is required by the water industry regulator, Ofwat, to produce a plan explaining how they will provide water and sewerage services, and the investments they will make, for the 5-year period 2020 to 2025. From 2020 Hafren Dyfrdwy will introduce new service levels up to 2025. Services will either improve or stay at current levels. Hafren Dyfrdwy will:

- Maintain high levels of drinking water compliance
- Maintain high levels of wastewater treatment compliance
- Maintain water mains and sewers to prevent collapses and blockages
- Make other improvements where necessary.

### If micro

Over the five-year period customer bills will increase on average by 6%, before the effect of inflation is added in.

### If small

Over the five-year period customer bills will increase on average by 4.8%, before the effect of inflation is added in.

Only read out if required

For your information, inflation is the increase, usually

of a basket of goods and services, over a given time period. Forecasts from the Bank of England estimate that inflation over the next 5 years will be around 2% per year.

### If micro

Based on an average bill of £368 in 2020, over the five-year period the average water and wastewater bill for a small business would increase to £390 in 2025 (a 6% increase)

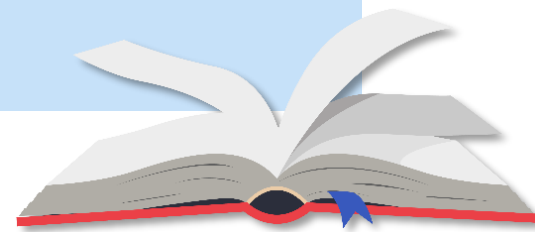
After the impact of inflation is taken into account, the average water and wastewater bill for a small business in 2025 would be £428.

### If small

Based on an average bill of £3,772 in 2020, over the five-year period the average water and wastewater bill for a small business would increase to £3,953 in 2025 (a 4.8% increase)

After the impact of inflation is taken into account, the average water and wastewater bill for a small business in 2025 would be £4,435.

Overall, how acceptable do you consider this proposal is for your business's overall water and wastewater bill?





# Uninformed Acceptability

## Wrexham NHH customers were shown:

Dual: Like all other water companies, Hafren Dyfrdwy is required by the water industry regulator, Ofwat, to produce a plan explaining how they will provide water and sewerage services, and the investments they will make, for the 5-year period 2020 to 2025. From 2020 Hafren Dyfrdwy will introduce new service levels up to 2025. Services will either improve or stay at current levels. Hafren Dyfrdwy will:

- Maintain high levels of drinking water compliance
- Maintain high levels of wastewater treatment compliance
- Maintain water mains and sewers to prevent collapses and blockages
- Make other improvements where necessary.

### If micro

Over the five-year period customer bills will increase on average by 6%, before the effect of inflation is added in.

### If small

Over the five-year period customer bills will increase on average by 4.8%, before the effect of inflation is added in.

Only read out if required

For your information, inflation is the increase, usually

of a basket of goods and services, over a given time period. Forecasts from the Bank of England estimate that inflation over the next 5 years will be around 2% per year.

### If micro

Based on an average bill of £368 in 2020, over the five-year period the average water and wastewater bill for a small business would increase to £390 in 2025 (a 6% increase)

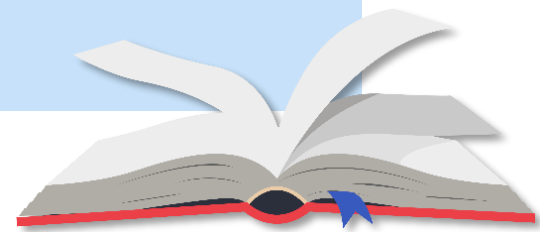
After the impact of inflation is taken into account, the average water and wastewater bill for a small business in 2025 would be £428.

### If small

Based on an average bill of £3,772 in 2020, over the five-year period the average water and wastewater bill for a small business would increase to £3,953 in 2025 (a 4.8% increase)

After the impact of inflation is taken into account, the average water and wastewater bill for a small business in 2025 would be £4,435.

Overall, how acceptable do you consider this proposal is for your business's water bill?







# Informed Acceptability

## Powys NHH customers were shown:

**Q13A (no inflation): No inflation micro** The average non-household bill by 2020 is predicted to be £368 per annum. Hafren Dyfrdwy's plan will mean that the average non-household bill for water and wastewater services will increase from £368 in 2020 to £390 by 2025 (this is a 6% increase), *excluding* the impact of inflation. Given the information you have been provided with, overall how acceptable do you now consider the proposed plan to be?

*What is inflation?*

### No inflation show question text for small

The average non-household bill by 2020 is predicted to be £3,772 per annum. Hafren Dyfrdwy's plan will mean that the average non-household bill for water and wastewater services will increase from £3,772 in 2020 to £3,953 by 2025 (this is a 4.8% increase), *excluding* the impact of inflation. Given the information you have been provided with, overall how acceptable do you now consider the proposed plan to be? *What is inflation?*

*What is inflation?*

If respondent asks, read out:

Inflation is the rate of increase in prices for goods and services. So, if inflation is 3% higher than 12 months earlier, 4 pints of milk which was £1 twelve months ago will now cost £1.03. Incomes and pensions can also rise in line with inflation which can offset the increase in cost of goods and services.

### For micro

Inflation could add a further £17 to your bill by 2025.

### For small

Inflation could add a further £224 to your bill by 2025.

Given the information you have been provided, overall how acceptable do you now consider the proposed plan to be?

**Q16A (inflation):** We would now like to show you your future water and wastewater bill, including a forecast for inflation

### With inflation show question text for micro

The average non-household bill by 2020 is predicted to be £368. Hafren Dyfrdwy's plan will mean that average non-household bill for water and wastewater services, including a forecast for the effect of inflation, will increase from £368 to £428 by 2025 (a 16% increase). Given the information you have been provided, overall how acceptable do you now consider the proposed plan to be?

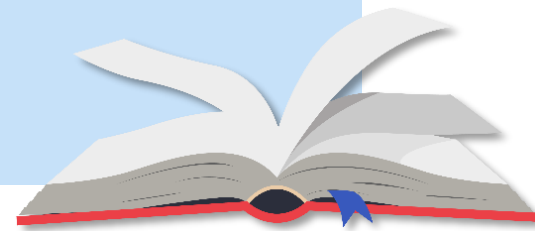
### With inflation show question text for small

The average non-household bill by 2020 is predicted to be £3,772. Hafren Dyfrdwy's plan will mean that average non-household bill for water and wastewater services, including a forecast for the effect of inflation, will increase from £3,772 to £4,335 by 2025 (a 15% increase). Given the information you have been provided, overall how acceptable do you now consider the proposed plan to be?

Given the information you have been provided, overall how acceptable do you now consider the proposed plan to be?

HD NHH customers: POWYS

No Inflation  
and inflation





# Informed Acceptability

HD NHH customers: WREXHAM

No Inflation  
and inflation

## Wrexham NHH customers were shown:

### Q13A (no inflation): No inflation show question text for micro:

The average non-household water bill by 2020 is predicted to be £179 per annum. Hafren Dyfrdwy's plan will mean that the average non-household bill for water services will increase from £179 in 2020 to £180 by 2025 (this is an 0.7% increase), excluding the impact of inflation. Given the information you have been provided with, overall how acceptable do you now consider the proposed plan to be?

What is inflation?

No inflation show question text for small:

The average non-household water bill by 2020 is predicted to be £2,298 per annum. Hafren Dyfrdwy's plan will mean that the average non-household bill for water services will increase from £2,298 in 2020 to £2,313 by 2025 (this is an 0.7% increase), excluding the impact of inflation. Given the information you have been provided with, overall how acceptable do you now consider the proposed plan to be? What is inflation?

What is inflation?

If respondent asks, read out:

Inflation is the rate of increase in prices for goods and services. So, if inflation is 3% higher than 12 months earlier, 4 pints of milk which was £1 twelve months ago will now cost £1.03. Incomes and pensions can also rise in line with inflation which can offset the increase in cost of goods and services.

For micro

Inflation could add a further £17 to your bill by 2025.

For small

Inflation could add a further £224 to your bill by 2025.

Given the information you have been provided, overall how acceptable do you now consider the proposed plan to be?

### Q16A (with inflation): We would now like to show you your future water business bill, including a forecast for inflation

With inflation show question text for micro:

The average non-household water bill by 2020 is predicted to be £179. Hafren Dyfrdwy's plan will mean that average non-household bill for water and wastewater services, including a forecast for the effect of inflation, will increase from £179 to £197 by 2025 (a 10% increase). Given the information you have been provided, overall how acceptable do you now consider the proposed plan to be?

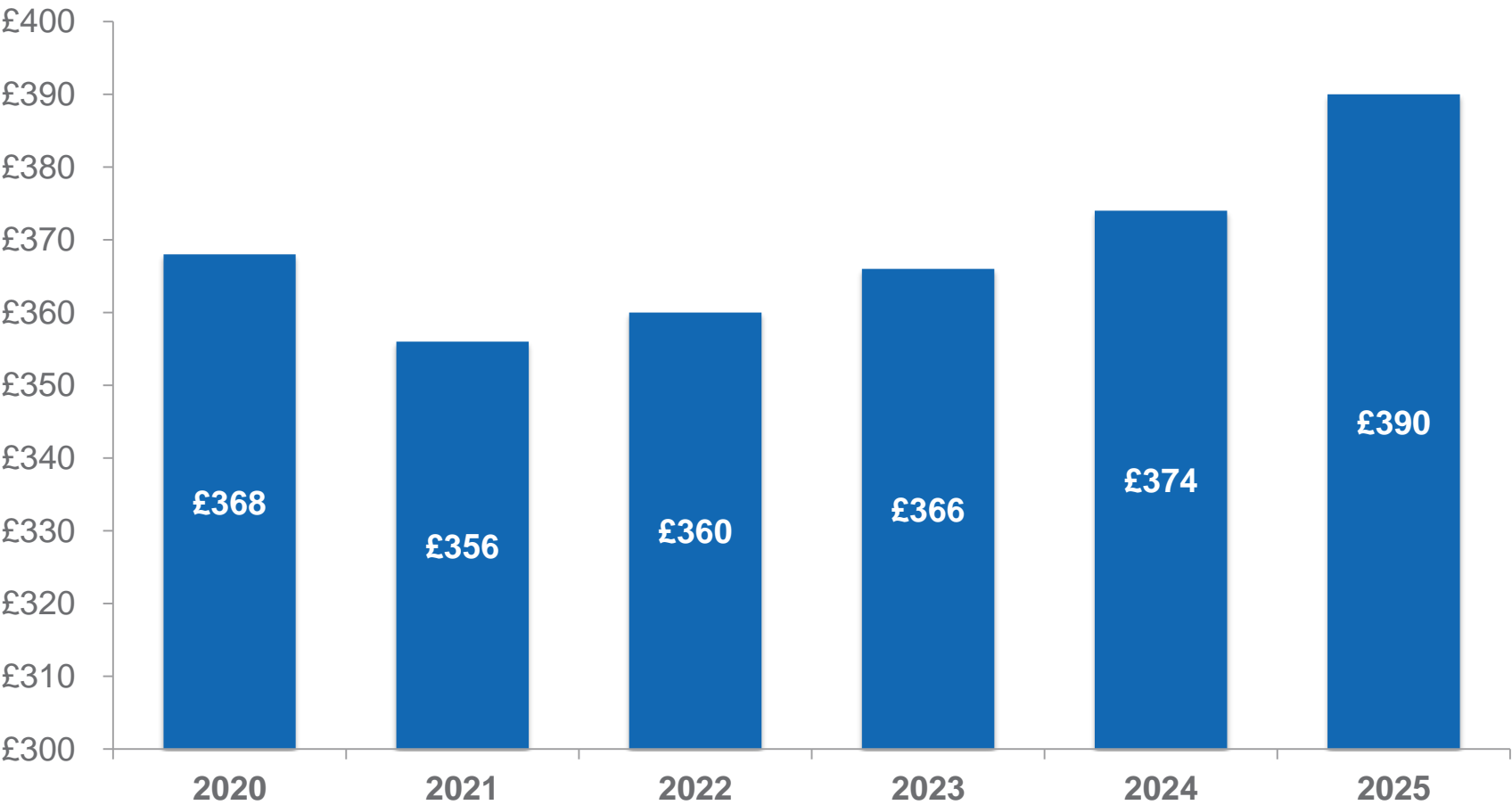
With inflation show question text for small:

The average non-household water bill by 2020 is predicted to be £2,298. Hafren Dyfrdwy's plan will mean that average non-household bill for water and wastewater services, including a forecast for the effect of inflation, will increase from £2,298 to £2,537 by 2025 (a 10% increase). Given the information you have been provided, overall how acceptable do you now consider the proposed plan to be?

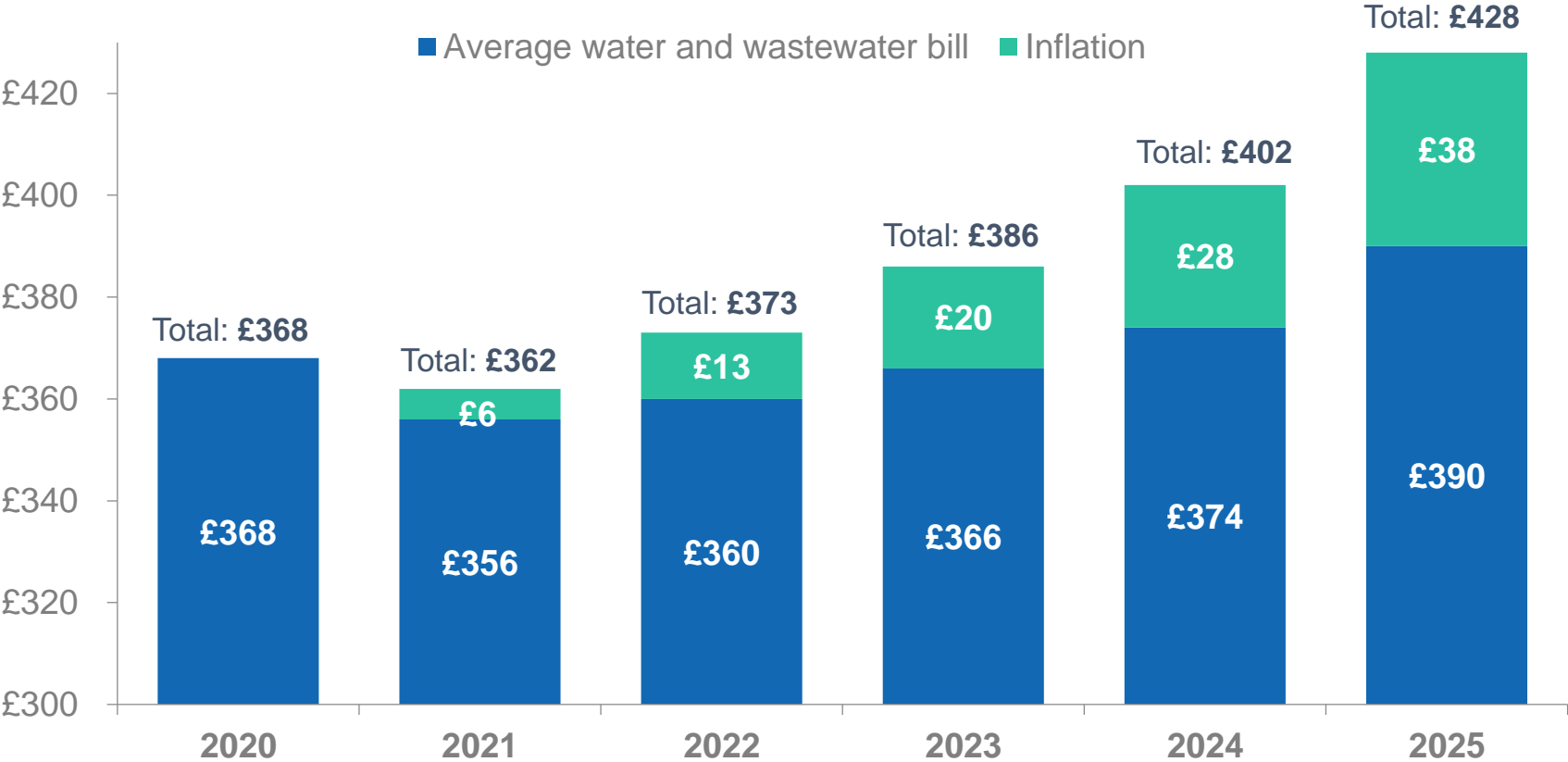
Given the information you have been provided, overall how acceptable do you now consider the proposed plan to be?



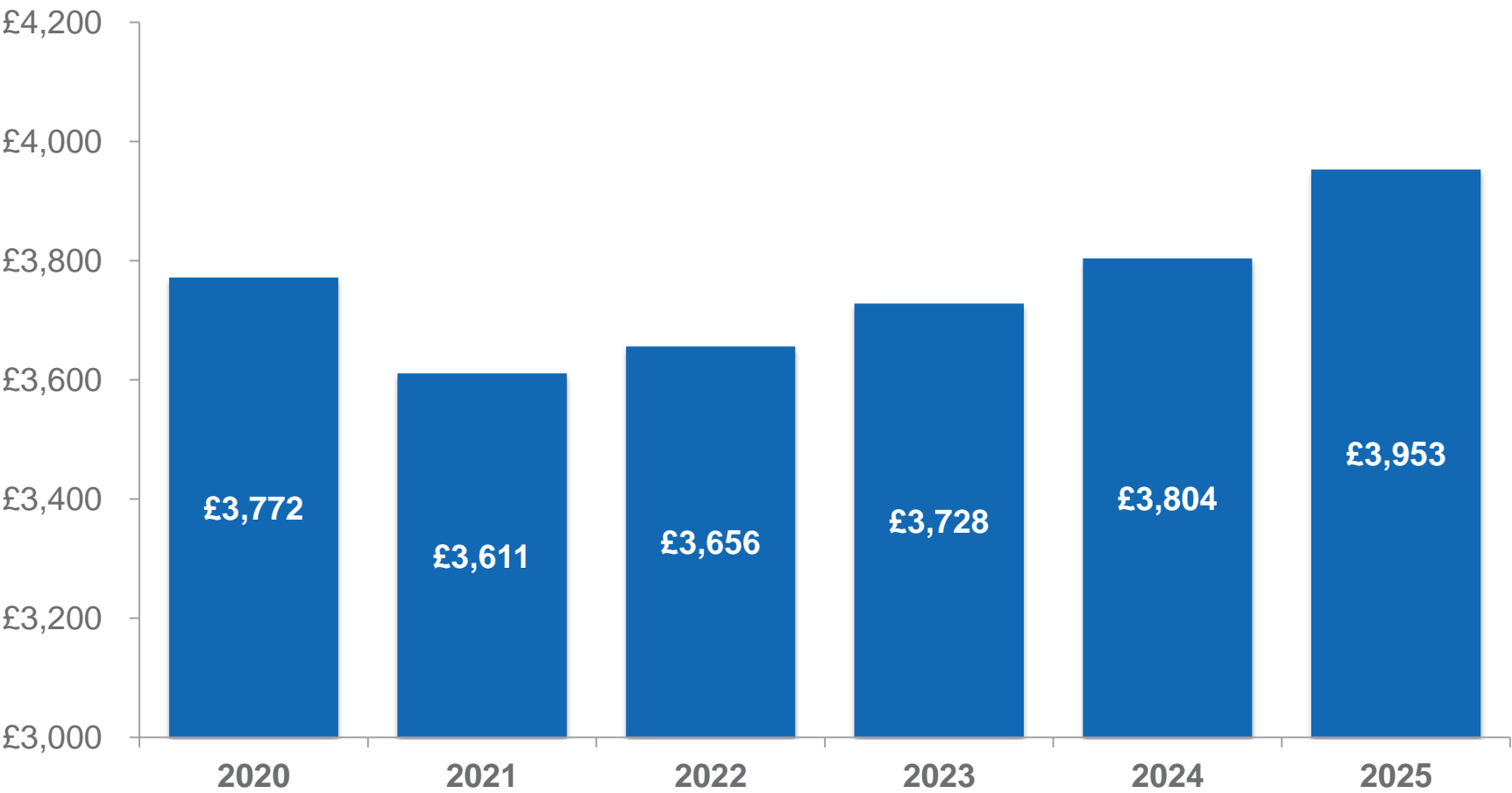
Average business water & wastewater bill *excluding inflation*



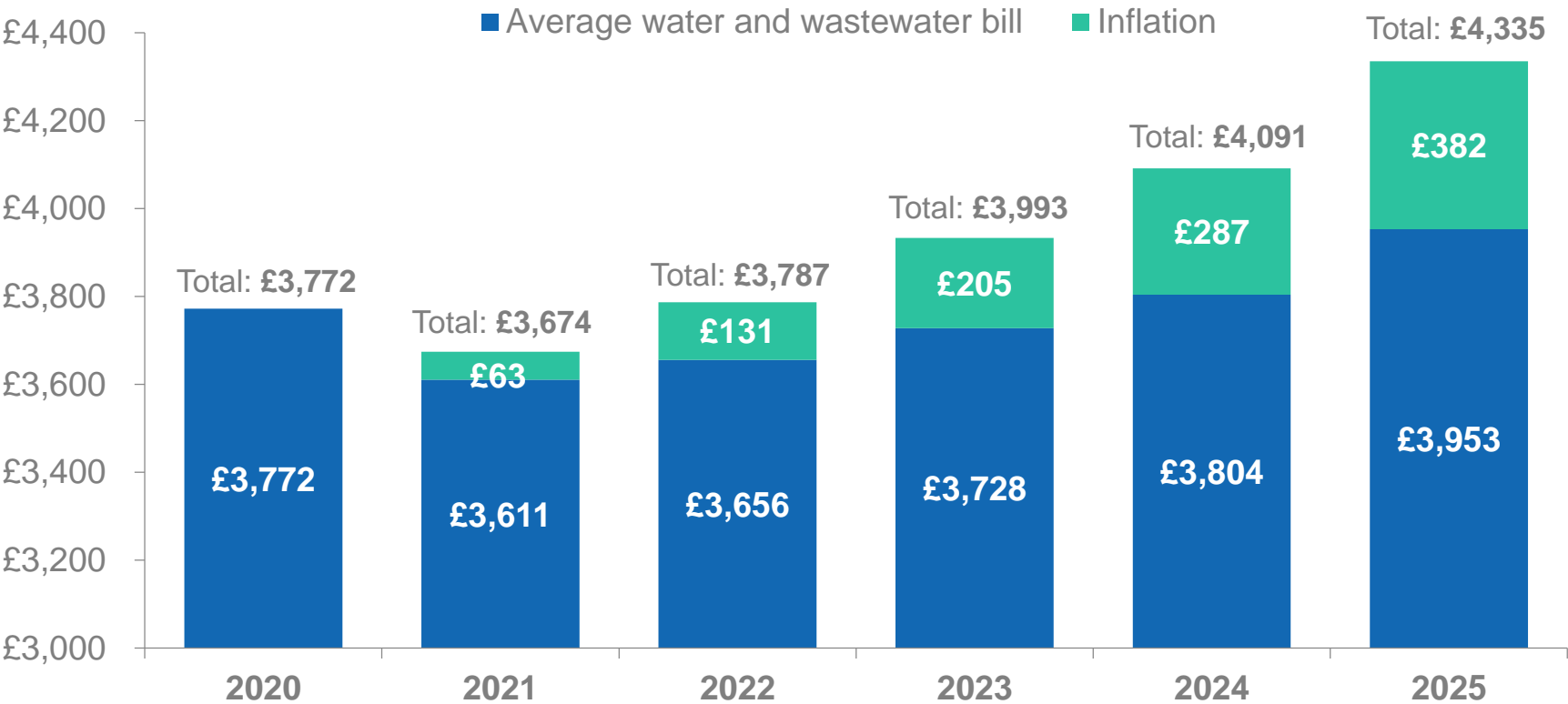
Average business water & wastewater bill *including inflation*



Average business water & wastewater bill *excluding inflation*

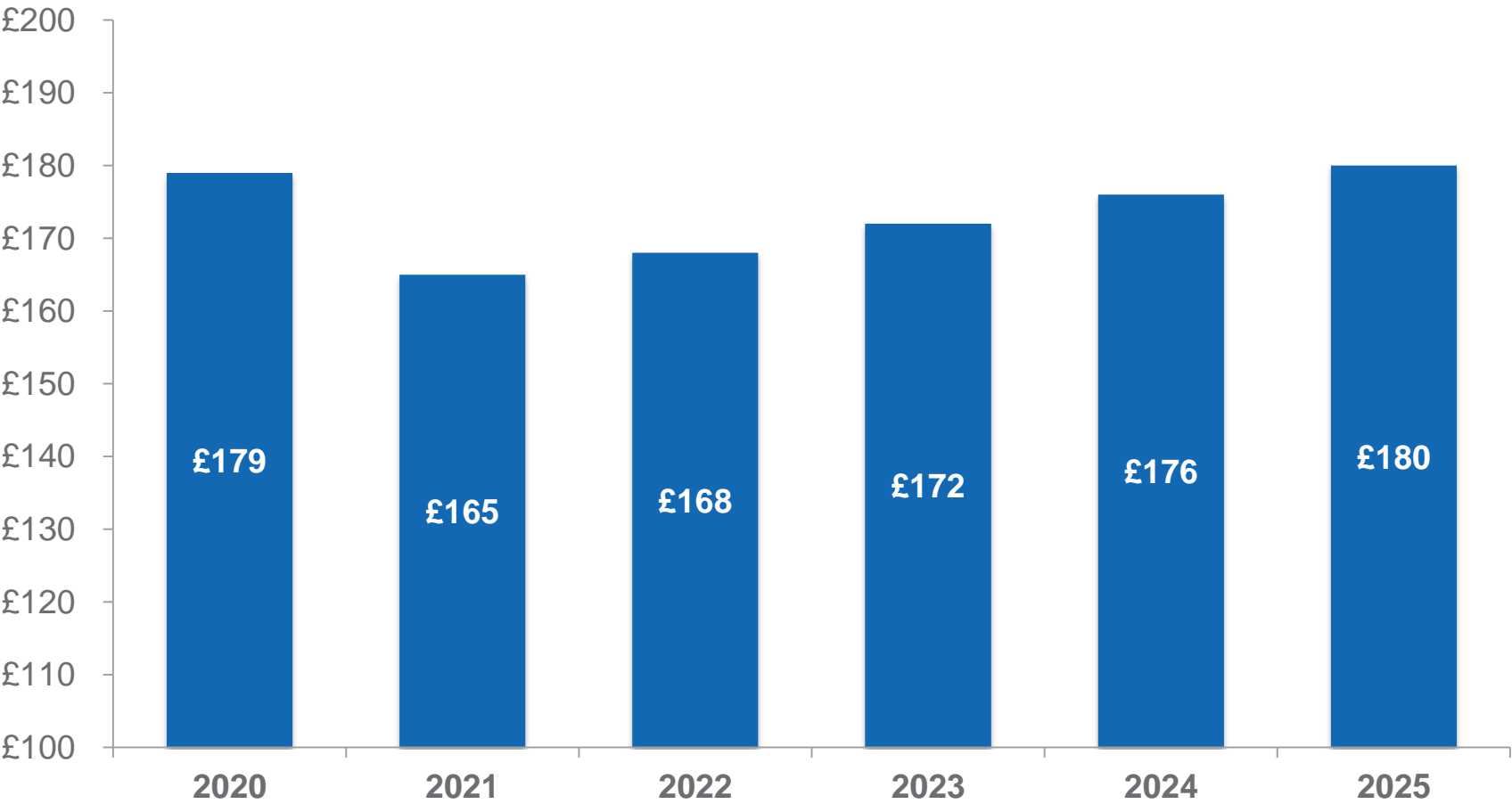


Average business water & wastewater bill *including inflation*

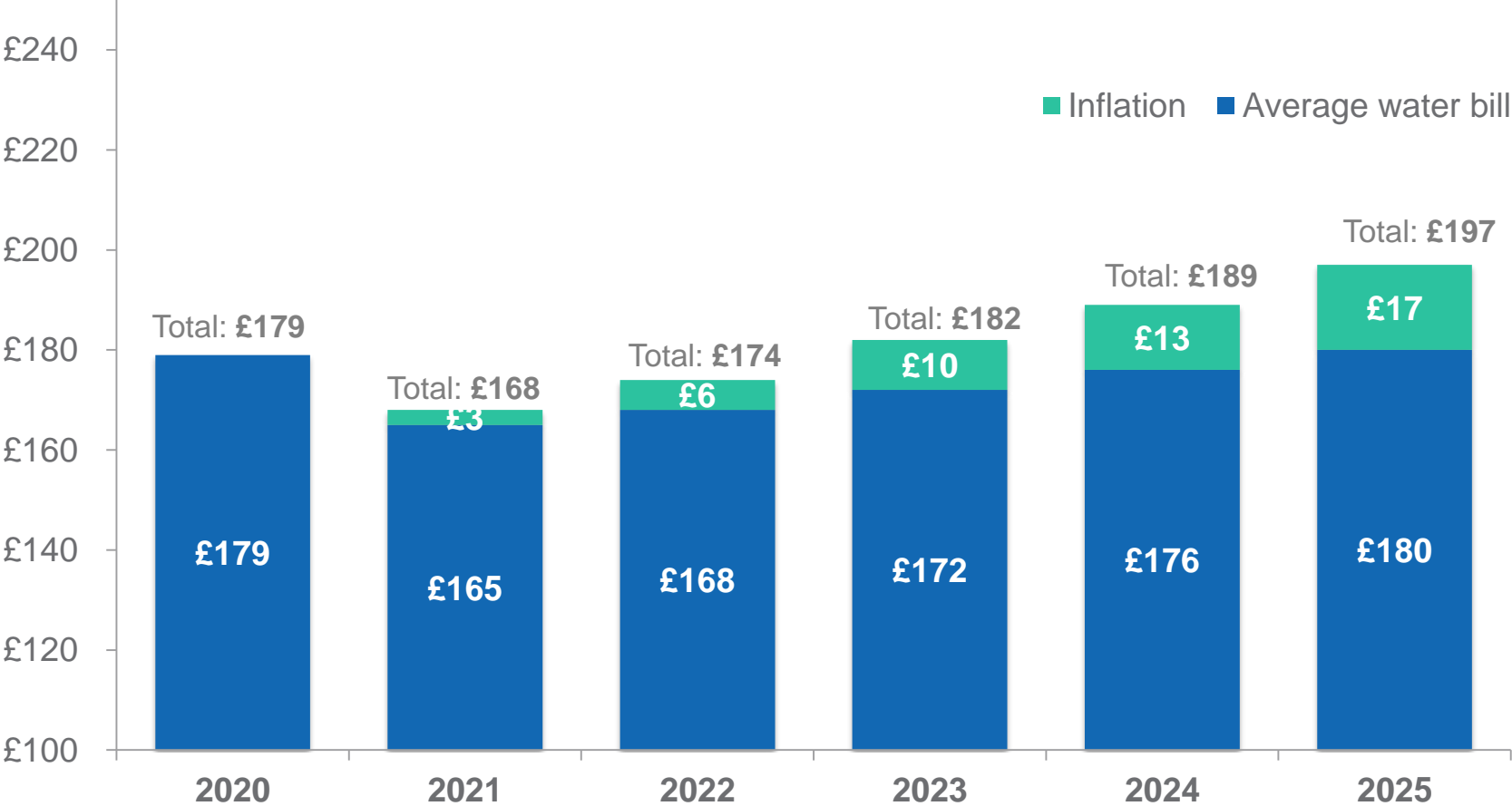




Average business water  
bill *excluding inflation*



Average business water bill including inflation

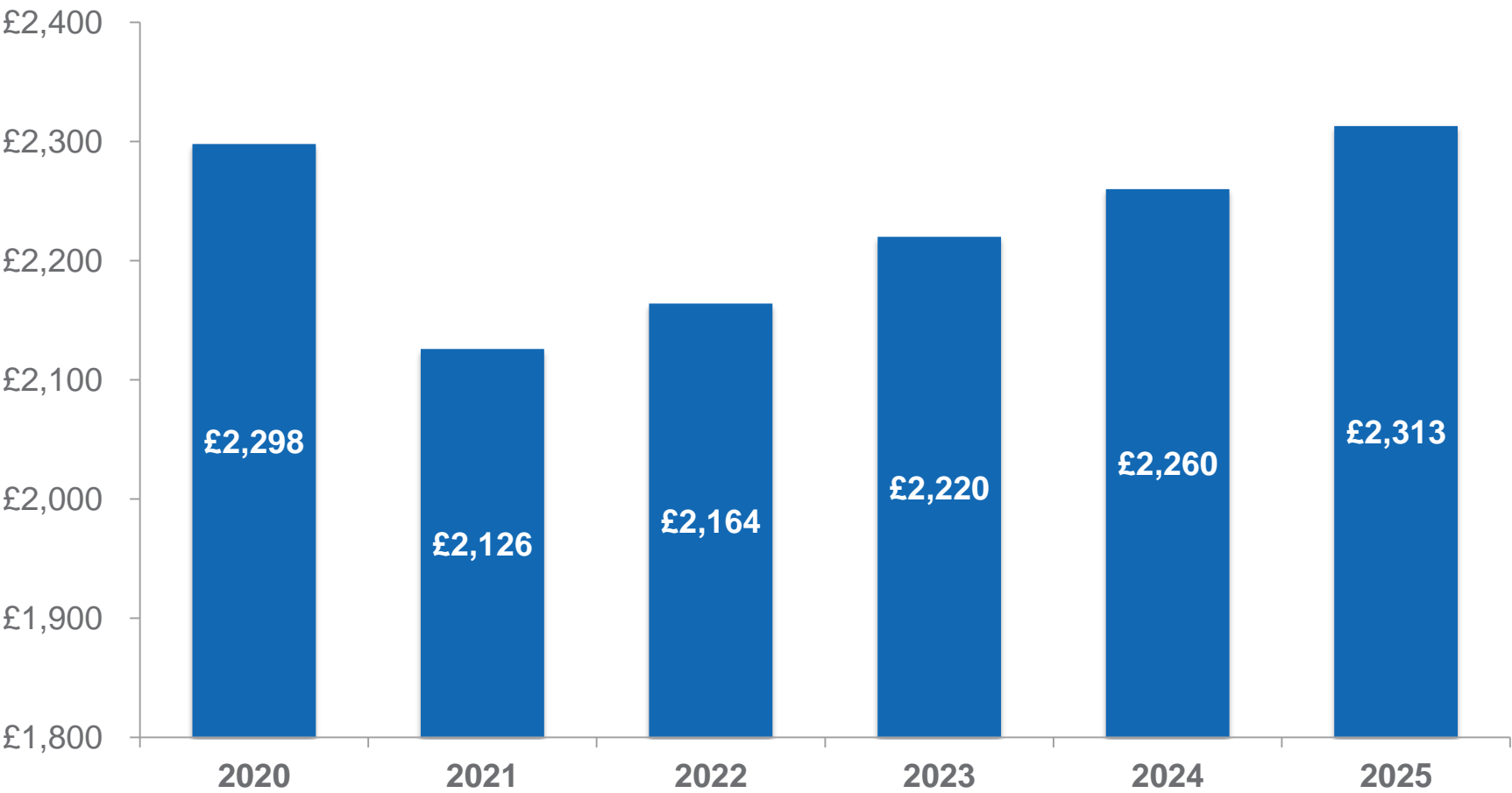


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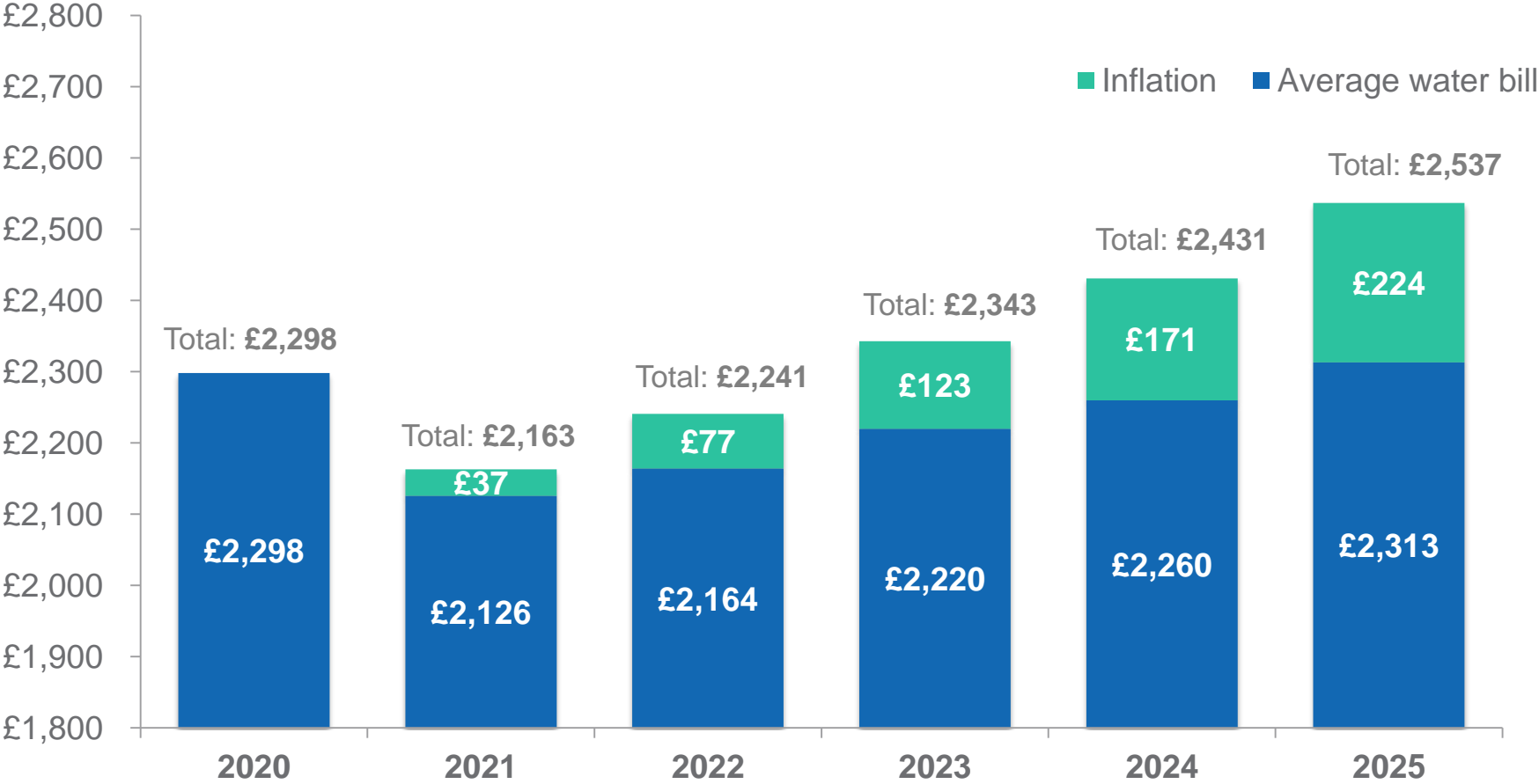


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Average business water bill *excluding inflation*



Average business water bill including inflation



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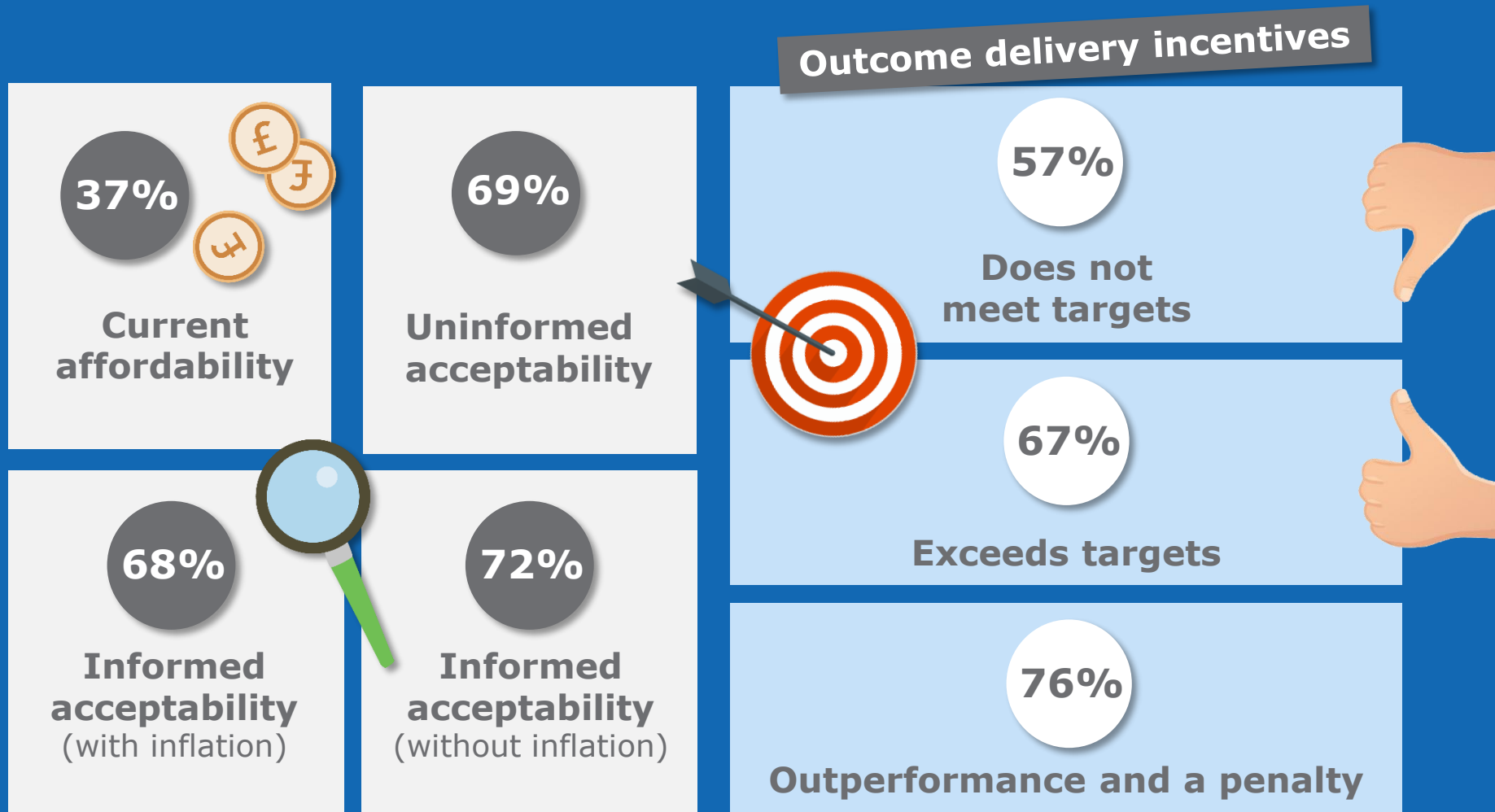
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## A single service summary of Powys



# Powys water only customers

These are the results of some key questions taken from just those who receive water only services from HD. The below are the key metrics.



(Powys water only n=27 weighted data. Low base size)