



Choices research: Full report

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About this report...

...this report provides findings from the Hafren Dyfrdwy ODI Choices survey.



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Background & objectives



Research context: background

For the past two years Hafren Dyfrdwy has been preparing its business plan for the 5 year period 2020-2025. This was submitted to the water industry regulator, Ofwat, last year. This business plan set out the service levels the company will deliver, and customer bill levels during the years 2020 – 2025.

Over the 2020-25 period Hafren Dyfrdwy is proposing to deliver improvements across the majority of its service areas. Additionally, it is proposing to increase investments in its assets to improve resilience and the environment – these investments have already been approved by the regulator. The impact of the additional investment is that bills will increase by 2.2% above inflation over the 5 year period (an average of 0.4% each year).

Performance payments....

A key feature of all water company business plans including Hafren Dyfrdwy's is the use of performance payments.

Customers views are needed in order to help Hafren Dyfrdwy design the performance payments, in line with the framework set by Ofwat. In particular, views are sought on:

- the overall concept of performance payments;
- how they are designed; and
- the specific value for different performance payments.

Powys & Wrexham



Research context: objectives

To understand customers' levels of agreement with the principle of Outcome Delivery Incentives (ODIs)

To ascertain an appropriate upper limit for ODI penalty and reward payments (0% - up to 4% of the average bill)

To understand more about customer views surrounding the design of performance payments – i.e. whether each service area should be penalty-only, reward-only, both reward and penalty or reputational incentive. And the customer's reasons for their choice.

To understand customers' views surrounding acceptable individual ODI ranges for performance payments for each service area.

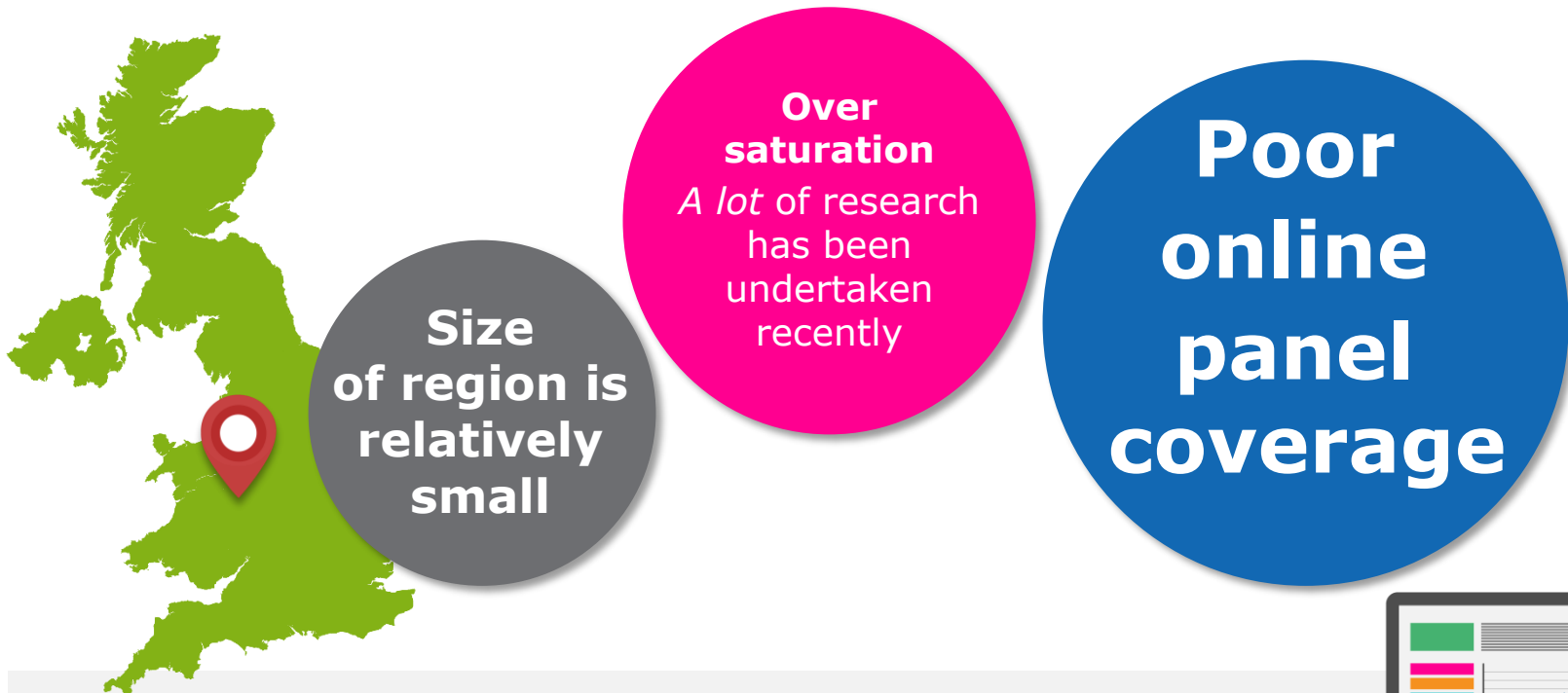
To understand whether customers think that performance payments should apply at the end of each year, or at the end of the AMP. And the customer's reasons for their choice.



Methodology



Research context: the unique challenges facing Hafren Dyfrdwy in a research context...



Taken together, this leaves one method (CAPI) available to Hafren Dyfrdwy for the majority of stimulus-heavy quantitative research that they wish to conduct...which brings its own set of challenges

Research context: the unique challenges facing Hafren Dyfrdwy in a research context...



This can mean that sometimes we are left battling the elements!

Research context: methodology

In consultation with HD, DJS drafted a questionnaire and showcards which were then refined following feedback from CCG & CCWater

A fieldwork plan was drawn up to ensure as comprehensive a spread of locations was covered as possible...

Glyndwr University

Residential estates & town centres

Ty Pawb (indoor market)

Self sourcing businesses & ringing them to recruit/interview

Welshpool Cattle Market

We then piloted the survey to check understanding and flow both internally and live with 5 HH customers

Prior to launch, our field managers received a briefing from Shane Anderson* to ensure interviewers understood the survey

Length of survey proved too long once rolled out, leading to reduction in survey as of 7.3.19 – *there was no impact on results following this change*

Quotas were set on regional demographics and results were weighted following fieldwork to bring them inline with regional profiles

Research context: methodology

Stage 1

A total of **204 HH** interviews with Hafren Dyfrdwy customers, split between residents in Wrexham (93) & Powys (114).

20 minute survey conducted face-to-face (via CAPI)



Stage 2

NHH

4 depth interviews with customers in Wrexham & Powys



The fieldwork ran for 3 weeks from **25th February to 14th March** with all interviews being conducted in this time frame.

Feb-Mar 2019





Executive summary



Executive summary

Agreement with the principle of ODIs

Overall, around a third (30%) of household customers agree with ODIs, in principle, whilst just under half (46%) disagree and almost a fifth (17%) neither agree nor disagree.

- *This pattern of response was mirrored across both Powys (35% agree; 44% disagree; 21% neither nor) and Wrexham (24% agree; 41% disagree; 14% neither nor).*

The appropriate upper limit for ODI reward payments

Reflecting the above, customers are reluctant for the bill to go up if performance targets are exceeded, with 60% saying they wouldn't be willing to pay anything more. 31% said they would be willing to pay *something* whilst 9% weren't sure.

- *In Powys, 66% said they wouldn't be willing to pay anything more. 31% said they would be willing to pay something whilst 3% weren't sure.*
- *In Wrexham, 52% said they wouldn't be willing to pay anything more. 31% said they would be willing to pay something whilst 17% weren't sure.*

Executive summary



The appropriate lower limit for ODI penalty payments

Two-fifths (41%) wouldn't be willing for their bill to be impacted if the company failed to meet its proposed service targets. Just over two-fifths (43%) would however.

- *In Powys, 54% said they wouldn't be willing to pay anything more. 42% said they would be willing to pay something whilst 4% weren't sure.*
- *In Wrexham, 26% said they wouldn't be willing to pay anything more. 44% said they would be willing to pay something whilst 30% weren't sure.*

Views surrounding the design of performance payments

Overall, when looking at service areas that have both an outperformance and a penalty payment attached to them, it is interesting to note that only 4 of the 13 areas reached 50%+ agreement across the entire sample of respondents suggesting alternative performance payment structures are preferable.

When those who disagreed with the current structure were asked what their preference would be, reputational only incentives were consistently the consensus choice.

Executive summary

Acceptance of financial ODIs for **water** measures

% of respondents who agreed

	Overall	Powys	Wrexham
Supply interruptions	49%	57%	40%
Voids	47%	56%	37%
Drinking water quality comps	51%	60%	40%
Low water pressure	48%	57%	37%
Sewage flooding homes	48%	56%	37%
Improving biodiversity	51%	60%	39%
River water quality	50%	60%	37%
Reducing sewer blockages	45%	56%	32%
Reducing water use	44%	58%	-
Educating children	46%	58%	32%
Reducing leakage	47%	57%	35%
Reducing no. of burst pipes	49%	57%	40%
Reducing no. of lead pipes	54%	57%	50%

Acceptance of financial ODIs for **waste** measures (Powys only)

	Powys
Sewage flooding homes	56%
Reduce sewer blockages	56%

Base: Q05 all respondents (204).

● Overall ● Powys ● Wrexham

Executive summary

Testing individual ODI ranges

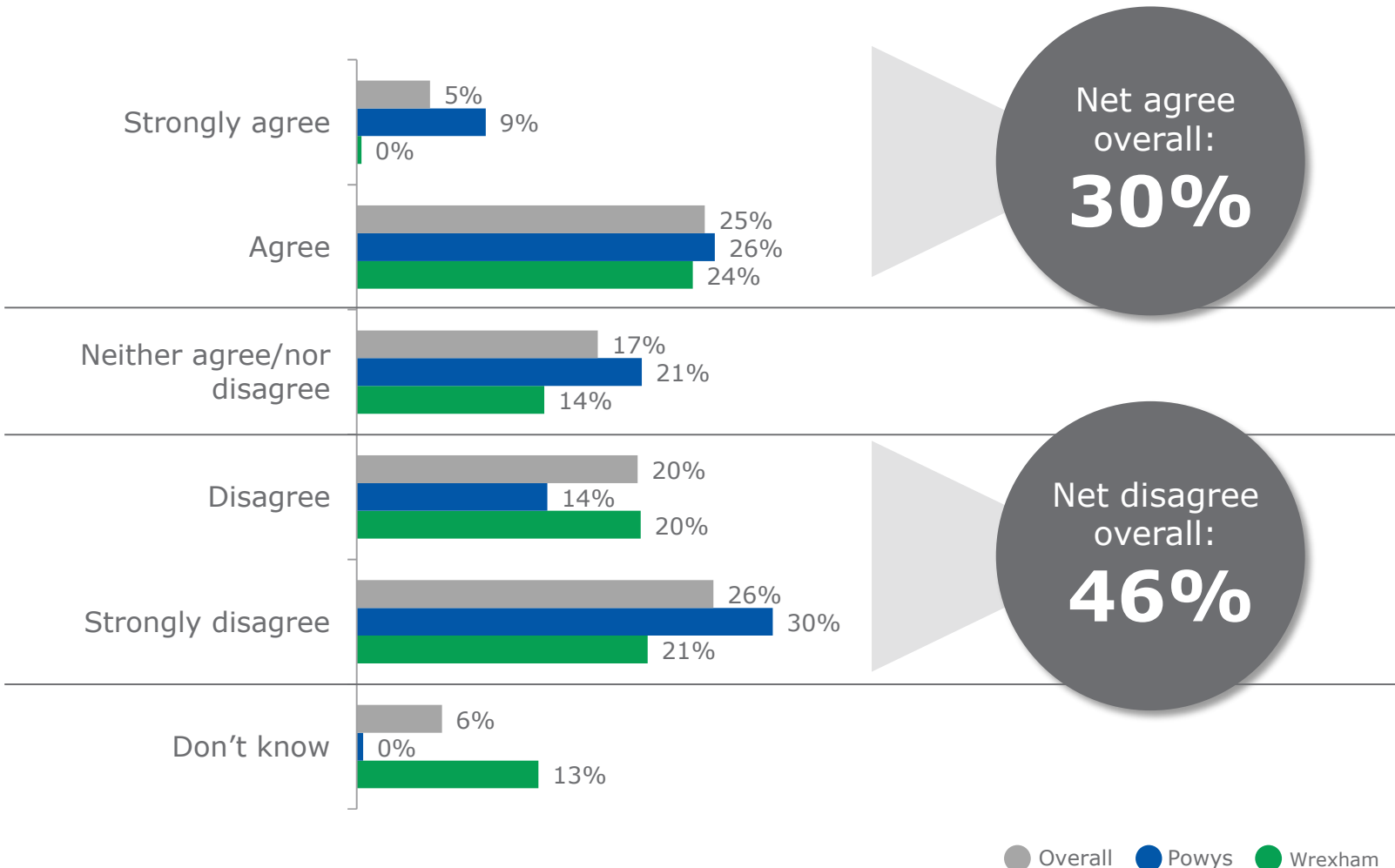
A range of ODI amounts were given and varied depending on what service area they were being asked about, as shown below:

	Overall	Powys	Wrexham
Internal sewer flooding	£1.13	£1.37	£0.83
Leakage	£2.27	£2.68	£1.76
Water supply interruptions	£0.38	£0.44	£0.30
Daily water usage	£0.16	£0.18	£0.13
Lead pipes	£0.11	£0.13	£0.09
River water quality	£0.28	£0.35	£0.19
Properties using water with no charge	£0.09	£0.10	£0.06
Protecting natural environment	£0.27	£0.35	£0.17
Sewer blockages	£0.10	£0.11	£0.08
Inspiring children to use water wisely	£0.07	£0.09	£0.05
Drinking water quality complaints	£0.07	£0.09	£0.04
Low pressure	£0.81	£1.17	£0.38

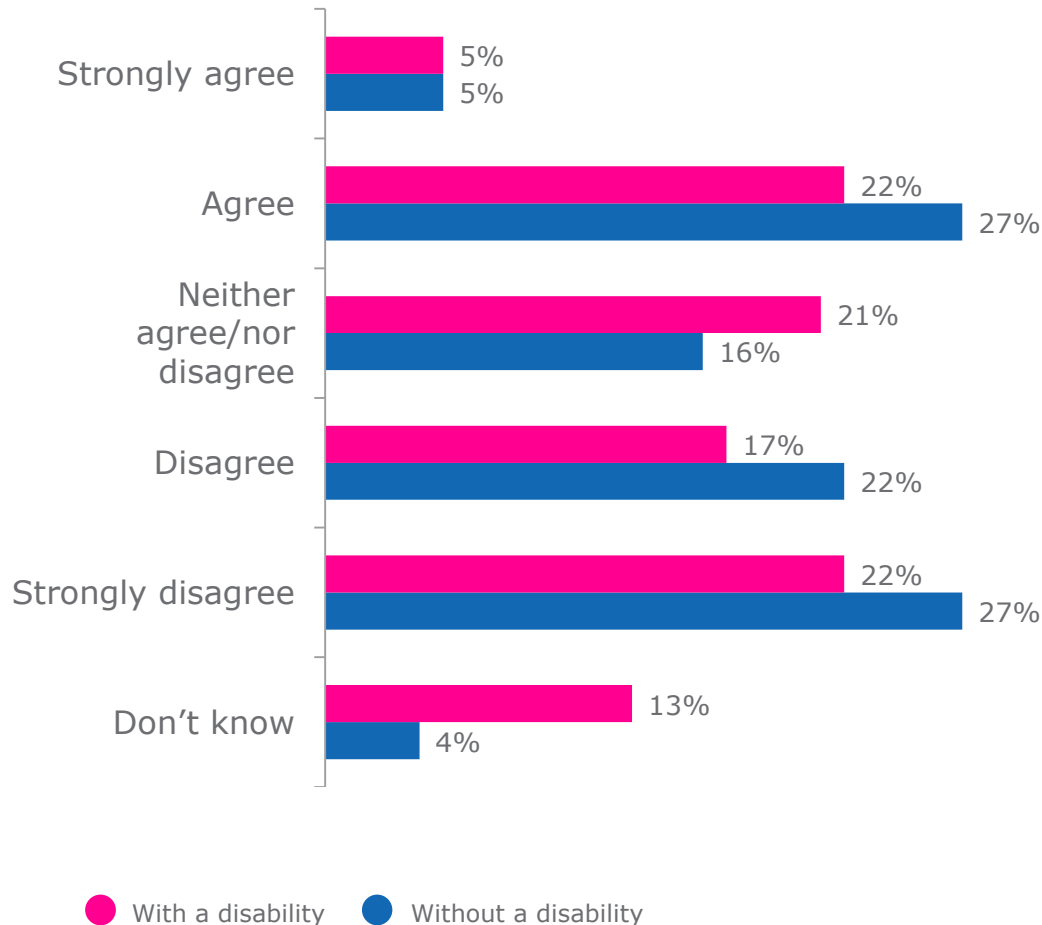
Principle of ODIs



Q03: To what extent do you agree, or disagree, with the principle that a small amount of a customer's bill should be linked to the level of service customers receive?

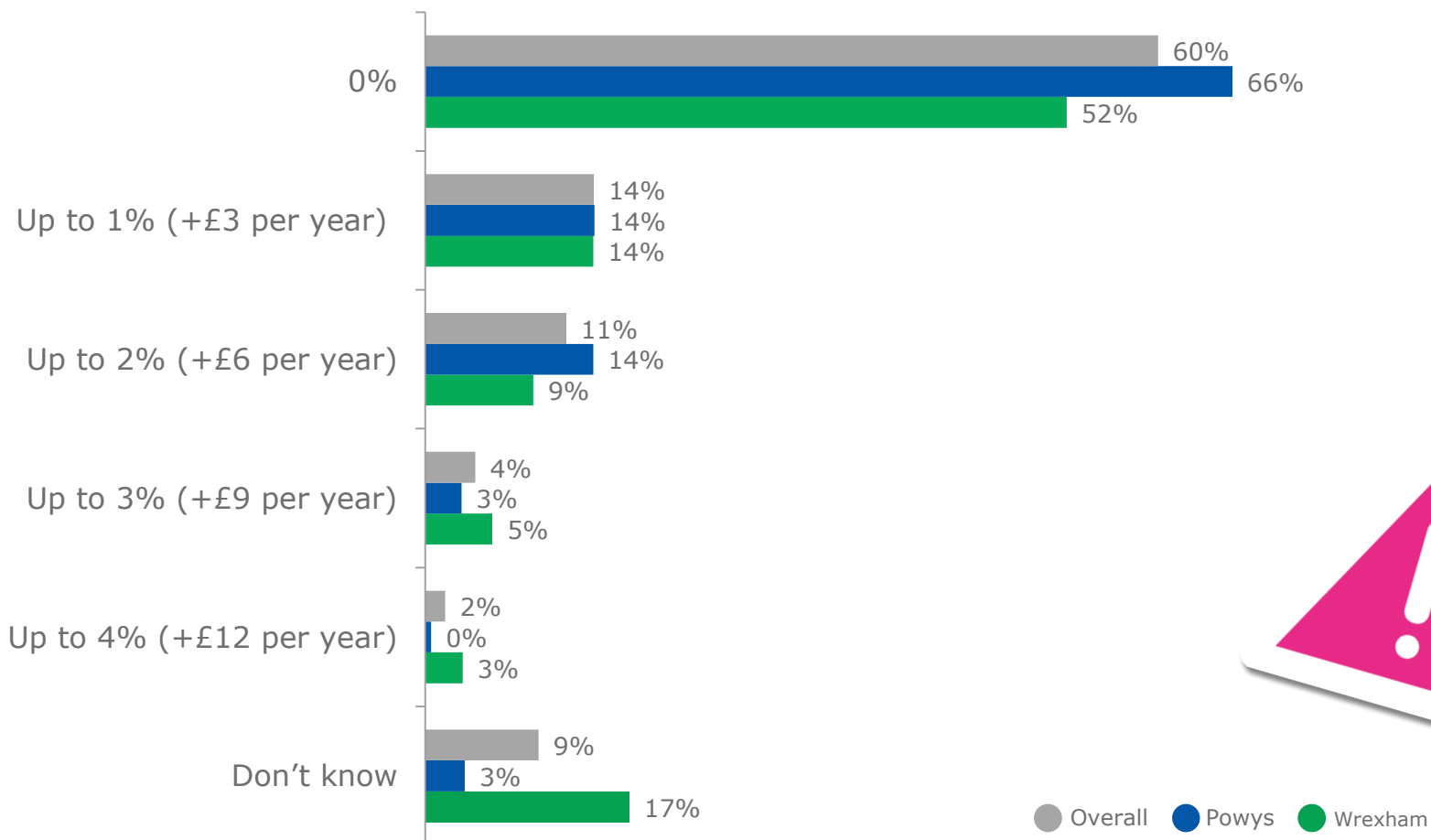


Q03: To what extent do you agree, or disagree, with the principle that a small amount of a customer's bill should be linked to the level of service customers receive?

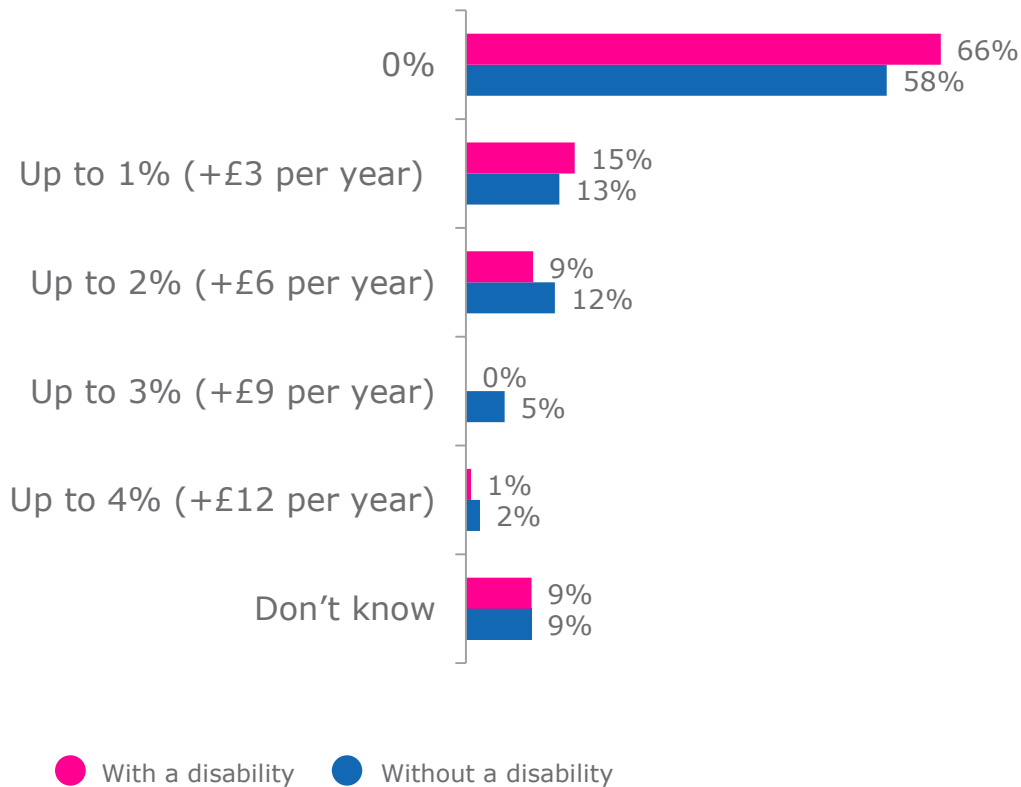


There are **no significant differences** between people living with a disability/health condition and those who do not suffer from a disability

Q04a: with this in mind, to help set the **upper limit** for total outperformance payments, what is the maximum you would be willing for your bill to go up by if the company exceeded its performance targets?

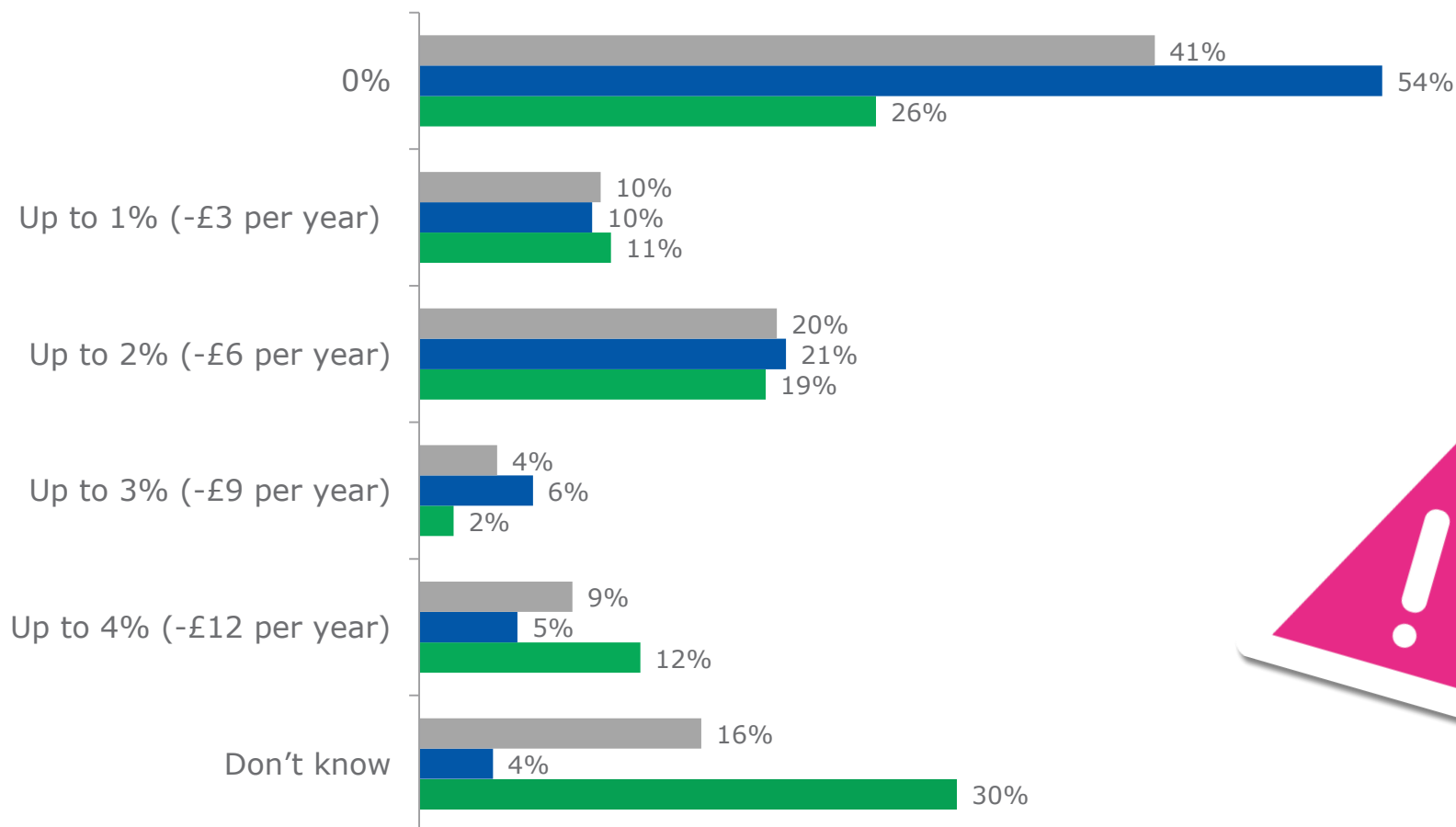


Q04a: with this in mind, to help set the **upper limit** for total outperformance payments, what is the maximum you would be willing for your bill to go up by if the company exceeded its performance targets?

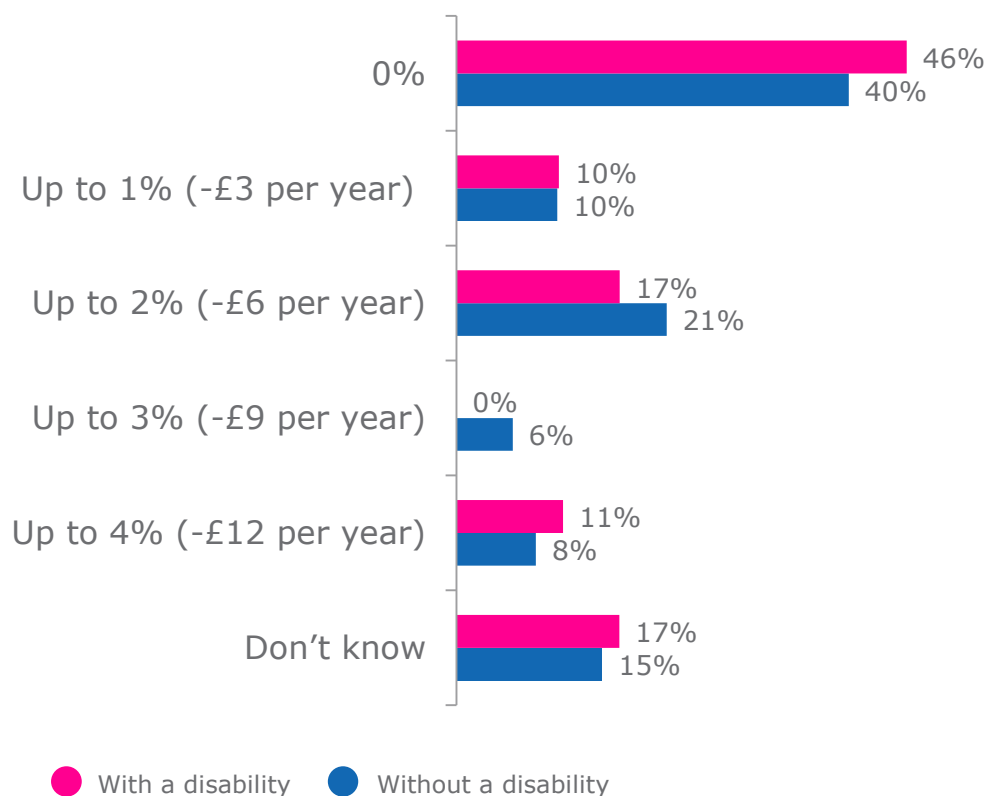


There are **no significant differences** between people living with a disability/health condition and those who do not suffer from a disability


Q04b: to help set the **lower limit** for total penalties if the company failed to meet its proposed service targets, how much do you feel would be an appropriate penalty for the company to return to the customer?



Q04b: to help set the **lower limit** for total penalties if the company failed to meet its proposed service targets, how much do you feel would be an appropriate penalty for the company to return to the customer?

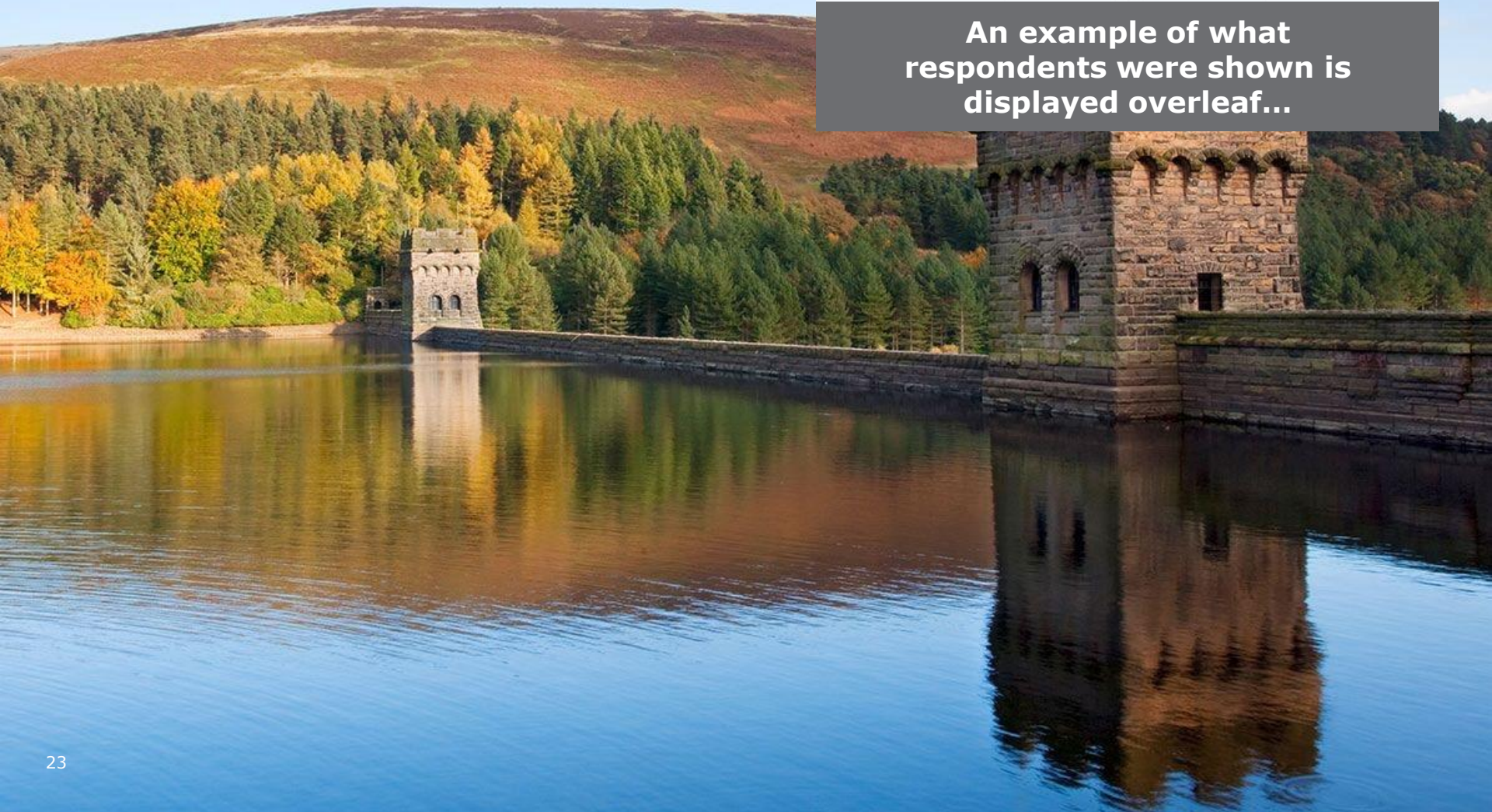


Again, there are **no significant differences** between people living with a disability/health condition and those who do not suffer from a disability



Design of performance payments

**An example of what
respondents were shown is
displayed overleaf...**



Showcard 1

SERVICE AREA

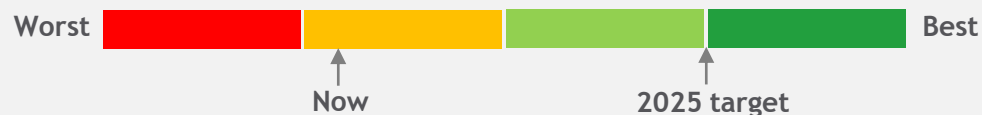
Water supply interruptions

EXAMPLE



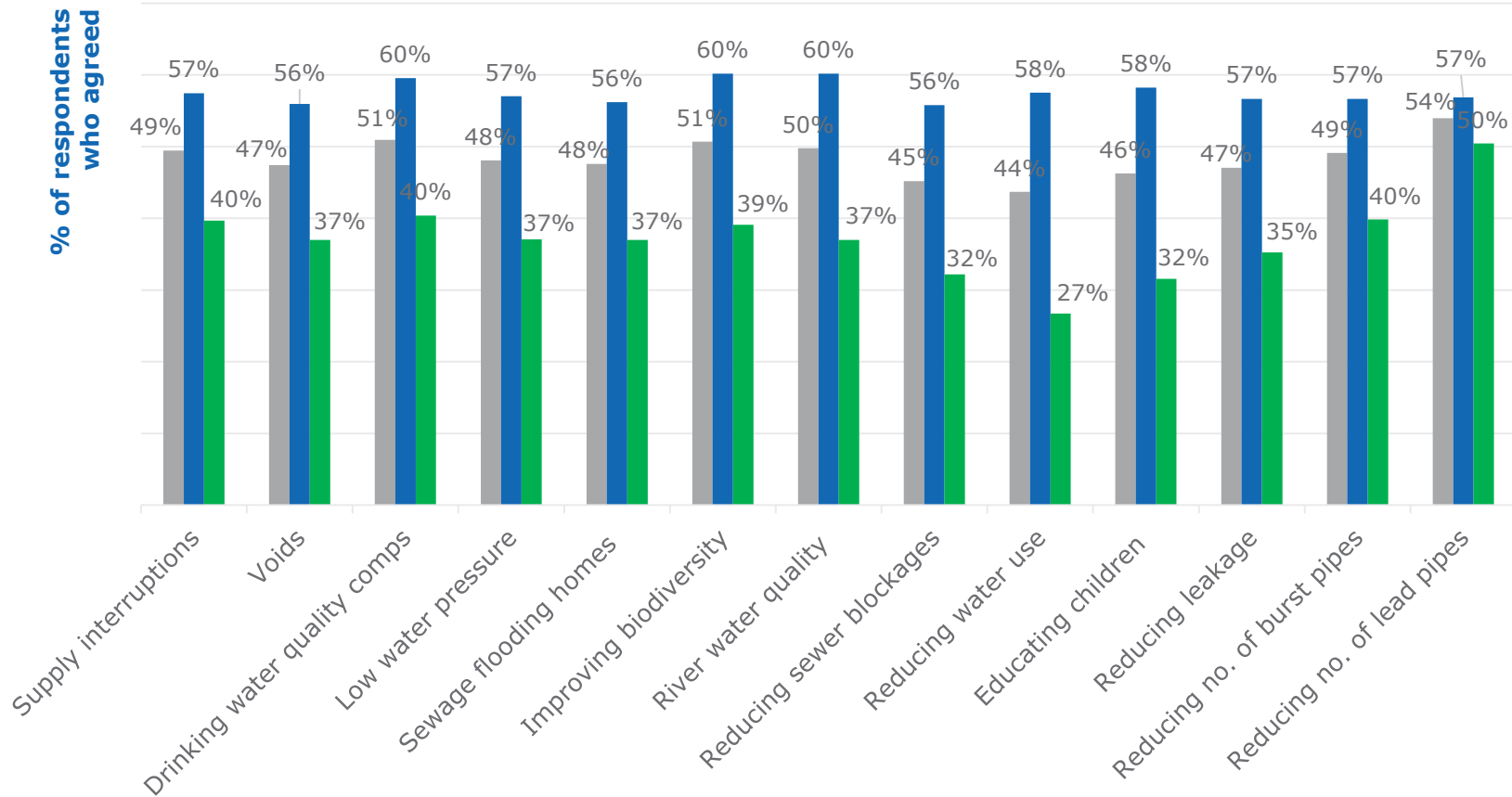
Service area	Service level promise	How performance payments will be applied to this service area
Water supply interruptions	By 2025, Hafren Dyfrdwy will reduce the average time that properties are without a water supply from 11 minutes to 3 minutes. This is the challenging target proposed by Ofwat. This would represent a 74% improvement.	Both for exceeding the target and for missing the target

How Hafren Dyfrdwy compares to other companies:



SERVICE AREAS

Q05: do you agree with the way that performance payments have been attached to this service area? (i.e. that they will apply where targets are either exceeded or missed)



SERVICE AREAS: water measures

Q05a: you have mentioned that performance related payments for both exceeding performance and underperformance should **not** be linked to this service area? With this in mind, which of the following best reflects your view?

	P	O	R	P	O	R	P	O	R
Supply interruptions	29%	0%	71%	8%	0%	92%	47%	0%	53%
Voids	29%	3%	68%	7%	7%	86%	48%	0%	52%
Drinking water quality comps	30%	0%	70%	10%	0%	90%	47%	0%	53%
Low water pressure	22%	0%	78%	12%	0%	88%	30%	0%	70%
Sewage flooding homes	29%	0%	71%	8%	0%	92%	46%	0%	54%
Improving biodiversity	13%	1%	86%	9%	2%	90%	17%	0%	83%
River water quality	16%	1%	84%	6%	2%	92%	23%	0%	77%
Reducing sewer blockages	24%	0%	76%	8%	0%	92%	37%	0%	63%
Reducing water use	6%	0%	94%	3%	0%	97%	7%	0%	93%
Educating children	6%	0%	93%	3%	0%	97%	8%	1%	91%
Reducing leakage	25%	0%	75%	6%	0%	94%	40%	0%	60%
Reducing no. of burst pipes	26%	0%	74%	5%	0%	95%	45%	0%	55%
Reducing no. of lead pipes	20%	2%	79%	12%	3%	85%	28%	0%	72%

P = Penalty only **O** = Outperformance only **R** = Reputational only

● Overall ● Powys ● Wrexham

SERVICE AREAS: waste measures

Q05a: you have mentioned that performance related payments for both exceeding performance and underperformance should not be linked to this service area? With this in mind, which of the following best reflects your view?

	P	O	R
Sewage flooding homes	8%	0%	92%
Reducing sewer blockages	8%	0%	92%

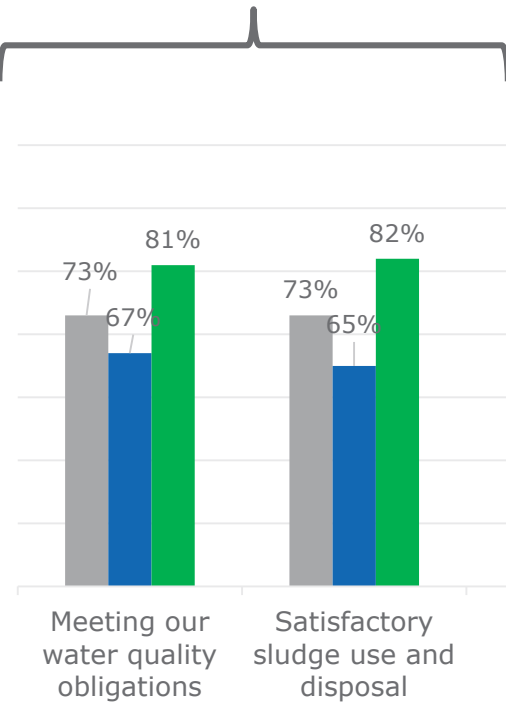
P = Penalty only **O** = Outperformance only **R** = Reputational only

● Powys

SERVICE AREAS

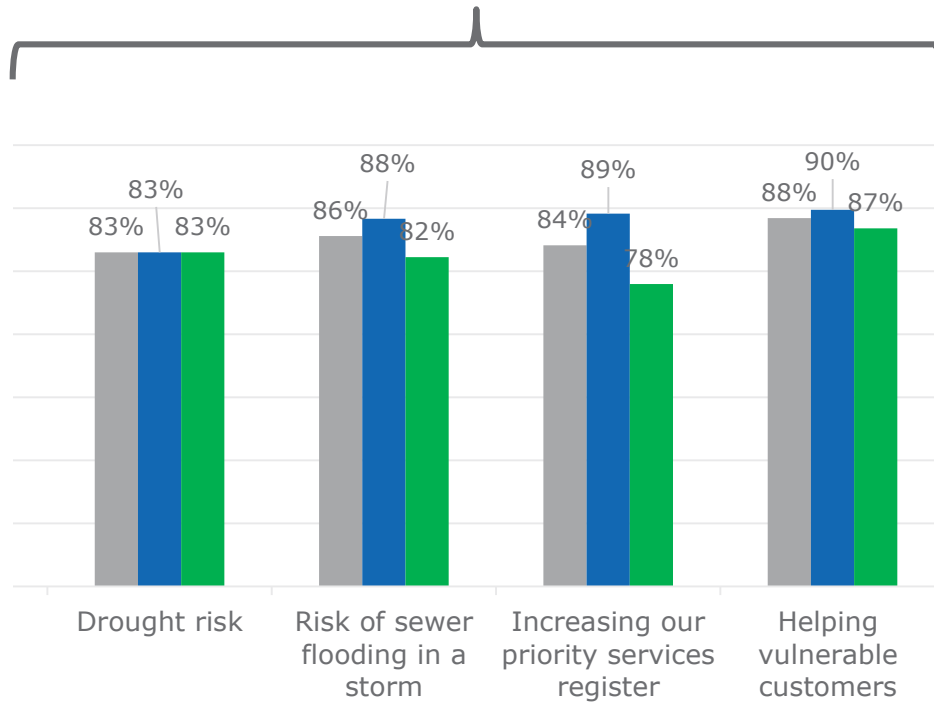
Q06: do you agree with the way that performance payments have been attached to this service area?

PENALTY ONLY



NO PERFORMANCE PAYMENTS

% of respondents who agreed



SERVICE AREAS

Q06a/Q7a: you have mentioned that penalties should not be linked to this service area?/You have mentioned that you disagree with having no performance related payments linked to this service area...

		P	O	R	P	O	R	P	O	R
Those disagreeing (n=33)	Meeting our water quality obligations	11%	0%	89%	6%	0%	94%	21%	0%	79%
	Satisfactory sludge use and disposal	11%	1%	88%	6%	0%	94%	22%	4%	74%
		P	O	B	P	O	B	P	O	B
	Drought risk	73%	4%	23%	78%	0%	22%	67%	9%	24%
	Risk of sewer flooding in a storm	71%	5%	24%	80%	0%	20%	64%	9%	27%
	Increasing our priority services register	71%	5%	24%	79%	0%	21%	67%	7%	26%
	Helping vulnerable customers	69%	8%	23%	77%	9%	14%	62%	7%	31%

P = Penalty only **O** = Outperformance only **R** = Reputational only **B** = Both penalty & outperformance



Testing individual ODI ranges

**An example of what
respondents were shown is
displayed overleaf...**



Showcard 25

EXAMPLE

For **River Water Quality**, what is the appropriate amount that the bill should either increase or fall when the company either beats or misses its performance target by **1 km of rivers improved**.

Increase or
reduce value
according to
preference in
the box below

MAX VALUE
£0.66 per bill

**PERFORMANCE PAYMENT
STARTING VALUE**
£0.35 per bill

MIN VALUE
£0.04 per bill

HAFREN
DYFRDWR

Kilometres

Start - 2019/20

2024/25 target

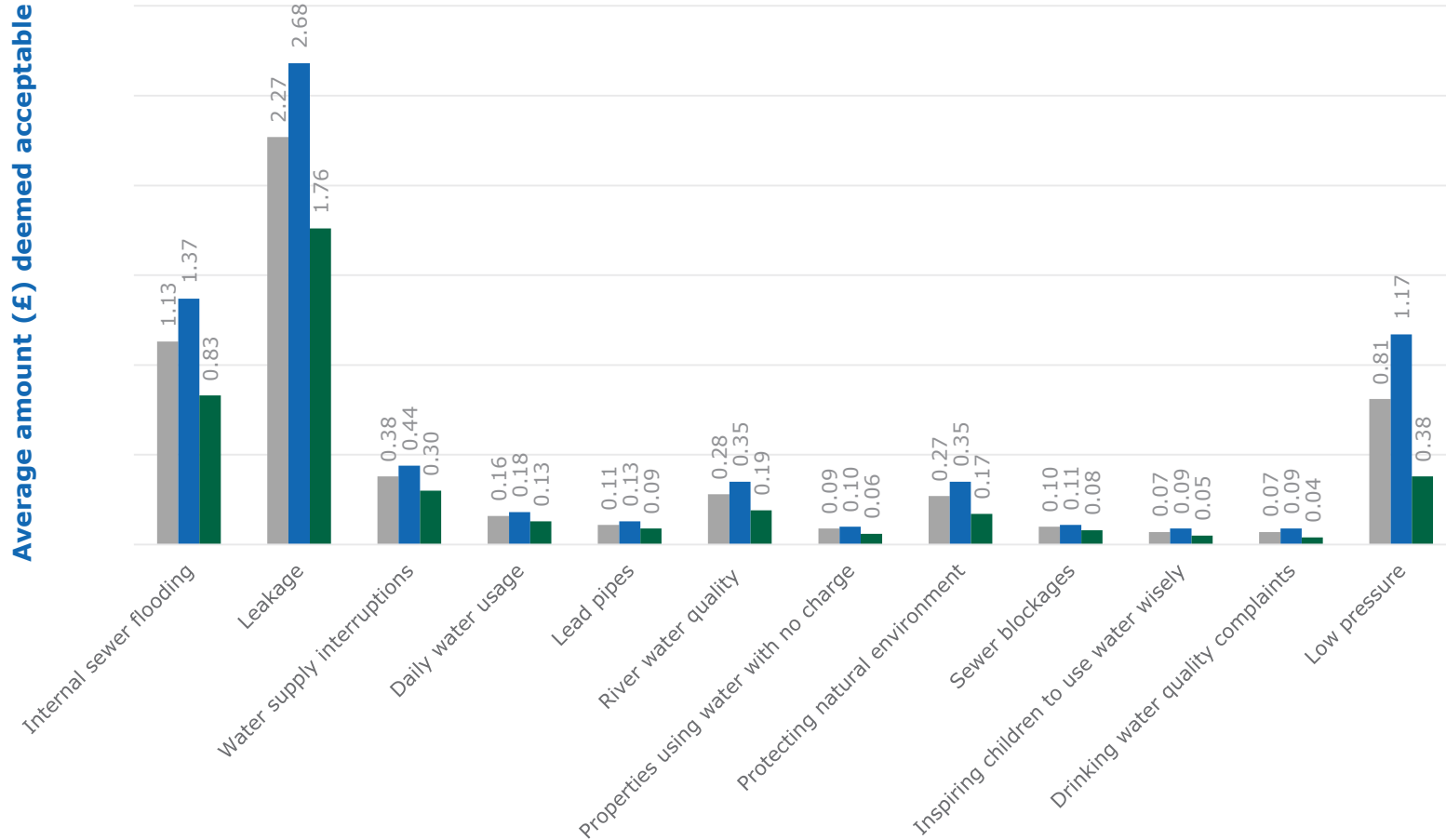
0

46 over 5 years

djs
research

SERVICE AREAS

Q08: What is the appropriate amount that the bill should either increase or fall by when the company either beats or misses its performance target?



Whilst the differences didn't reach significance, as would be expected across the majority (10) of service areas, those who disagreed with the principle of ODIs *from the outset* tended to give a lower ODI amount when asked. Interestingly, this trend was reversed in relation to leakage and internal sewer flooding, suggesting that their original stance had softened following the provision of information.

	Agreed with ODI principle	Disagreed with ODI principle
Leakage	2.31	2.43
Internal sewer flooding	1.11	1.25
Low pressure	0.93	0.89
Water supply interruptions	0.43	0.38
Protecting natural environment	0.33	0.26
River water quality	0.31	0.28
Daily water usage	0.17	0.15
Lead pipes	0.12	0.11
Sewer blockages	0.11	0.09
Properties using water with no charge	0.10	0.09
Inspiring children to use water wisely	0.08	0.07
Drinking water quality complaints	0.08	0.07

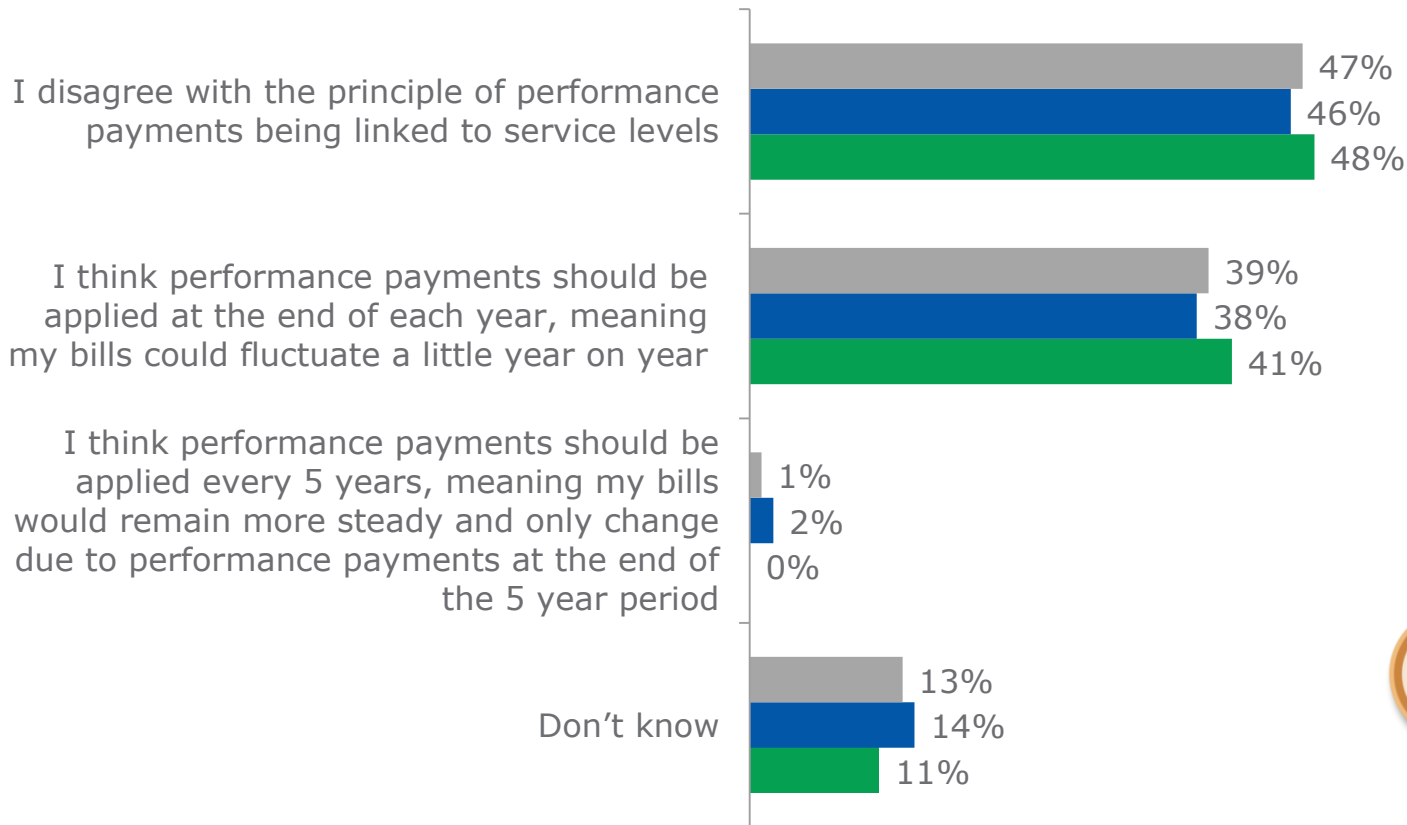
Average amount (£) deemed acceptable

●●●

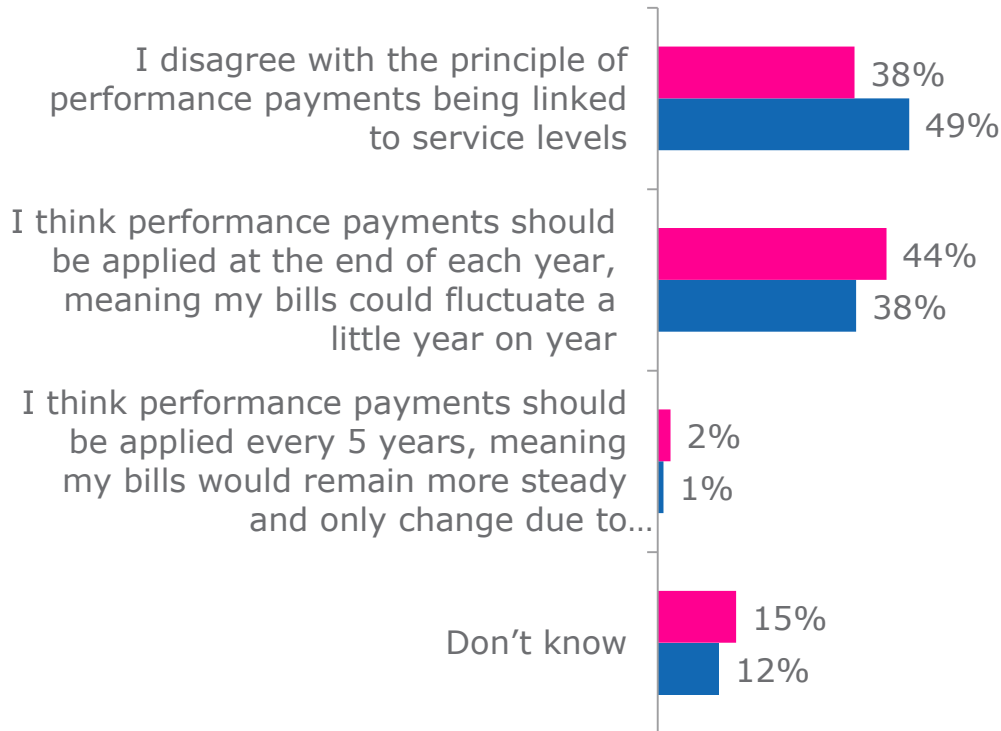
Frequency of incentive payments



Q09: Which of the following best describes how you would want performance payments and penalties to be applied?



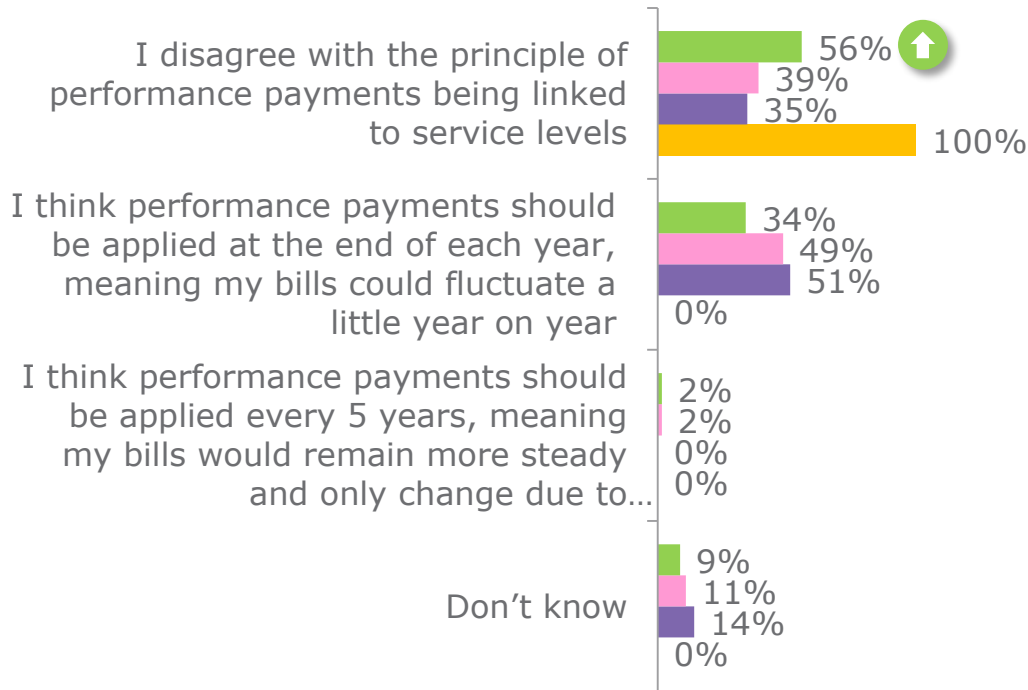
Q09: Which of the following best describes how you would want performance payments and penalties to be applied?



There are **no significant differences** between people living with a disability/health condition and those who do not suffer from a disability

● With a disability ● Without a disability

Q09: Which of the following best describes how you would want performance payments and penalties to be applied?



Customers who **never struggle** pay their bills are significantly more likely to **disagree** with the principle of performance payments being linked to service levels, compared to those who say they sometimes struggle (56% cf. 39%).

● Never struggle to pay bills
 ● Sometimes struggle to pay bills
 ● Struggle to pay bills
 ● Always struggle to pay bills

NHH Findings



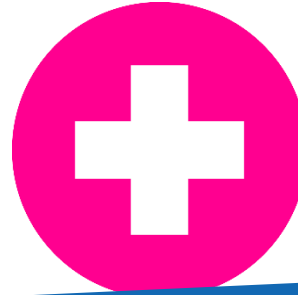
A summary of NHH views...



Real estate



Hospitality



Health



Retail

Principle of ODIs

Regardless of sector, NHH respondents were mixed in their views on the principle of ODIs, with half seeing how the reward/penalty mechanism could incentivise HD to perform. However, there was a general feeling that whilst a penalty orientated scheme made sense, HD shouldn't necessarily be rewarded for improving service as another way of looking at this is essentially that they are just 'doing their job'.

A summary of NHH views...

Agreement with current performance payment structure

	1	2	3	4
Water supply interruptions	✓	x	x	x
Voids	x	x	x	x
Complaints about drinking water quality	✓	x	x	x
Low pressure	✓	x	x	x
Sewage flooding homes	✓	x	x	x
Biodiversity	x	x	x	x
River water quality	✓	x	x	x
Reducing sewer blockages	✓	x	x	x
PCC	x	x	x	x
Educating children	x	x	x	x
Reducing leakage	✓	x	x	x
Reducing the number of burst pipes	x	x	x	x
Reducing the number of lead pipes	✓	x	x	x

A summary of NHH views...

Agreement with current performance payment structure

	1	2	3	4
Meeting our water quality obligations	✓	✓	✓	✓
Satisfactory sludge use and disposal	✓	✓	✓	✓

	1	2	3	4
Drought risk	✓	✓	✓	✓
Risk of sewer flooding in a storm	✓	✓	✓	✓
Increasing our priority services register	✓	✓	✓	✓
Helping vulnerable customers who struggle to pay their bill	✓	✓	✓	✓

A summary of NHH views...



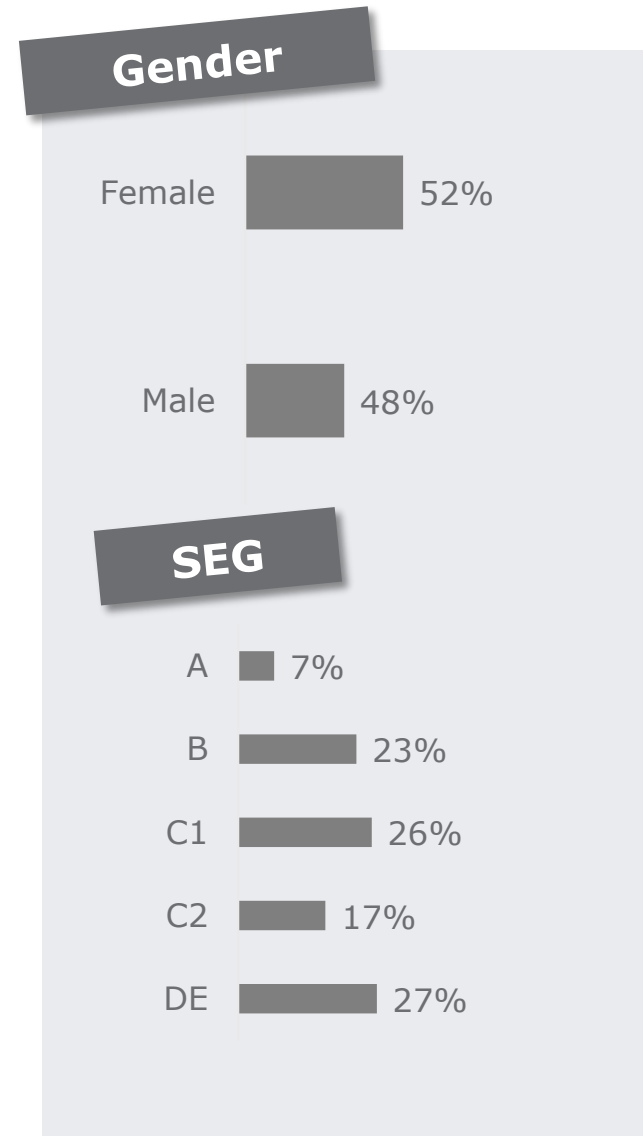
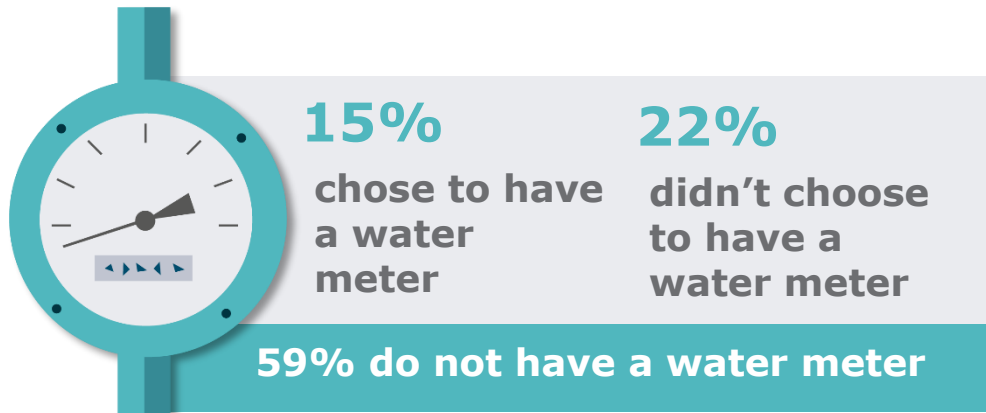
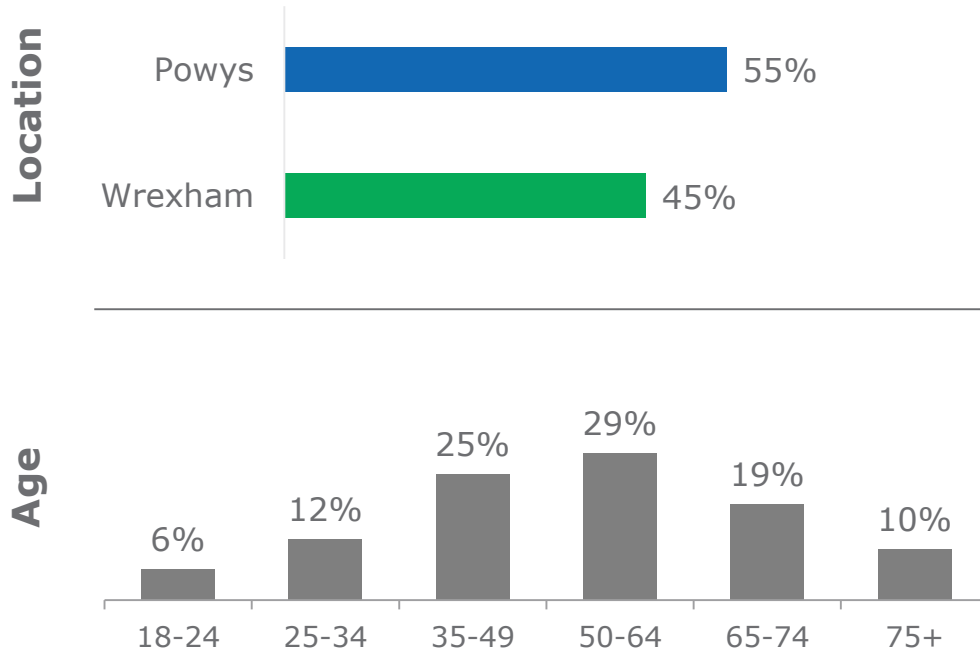
ODI values

	1	2	3	4
Internal Sewer Flooding	1.27	0.63	5	0.63
Leakage	2.68	1.44	1.44	1.44
Water Supply Interruptions	0.43	0.18	0.18	0.18
An individual's daily water usage	0.09	0.09	0.09	0.09
Lead Pipes	0.01	0.01	0.01	0.01
River Water Quality	0.35	0.04	0.04	0.04
Reductions in the number of properties that are not on Hafren Dyfrdwy's system and so are using water but aren't being charged	0.10	0.04	0.04	0.04
Protecting the natural environment & encouraging diverse plants and wildlife	0.33	0.01	0.01	0.01
Sewer Blockages	0.11	0.05	0.05	0.05
Inspiring our Customers to Use Water Wisely	0.02	0.02	0.02	0.02
Drinking Water Quality Complaints	0.05	0.01	0.01	0.01
Low Pressure	1.13	0.09	0.09	0.09

HH Customer Demographics



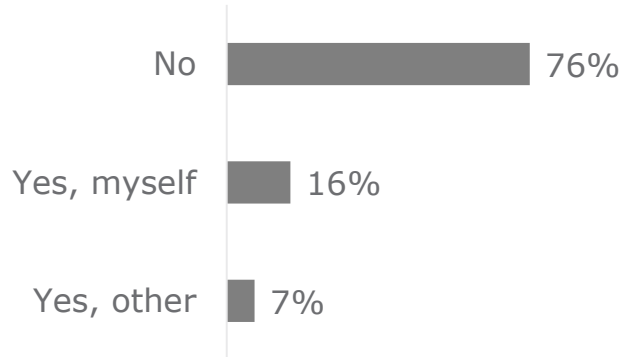
HH customer profiles



HH customer profiles



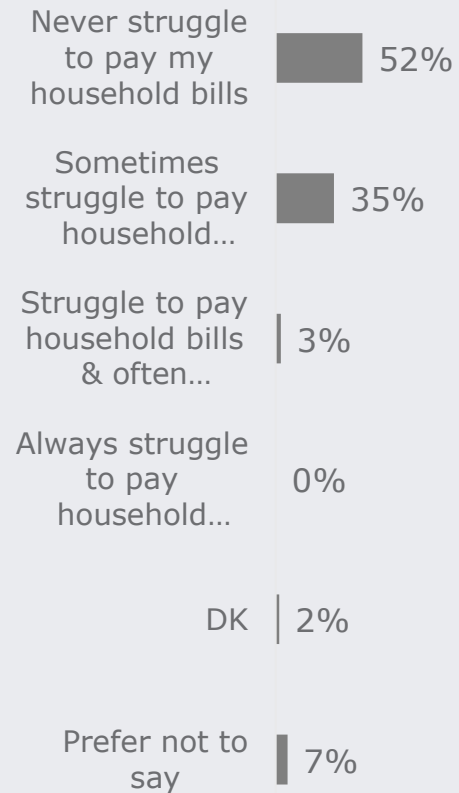
Disability



Income



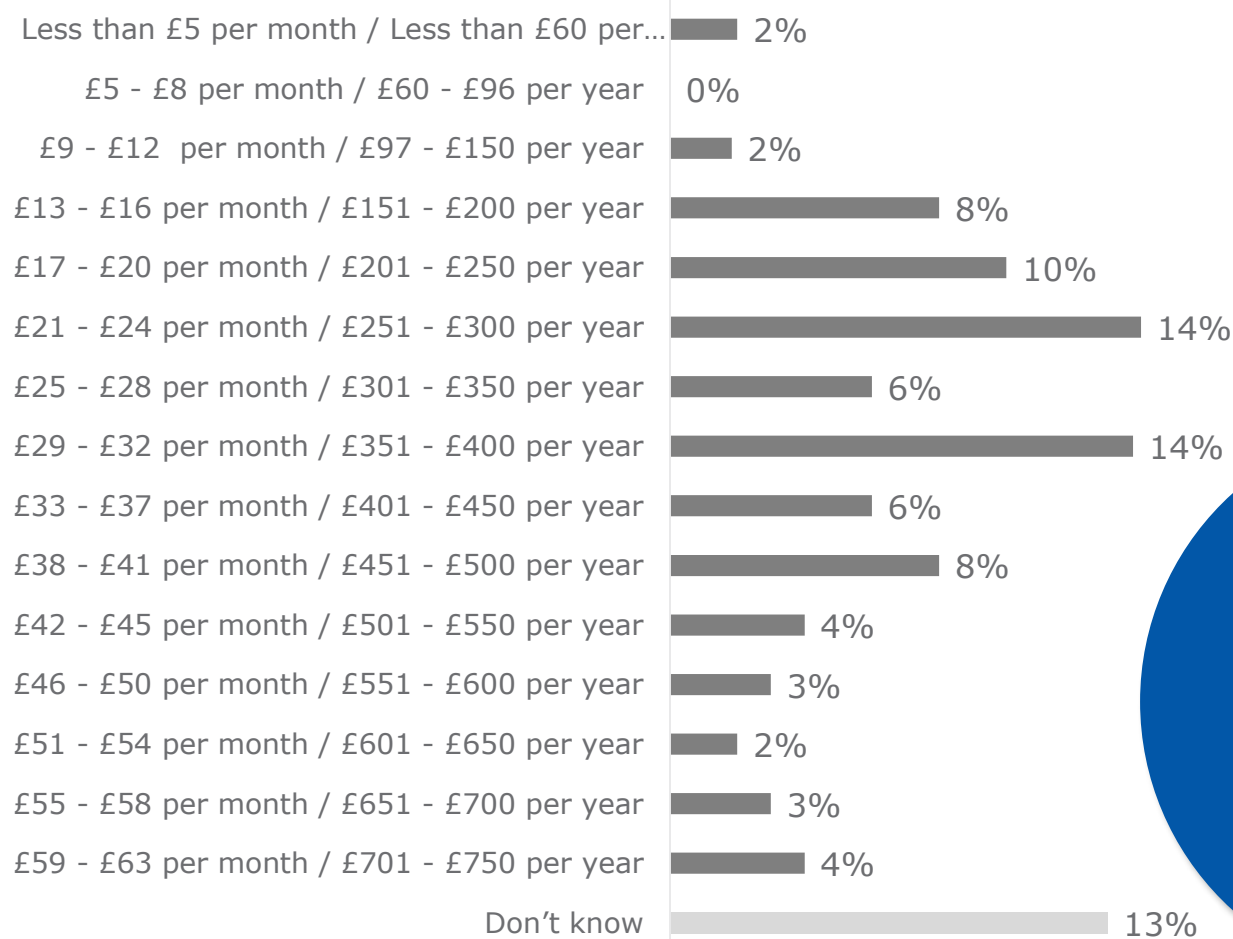
Financial position



Customer bills



Q01 & Q02: What is the total amount your household pays for water/ wastewater services?



Note:
the average bill for
Hafren Dyfrdwy
customers is
£309.55
for Powys and
£159.16
for Wrexham



If you have any questions or would like to hear more, contact...

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Appendix



●●●

Service area showcards



Showcard 1

SERVICE AREA

Water supply interruptions



Service area	Service level promise	How performance payments will be applied to this service area
Water supply interruptions	By 2025, Hafren Dyfrdwy will reduce the average time that properties are without a water supply from 11 minutes to 3 minutes. This is the challenging target proposed by Ofwat. This would represent a 74% improvement.	Both for exceeding the target and for missing the target

How Hafren Dyfrdwy compares to other companies:



Showcard 2

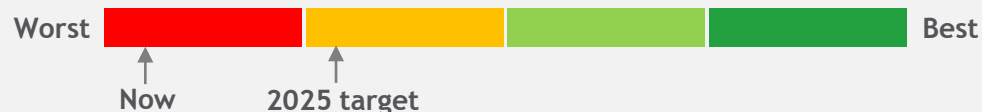
SERVICE AREA

Reducing the number of people who don't pay their bill



Service area	Service level promise	How performance payments will be applied to this service area
Reducing the number of people who aren't billed and therefore don't pay their bill	Reducing the number of people who haven't registered their property and therefore don't pay their bill. Some of these are genuinely empty properties who are not consuming water, but some of them are occupied and are using water but are not being charged. Hafren Dyfrdwy are committing to finding around 15 of these people each year	<p>Performance payments apply:</p> <ul style="list-style-type: none"> • Outperformance payments for exceeding the target • Penalties for missing the target

How Hafren Dyfrdwy compares to other companies:



Showcard 3

SERVICE AREA

Complaints about drinking water quality



Service area	Service level promise	How performance payments will be applied to this service area
Complaints about drinking water quality	Hafren Dyfrdwy are committing to reduce customer complaints about the taste, smell and appearance of tap water from 490 per year to 317 per year, a 35% improvement.	<p>Performance payments apply:</p> <ul style="list-style-type: none"> • Outperformance payments for exceeding the target • Penalties for missing the target

How Hafren Dyfrdwy compares to other companies:



Showcard 4

SERVICE AREA

Properties receiving low water pressure



Service area	Service level promise	How performance payments will be applied to this service area
Properties receiving low water pressure	Hafren Dyfrdwy are committing to reduce the number of properties that are affected by low water pressure from 57 to 41, a 28% improvement.	<p>Performance payments apply:</p> <ul style="list-style-type: none"> • Outperformance payments for exceeding the target • Penalties for missing the target

How Hafren Dyfrdwy compares to other companies:



Showcard 5

SERVICE AREA

Sewage flooding homes



Service area	Service level promise	How performance payments will be applied to this service area
Sewage flooding inside homes	Hafren Dyfrdwy are committing to reduce the number of homes being flooded with sewage by 17%.	<p>Performance payments apply:</p> <ul style="list-style-type: none"> • Outperformance payments for exceeding the target • Penalties for missing the target

How Hafren Dyfrdwy compares to other companies:



Showcard 6

SERVICE AREA

Improving biodiversity



Service area	Service level promise	How performance payments will be applied to this service area
Improving biodiversity, meaning protecting the natural environment and encouraging diverse plants and wildlife	<p>Hafren Dyfrdwy are committing to enhance biodiversity on 450 hectares of land as part of jointly funded work with partners like the RSPB.</p> <p>A hectare is the equivalent of one international rugby field.</p>	<p>Performance payments apply:</p> <ul style="list-style-type: none">• Outperformance payments for exceeding the target• Penalties for missing the target

Showcard 7

SERVICE AREA

River water quality



Service area	Service level promise	How performance payments will be applied to this service area
River water quality	Hafren Dyfrdwy are improving the quality of water in 46 kilometres of river by improving sewage treatment standards.	<p>Performance payments apply:</p> <ul style="list-style-type: none">• Outperformance payments for exceeding the target• Penalties for missing the target

Showcard 8

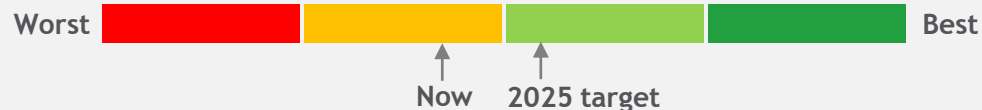
SERVICE AREA

Reducing sewer blockages



Service area	Service level promise	How performance payments will be applied to this service area
Reducing sewer blockages	Blocked sewers can cause bad smells and mean customers cannot use their toilets until the blockage is cleared. Hafren Dyfrdwy are committing to reducing sewer blockages by 6%, to give 17 fewer blockages a year.	<p>Performance payments apply:</p> <ul style="list-style-type: none"> • Outperformance payments for exceeding the target • Penalties for missing the target

How Hafren Dyfrdwy compares to other companies:



Showcard 9

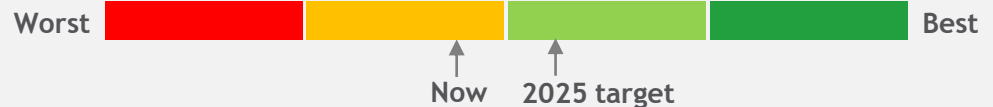
SERVICE AREA

Reducing the amount of water customers use



Service area	Service level promise	How performance payments will be applied to this service area
Helping customers be more efficient so that they can reduce the amount of water they use.	Hafren Dyfrdwy are committing to help customers reduce the amount of water each person uses by 5 litres per day, which is a 4% reduction.	<p>Performance payments apply:</p> <ul style="list-style-type: none"> • Outperformance payments for exceeding the target • Penalties for missing the target

How Hafren Dyfrdwy compares to other companies:



Showcard 10

SERVICE AREA

Educating children to use water more wisely



Service area	Service level promise	How performance payments will be applied to this service area
Educating children to use water more wisely	Hafren Dyfrdwy will deliver education activities with school children, (including more fun learning using virtual reality games) with a target of getting around 4000 students to make a pledge to reduce water use.	<p>Performance payments apply:</p> <ul style="list-style-type: none">• Outperformance payments for exceeding the target• Penalties for missing the target

Showcard 11

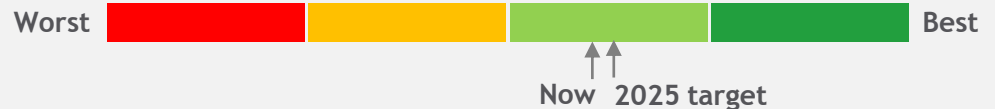
SERVICE AREA

Reducing the amount of water customers use



Service area	Service level promise	How performance payments will be applied to this service area
Reducing leakage	Hafren Dyfrdwy are committing to reduce leakage by 15%.	<p>Performance payments apply:</p> <ul style="list-style-type: none"> • Outperformance payments for exceeding the target • Penalties for missing the target

How Hafren Dyfrdwy compares to other companies:



Showcard 12

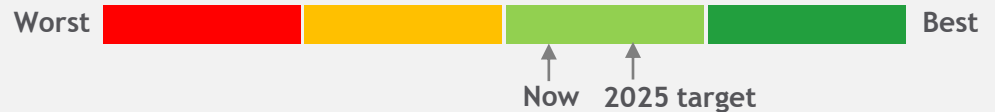
SERVICE AREA

Reducing the number of burst pipes



Service area	Service level promise	How performance payments will be applied to this service area
Reducing the number of burst pipes	Hafren Dyfrdwy are committing to reducing burst pipes from around 335 to 300 per year (a 10% improvement)	<p>Performance payments apply:</p> <ul style="list-style-type: none"> • Outperformance payments for exceeding the target • Penalties for missing the target

How Hafren Dyfrdwy compares to other companies:



Showcard 13

SERVICE AREA

Reducing the number of lead pipes



Service area	Service level promise	How performance payments will be applied to this service area
Reducing the number of lead pipes	Hafren Dyfrdwy are starting a programme of lead pipe inspection and replacement in schools and nurseries and are committing to replace 460 lead pipes over the next 5 years.	<p>Performance payments apply:</p> <ul style="list-style-type: none">• Outperformance payments for exceeding the target• Penalties for missing the target

Showcard 14

SERVICE AREA

Meeting our water quality obligations



Service area	Service level promise	How performance payments will be applied to this service area
Meeting our water quality obligations	<p>The water quality regulator closely monitors water quality across a number of measures.</p> <p>Hafren Dyfrdwy are committing to ensuring high quality water 100% of the time.</p>	<p>Performance payments apply:</p> <ul style="list-style-type: none">• Penalty-only for missing the target

Showcard 15

SERVICE AREA

Satisfactory sludge use and disposal



Service area	Service level promise	How performance payments will be applied to this service area
Meeting our sewage obligations and safely disposing of all of the by-products from treating sewage	Hafren Dyfrdwy are committing to ensuring safe use and disposal of the by-products of the sewage treatment process, 100% of the time.	<p>Performance payments apply:</p> <ul style="list-style-type: none">• Penalty-only for missing the target

Showcard 16

SERVICE AREA Drought risk



Service area	Service level promise	How performance payments will be applied to this service area
Drought risk - ensuring water supply even under drought conditions	Hafren Dyfrdwy are committing to managing their water resources so that there is no chance of a water supply interruption as a result of a drought.	No payments - reputational incentive only

Showcard 17

SERVICE AREA

Risk of sewer flooding in a storm



Service area	Service level promise	How performance payments will be applied to this service area
Risk of sewer flooding in a storm	Hafren Dyfrdwy has assessed that around 6% of customers are at risk of being flooded with sewage if there was an extreme flood. Hafren Dyfrdwy are developing their understanding of this measure and will ensure this risk does not increase over the next 5 years.	No payments - reputational incentive only

Showcard 18

SERVICE AREA

Increasing our priority services register



Service area	Service level promise	How performance payments will be applied to this service area
Increasing our priority services register	Hafren Dyfrdwy are committing to increasing the number of customers on their priority service register by 7%. Customers on this register are offered tailored services (such as delivering bottled water to customers with medical conditions if there is ever a problem with their water supply).	No payments - reputational incentive only

Showcard 19

SERVICE AREA

Increasing our priority services register



Service area	Service level promise	How performance payments will be applied to this service area
Increasing our priority services register	Hafren Dyfrdwy are committing to increasing the number of customers on their priority service register by 7%. Customers on this register are offered tailored services (such as delivering bottled water to customers with medical conditions if there is ever a problem with their water supply).	No payments - reputational incentive only

●●●

ODI range showcards



Showcard 20

For **Internal Sewer Flooding**, what is the appropriate amount that the bill should either increase or fall when the company either beats or misses its performance target by **1 flooding incident**.

Increase or
reduce value
according to
preference in
the box below

MAX VALUE
£2.21 per bill

ODI STARTING VALUE
£1.27 per bill

MIN VALUE
£0.63 per bill

HAFREN
DYFRDwy

	Start - 2019/20	2024/25 target
Incidents per year	6	5

Showcard 21

For **Leakage**, what is the appropriate amount that the bill should either increase or fall when the company either beats or misses its performance target by **1 megalitre per day**.

Increase or
reduce value
according to
preference in
the box below

MAX VALUE
£4.01 per bill

ODI STARTING VALUE
£2.68 per bill

MIN VALUE
£1.44 per bill

HAFREN
DYFRDWR

Megalitres per day

Start - 2019/20

2024/25 target

13.66

11.56

djs
research

Showcard 22

For **Water Supply Interruptions**, what is the appropriate amount that the bill should either increase or fall when the company either beats or misses its performance target by **1 minute**.

Increase or
reduce value
according to
preference in
the box below

MAX VALUE
£0.78 per bill

ODI STARTING VALUE
£0.43 per bill

MIN VALUE
£0.18 per bill

HAFREN
DYFRDWR

	Start - 2019/20	2024/25 target
Minutes	11:40	3:00

Showcard 23

For **An individual's daily water usage**, what is the appropriate amount that the bill should either increase or fall when the company either beats or misses its performance target by **1 litre per day**.

Increase or
reduce value
according to
preference in
the box below

MAX VALUE
£0.29 per bill

ODI STARTING VALUE
£0.19 per bill

MIN VALUE
£0.09 per bill

HAFREN
DYFRDWR

Litres per person per day

Start - 2019/20

2024/25 target

131

126.5

Showcard 24

For **Lead Pipes**, what is the appropriate amount that the bill should either increase or fall when the company either beats or misses its performance target by **1 lead pipe replaced**.

Increase or
reduce value
according to
preference in
the box below

MAX VALUE
£0.25 per bill

ODI STARTING VALUE
£0.12 per bill

MIN VALUE
£0.01 per bill

HAFREN
DYFRDwy

	Start - 2019/20	2024/25 target
Lead pipes replaced	0	460 over 5 years

Showcard 25

For **River Water Quality**, what is the appropriate amount that the bill should either increase or fall when the company either beats or misses its performance target by **1 km of rivers improved**.

Increase or
reduce value
according to
preference in
the box below

MAX VALUE
£0.66 per bill

ODI STARTING VALUE
£0.35 per bill

MIN VALUE
£0.04 per bill

HAFREN
DYFRDWR

Kilometres

Start - 2019/20

2024/25 target

0

46 over 5 years

djs
research

Showcard 26

For reductions in the number of properties that are not on Hafren Dyfrdwy's system but which are using water without being charged, what is the appropriate amount that the bill should either increase or fall when the company either beats or misses its performance target by **1 property**.

Increase or reduce value according to preference in the box below

MAX VALUE
£0.17 per bill

ODI STARTING VALUE
£0.10 per bill

MIN VALUE
£0.04 per bill

HAFREN
DYFRDWY

Properties

Start - 2019/20

2024/25 target

0

72 over 5 years

djs
research

Showcard 27

For **Protecting the natural environment & encouraging diverse plants and wildlife**, what is the appropriate amount for the bill to either increase or fall when the company either beats or misses its performance target by **10 hectares of improved natural environment**.

Increase or
reduce value
according to
preference in
the box below

MAX VALUE
£0.66 per bill

ODI STARTING VALUE
£0.33 per bill

MIN VALUE
£0.01 per bill

HAFREN
DYFRDWR

Hectares

Start - 2019/20

2024/25 target

0

450 over 5 years

djs
research

Showcard 28

For **Sewer Blockages**, what is the appropriate amount that the bill should either increase or fall when the company either beats or misses its performance target by **100 blockages**.

Increase or
reduce value
according to
preference in
the box below

MAX VALUE
£0.18 per bill

ODI STARTING VALUE
£0.11 per bill

MIN VALUE
£0.05 per bill

HAFREN
DYFRDwy

	Start - 2019/20	2024/25 target
Blockages	293	276

Showcard 29

For **Inspiring our Customers to Use Water Wisely**, what is the appropriate amount for the bill to either rise or fall when the company either beats or misses its performance target by **1,000 school children successfully inspired**.

Increase or
reduce value
according to
preference in
the box below

MAX VALUE
£0.15 per bill

ODI STARTING VALUE
£0.09 per bill

MIN VALUE
£0.02 per bill

HAFREN
DYFRDWR

Children inspired

Start - 2019/20

2024/25 target

0

3,985 over 5 years

djs
research

Showcard 30

For **Drinking Water Quality Complaints**, what is the appropriate amount for the bill to either rise or fall when the company either beats or misses its performance target by **100 complaints**.

Increase or
reduce value
according to
preference in
the box below

MAX VALUE
£0.20 per bill

ODI STARTING VALUE
£0.05 per bill

MIN VALUE
£0.01 per bill

HAFREN
DYFRDWR

Complaints

Start - 2019/20

2024/25 target

490

317

djs
research

Showcard 31

For **Low Pressure**, what is the appropriate amount that the bill should either increase or fall when the company either beats or misses its performance target by **100 properties with low pressure**.

Increase or
reduce value
according to
preference in
the box below

MAX VALUE
£2.28 per bill

ODI STARTING VALUE
£1.13 per bill

MIN VALUE
£0.09 per bill

HAFREN
DYFRDwy

Properties

Start - 2019/20

2024/25 target

57

41