love every drop anglianwater

Faldrax Consulting Ltd
COMMUNITY ENGAGEMENT

Customer principles

A synthesis of customer research and insight to inform our plans

September 2023 Version

About this report

This report is a high-level synthesis of customer research and insight gathered to help inform Anglian Water's decision makers

The insight has been gathered through bespoke research, consultation and everyday engagements with customers and stakeholders

Each source has been analysed for its:

- Methodology
- Data collection
- Interpretation
- Depth
- Relevance

A full detailed report of the analysis and source data can be found **here.** The source documents for the insight are referenced on each page

The summary will be updated quarterly

Contents

The insight has been organised to align with Anglian Water's outcomes

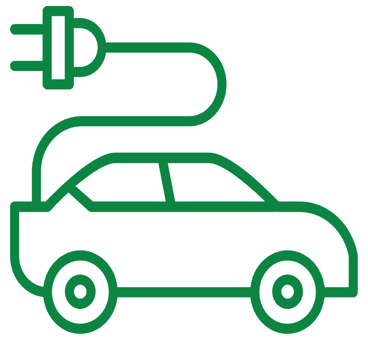
Balancing our plans

Balancing our plans

The following pages give a high-level summary of where customers want Anglian Water to focus and how they balance the different drivers for investment

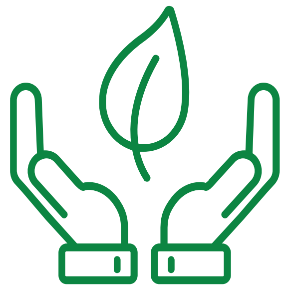
At a strategic level where would customers like Anglian Water to focus?

Eastern England will be resilient to drought and flooding



We will be a net zero carbon business

Enable sustainable economic and housing growth in the UK's fastest-growing region



Working with others, we will have delivered significant improvements in ecological quality across our catchments

What are customers telling you?

- Customers support new proposed ambitions that were tested.
- The 4 key ambitions as a set are generally well received by the majority of customers, as they are relevant and in line with expectations.
- A minority feel like they're missing quantifiable measures and feel unachievable – they need more context (particularly costs) and evidence before they can put trust and reliance into the ambitions.
- Cost to consumers is high on the list of customer concerns, so while most agree with the ambitions set out, they feel they shouldn't be at great cost to customers. Customers need more information on the financial impact of these ambitions to provide true feedback and overall trust in the company is key to gain customer support[59, 94, 98]. Trust has potentially been eroded due to recent media focus on river water quality.[94]

"The ambitions are admirable and extremely important in a changing world. AW appear to have recognised what are the most pressing issues and my only concern would be whether they have the ambition to succeed and deliver and at what cost to customers"
Customer, 55-64 (59)

"We must think of future generations without making things impossible for those already alive."
Customer, 65-74 (59)

Where do customers want Anglian Water to focus in the long–term?

People prioritise issues where they feel directly impacted by them, or where they seem like unavoidable threats[110].

Sewers, climate change and population growth

Leakages on the water system

Preparing the water network for climate change

Do customers support us investing in improvements to increase the region's resilience to extreme weather now or delaying that investment for the future?

"Making sure that the assets and infrastructure are maintained and modernised is important to reduce the risk of pollution and flooding. If assets and infrastructure fail, discharges into the rivers or sea would increase, causing long lasting damage to the environment and wildlife. Risk of flooding would also increase if pumping stations failed. Water would be wasted if pipes were not maintained and property could be damaged."

65-74. Essex (40)

- Customers **struggle to balance** off the short-term vs the long-term. They want us to plan for the future.[40]
- Climate change is an area of concern and is recognised as a threat. The preference seems to be for a balanced approach considering what is needed now and in the future.[40, 35]
- There is a wider support from customers to have a **good level of overall resilience and security** especially regarding cybersecurity and personal data– although they don't see the industry as high risk.[21, 22, 23]
- 37% of attendees at the community ambassador events think AW should invest now, based on the most extreme climate change scenario (with 36% thinking AW should still invest but on the best case scenario)[66]

"I think that priorities will have to change so that the ability of Anglian Water to cope with events brought about by climate change will need to be the prime focus - although the other 6 options are equally important in my opinion"

55-64 Lincolnshire (40)

What are the most important services Anglian Water provides?

Without thinking about cost how do customers rank the importance in the services you provide?

38,19,22,32,33,35,42,48,66,58,101

01 Continue to supply us with safe, high quality drinking water

02 Reduce leaks – we find it wasteful

03 Improve river water quality

04 We are worried about drought resilience

05 Develop nature-based solutions to mitigate climate change

06 Make the region more resilient to flooding

07 Support the most vulnerable customers

08 Appearance, taste and smell of drinking water

When thinking about cost, where do customers want Anglian Water to invest more?

01 Reducing leaks

02 Improve river water quality

03 Unplanned interruptions

04 Improving bathing water quality

Some priorities move when customers think about investment.[65] While **leakage stays at the top** of the list, drinking water quality moves much further down – this is not because it is not important (it is of top importance for customer in terms of measuring performance[91], but it is likely customers feel it is already good so does not require the level of investment as other areas).[36, 95, 121]

Interruptions to supply is another area that features highly when customers consider investment as do the areas associated with water quality (both **river and bathing**).[65] River pollution is considered a key area to monitor performance.[91]

Customers support incentivising investment through performance commitments (74%) but bills need to be reasonably predictable for households to budget.[91]

05 Reducing pollutions

06 Ensuring safe high quality drinking water

07 Reducing the risk of internal flooding

08 Reducing the frequency of severe water restrictions

Do customers think Anglian Water's plans are acceptable[134] ?

73%

found the business plan acceptable

16%

found the business plan unacceptable

When testing qualitatively new performance commitments with customers the proposed levels for leakage, water supply interruptions and water quality contacts were **acceptable** whereas the proposals for pollutions (24.5 pollution incidents per 10,000 km sewer) were seen as **unambitious** and those for sewer flooding (1.52 flooding incidents per 10,000 properties) **unacceptable**[135].

Business customers

were even more positive about the business plan (84% acceptability)

Little variation

between subgroups, apart from gender. Females had higher ratings

Do customers think Anglian Water's plans are affordable[134]?

22% overall

stated they felt they could fairly or very easily afford the proposed water and sewerage bill charges

Currently struggling

42% are currently finding it difficult to manage financially, with 36% thinking it will get worse

More affordable for business customers

29% said they could fairly or very easily afford the proposed water and sewerage bill

Customers unsure of what future holds

39% of household customers find it neither affordable nor unaffordable

Customer segments

What are the **key differences** we see between different customer segments?

Geographical

Very little difference seen in relation to the views of customers across the Anglian Water geographical area. However, Hartlepool Water customers are keener on keeping their bills lower, even compared to those in vulnerable circumstances in the rest of the region

Customers in vulnerable circumstances

Have a higher priority for the services specific to them such as PSR and affordability support. Disabled customers want bespoke communications during water interruptions

Future customers

Future customers ranked reducing carbon footprint and metering higher priorities than the rest of customers. They also seem less concerned about the pace of achieving environmental targets with regard to abstraction reduction

Business & retail customers

Retailers want to see an improved customer service and have strong support to smart metering.
Businesses customers focus more on cost and prioritise transferring water and smart metering for water resources options

What are stakeholders' priorities in the Anglian Water region [111]?

Biodiversity

Public service & infrastructure

Climate change

Economic growth

Cultural services

Health and wellbeing

Recreation & tourism

Communities & housing

70 documents were analysed from a breadth of stakeholders to look at key ambitions

Detailed insight

Detailed insight

The following pages summarise what Anglian Water have heard from their customers, sectioned under the four key ambitions

Responsible business – summary

- Customers feel that **reducing our carbon footprint should be essential,** since climate change is a major threat. However, in terms of priorities for investment it doesn't rank as high as services that impact them directly.
- Customers are keen for Anglian Water to **reduce waste from its processes** and switch to more sustainable sources of energy.
- There is a core desire for bills to be **fair and affordable** and real concern for those who are financially vulnerable, meaning it is important to **protect those on lower incomes.**
- Customers are **happy to support vulnerable customers**, but are concerned **that further bill increases might stretch them too far.**
- There is a **wide desire for outdoor spaces** and the value of recreation and open areas on both physical and mental wellbeing. However, added benefits are **not seen as a preference** ahead of the 'core' services.
- Customers struggle to balance the short-term vs the long-term with a preference for a **balanced approach** considering what is needed now and in the future**.**

Responsible business

Should we be ambitious and reach Net Zero by 2030 or meet the statutory target which is set by 2050?

Would customers be prepared for bills to go up, if it meant more vulnerable people were being supported? Or would customers like to see bills go down, with fewer customers supported?

Is the support that's currently being offered to customers who are struggling to pay sufficient, or should we be doing more?

Do customers want to see us invest in projects that create improvements to the natural environment over and above those that don't?

Should we be ambitious and reach Net Zero by 2030 or meet the statutory target which is set by 2050?

What are customers telling you?

- Customers want Anglian Water to **reduce its own carbon footprint**. [2]
- However, carbon reduction is **low in terms of importance overall** with PR24 priorities work ranking it 13th in terms of importance with no appetite shown for more ambition - although **future customers rank this much higher**.[19]
- To support this view, **energy neutrality** is also ranked as less important.[19]
- In terms of options to meet Net Zero, customers are keen for Anglian Water to **reduce waste from its processes** and switch to more sustainable sources of energy, but there is very limited awareness of biosolids and, when explored with customers, there are **some concerns shown regarding using biosolids as fertilisers** on land.
- When communicating about its ambitions in this area, AW needs to be clear and demonstrate tangible actions.[PR19]
- When communicating about its ambitions in this area, AW needs to be clear and demonstrate tangible actions.

"To me this word is a bit of a con concept. I think it should mean that a person/company has tried to reduce their carbon emissions as much as possible and then offset the rest by planting trees etc. In reality I think it means companies plant loads of trees but don't really bother to try and reduce their carbon emissions in the 1st place."
Female, 35-54, Northamptonshire (88)

"I try to limit the amount of energy I use at home to reduce carbon footprint."

Anglian Customer (19)

"The dramatic impact that global warming is having on our climate and the urgent need to reduce carbon emissions to stop further temperature increases across the world."
Male, 65-74, Lincolnshire (88)

"We all must make a positive contribution to the planet and each other, else what is the point of living if we simply consume - like a locust, a pest? As a society, we have to be responsible and act appropriately and not selfishly."
35-54, Lincolnshire (8)

Would customers be prepared for bills to go up, if it meant more vulnerable people were being supported? Or would customers like to see bills go down, with fewer customers supported?

What are customers telling you?

- There is a core desire from most customers for **bills to be affordable,** and keeping prices affordable is one of our customers' top priorities (75% of customers in the recent customer investment priorities research).[38,1,2,6,]
- For example, when rating Anglian Water's activities in the WRE research on water efficiency, **keeping prices affordable** ranks as number three.[25] Many customers with a more 'citizen-focused' mentality believe it is important to **protect those on lower incomes** and show real concern for those who are financially vulnerable.[9]
- This support though, is **balanced with their own affordability** and the current financial crisis is at the top of our customers' minds, so, when asked how much they would be willing to see on their own bills to support those more financially vulnerable the support was for £1 - £2 (this value has dropped compared to earlier PR24 research where we saw support for £3 - £9).[27,48,18,25]
- Some customers feel strongly that billing support is a responsibility of government rather than water companies; support should come from Anglian Water's profits, not customers' bills.[29]
- While some non-household customers believe **water is too cheap** and under-valued.[9]
- Customers are strongly against covering other customers' bad debt.[27,48]
- The option for a £17 cross subsidy for the social tariff gets support from about half the online community customers tested and 41% in another study[100]; the other half don't agree as they feel almost everyone has been hit hard financially recently, and believe that AW as a business makes enough profit to be able to pay this out of their own pocket.[100] Customers who are only just over the threshold of not being eligible to receive support feel uncomfortable with this amount, as they need all the help they can get, but are having to fund others. Transparency over the use of this cross-subsidy is key in gaining support from customers for the tariff. [67]Recent testing in summer of 2023 showed a high level of support for a small increase in the cross subsidy (£2) but as tested values increased to £10 a drop down to 61% acceptance was seen.[108]
- Transparency over how the cross-subsidy is spent if important to gain customer support.[103]

"It's critical that water remains affordable for everyone, especially as people are struggling at the moment because of COVID."

Anglian ABC1 (24)

"The situation we're all in, we can afford it. My concern is vulnerable families [who] need to use a lot of water but are reticent to use it because you can't afford the bill. That's my huge concern about it ... I don't want people to not use water because they can't afford it, because I know the knock-on effect that'll have."

Anglian ABC1 (24)

Is the support that's currently being offered to customers who are struggling to pay sufficient, or should we be doing more?

What are customers telling you?

- There is always a desire for the company to do more - customers and stakeholders see this as a key 'service' Anglian Water should provide, and research suggests a need to 'reframe' vulnerability and focus instead on customers in **vulnerable situations**.[1,21]
- However, the recent CCW 'Water Matters' reports shows that the awareness of Anglian Water's 'Watersure' package and priority services offerings is improved but now remains fairly static.[36, 116]
- For those in vulnerable circumstances, these services are placed the joint fourth priority for them in PR24 (compared to the wider customer view of sixth, regarding spending allocation).[19]
- There is some **conflict regarding who pays** for this support – company or government - and concerns that any 'help' goes to those who genuinely need it, rather than people 'playing the system'.[PR19]
- Recent research and wider stakeholder insight (from Scope) suggest the **awareness of PSR services is low** and, even if aware, access is difficult. There are concerns raised that the **eligibility criteria for access to special tariffs is restrictive** and needs to be widened to include non-mean tested benefits such as DLA or PIP).[55]

"It's like disability is so varied, they just stick us under one big cloth and think that, you know, what they're covering is enough, and it's not."
DIsabled customer (55)

"See again, it's income related. 'Employment and support [Allowance]'. It doesn't cover all of the benefits and one that really bugs me, and I shouldn't say it, is why the hell isn't PIP on there? We're the most needy!"
Disabled customer (55)

"I don't know who clarifies what requires more water or how you have to prove that, or if people that make those decisions in Anglian Water understand the various complexities of different disabilities, yes."
Disabled customer (55)

"10.7%!!!!! Your lovely little graphs do nothing to justify the increase – way too easy to blame it on energy costs. I will be lucky to see a 3% benefit in my salary this year…you are like so many other greedy corporate businesses jumping on the bandwagon and making life even worse for your customers when we have no possibility of shopping around and finding alternate process. I am disgusted by your position and wish I had an alternate provider I could see ."
customer (verbatim from social media)

Do customers want to see us invest in projects that create improvements to the natural environment over and above those that don't?

What are customers telling you?

- The preference from customers is to **maximise environmental improvement** wherever possible.[6,9, 10, 30, 38]
- However, added benefits are **not seen as a preference ahead of the 'core' services**. Public value in the water space is expected to fulfil five specific criteria: local community centric; long-term justifiable value; sustainable; water relevant; low maintenance.[9]
- The research on public value to support the strategic resource options showed customers have a **higher willingness to pay for improvements to ecology** rather than recreation which aligns with PR19 engagement with 'specialist habitats created for wildlife' (£3.87 annually, on average); 'new wetland area' (£3.24 annually, on average); 'space provided for sustainable agriculture' (£2.61 annually, on average) scoring the highest. Views regarding types of added value project additions differ considerably across different types of sites and by distance of the site to the customer.[30]
- We also know that AW being at the forefront of sustainability and a 'good company' in customers' eyes **drives both the brand and customer satisfaction**. [21, 23]
- There is a **wide desire for outdoor spaces** and the value of recreation and open areas on both physical and mental wellbeing.[6, 38]
- Some customers are much more **sceptical** about these initiatives; they view them as beyond the water company's remit and as a 'charitable donation that customers can't opt out of'.[PR19]
- This is a key area of interest for stakeholders such as Natural England and specific environmental NGOs who support a wider improvement in the environment.

"It is important to prioritise sensitive areas and sites - they are the ones that we are in most danger of causing long-term damage to or in some cases loss."
55-64, Norfolk (7)

"Since the lockdown it has become more important to enjoy what surrounds us and if there are areas where customers can go and enjoy time with their family and friends in outdoor spaces, for picnics or just nature walks, then that will help improve our wellbeing."
Comfortable and Caring (2)

Delighted customers – summary

- Customer satisfaction remains at **broadly similar** levels over time.
- Knowledge of Anglian Water **remains lower** than recorded for benchmark organisations.
- Levels of satisfaction remain highest with Anglian Water's provision of clear bills and payments and quality water. However, fewer agree that AW help them to save money or reduce water usage.
- The proportion of customers who agree that their water bill represents **good value has remained constant** and most still consider their bills to be clear.
- Anglian Water needs to do more to improve its service to the retail market – providing clearer information is key.
- Customers raise the need to not only **maintain but improve and upgrade the current infrastructure** and increase water storage to ensure continual supply.
- Domestic and NHH customers are **willing to pay to improve** current service levels.
- Customers are used to having a **consistently good supply** of water so interruptions feel like an inconvenience that can be avoided.
- Many customers feel **lacking in their water saving knowledge** and support and are open to receiving this from Anglian Water.

Delighted customers

Do customers have all the knowledge they need to provide effective feedback for Anglian Water, particularly in areas that are more technical?

Do customers want to see us maintain, rather than improve, current service levels for supply?

Are we supporting the retail and house building markets as best we can?

Should we make all the proposed improvements needed to maintain our assets and address future challenges irrespective of the cost on customer bills, or only target those issues that have the greatest impact on customers?

Do customers have all the knowledge they need to provide effective feedback for Anglian Water, particularly in areas that are more technical?

What are customers telling you?

- At the moment, customers are aware that they **don't have all the knowledge** they need to provide effective feedback to Anglian Water, particularly in areas that are more technical. This makes it difficult for them to make decisions or advise on short vs. long-term decisions because they lack expertise or knowledge on certain issues. [42, 9]

- Many customers feel **lacking in their water-saving knowledge** and support and are open to receiving this from Anglian Water. Educating customers on ways they can reduce their own usage, as well as giving them the ability to track their own usage through the installation of Smart Meters, is considered an important step to customers in the preservation of water supplies. [48, 9]

- Customers **value education** and having a greater community presence and spreading the word about Anglian Water (e.g., through emails, newsletters, social media etc.) could help increase the baseline knowledge of Anglian Water among customers. [30, 48]

- There is a desire for a clear balance of information – not too technical, but enough to keep customers informed, using simple language that relates directly to them. There are some issues also raised regarding the accessibility of materials.[70]

"I feel we are not educated enough within this subject (water efficiency) by the correct sources, therefore water is used too liberally. Educating young adults is key."
Anglian ABC1 (9)

"I really believe that education, awareness and incentives are a proven way to change people's habits."

Anglian C2DE (9)

Are we supporting the retail and house building markets as best we can?

What are customers telling you?

- Retailers rate the overall service they receive from Anglian Water as 7.62 out of 10, ranking Anglian Water **9th out of the 15** companies engaged.[44]
- **Escalations/complaints resolution** and improved communication are key areas named for improvement.[44]
- Retailers have **key concerns** with the current metering arrangements:
  - Poor quality consumption data - NHH consumption data is unavailable or incorrect.
  - Standards, cost and availability – there are different standards and arrangements across different wholesalers - this can impact on the availability and consistency of information.
  - Wholesalers can be slow to install, maintain or replace meters. Not all NHH properties are metered. [28]
- Awareness of the open market has been tracked since 2017 and has always been strongly linked to organisation size: the market is much more likely to be benefitting larger businesses (and larger water users). However, the most recent data indicates that **awareness could be falling back.**[57]

For house builders (both commercial and private) 89% of customers agreed that if a sustainable surface water discharge is used, then the 2023 to 2024 **sewerage infrastructure charge should be reduced by 50%.** No objections were made by any customer group to this proposal. [56]

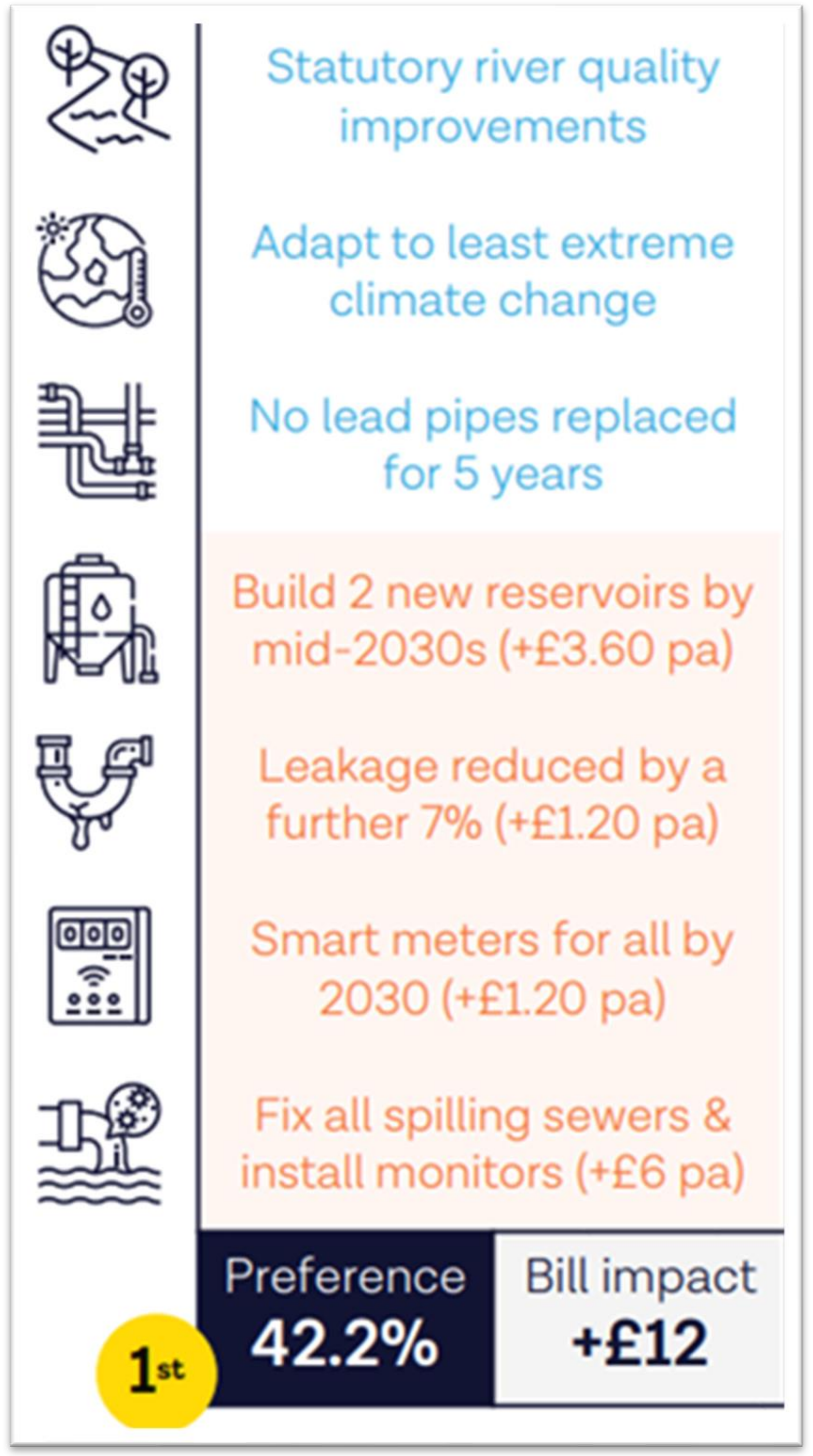
Should we make all the proposed improvements needed to maintain our assets and address future challenges, irrespective of the cost on customer bills, or only target those issues that have the greatest impact on customers?

"It must be cheaper to be in control of the work, being reactive will mean peaks and troughs of work as failures are hardly likely to occur at a uniform interval."
Male, 55-64, Northamptonshire (96)

What are customers telling you?

- The priorities work conducted with the online community shows that customers **do want investment for the future**. When shared a mix of improvements to both maintain assets and protect for the future at a cost of £21 increase over the AMP more than two thirds (65%) of customers felt that this proposal was acceptable and further follow up work shows 92% of customers think acting now is prefereble.[58, 96]
- Customers do however **strike a balance** when shown a mix of options trading off service and environmental improvement , short and long term. It is a **complex choice** which is influenced by overall cost and affordability.
- The wider work conducted on priorities showed customers chose a **mixed programme of investment** totalling £12 p.a. increase and included a mix of short- and long-term investments some that were environmentally driven.[38]
- There is a **tension between customer views and the environmental stakeholder views** – where customers do put a limit on investment based on affordability but if a priority is needed then those vulnerable to climate change are favoured.[96]

"Climate change is rapidly increasing and effects will be more dramatic."
Female, 55-64, Bedfordshire (96)



Preferred plan - Customer Investment Priorities (Wave, 3 Nov 2022)[38]

Safe, clean and reliable water – summary

- Safe, clean water is a **fundamental** customer expectation.
- Customers raise the need to not only maintain but **improve and upgrade** the current infrastructure and increase water storage to ensure continual supply.
- Customers lean towards **water storage options** and **reuse** after demand management solutions.
- Preferences are to be **driven by cost and environmental impact,** which is why desalination is less generally preferred.
- **Environmental and economic** added benefits are generally most well received, although there is an overall cap in value of added benefits.
- Customers **want a long-term** plan that will place more weight on options that safeguard supplies and reduce risk of disruption with a high degree of certainty.
- **Stakeholders want to see a joined-up approach** to all aspects of water supply and waste management.
- There is a **strong view for AW to 'get your house in order'** first. For a significant majority of customers that means fixing leaks. Some customers say, 'at any cost', although this does differ across segments.

Safe, clean and reliable water

What is the best supply-side option to secure future water needs?

How can we instil behaviour change to encourage customers to use less?

Are there any areas we need to improve for water quality?

Do customers want to see us maintain, rather than improve, current service levels for supply?

What is the best supply-side option to secure future water needs?

> *"Reading that, my first thought was 'why aren't we doing that already?' We should be (recycling water)."*
> ***Anglian C2DE (24)***

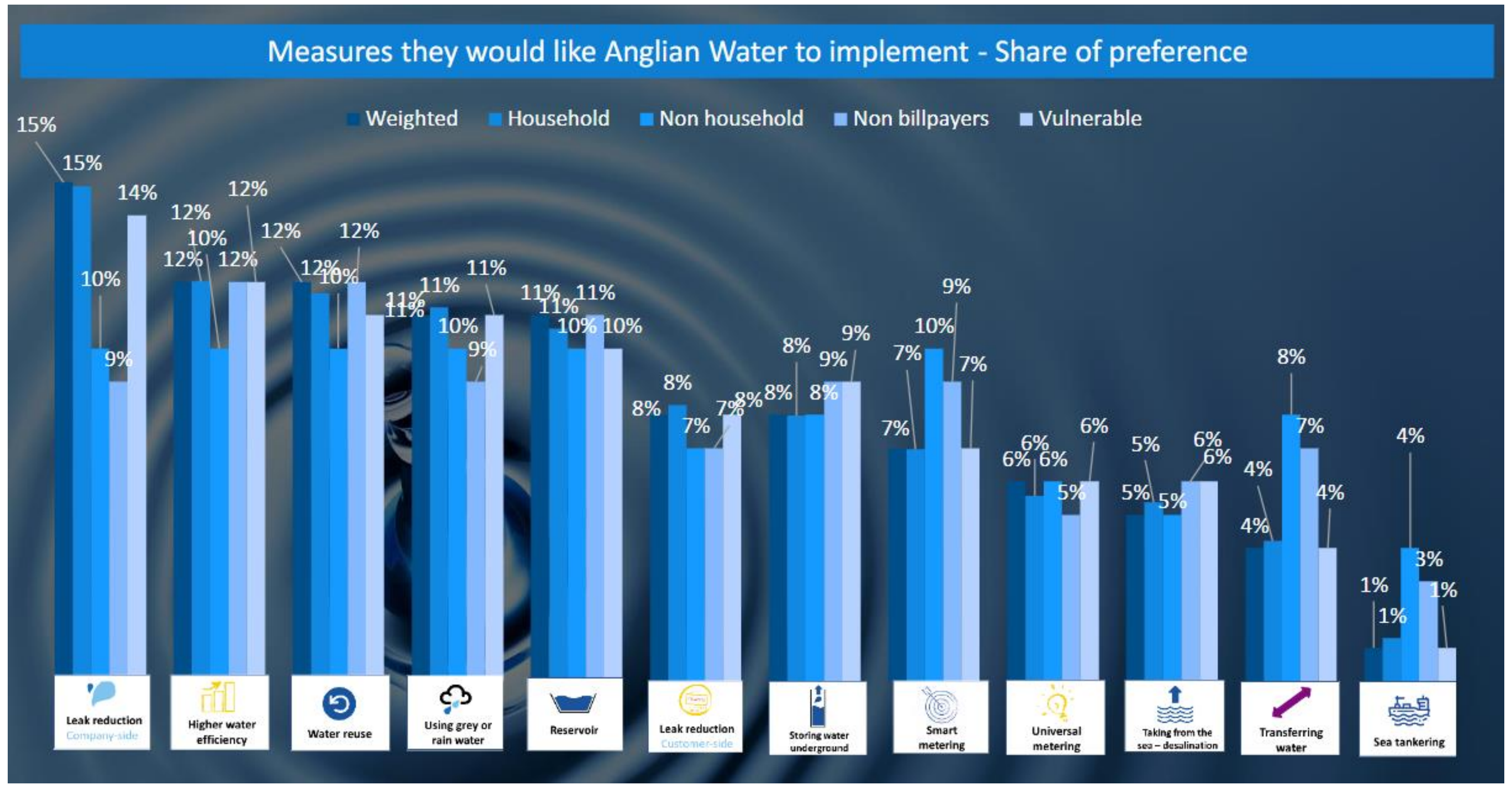
> *"Using grey water makes use of water more efficiently and effectively, i.e. using bath/shower water to flush toilets. Also using water butts to store rainwater for watering gardens during the dry periods."*
> *Anglian ABC1 (24)*

What are customers telling you?

- It is important to note that customers raise the need to **not only maintain but improve and upgrade the current infrastructure** and increase water storage to ensure continual supply.[1,2, 11]
- **Customers lean towards water storage options** and **reuse** after demand management solutions. Reuse is perceived positively in general with less of the 'yuck' factor seen in recent engagement. Preferences seem to be **driven by cost and environmental impact,** which seems to be why **desalination is less generally preferred**.[1,8,14,18,25,24]
- One study does **contradict the view on desalination** with the top three options selected for demand and supply options - 27% chose recycling and 31% chose desalination – this is in contrast with the other research.[24]
- Regarding supply in the future - **awareness of drought permits is low** with 67% of customers being unaware.
- When looking at the delivery of large supply schemes, customers most highly valued project additions such as: '**specialist habitats** created for wildlife' (£3.87 annually, on average); 'new **wetland** area' (£3.24 annually, on average); 'space provided for **sustainable agriculture**' (£2.61 annually, on average). The valuation of project additions **differ considerably across different types of schemes and by distance** from where the scheme would be in relation to the customer. Environmental and economic added benefits are generally most well-received although there is an overall cap in value of added benefits. [30]

> *"More reservoirs can even out the unpredictability of rainfall and water storage, plus also, given adequate planning and investment, improve the environment and local recreation facilities."*
> ***Anglian C2DE (24)***

> *"I don't like the option from the sea, as the sea is already damaged enough. We should not add to the carnage. Let the sea breathe!"*
> ***Anglian ABC1 (24)***



1 – showing customer preferences for options

How can we instil behaviour change to encourage customers to use less?

"In part, it is about reducing waste but leakage especially - if it is not resolved swiftly it can send a negative message to customers about the need to conserve water - and why believe AW about this need and also how good a service they provide for the money if water is just left to drain away?"
Comfortable and Caring (2)

What are customers telling you?

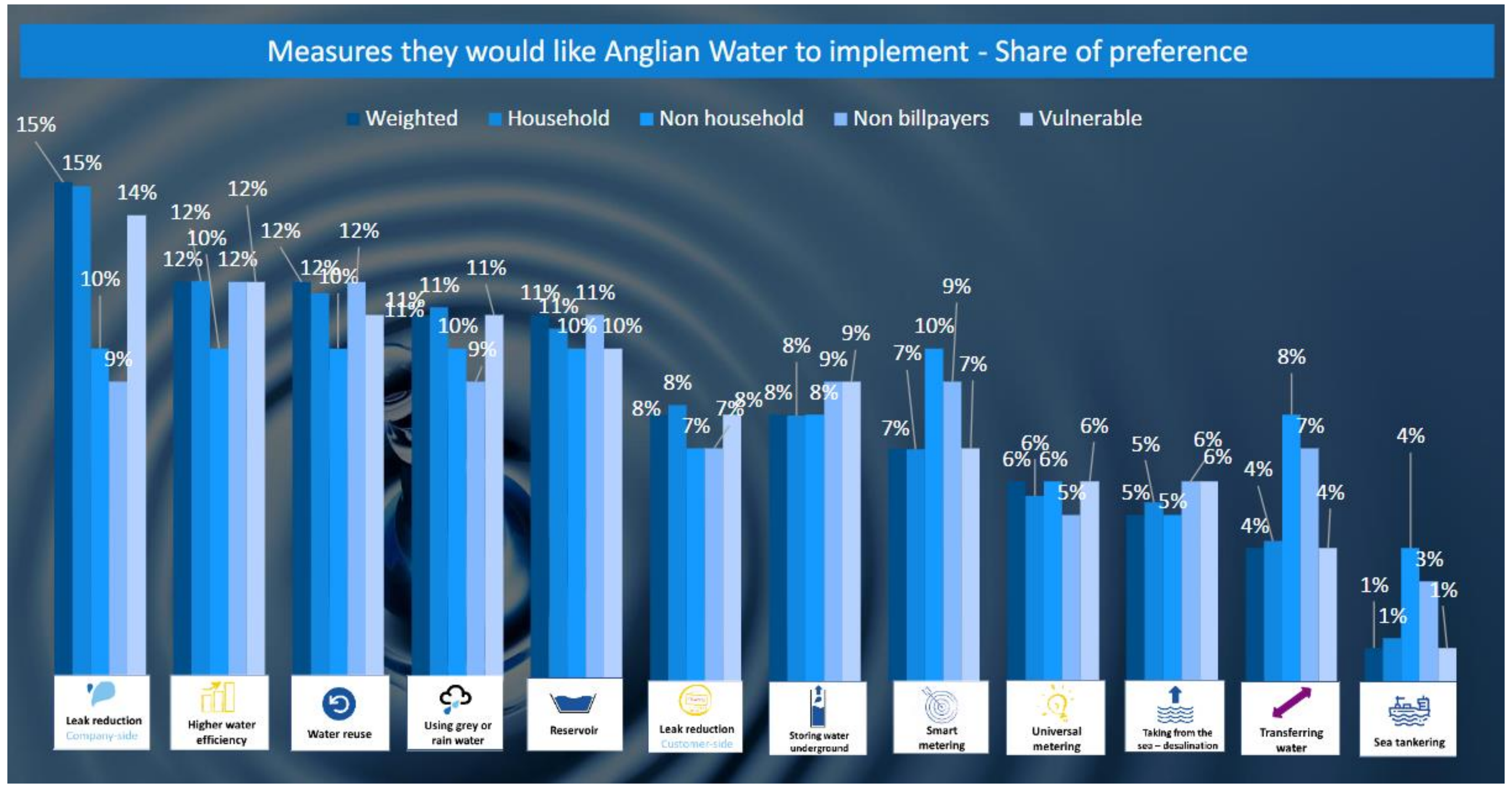
- There is a strong view to **'get your house in order'** first before any actions on the customers' side can be considered. For a significant majority of customers that means fixing leaks. **Leakage features as the second most important thing AW needs to do** (behind providing good quality water); this is consistent across research – driven by the view this is just wasteful. Some customers say, 'at any cost', although this does differ across segment. [25,19,1,2,3,4,5,6,8,12,13,18,24,22,121,123,124,133]
- **Reducing customer consumption generally is seen as the next priority** – with education being a key element of its delivery. There is, however, some recognition that this can be difficult to achieve. [25, 38]
- Views on compulsory metering have moved and it is seen as a **fair way** to charge customers and believed by customers to help them understand and reduce their water consumption.[47, 49]
- For retailers, there are barriers at all levels re water efficiency – ultimately seeing the issues **of water efficiency as the wholesalers' problem**.[13, 12, 1]
- Many customers agree that a **tiered system** (increased costs for beyond essential usage) would be effective in saving water, as people would be more likely to monitor and reduce their water usage to keep costs down.[40]
- **Convey a sense of urgency** in drought communications - `We're feeling the heat, save water now' came in the top spot for creating a sense of urgency.[45]
- Provide **actionable advice** when communicating about drought - customers feel that it's well and good telling them what Anglian Water does, but to result in action, customers need to be given advice that they can carry out. [45]
- Disabled customers highlighted more **bespoke communications** to assist with their needs in this area.[55]

"I think at the moment their priority should be demand because it's just going to go up and up - manage that and plan for the future."

Regional Stakeholder, Anglian/Cambridge (24)

"We had a gushing leak down our road and it was nine days before they came out and did anything."

Anglian C2DE (24)



1 – showing customer preferences for options

Are there any areas we need to improve for water quality?

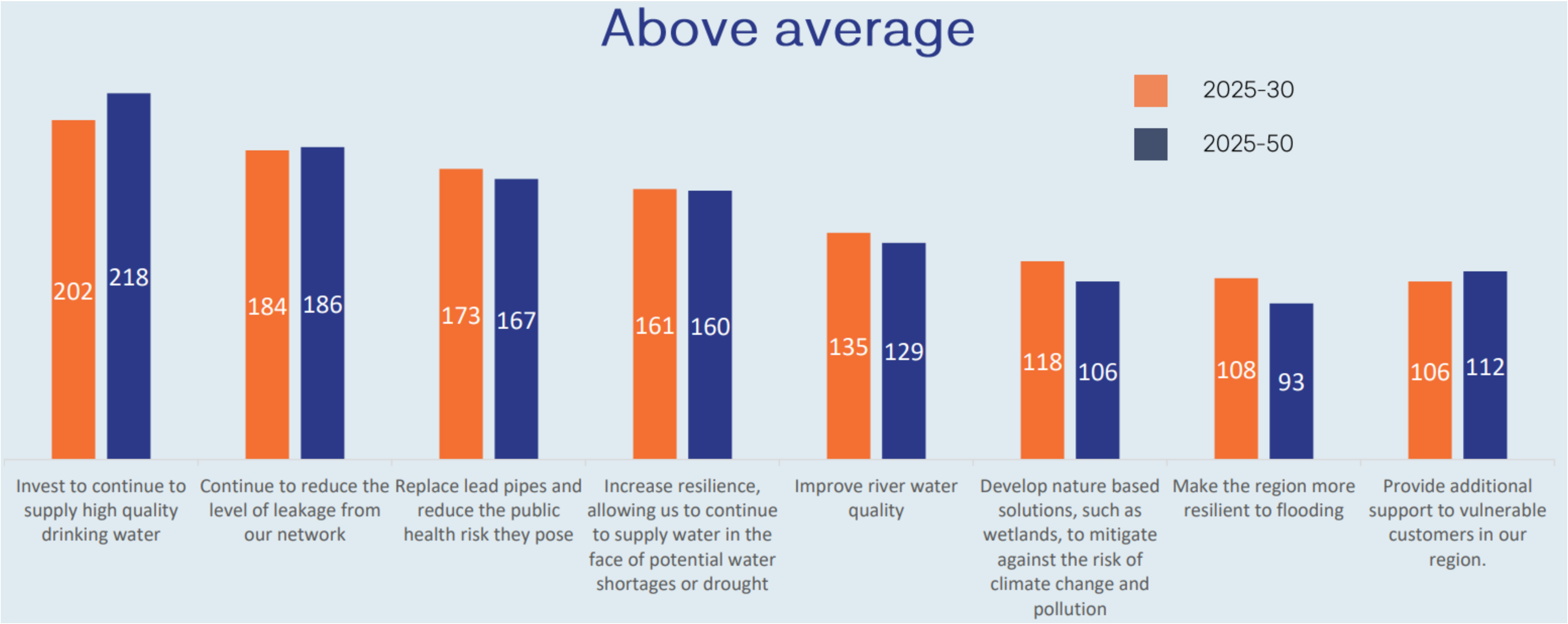
What are customers telling you?

- Customers state they want a **potable, safe, reliable water supply, available to everyone**. This is, many point out, AW's 'raison d'etre' and the absolute **base level of expectation**. [6, 2, 19, 22]
- In general, there seems an overall level of satisfaction but it is important to note customers view quality through the lens of **taste, smell and appearance** with **hardness being a concern.**[PR19]
- In the CCW Water Matters survey, 93% are satisfied with colour and appearance, 83% with taste and smell, 46% with hardness (this is significantly lower than other companies) and 92% with safety.[36]
- In terms of communicating about hard water, the creatives that performed the best, 'The natural journey of hard water' and 'The science behind hard water', both focused on new information that customers likely hadn't heard before (e.g. the health benefits of calcium and minerals). Future communications would benefit from focusing on these health-related benefits. [43]
- Despite the high cost, **lead pipe replacement** is seen as an area customers believe there should be some focus.[19]

"I would like to see softer water and even filtered water. This would help the taste of the water".
Comfortable and Caring (2)

"The quality of water (for drinking, cleaning, etc.) is essential for consumers, without interruption to the supply, whatever the cause."
Comfortable and Caring (2)

PR19 – Priorities for customers



Do customers want to see us maintain rather than improve current service levels for supply?

What are customers telling you?

- The issue of supply interruption **conflates two issues** which can be difficult to unpick. **Drought restrictions** specific insight shows less of a priority than that seen when exploring unplanned interruptions. However, providing a constant supply of clean drinking water is seen as a fundamental for a water company and customers support planning for the long-term to ensure that supply is not interrupted. [1, 2, 6, 8, 18, 11,94]
- Unplanned interruptions carry high valuation figures [65,90] but in other studies, customers generally seem **overall satisfied** with 97% of customers in the CCW regular research (Water Matters) saying they are satisfied with the reliability of supply. [36] Valuations do increase significantly dependent on the length of outage, with restricted toilet use and overall hygiene being the greatest concern for customers. [90]
- **Large supply interruptions hit media headlines** and can undermine trust in the company – it appears, however, to be more about the time to restore, than the interruption itself, that drives negative comments.

"We are in a water resource crisis; it's vital this is prioritised to ensure we don't lose our water supply."
Reedzoe (6)

"A clean, fresh water supply that is sustainable. It will be necessary to work with different parties to ensure this. I am aware AW has invested in a lot of infrastructure to meet demand; this must be continued as this area is one of the driest in the country."
NONCURIS (6)

"We need sufficient high-quality water, provided without damaging the environment, at an affordable price. AW should be planning up-to-date infrastructure and using proven new tech to maintain it. They also need to be looking at new ways of reducing per capita demand such as using grey water for non-potable uses."
Inali (6)

"I had an accident before my water was affected and I wasn't able to go to the toilet; it was very unpleasant for me and my partner."
Northampton Female, SEG DE, Aged 35-44, SI 24-48 hrs (90)

"It made our lives very miserable, as you don't realise how much you rely on your water supply."
King's Lynn Female, SEG AB, Aged 55-64, SI 2-4 days (90)

Flourishing environment – summary

- AW continues to be seen as **stronger** than benchmark organisations when it comes to caring for the environment and thinking about the future.
- There is **widespread approval of the environmental ambition** and most want water companies to be ambitious and deliver enhanced protection for the environment, to support nature recovery and sustainable abstraction. But this is not at any cost.
- The pace of achieving our environmental destination is **urgent for stakeholders** but less so for the general public & NHH customers.
- **Customers are eager** to see AW implementing processes and taking actions that benefit and safeguard wildlife and boost biodiversity across the region, and they view rivers and bathing waters equally.
- Customers **want green solutions** for pollutions that look to address issues across multiple areas, but they struggle to prioritise the short-term vs the long-term.
- Customers are keen for AW to **reduce waste from its processes** and switch to more sustainable sources of energy. They are also keen to see nature-based solutions used to combat climate change.

Flourishing environment

How can we support customers regarding the issues around flooding – are we doing enough?

Should we aim to meet statutory targets for CSOs as set out in the Environment Act or go further and build an enhanced programme of river water quality improvements?

Do customers prioritise improvements that are more local to them or those that have a wider impact across the region?

Do customers want to see action to meet environmental targets to be achieved sooner than 2050? Is this still the case when they understand that to protect and maintain the environment, bill increases may be necessary?

Is there support to focus on nature-based or green solutions that benefit the environment and switch to more sustainable sources of energy?

How can we support customers regarding the issues around flooding – are we doing enough?

What are customers telling you?

- 70% of customers surveyed in the CCW 'Water Matters' research are **satisfied** with companies' actions to minimise flooding.[36]
- Internal and external flooding were ranked in the highest importance category in the priorities work led by Ofwat and CCW. [11]
- However, research conducted by Ofwat and CCW found that when people experience sewer flooding inside or outside their homes, the response by wastewater companies often makes this **experience even worse;** they have set out key deliverables for the companies to improve their service.[46]
- This was supported by our recent research with customers impacted by flooding which reports good first interactions but **poor follow-up and support**.[20]
- Customers feel maintaining sewers and **educating** customers on what not to put down toilets/drains to keep pipes flowing freely, and to prevent flooding, as well as sewage overflow, is important.[6]

"There are issues at the moment with people being flooded and having dramatic differences in their day-to-day lifestyles. Hopefully that won't happen, but that's the way it is heading at the moment."

Anglian C2DE (24)

"We have a bit of a flooding problem at the moment - we have some drainage problems and the infrastructure hasn't been updated."

Anglian Non bill payers (24)

Should we aim to meet statutory targets for CSOs as set out in the Environment Act or go further and build an enhanced programme of river water quality improvements?

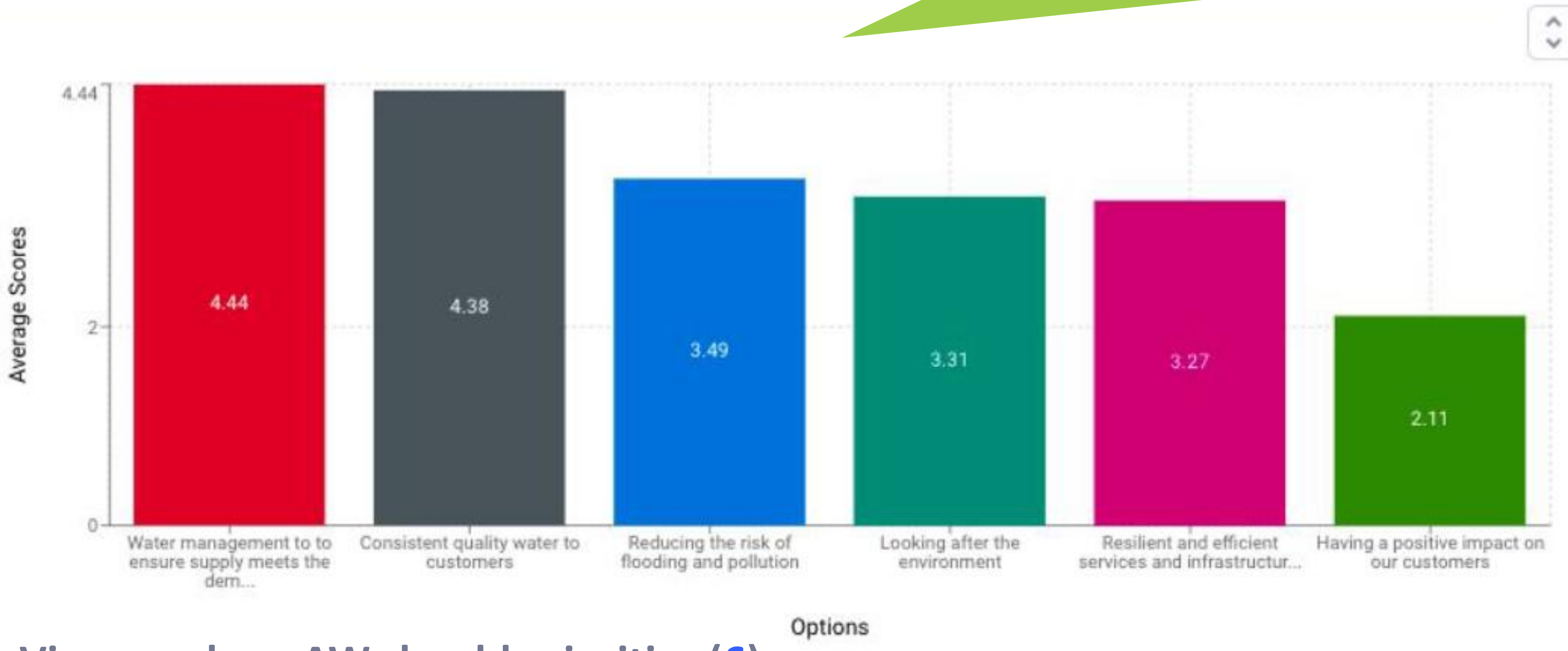
What are customers telling you?

- There is a **concern regarding pollution** and the impact that has on human health and the ecosystem.[6, 39,36,51, 60,61,85]
- There is much more awareness of pollutions through recent media attention – customers' views are mixed, but some report anger and feeling upset and anxious, regarding recent media reporting. [62]
- PR24 work ranks flooding and pollutions as the **third priority** for Anglian Water – this is possibly linked to the value placed on rivers as a place of relaxation and wellbeing. River water quality had the second highest valuation of those measured.[90] There is increased awareness of this issue due to recent media coverage.[6, 39, 36]
- Recent research shows customers wanting to **balance a programme** of improvement with a desire to look at **more 'green' solutions** and trying to cover as wide an area as possible. It was most important for over half of customers, where this feels like the most equitable solution. Both bathing waters and rivers are seen as equally important, and there is a desire to spread the benefit and cost/investment, although there is some frustration at the lack of speed to resolve. [39, 40, 104]
- Focusing on storm overflows which **link directly to key rivers** in the region was second most important, as customers feel that will have the most impact.[40]
- There does seem to be a desire for **more real-time information** and a need to educate and inform in an honest and transparent way.[61]

"I have been out and about in the local area walking and cycling more than before. Being in the natural environment is essential for health and wellbeing."
Paxlucis (6)

"Ensure that raw sewage is never - EVER - allowed to get into the rivers and seas and fields in AW's territory. AW must go above and beyond any government/environmental guidelines to ensure this. Environmental responsibility must come first - always."
Coram (6)

"I would really try and get as many green as we could but maybe get some things moving sooner. The ones they know they will only be able to do grey solutions for, they can get those done quicker, straight away because you'll never be able to create a massive wetland in the city or something like that".
Meow1, Lincolnshire (62)



Views on how AW should prioritise (6)

Do customers prioritise improvements that are more local to them or those that have a wider impact across the region?

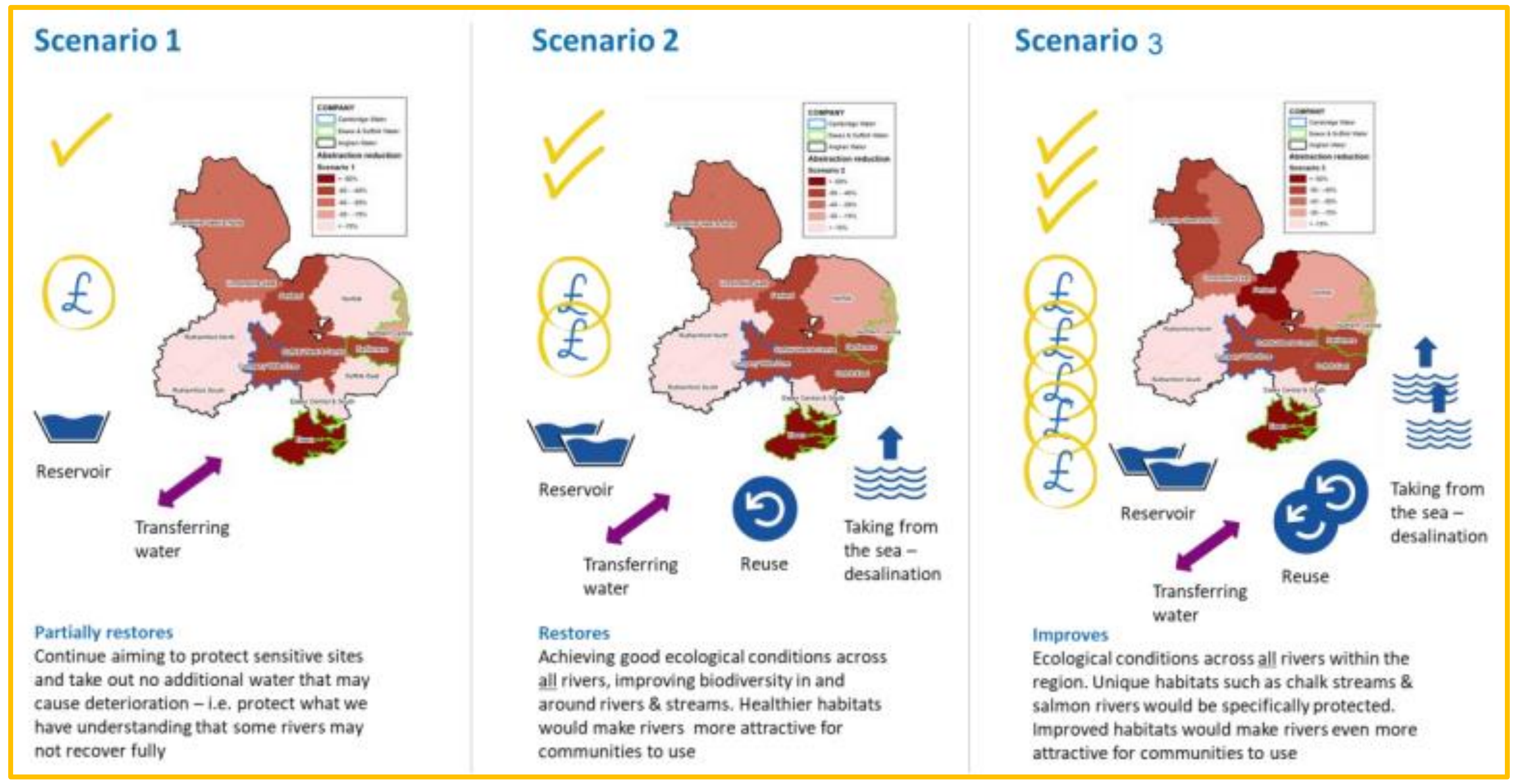
What are customers telling you?

- Achieving the **environmental ambition** targets planned by AW is seen as crucial for the future of the planet with a view that, without helping the environment, other factors won't matter; with **real support for nature recovery** and to achieve sustainable abstraction. [1,2,6,7,12,18,24,25, 31]
- Customers also view that plans should **minimise carbon** impact and **avoid displacing biodiversity,** while **keeping as much water in sensitive areas** - these are all broader environmental issues rather than those specific to locality.[25]
- From the research so far, there seems to be **no preference** regarding local vs. wider impact, but further clarification may be useful.
- When presented with the timings and options around those ambitions, **most customers opted for the medium scenario** of 'restore and improve', which seems to be driven by financial security and concerns over affordability. However, a moderate bill impact (£4.40 - £4.60) over the next 25 years was considered acceptable.[31]
- Most customers feel environmental ambitions should be achieved between 2030 - 2040 – so **sooner than the 2050 target,** but there are variations between customer segments and a desire for robust planning to be in place. [1]

"The challenges are massive – a combination of environmental circumstances changing with climate change; the impact on this region will be harder than other regions and population growth and business customers with high usage." ***Retailer (24)***

RESTORE BEFORE 2040
"Action has already taken too long and deadlines have always tended to slip by without being completed; if we aim for 2050 it will probably fall back another 50 years before completion." ***74+ Northamptonshire (7)***

"They need shorter term solutions than 2050 - it's a live issue. Although the reservoir is already planned it's not going to be available into 2035. They need to address issues in the interim period as well. ... I would have liked a slide that said before 2030 to be honest."
Regional Stakeholder, Anglian/Cambridge (24)



The majority of all customers selected Scenario 2, with many groups choosing Scenario 2 and 3 in equal proportions. [1]

Do customers want to see action to meet environmental targets to be achieved sooner than 2050? Is this still the case when they understand that to protect and maintain the environment, bill increases may be necessary?

"I really don't like the idea of destroying or damaging natural habitats."

Anglian Non bill payer (19)

What are customers telling you?

- Customers explored the timing of environmental targets **- 42% feel environmental targets should be achieved sooner than 2050 (vs 21% for non-billpayers).**[1]
- **Environmental protection is considered an important** aspect of Anglian Water's work. Evidence suggests interest in and concern about the environment, is growing. However, it remains important to show customers how environmental issues may affect their own lives and give them confidence that individual efforts to protect the environment can make a difference. [19,25,21,23,35;113]
- Most customers see issues surrounding the atmosphere and climate, fuelled by pollution and general actions of humankind, as the **biggest threat to the environment** in the UK currently. [39]
- Willingness to Pay evidence suggests **customers prioritise improvements that have a wider impact across the region** (including river water quality and pollution, as well as leaks), and that they have **strong preferences for avoiding deterioration** in service levels, especially in relation to environmental outcomes (as well as aspects of the service that have a high and direct impact on customers, e.g., internal sewer flooding). When considering the added benefits to large infrastructure schemes, customers value both **environmental and economic benefits** with specialist habitats created for wildlife' (£3.87 annually, on average); 'new wetland area' (£3.24 annually, on average); 'space provided for sustainable agriculture' (£2.61 annually, on average) scoring most highly. [30]
- Wider environmental issues such as emerging substances and microplastics are supported by customers for investigation and there is some support (33%) to have real-time quality data available.[63]

Water company priorities for the future

"Capping rising costs; supporting people to become more aware of how to help the environment."

Customer (22)

PR24 priorities ranked by importance of spending allocation (19)

Is there support to focus on nature-based or green solutions that benefit the environment and switch to more sustainable sources of energy?

What are customers telling you?

- **Sustainability is seen as a key factor in influencing customer satisfaction**. Customers are keen for Anglian Water to reduce waste from its processes and switch to more sustainable sources of energy.[21,23]

- Customers are also keen to see **nature-based solutions** used to combat climate change, scoring it seventh in a list of 18 priorities for PR24. Evidence suggests there is very limited awareness of biosolids, or the company's role in their production.[19]

- **Support for biosolids seems to be mixed**. Some research suggests customers regard production of biosolids as a much more environmentally-friendly option for dealing with waste than incineration, landfill, or dumping at sea, and a more natural way of fertilising land than use of chemical pesticides. Other research suggests customers are concerned about the use of biosolids on land.[PR19]

"Climate change - I have a lot of friends where I live and their houses flooded really badly. You look all over the world and pretty much everywhere has had some really bad flash flooding. I think that has to be some form of indicator of what's going to be going on in the future."

Anglian/E&S Non bill payers (24)

"They should raise the bar of ambition to look at climate change resilience in a big way. They need to inform stakeholders and customers on what the impact of climate change will be - they have a responsibility to educate customers… business as usual is not an option, this has to be climate-change proof, challenging, big picture."

Regional Stakeholder, Anglian/E&S (24)


SOURCES

Reference	Source	Supplier	Coverage
1	WRMP – Quantitative Survey March 2022	Emotionallogic	Local
2	Online community - Best Value	Incling	Local
3	Online community - Leakage	Incling	Local
4	Online community - Demand	Incling	Local
5	Online community - Metering	Incling	Local
6	Online community – PR24 & WRMP Priorities	Incling	Local
7	Online community - Environmental Ambition	Incling	Local
8	Online community – WRMP Options & Drought	Incling	Local
9	WRE – Optimal Regional Approach to Delivering a 'Best Value' Plan to Ensure Long-Term Security of Supply (September 2021)	Blue Marble	Regional
10	WReN – Water Resources	Turquoise	Regional
11	Ofwat & CCW Customer Preferences Research April 2022	Yonder	National
12	WRE NHH Water Efficiency (Phase 1) Jan 2022	Blue Marble	Regional
13	WRE NHH Water Efficiency (Phase 2) April 2022	Blue Marble	Regional
14	Online community – Desalination and Reuse	Incling	
15	Part A – Customer Preferences to Inform Long-Term Water Resources Planning	Eftec	Regional
16	Part B – Customer Preferences to Inform Long-Term Water Resources Planning	Eftec / ICS	Regional
17	Part C – Customer Preferences to Inform Long-Term Water Resources Planning	Eftec	Regional
18	Summary Report – Customer Preferences to Inform Long-Term Water Resources Planning	Eftec	Regional
19	PR24 Priorities May 2022 – *further sections to this work expected*	Trinity McQueen	Local
20	Ofwat & CCW Report – Sewage in Homes	BritainThinks	National
21	Brand Structures Analysis April 2021	Kantar Analytics	Local
22	State of the Nation Survey Feb 2022	56 Degree Insight	Local
23	Brand Structures Analysis March 2022	Kantar Analytics	Local

Reference	Source	Supplier	Coverage
24	Online community – WRMP Preferred Plan	Incling	Local
25	WRE – promoting water efficiency amongst Non Household customers (Phase 3)	Blue Marble	Regional
26	Water Club – Communications framework for a change in Water Source	Britain Thinks	Regional
27	Online community – supporting customers in vulnerable circumstances July 2022	Incling	Local
28	Retailer priorities	UK Water Retailer Council	National
29	Online community – price fairness	Incling	Local
30	Public Value – SRO schemes	Accent	Regional
31	WRMP24 Preferred Plan	Trinity McQueen	Local
32	BAU – customer priorities	Anglian Water	Local
33	Knowledge hub	Incling	Local
34	Ofgem price cap – August 2022	Accent	National
35	Community Ambassador events March-Oct 2022	Anglian Water	Local
36	Water Matters 2020-21 Customer satisfaction	CCW	National
37	CES mirror survey Sept 2022	56 Degree insight	Local
38	Customer Investment Priorities (Wave 3) November 2022	Trinity McQueen	Local
39	DWMP September 2022	Incling	Local
40	DWMP July 2022	Incling	Local
41	Drought communications August 2022	Incling	Local
42	Engagement Strategy October 2022	Incling	Local
43	Hard Water June 2022	Incling	Local
44	R-Mex August 2022	MOSL	National
45	Drought communications June 2022	Incling	Local
46	Customer Experience of sewer flooding Jan-March 2022	CCW / Ofwat	National
47	Supporting customers in vulnerable situations July 2022	Incling	Local
48	Priorities October 2022	Incling	Local
49	Water Saving September 2021	Incling	Local
50	Water Matters 2021	CCW	National
51	River Quality December 2021	Incling	Local

Reference	Source	Supplier	Coverage
52	Customer preferences on added value for large resource schemes Final Report - Anglian to Affinity Transfer version November 2022	Accent	National
53	Customer preferences on added value for large resource schemes Final Report - South Lincolnshire Reservoir version November 2022	Accent	National
54	Customer preferences on added value for large resource schemes Final Report - The Fens Reservoir version November 2022	Accent	National
55	Water Resources Management November 2022	Scope	Local
56	Charging arrangements consultation January 2023	Anglian Water	Local
57	Evidence Review of Retail Business Water Market Jan 2023	CCW	National
58	PR24 follow-up task November 2022	Incling	Local
59	LTDS November 2022	Incling	Local
60	Storm overflows February 2023	Incling	Local
61	River water quality tool testing – October 2022	Incling	Local
62	Trust and transparency in the water sector February 2023	Ofwat / Savanta	National
63	Get river positive	Incling	Local
64	DWMP Storm overflow responses	Anglian Water	Local
65	Integrated WTP study February 2023	ICS	Local
66	Community engagement events (ambassador)	Anglian Water	Local
67	Affordability March 2023	Incling	Local
68	Affordability	Anglian Water	Local
69	Cost Of Living 1 December 2022	Incling	Local
70	Cost Of Living 2 December 2022	Incling	Local
71	Cost Of Living 3 January 2023	Incling	Local
72	Water saving adverts	Incling	Local

Reference	Source	Supplier	Coverage
73	Spring gardening email April 2019	Incling	Local
80	Pulse survey – December 2022	56 Degree insight	Local
81	Pulse survey – January 2023	56 Degree insight	Local
82	Pulse survey – February 2023	56 Degree insight	Local
83	Brand Tracker February 2023	56 Degree insight	Local
84	Pollution signage	Incling	Local
85	Pollution incident December 2023	Incling	Local
86	Seasonal demand June 2022	Incling	Local
87	Sustainability week 1 – November 2022	Incling	Local
88	Sustainability week 2- November 2022	Incling	Local
89	Mirror Survey – November 2022	56 Degree insight	Local
90	PR24 societal valuation programme: Post event research March 2023	ICS	Local
91	Outcome incentives research	ICS	Local
92	PR24 Social tariff qualitative (draft)	Accent	Local
93	Customer Investment priorities Wave 4 April 2023	Trinity McQueen	Local
94	Pulse survey – Nov 2022 - March 2023	56 Degree Insight	Local
95	Water Matters 2021-22	CCW	National
96	PR24 Asset Health	Incling	Local
97	PR24 Bespoke commitments	Incling	Local
98	River health – brand and insight 2022/23	Anglian Water	Local
99	PR24 Performance commitments Jan 2023	Incling	Local
100	Affordability for social tariff Apr 2023	Incling	Local
101	Customer Principles May 2023	Incling	Local
102	Bathing water Oct 2022	Incling	Local
103	Affordability – Knowledge hub Apr 2023	Incling	Local
104	Storm overflows – knowledge hub Feb2023	Incling	Local
105	Get River Positive Map - feedback	Incling	Local
106	TUBs Mar 2023	Incling	Local
107	Stakeholder views May 2023	Anglian Water	Local

Reference	Source	Supplier	Coverage
108	PR24 Social tariff (quantitative) July 2023	Accent	Local
109	PR24 AAT – light touch July 2023	Accent	Local
110	Shaping the LTDS June 2023	Trinity McQueen	Local
111	LTDS Stakeholder Views (Part A) - thematic analysis report May 2023	Bio-diversify	Local
112	LTDS – customer panel Jul 2023	Anglian Water	Local
113	A - WINEP	Incling	Local
114	LTDS Stakeholder Views (Part B) – qualitative analysis July2023	Bio-diversify	Local
115	Commitments	Incling	Local
116	Cost of living – wave 3 May 2023	Ofwat	National
117	Acceptability & Affordability testing Jul 2023	Incling	Local
118	Integrated willingness to pay July 2023	Eftec/ ICS	Local
119	R-Mex	MOSL	Local/ National
120	School activity - affordability and acceptability	Anglian Water	Local
121	WRE Triangulation report	Impact MR	Local
122	Bill summary August 2023	Incling	Local
123	Leaky loos July 2023	Incling	Local
124	TUBS – farming Aug 2023	Incling	Locall
125	Water recycling	Incling	Local
126	Brand tracker	56 Degree Insight	Local
127	LTDS – Intergenerational groups	Accent	Local
128	Community ambassadors update Sept 2023	Anglian Water	Local
129	FAQ & support pages Aug 2023	Incling	Local
130	Managing payments Jun 2023	Incling	Local
131	My account email July 2023	Incling	Local
132	SMS user ID July 2023	Incling	Local
133	Pulse survey Sept 2023	56 Degree Insight	Local
134	Final Affordability & acceptability testing (quantitative phase - 2)	Accent	Local
135	Affordability & acceptability testing (qualitative – phase 1)	Accent	Local

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