



PR19 Customer Acceptability Research: Powys

Wave 2

Report prepared for:
Hafren Dyfrdwy

September 2018

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Quotas & weighting

A final sample of HH customers is shown here.



Fieldwork between 1st to the 12th
August 2018



Powys

		(CAPI)	
		Completes	% (weighted)
Gender	Male	98	49%
	Female	102	51%
Age	18-24	13	6%
	25-34	21	11%
	35-44	32	16%
	45-54	32	16%
	55-64	44	22%
	65-74	29	15%
	75+	29	14%
SEG	AB	49	25%
	C1C2	92	46%
	DE	57	29%
Income	£19,999 or less	38	19%
	£20,000 or more	71	35%
Meter	Metered	86	43%
	Unmetered	114	57%
TOTAL		200	

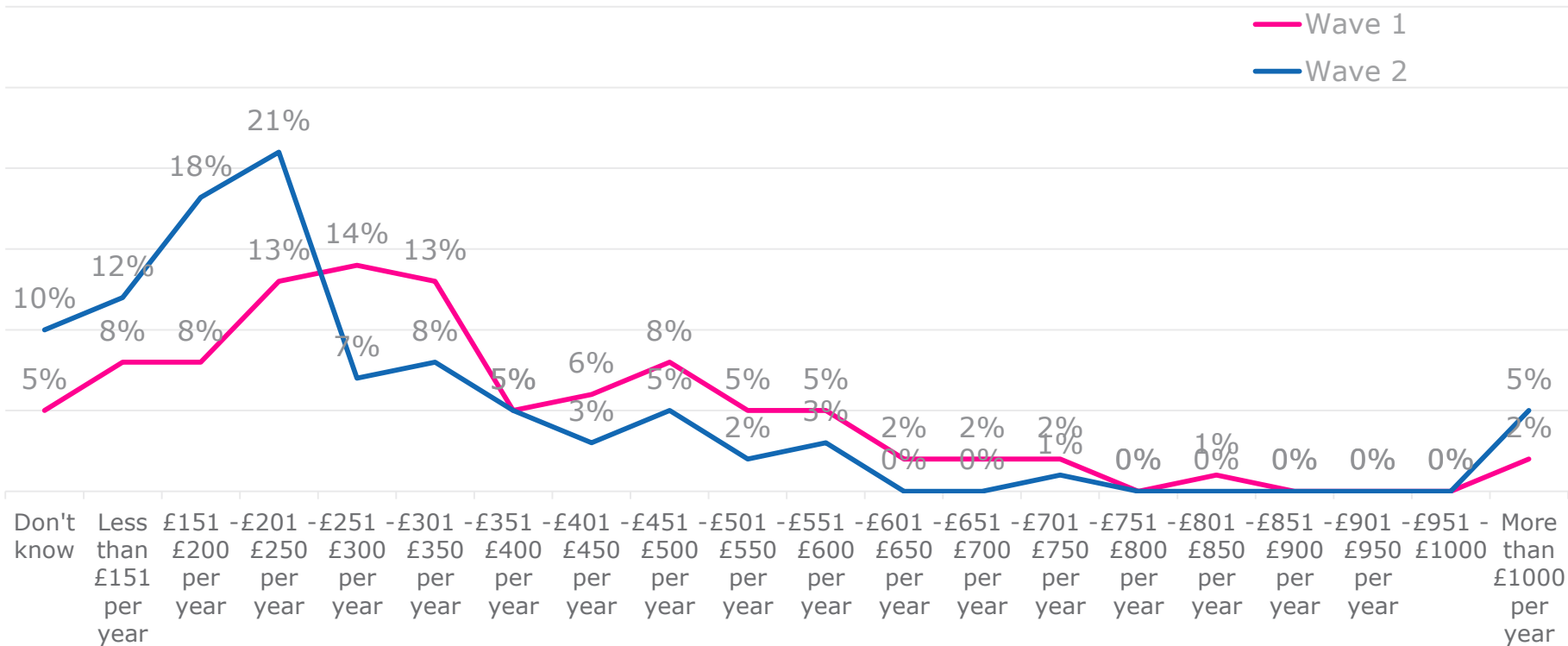
1. Current bill



What customers are currently paying



Combined current bill



2. Acceptability & affordability





Summary: Total acceptability and affordability

A summary of acceptability and affordability of the proposed plan.

HH customers

	Q12: NET Acceptability (without inflation): (Wave 2 = 200)	Q15a: NET Affordability: (Wave 2= 200)	Q16: NET Acceptability (without inflation): (Wave 2 = 200)	Q1x: NET Affordability: (Wave 2 = 200)	Q18 Acceptability (with inflation): (Wave 2 = 200)	Q19 Affordability: (Wave 2 = 200)
Wave 2	77%	61%	81%	63%	73%	53%

NB. The changes to bills that customers were shown:

Q12: Over the 5 year period customer water bills will increase on average by 2.5% before the effect of inflation is added in. This means that the average water and wastewater bill will increase by £7 over the 5 year period.

Q16 (without inflation): The average household bill for water and wastewater services in 2020 is predicted to be £281. The plans that your water company is proposing will mean that the average household bill for water and wastewater services will initially increase to £288 in 2021 (an increase of £7, or 60 pence a month). After that, in 2022, 2023, 2024 and 2025 your bill will remain the same and only increase with inflation.

Q18 (with inflation): The average bill for water and wastewater services, including a forecast of inflation, will increase from £281 in 2020, to £316 in 2025. This is an average increase of £7 per year, or 60 pence per month.





Summary: JAMS acceptability and affordability

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

HH customers

	Q12: NET Acceptability (without inflation):	Q15a: NET Affordability:	Q16: NET Acceptability (without inflation):	Q1x: NET Affordability :	Q18 Acceptability (with inflation):	Q19 Affordability:
JAMS (n=64)	79%	53%	82%	51%	73%	39%
Those who never struggle to pay their bills (n=115)	86%	83%	92%	85%	85%	74%

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Q18 (with inflation): The average bill for water and wastewater services, including a forecast of inflation, will increase from £281 in 2020, to £316 in 2025. This is an average increase of £7 per year, or 60 pence per month.

Significantly different to those who never struggle

JAMS: Those who sometimes struggle to pay their household bills but usually keep on top of it





Summary: SEG acceptability and affordability

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

HH customers

	Q12: NET Acceptability (without inflation):	Q15a: NET Affordability:	Q16: NET Acceptability (without inflation):	Q1x: NET Affordability:	Q18 Acceptability (with inflation):	Q19 Affordability:
ABC1 (n=110)	77%	68%	81%	69%	72%	54%
C2DE (n=90)	78%	52%	81%	54%	75%	51%

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Significantly different to those who are C2DE

SEG: Socio-economic grading





Summary: Low income, health and well-being acceptability and affordability

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

HH customers

	Q12: NET Acceptability (without inflation):	Q15a: NET Affordability:	Q16: NET Acceptability (without inflation):	Q1x: NET Affordability:	Q18 Acceptability (with inflation):	Q19 Affordability:
Low income (n=38)	85%	77%	90%	79%	82%	72%
Health & well-being (n=54)	71%	59%	77%	60%	66%	53%

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Q18 (with inflation): The average bill for water and wastewater services, including a forecast of inflation, will increase from £281 in 2020, to £316 in 2025. This is an average increase of £7 per year, or 60 pence per month.



3. Reasons for acceptability



HH customers were able to offer their comments after rating their acceptance with the proposed plan...

HH customers
(uninformed)

77% of customers found the proposed plan acceptable because:

All customers will benefit from the improvements **53%**

My household will benefit from the proposed improvements **45%**

It will improve the environment in the region **38%**

The proposed service improvements are needed **32%**

The proposed service improvements are worth the money **25%**

The proposed bill amount is affordable **22%**

Don't know – 2%

Other – 3%

17% of customers found the proposed plan unacceptable because:

I cannot afford an increase in my bill **64%**

Already too expensive **57%**

I feel company profits are too high **45%**

The proposed service improvements are not enough **4%**

Don't know – 4%

Other – 10%

4. Reasons for unaffordability



HH customers were able to offer their comments after feeling the proposed plan was unaffordable...

14% of customers found the proposed plan unaffordable because:

Both the current and the future bill are unaffordable for me

53%

My current bill is affordable but I am worried about the impact of inflation on top of the increase shown here

27%

My current bill is affordable but the increase of 2.5% over 5 years will make it unaffordable

24%

Other – 8%



5. Change of opinion on acceptability



HH customers were able to offer their comments after feeling the proposed plan was unaffordable...

Not sure if I could afford it with inflation and I'm on benefits and trying to pay bedroom tax

JAMs, Low income, SEG: E

Not enough information here to make judgements and where do they get their figures from i.e. 3% inflation rise
Never struggles to pay bills, SEG: A

Nobody will know how much they have to pay each year because of the inflation

Never struggles, SEG: C1

I'm already paying too much in my opinion
SEG: B

7 pounds not bad if improved river quality but then inflation rise questionable

JAMs, Low income, C1

Looks so much more
Never struggles to pay bills, C1

Inflation wasn't on initially - if it goes up too high a lot of people will struggle
JAMs, SEG: C1

6. Agreement with the proposed plan of improvements



Agreement with the proposed plan of improvements

Over three quarters agreed with each of the performance commitments.

HH customers

	Water PCs	Waste PCs	Other PCs
Strongly agree	22%	20%	28%
Agree	57%	66%	57%
Neither agree/ nor disagree	18%	12%	14%
Disagree	2%	1%	2%
Strongly agree	0%	0%	0%
Don't know	1%	0%	0%

Net:
agree
79%

Net:
agree
88%

Net:
agree
85%

Net:
disagree
2%

Net:
disagree
1%

Net:
disagree
2%



7. Service issues experienced





Service issues experienced

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.

HH customers

Tap water that tastes or smells unpleasant	16%
Discoloured tap water (water that is brown/orange/cloudy)	10%
Low water pressure at your tap	4%
An interruption to your water supply that you were not notified about in advance	2%
A water leak	2%
A flood of sewage in your home	1%
A flood of sewage in your garden or on your land	2%
Seeing pollution in rivers	5%
Query about your bill	3%
You requested information or support because you were struggling to pay your bill	1%
Other (please specify)	4%
None of the above	62%



8. Demographics

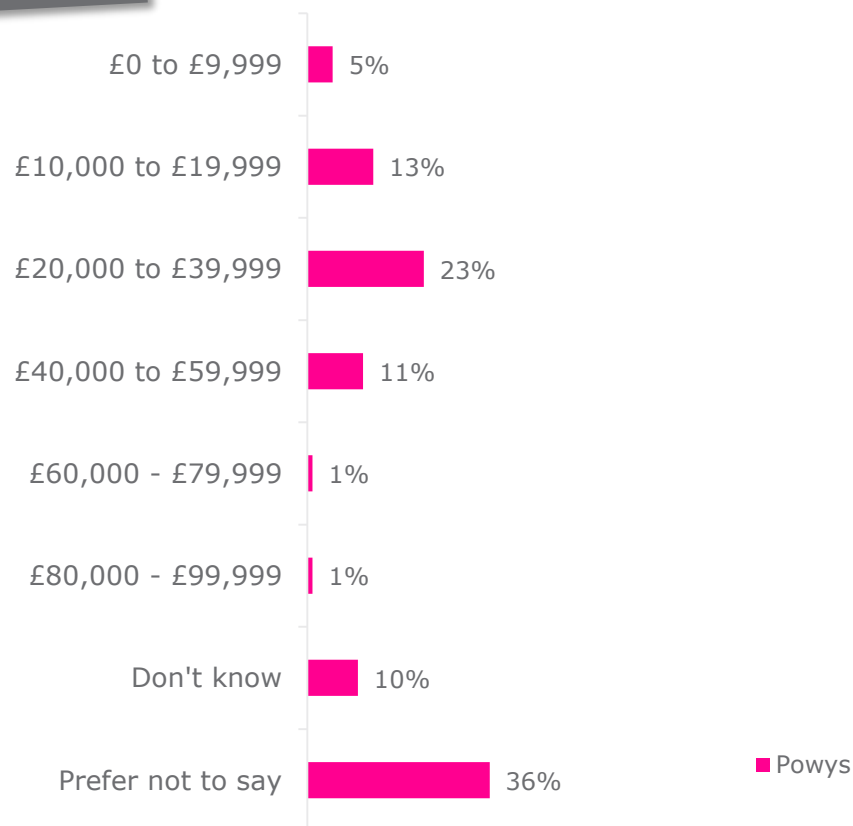




Breakdown: income

Over a third of HH customers preferred not to divulge this information whilst just under a quarter stated they had a household income between £20,000 to £39,999

Household Income



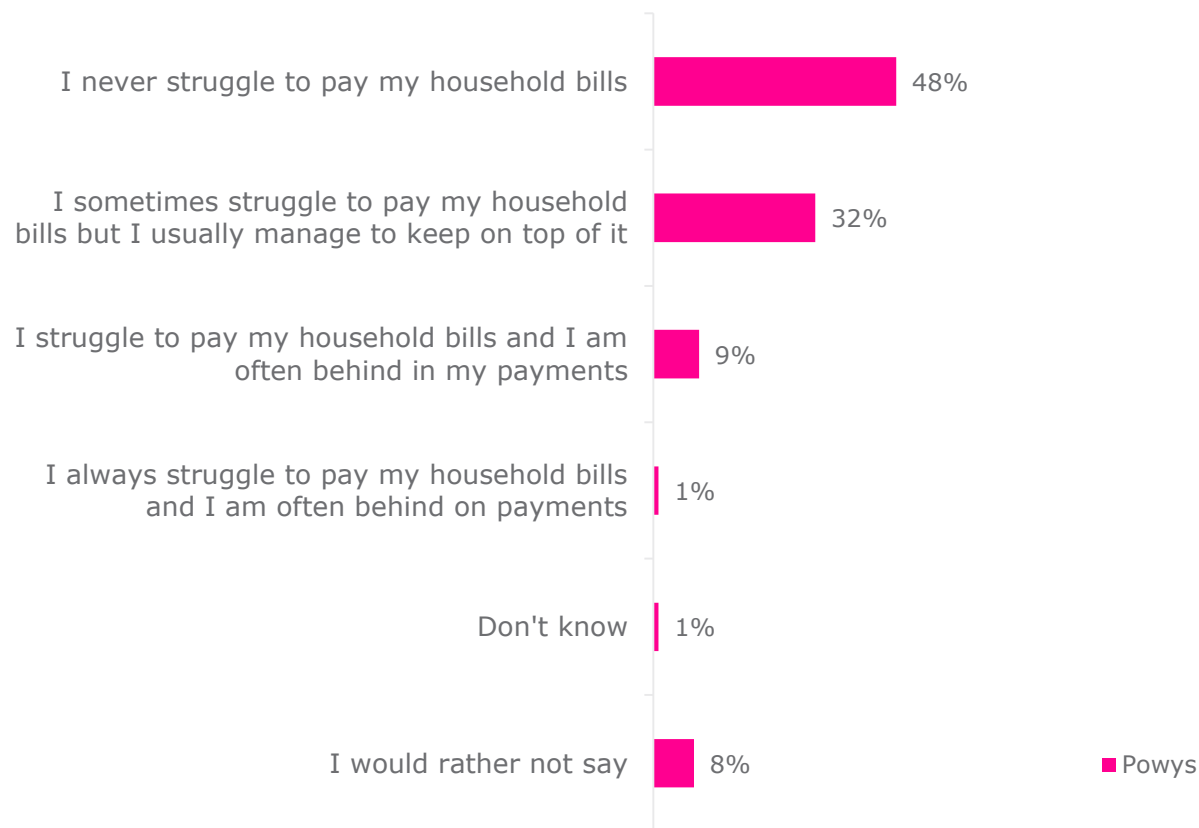
HH customers



Breakdown: financial position

Just over two-fifths (42%) of HH customers struggle to pay their household bills to some degree

HH customers



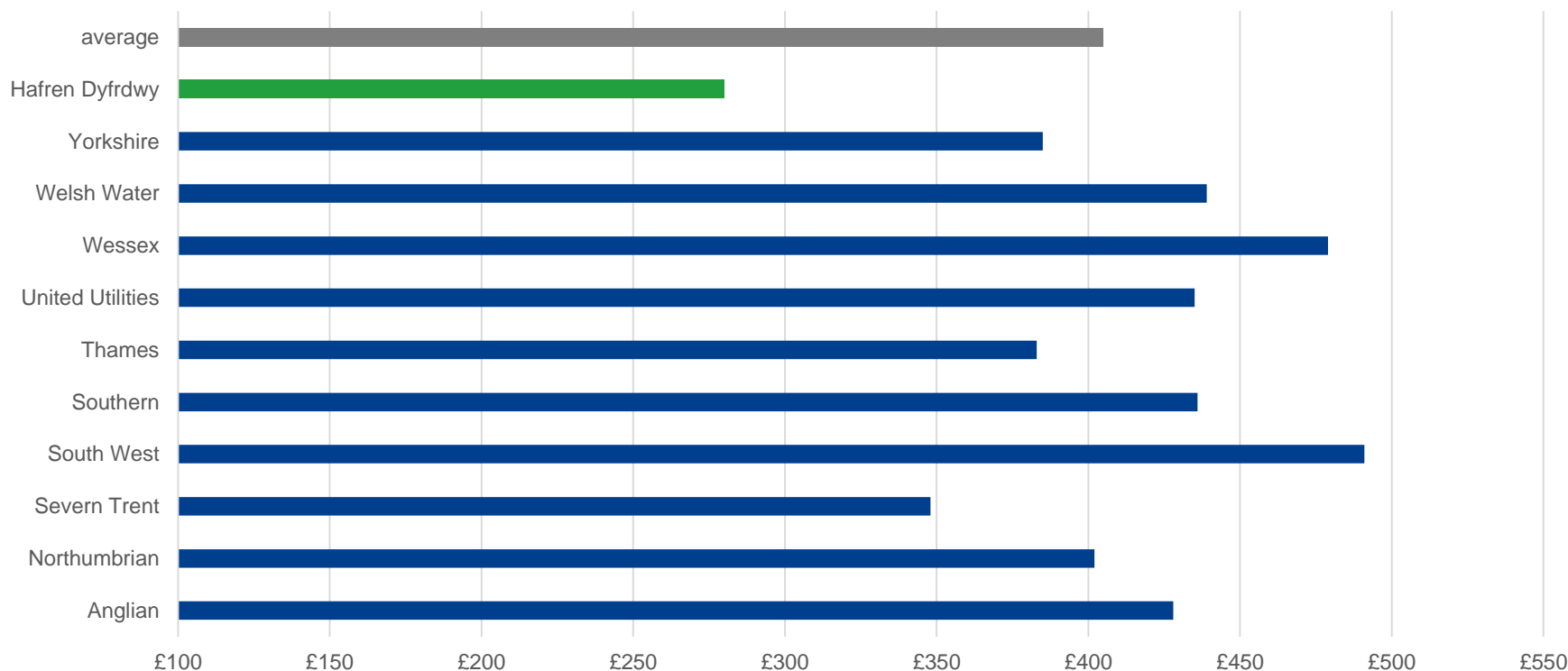
9. Appendices

(Showcards shown to respondents)



Hafren Dyfrdwy has the lowest average water & wastewater bill in England & Wales

18/19 average water and wastewater bills



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



Nine pledges to put our customers first



Having the lowest possible bills

Providing water which is good to drink

Ensuring water is always there when you need it

Taking wastewater safely away


Ensuring the environment is protected and thrives

Providing outstanding customer experience

Ensuring everyone can access and afford water

Making a positive difference

Being a company you can trust



These are the **core service areas**, and where the vast majority of the money from customer bills is spent.



Improving the reliability and quality of tap water



Providing water which is good to drink



Maintain high standards of safe drinking water



A 35% reduction in the number of complaints about the taste, smell and appearance of tap water



A programme of lead pipe replacement in schools and nurseries and target replacement in hotspot areas

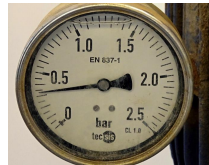


Investment in treated water reservoirs and in the safety of our dams

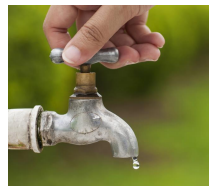
Ensuring water is always there when you need it



Reducing leakage by at least 15%



A 25% reduction in the number of properties suffering from low pressure



A 27% reduction in the average amount of time customers are without water, due to pipe bursts or maintenance



Maintaining and replacing pipes to reduce mains bursts by 11%



Inspiring children and adults to use water wisely and promoting the health benefits of tap water



Protecting the environment through higher standards and less pollution and flooding



Taking wastewater safely away



A 23% reduction in wastewater flooding incidents inside customers' homes



A 25% reduction in the number of pollution incidents



Maintaining and replacing sewers to prevent blockages and collapses



Better information for customers on what is safe to flush down sewers / pour down sinks

Ensuring the environment is protected and thrives



Maintain the current high standards of wastewater treatment



Investing to improve river water quality – the largest statutory environmental programme required in Powys for 20 years



Enhanced biodiversity at Lake Vyrnwy and other sites, restoring approximately 400 hectares of countryside and enhancing visitor experience



Ensuring all customers can access and afford water



Having the lowest possible bills



The lowest bills in the UK for years to come



An efficient company that reinvests for the long term to safeguard resilience services for customers

Ensuring everyone can access and afford water



A 200% increase in the number of customers who are struggling to pay their bills that we offer financial support to



A care and assistance team trained to respond to customers' individual needs



Support for all customers in vulnerable circumstances during water supply incidents

Taste, smell & appearance

Complaints from customers about their tap water



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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.

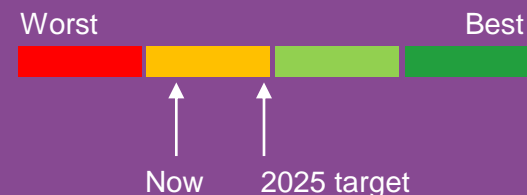
Where we will be in 2020:

Around 490 complaints per year about the taste, smell and appearance of drinking water.

What Hafren Dyfrdwy proposes for 2025:

Reduce complaints to no more than 320 per year about the taste, smell and appearance of drinking water. This represents a 35% improvement.

How Hafren Dyfrdwy compares to other companies:



Water supply interruptions

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



severn dee



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.

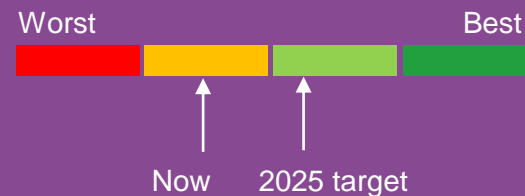
Where we will be in 2020:

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 a 27% improvement.

How Hafren Dyfrdwy compares to other companies:



Leakage

Water leaking from pipes



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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:

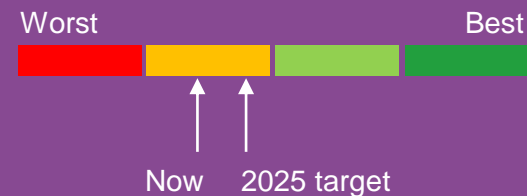
Around 6 mega litres per day of leakage.

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 15%.

How Hafren Dyfrdwy compares to other companies:

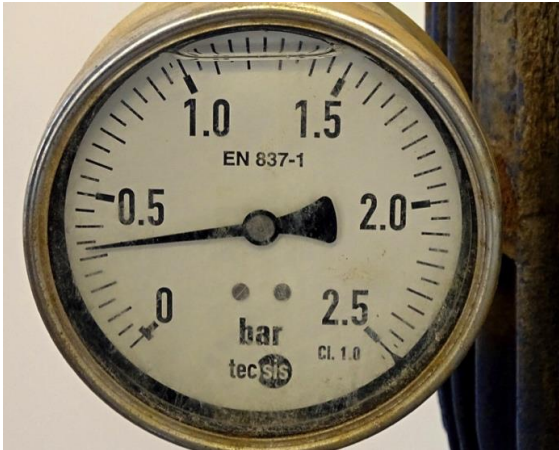


Low pressure

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



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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:



Lead pipes

Protecting properties, schools and nurseries from lead in drinking water



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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.

River water quality

Improving wastewater treatment standards



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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.

Biodiversity

Protecting the natural environment & encouraging diverse plants and wildlife



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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.

Internal sewer flooding

Waste water from sewers overflowing into your home



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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 4.6 per year (no more than 23 over 5 years).

How Hafren Dyfrdwy compares to other companies:



Pollution Incidents

Waste water contaminating rivers
and polluting the environment



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.

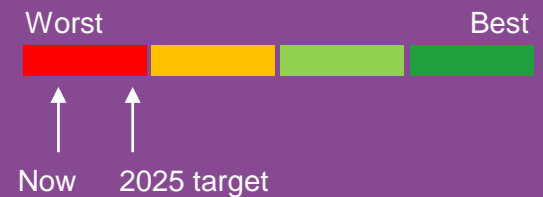
Where we will be in 2020:

8 minor pollution incidents
each year.

What Hafren Dyfrdwy proposes for 2025:

To reduce pollution incidents
to 6 per year. This represents
an improvement of 25%.

How Hafren Dyfrdwy compares to other companies:



Education

Inspiring customers to use water wisely



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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.

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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.

Support for all customers in vulnerable circumstances during water supply incidents



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.

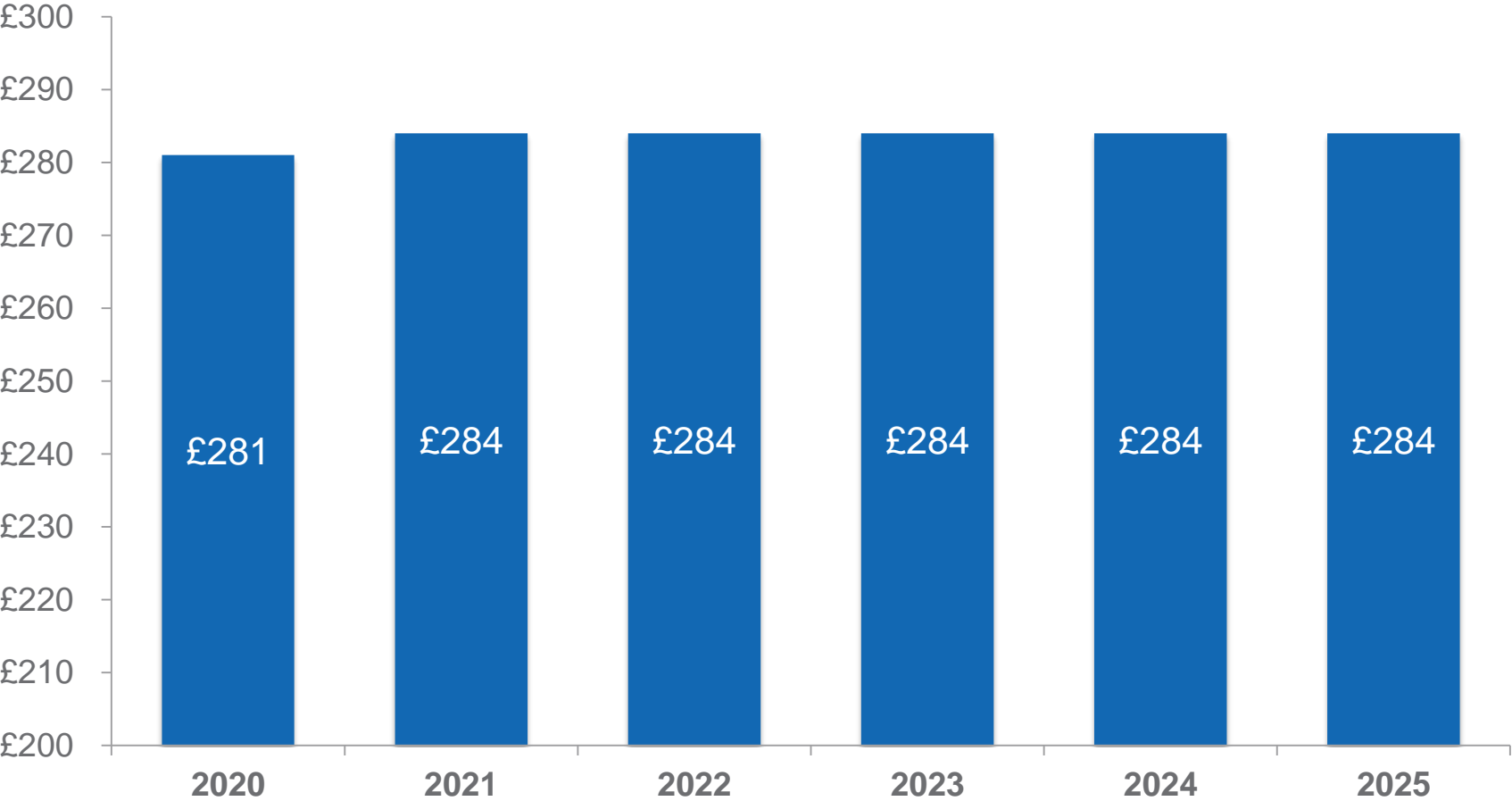
What Hafren Dyfrdwy proposes

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.

Average household water & wastewater bill *excluding inflation*



severn dee



Average household water & wastewater bill *including inflation*

■ Average water and wastewater bill (2020 prices) ■ Inflation

