

# PR24 Longitudinal Engagement

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Prepared for Welsh Water

December 2022



# Agenda



**Update on our  
customers**



**Importance of  
investment areas**



**Urgency and  
ambition of long  
term outcomes**




**Intergenerational  
fairness**



# This research is a longitudinal engagement to ensure DCWW maintains a customer perspective at the heart of PR24 planning

- Building PR24 business plans outward from a customer perspective
- Providing ongoing context to PR24 during challenging socio-economic times
- Maintaining open dialogue with customers throughout PR24 cycle
- Reviewing assumptions, hypotheses and asking the key questions as they arise
- Collating a more informed customer viewpoint to deliver additional insight





## Online community conducted w/c 28<sup>th</sup> November 2022, exploring long term outcomes content that was central to the October 2022 research by Blue Marble

### 7-day online community with n=24 customers on the Incling research platform

#### **n=19 recruited from previous phases of this research:**

- Mix of gender and life stage, all 18+
- Included some who struggle to pay bills
- Mix of urban, suburban, rural and semi rural
- Location: 3 x Clwyd/Gwynedd, 3 x Powys, 2 x Dyfed, 7 x Glamorgan/Gwent, 4 x Hereford

Also included some new participants:

- **n=5 alumni from Future Generations, Wales**



## The response from an informed customer subset will not necessarily always align with that of a less informed base, but is important to complement and add to the overall narrative

- Many of these customers are now in their 4<sup>th</sup> research engagement on water and wastewater related topics
- The perspective they offer is by now fairly considered
- They have a good comprehension of some of the main challenges DCWW faces
- Their views are based upon a better than average baseline understanding of what happens to wastewater and where their fresh water comes from



Update from our customers taking part in this  
longitudinal engagement



# The cost of living is now having a significant financial, physical and emotional impact on our customers, with some struggling on all 3 fronts

## The rising cost of living *today*

A sense it is becoming more and more **challenging to make ends meet** – owing to the day-to-day effects of the **energy crisis and increasing food prices** alongside the threat of **eroded savings** as **inflation and expenditure outstrips earnings**

A perceived need to **act, and act now**, to prevent greater financial hardship in the future **by cutting back on spending, and saving whatever is left to be saved.**



## The rising cost of living *tomorrow*

A strong perception that the **situation is only set to worsen**; resulting in **concerns around the longer term for many**:

E.g. **fading hope** of getting onto the **property ladder or leaving parent's home**; concerns around the **feasibility of starting or expanding a family and fears about reduced standard of living.**

Instances of **delaying life plans or adapting plans entirely** – e.g. considering career changes, re-mortgaging.

## The hidden effects

The mental strain of a financial future which feels increasingly uncertain or unstable, and the physiological effects of instability (e.g. disrupted sleep and increased anxiety). Increased concerns around ability to cope, particularly in the instance of any unexpected expenditure. Feels to many like they are existing rather than living.

Many customers talk about feeling constantly physically cold due to fear of turning on the central heating – in the most extreme circumstances, this can mean using only one room and spending a lot more time in bed

# The impact is being felt across generations in quite different ways



## Younger

Struggling to find their feet in life in the current financial predicament; often this means continuing to live at home with parents, not able to afford to get married, concerns about being able to afford to drive once pass test. No ability to save for the future.



## Families

Feel like they are being squeezed from all directions, in particular with cost of energy and food for their household. Entertainment and leisure activities are being cut back considerably, and they are having to make big adjustments to their daily/weekly habits – laundry, batch cooking, grocery shopping etc.



## Older

Some are coming out of retirement, or postponing retirement, and/or not being able to enjoy retirement as had planned to e.g. many fewer holidays taken. Keeping warm is also an increasing concern, with many claiming not to use heating. Some also reliant upon food banks.



# Most are displaying regular cost-cutting behaviours, budgeting and preventative acts

## BUDGETING

- Creating **regular lists** to try to keep on top of expenditure and ensure income is able to cover outgoings.
- **Assessing spending and areas to cut back** – e.g. cancelling streaming subscriptions, gym memberships, spending less on food by limiting top-up shops and avoiding brands.

*My husband and I have both cancelled our gym membership which is a real shame as it was important to us feeling good and we had a big social life around it too.*

## COST-CUTTING / COST SAVING

- **Reducing energy usage at home** – e.g. always turning lights off, doing laundry at night, using drying rack rather than tumble drier
- **Using the car less** - at least while petrol prices remain high
- **Shopping at discounter/ cheaper supermarkets**
- **Restricting luxury purchases** – whether this is a takeaway, or a holiday abroad
- **Cutting back on social activities**

*We are just not able to go out nearly as much now to eat out, or socialise, and even having take-aways is something we don't do any more.*

## PREVENTATIVE ACTS

- Actively seeking other ways of heating the home e.g. log burners, installing combi boiler
- Re-mortgaging (or consideration thereof), taking on extra work shifts
- Wearing more layers of clothing at home to keep warm

*It all takes it's toll. I do an extra shift at work now which I don't enjoy, and it just feels like we are working in order to pay the bills instead of being able to actually enjoy our lives.*

# While most are currently still able to pay bills, this is often because they have made other sacrifices; concern for future bill payment differs based on personal circumstance

## Lower levels of concern:

*[Small minority only in this research.]*

Typically in a **strong financial position**, with **savings and or minimal outgoings**. While increasing bills may not be welcome - **they are less of a threat i.e. able to pay no matter the increase**. Often likely to be **making small changes and cutting back on some luxuries**.

*I'm a single older guy with only a dog as a dependent so it's not having as much effect on me as I know it is on others who have families and big mortgages.*

*[Prevalent response in this research]*

**Generally able to pay, but worried about the implications of increasing bills** – needing to make several changes to negate this, or eat into savings.

*We have been doing a lot of budgeting and I'm not sure there's much more we do. If the energy bills go up again, I'm worried we are going to have to cut back on food.*

## High levels of concern

*[Minority only, but likely to increase]*

In a **more vulnerable financial position**, often **without savings**. **Rising bills are a real and ever-present concern** – despite changes, **concerns around ability to stay afloat if bills continue increasing** – and the risk of falling behind on payments. Already reliant on charity and support from others.

*I thought I had put enough in place to deal with things but it turns out it's been nowhere near enough. I can't afford the heating unless the grandkids are coming round, I spend a lot of my time in the bedroom under the quilt, and it's definitely affecting my mental health as I need to start counselling again.*

## Whilst water bills are not seen as part of the problem, nor very likely to be defaulted, this does not mean our customers are not massively financially stretched just now

- Minority claim their water bills have gone up, but feel this is understandable due to the impact of inflation
- Water/wastewater seen as an essential bill that must be paid, thus unlikely to default on it vs other less necessary outgoings
- No sense that DCWW bills are major contributor to problem of cost of living, by comparison with energy or petrol prices

Essential to keep pumping out messaging about support mechanisms available for those struggling to pay water bills





# Recent DCWW customer experiences and perceptions from coverage have been mixed



*I am really very angry and upset about the attitude of Welsh Water and the other water companies with regards to the discharges of sewage into the rivers – it seems like completely unlawful behaviour*



## On the positive front...

- Some report seeing TV ads about not for profit
- Some aware of support if struggling to pay (seen via Citizen's Advice)
- In unplanned supply outages, perceptions of good customer service and alternative water provision
- In customer service interactions, generally good experiences



## But also some less positive publicity picked up by some of our customers...

- Sewage overflows into rivers and sea seen in media
- Complaints on social media about building new sewage treatment plant in Cardiff – affecting nature/greenery adversely
- Reports of high exec pay and bonuses
- Water bills increasing due to inflation

# Summarising how our customers currently feel about the cost of living crisis...

The cost of living is now having a significant financial, physical and emotional impact on our customer base, with some struggling on all 3 fronts, but can affect each generation differently.

Most are displaying regular cost-cutting behaviours, and as such, while most are currently still able to pay bills, this is often because they have made other sacrifices.

Whilst water bills are not seen as part of the problem, nor very likely to be defaulted, this does not mean our customers are not massively financially stretched just now.






**Importance of investment areas**



# Stimulus shown to customers and question coverage




## Safe & high-quality drinking water

Water has to be treated to remove any pollution or contaminants from the hills or rivers where water is collected.

Welsh Water will make sure its tap water is **always safe to drink**.

But sometimes tap water **quality** may be affected by:

- Discolouration, or having a strange taste or smell (it's still safe to drink)
- Traces of lead dissolved from lead pipes in some people's properties. (These lead pipes are the responsibility of the property owner)

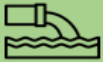


## Ensuring a reliable water supply

Water companies have to plan ahead to ensure enough water in the long-term, as well as preventing temporary interruptions to supply in the short-term.

They can address this by:

- Spending more to find and repair leaks
- Reducing the risks of burst pipes and protecting treatment plants from failing
- Encouraging customers to use less water
- Investing in new sources of water (e.g. reservoirs) if necessary



## Wastewater, protecting and improving the environment

Water companies treat used water (or '**wastewater**') so that it doesn't harm the environment. When things go wrong it can cause pollution.

If sewers fill up with rainwater, they can spill wastewater into rivers before it is treated. This problem is worsening with climate change.

Investment could include:

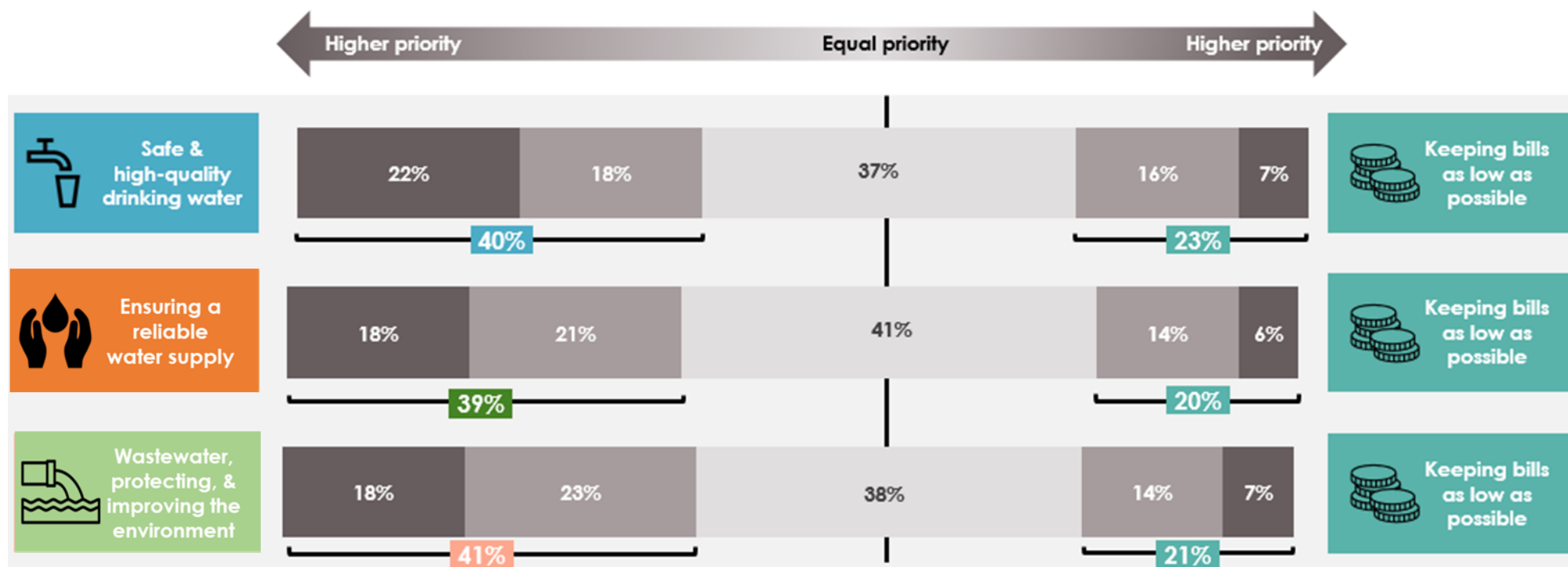
- Improving reliability of pipes and treatment works
- Reducing rainwater run off into sewers
- Increasing sewer capacity

### Question areas covered:

- Trading off the 3 core areas vs lower bills, and reasoning
- Review of quantitative findings and exploration of similarities/differences

# Blue Marble research results from October 2022 show that whilst affordability is important, it is felt to be even more important to deliver on each of these longer term outcomes

% of HOUSEHOLD customers who think investment area / keeping bills low should be a higher priority



# Despite feeling the need to keep bills low, our more informed customers feel more strongly regarding investment in two out of the three areas

## Safe and high quality drinking water

Our informed customers display broadly consistent results with the previous research, highlighting a desire to prioritise this outcome for investment over lower bills.

6 customers prioritised lower bills this area of investment



Having high quality drinking water is seen as BAU for a water supplier and as such it is felt that investing in this area and keeping bills as low as possible are not mutually exclusive

*Similar sentiment to that seen in the quant*

## Ensuring a reliable water supply

Our more informed customers felt strongly that the priority should be placed on investment in this outcome, seemingly more than in the previous research conducted.

Only 1 customer prioritised lower bills vs either of these areas of investment



As with safe and high quality drinking water, this is felt to be BAU for a water provider BUT, understand that the challenges here are more complex due to climate change

*Stronger leaning towards investment vs. keeping bills low than is seen in the quant*

## Wastewater, protecting and improving the environment

Our more informed customers felt strongly that the priority should be placed on investment in this outcome, seemingly more than in the previous research conducted.



Something that is understood to have become an increasing challenge in the context of climate change - as such, investment will be required



# Understanding more about the complexities with our water supply and wastewater means these customers have a more attuned perspective

## Safe and high quality drinking water

Our informed customers display broadly consistent results with the previous research, highlighting a desire to prioritise this outcome for investment over lower bills

Our more informed audience **understand about the complexities** of where our water comes from and how it is treated.

As such, they more fully understand that investment is needed in order to maintain the standards we are used to – it doesn't just happen, we need to invest.

This research was conducted during the cost of living crisis, and whilst keeping bills low is important, our customers understand that this will also be impacting water suppliers and may mean increased investment just to maintain current standards.



Our more informed customers generally feel the **quantitative results** reflect how they feel, however, there is some surprise at the proportion of people who would rather prioritise keeping bills lower.

## Ensuring a reliable water supply

Our more informed customers felt strongly that the priority should be placed on investment in this outcome, seemingly more than in the previous research

**Climate change** and the concern it brings is increasing on most peoples' radars.

For our more informed customers, this **combined with their increased understanding of our water cycle, resources and challenges** means that how each element is linked with ensuring a reliable water supply is better understood.

The great challenge faced in this area really strikes home, and there is a strong feeling that investment is needed in this area as a top priority.



Our more informed customers generally feel that the **quantitative results** reflect the direction of feeling, but do not go far enough to demonstrate their strength of feeling once more about this area is understood.

## Wastewater, protecting and improving the environment

Our more informed customers felt strongly that the priority should be placed on investment in this outcome, seemingly more than in the previous research

**CSOs and media coverage** has heightened customers sensitivity to how wastewater is discharged and the environmental impact, as well as the environmental impact the water sector has more broadly.

With this in mind, our more informed customers have **greater knowledge of the challenges** faced and the **reality of the situation** beyond the media narrative.

Rather than immediately blaming water companies for being in the wrong, they are thinking not just about the today, but also **the longer term future** - if we don't address this problem now, it will get worse.



Our more informed customers feel that the **quantitative results** reflect the direction of feeling, but not the strength. They feel the broader customer base may be acting defensively in the light of media coverage.

Continuing to educate our broader base could be beneficial in helping them to understand the need for investment across all three areas

# In our more informed customers' own words:

## Safe and high quality drinking water

*There should only be one option. We have been under investing in our water quality, disposal, dealing with farms and industry waste for years - we must do this now.*

## Ensuring a reliable water supply

*If we want to continue having a constant supply of high quality water, then this obviously will cost more as the climate changes and supply demands climb.*

## Wastewater, protecting and improving the environment

*This is really urgent, it is completely unacceptable to discharge water this way and they should also invest more in our sewage works. I could not find anything online on any recent investment in our sewage plants, shocking.*

Rationale

*People need to have safe water to drink and that is what has been come to be expected in this country, but it needs treating and maintaining. If we were not to have clean water this would be more problematic than having to pay more each month.*

*It's all about sustainability, planning for the short term does not work. However, if water supply is planned for, then that means adequate supply for future generations, less problems to arise.*

*The effects of not having this as a priority is a much worse outcome than the effects of keeping bills low as possible. Pollution and climate change are 2 problems that are growing in size and if we don't factor things such as these then having low bills will be the least of our problems.*

*People want the water they drink to be of the highest quality possible but this demand will obviously cost Welsh Water more money to provide due to rising energy and fuel costs. So as much as keeping bills low is important, the costs will need to be passed on in some form.*

*I think its important to tackle problems that could arise before they do, sustainability of supply with the changing climate needs investment. If we fail to act ahead of an issue, there may be a time when we are too late. New reservoirs or sources should be top priority.*

*I know Welsh Water do lots to keep the environment safe so keeping it a priority is important. Keeping bills low is a priority in this cost of living crisis, however we need to also acknowledge the climate crisis, which will be more detrimental in the long-term.*

Reactions to the quant

*I am surprised by the number of people who would rather the bills be lower than have safe drinking water. Most people want quality, and understand that it comes at a cost.*

*Really surprised it's not more for this investment, and the urgency of this with climate change issues and increasing rainfall. I think people are waking up to how urgent this is. Water is a resource and just like anything, if we do not take care of it, we might end up having a shortage.*

*I thought it would have been higher, we must get much more urgent about proper investment. I don't think there is much awareness about how the wastewater treatment plans work, or how much water waste there is.*

# Long term outcomes shown within each area for investment:



## Safe & high-quality drinking water



Reducing incidents of tap water being temporarily discoloured or having an unusual taste or smell (it's still safe to drink)



Replacing lead pipes in customers' properties to reduce the risk of lead traces in the water.



Working with landowners to prevent contamination of the water that runs off the hills into reservoirs. The cleaner the water entering reservoirs, the less money needs to be spent on water treatment.



## Ensuring a reliable water supply



Reducing incidents where customers are without water for 3+ hours because of problems on the network such as burst mains



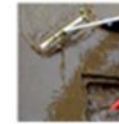
Reducing leakage by replacing water mains pipes, and faster detection & repair of new leaks



Reducing customers' water use, by encouraging and helping them to save water (e.g. through campaigns and providing water-saving devices)



## Wastewater, protecting and improving the environment



Reducing sewer overflows and flooding in streets and gardens



Minimising sewer flooding inside customers' properties



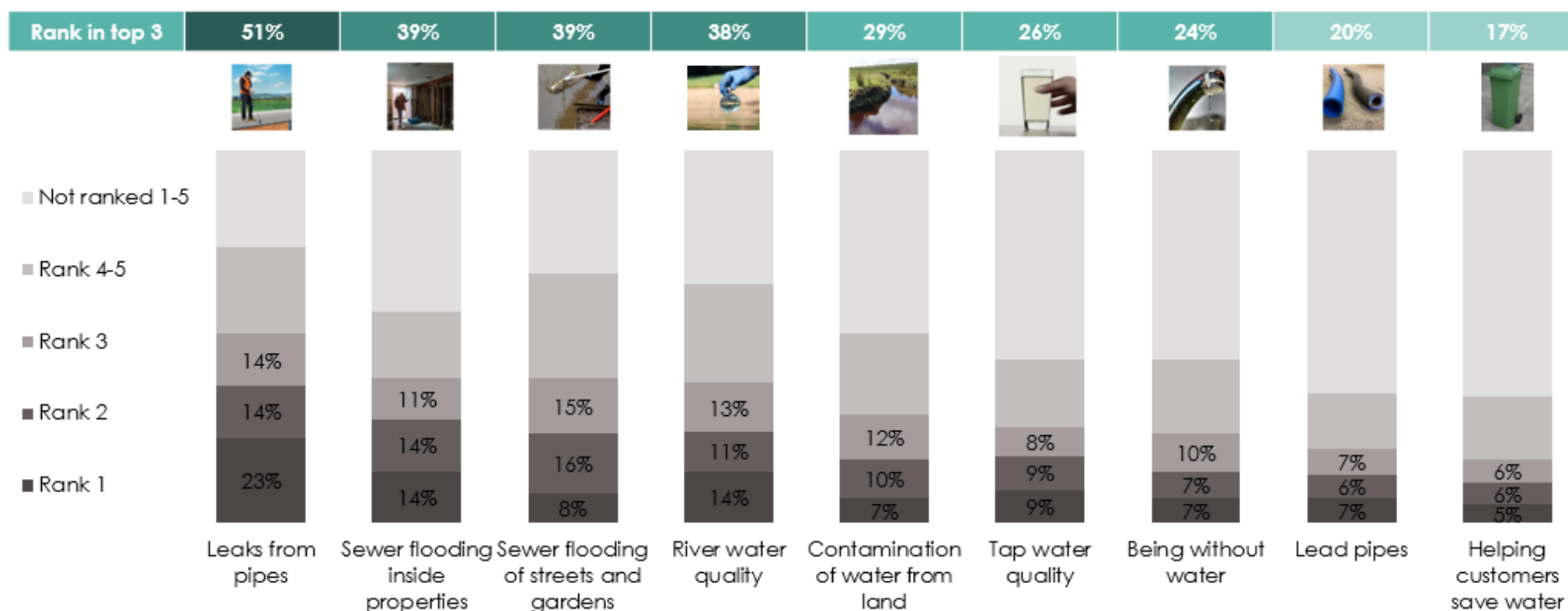
Improving the quality and cleanliness of rivers by improving wastewater treatment works and sewerage systems

### Question areas covered:

- Ranking of importance for investment in long term plans and detailed exploration of rationale
- Exposure to quantitative results and unpicking any similarities/differences

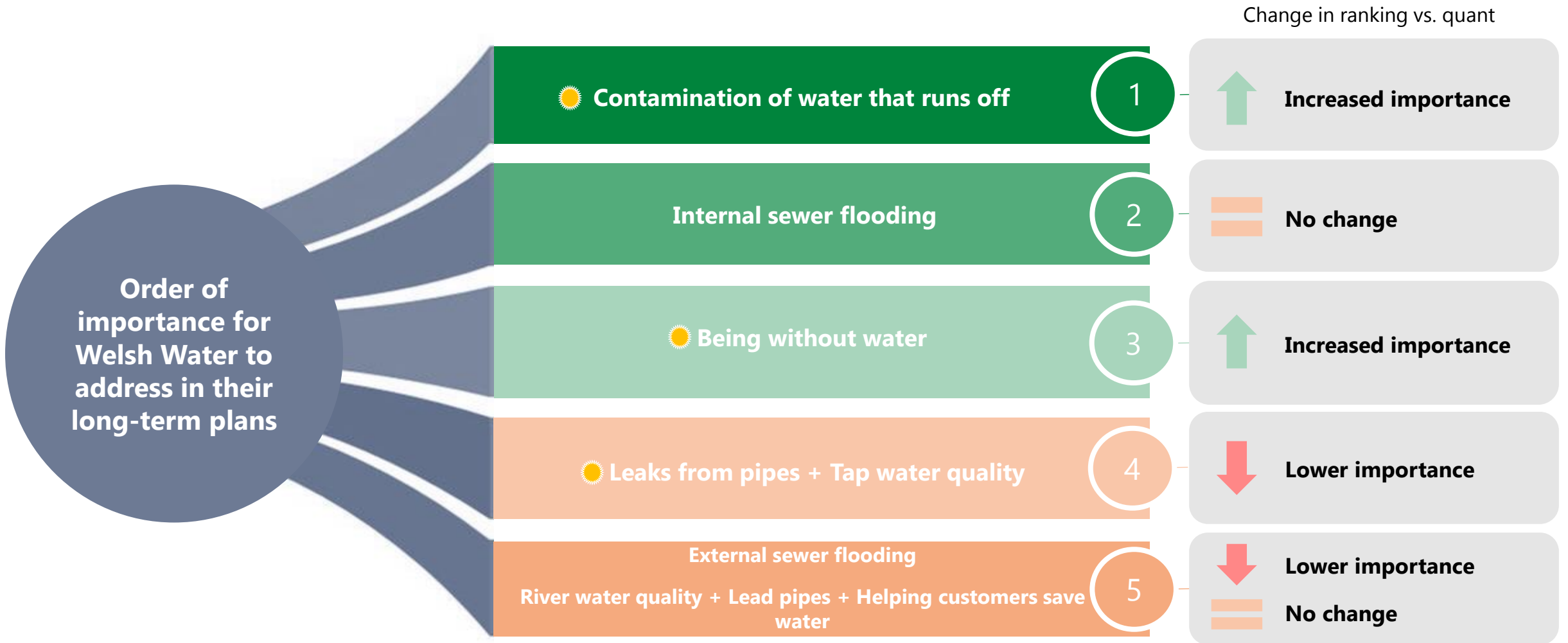
# Blue Marble total sample results from October 2022 show leakage, sewer flooding and river water quality as being the most important areas to address in long term plans

Ranking of objectives that think are most important to address in long term plans (% of total sample)





# Whilst generally in line with the views of our more informed customers, there are some notable differences in perceptions of importance



# Leakage, whilst still important, drops down the order as our more informed customers grasp the extent of the challenge for DCWW here

## Contamination of water that runs off



Ranked as the highest priority by our more informed customers vs. fifth in the quant

As we have previously seen, our more informed customers have a stronger understanding of **the water cycle, treatments and the long term impact** involved.

As such, they understand the impact that water running off hills and from land such as farming ends up in our water system for customers.

They see and understand the long term impacts of this, and cost implications when it comes to water treatment. Prioritising this area is felt to save costs and protect our resources in the longer term.



Our more informed customers are surprised by the **quantitative results** but understand why broader customers may have ranked this lower. There is a feeling of a need for greater education around this area.

## Being without water



Ranked as the third highest priority by our more informed customers vs. seventh in the quant

Although often felt to be BAU, our more informed customers a) don't want this to drop off the radar but also b) as previously outlined, understand what a big job this is, especially **with an increase in demand**.

Our customers are also thinking about this from a **broader point of view, not just households but also businesses**. If a business is without water then this can have bigger implications, a loss of trade, loss of earnings for staff and customers potentially losing a service.



Our more informed customers feel happy with where this comes out in the **quantitative results**, but would have expected it to be higher if looking at it from a broader business point of view or from personal experience.

## Leaks from pipes



Ranked as the fourth highest priority by our more informed customers vs. top in the quant

Whilst feeling lower in importance, this **does still feel like a significant issue** to our more informed customers and does require focus.

That being said, there is a perception that this **has and sadly always will be a problem**, so better to prioritise more urgent or emerging areas to prepare for the future, with fixing leaks invested in but left ticking along as **BAU**.



Our more informed customers generally understand why this came top in the **quantitative results** AND whilst our more informed customers too feel it is a significant issue, they realise how difficult it is to address effectively.

# In our more informed customers own words:

## Contamination of water that runs off

*Taking into consideration contamination of the water that runs into reservoirs as this will save money and less money will need to be spent on water treatment. I have tried to be balanced on my opinions such as saving money long term.*

## Being without water

*Reducing incidents where customers are without water - In my opinion this is pretty much a no brainer. I feel like cases are really rare and you guys have done most of what you can to maintain customers water source, but it's always good to have this highly ranked.*

## Leaks from pipes

*Reducing and quickly repairing leaks is a priority, but is historic and ongoing, and is not very straight forward to fix. Other things may get worse in the future so we need to prepare for them too.*

### Rationale

*I have friends that fish and take care of rivers and are appalled at this contamination. Work with farmers to advise on keeping the reservoirs free of pollution. Not that I think they are to blame, but it's obvious that rain water running off goes into the reservoirs. Less money for treatment.*

*As a poor performer at this, it seems being without water is an essential improvement. Businesses who rely on a water supply to trade could also suffer and have knock on effects for their employees who could be sent home as work is not possible.*

*Stopping leakage of water will save Welsh Water money as a business. 20% leakage is just too much.*

### Reactions to the quant

*It is interesting to see such a difference in the public's views compared to my trail of thought. It amazes me how the majority of the population are not frightened by the potential risk and harm that contamination and toxins could cause.*

*I would have expected to have being without water as a higher priority. I guess that people who have not been cut off previously would not have felt the effects and therefore it doesn't seem as important. My reasoning was also considering the larger business applications.*

*Fixing leaks in pipes is important. However, if you are aware of utilising less water then these pipes can be switched off until fixed. I think we have to look at the greater good not individual properties or streets. Wales as a whole has to be considered.*

# Summarising how our customers feel about the core long term investment areas and outcomes within them...

Despite feeling the need and desire to keep bills low, understanding more about the complexities with our water supply and wastewater challenges means our informed customers see a bit more of the bigger picture. Thus, they feel a bit more strongly about the importance of the provision of a reliable water supply and ensuring that when dealing with wastewater we protect and improve the environment.

A notable difference is seen when it comes to contamination of water run off and working with landowners. Our more informed customers seem more attuned to the impact this is having now and can have in the future.







**Urgency and ambition of long term outcomes**

# Exploring urgency for each of the long term outcomes

## Safe & high-quality drinking water



Reducing incidents of tap water being temporarily discoloured or having an unusual taste or smell (it's still safe to drink)



Replacing lead pipes in customers' properties to reduce the risk of lead traces in the water.



Working with landowners to prevent contamination of the water that runs off the hills into reservoirs. The cleaner the water entering reservoirs, the less money needs to be spent on water treatment.

## Ensuring a reliable water supply



Reducing incidents where customers are without water for 3+ hours because of problems on the network such as burst mains



Reducing leakage by replacing water mains pipes, and faster detection & repair of new leaks



Reducing customers' water use, by encouraging and helping them to save water (e.g. through campaigns and providing water-saving devices)

## Wastewater, protecting and improving the environment



Reducing sewer overflows and flooding in streets and gardens



Minimising sewer flooding inside customers' properties

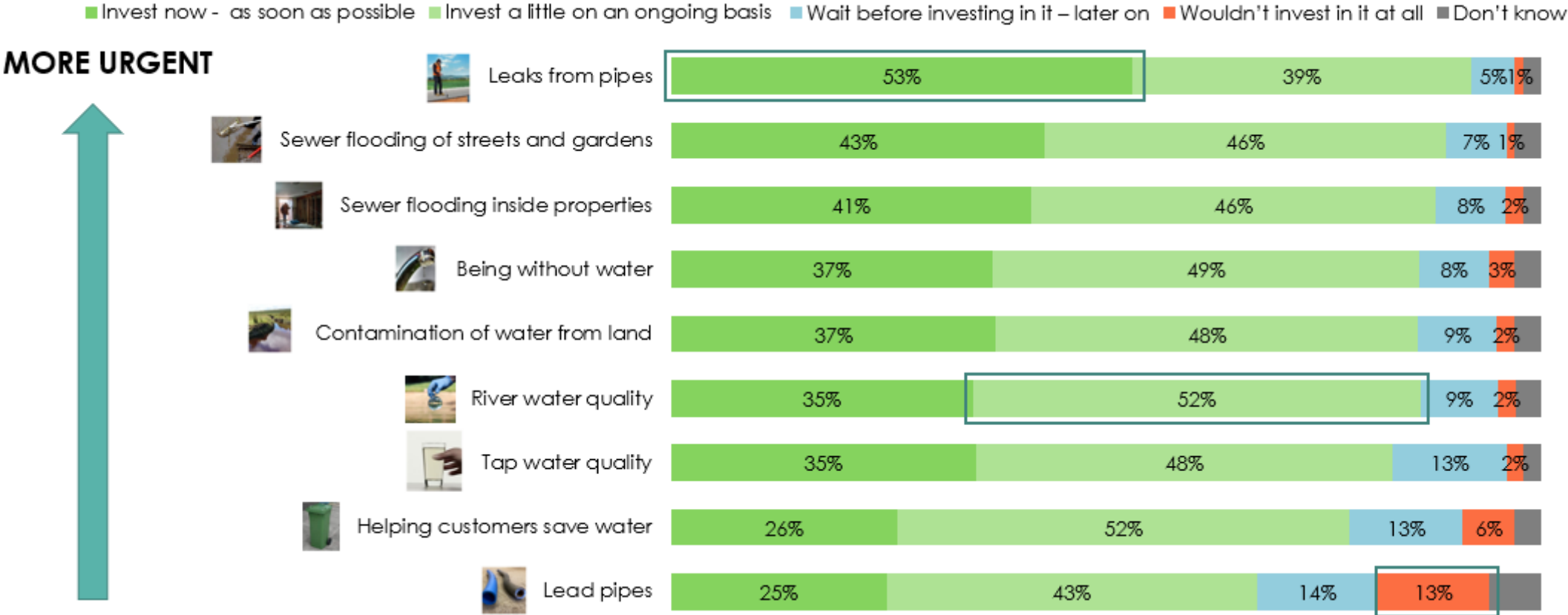


Improving the quality and cleanliness of rivers by improving wastewater treatment works and sewerage systems

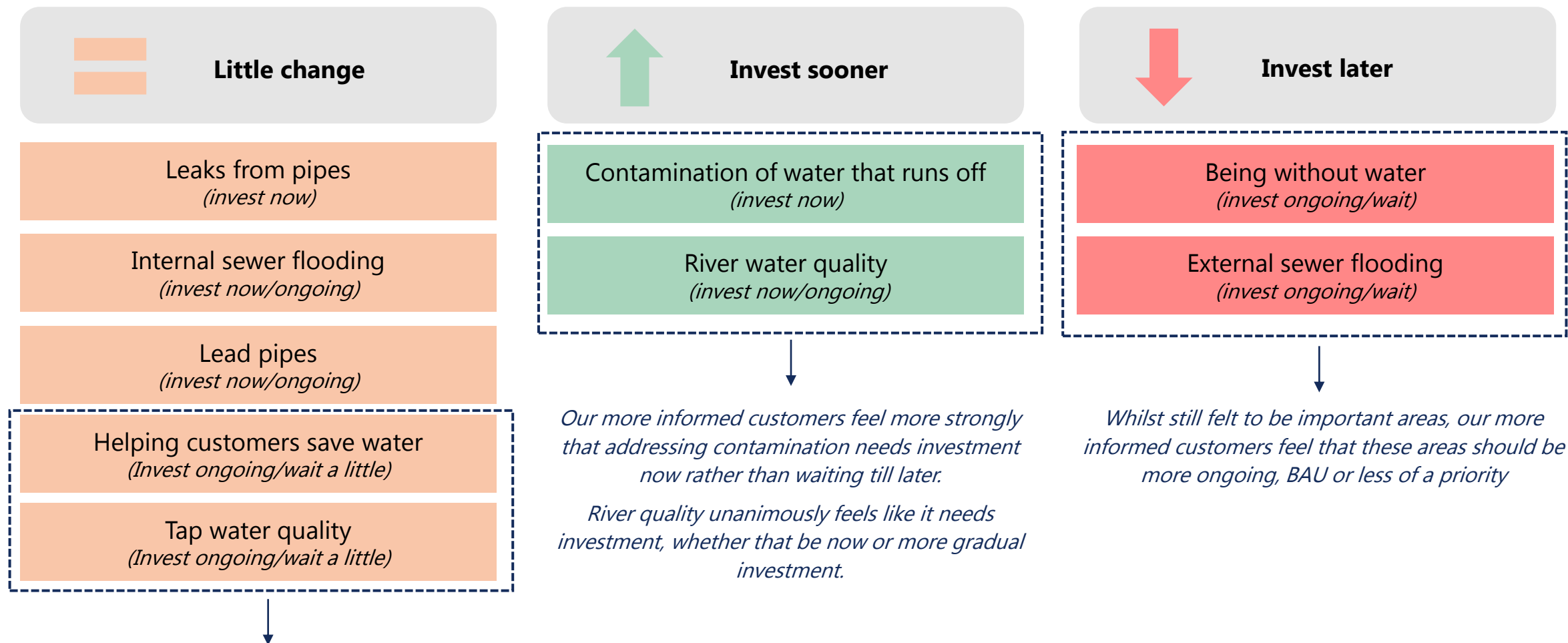
### Question areas covered:

- For each of the long term outcomes, we asked customers to state when they would invest money in each objective:
  - Invest now – get it done as soon as possible, Invest a little on an ongoing basis – do it gradually, Wait before investing in it – do it later on, Wouldn't invest in it at all, Don't know
- We then explored reasoning for this, before showing them the quantitative findings to review and comment on

# Blue Marble total sample results from October 2022 show a very consistent picture to that of rankings of importance for investment



# Our more informed customers prioritise investment similarly, though with some nuanced differences



*Our more informed customers feel more strongly that addressing contamination needs investment now rather than waiting till later.*

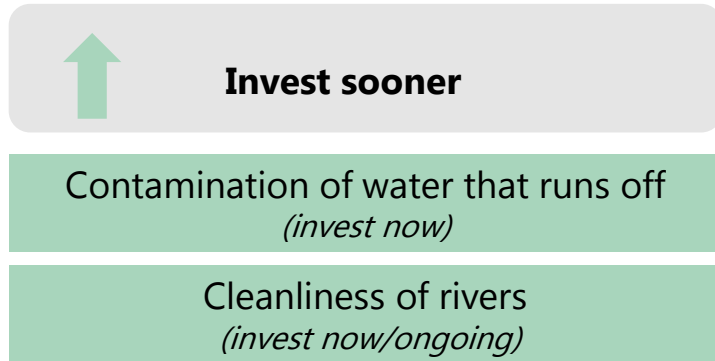
*River quality unanimously feels like it needs investment, whether that be now or more gradual investment.*

*Whilst still felt to be important areas, our more informed customers feel that these areas should be more ongoing, BAU or less of a priority*

*Although little change in priority of investment vs. other factors, we do see more of our more informed customers feeling we could wait a little before investing here*

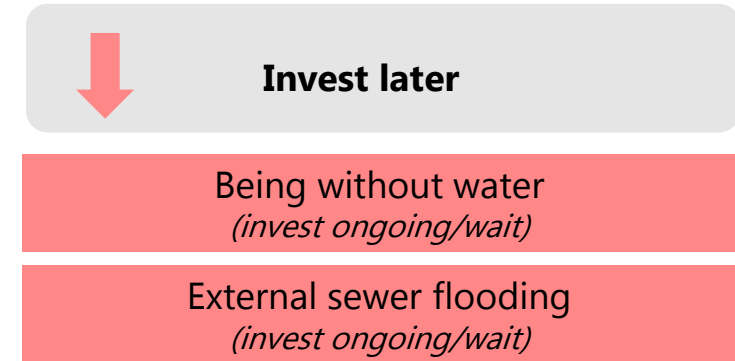


# These nuances in urgency of investment are focussed around the perceived size of challenge and resources needed



**Contamination of water that runs off:** Our more informed customers understand that this is a big ask, and as such will require education and behaviour change as well as legislation/regulation. So they want us to start now to ensure results in the future.

**Cleanliness of rivers:** Our customers' knowledge of the water cycle means that the broader impact of our rivers is understood. With climate change as well, they feel we need to start investing now but keep this gradual over time to account for changing conditions.



**Being without water:** An element of being influenced by factors outside of Welsh Water's control combined with being perceived as infrequent, and something customers can deal with if known in advance. As such, it is felt that more immediate investment is needed elsewhere, which may indirectly also improve this area.

**External sewer flooding:** Again, felt to be infrequent and somewhat out of Welsh Water's full control. Education is felt to play a big role and as such is more ongoing but less urgent vs. other areas. Lack of direct experience is also likely influencing this area in a small sample.

Our more informed customers generally feel the **quantitative results** reflect their own views, though more strength of feeling is felt around contamination of water run off.

# In our more informed customers' own words:

## Contamination of water that runs off (invest now)

*This is an act now and invest now for me and cannot be ignored as this needs a culture change, but would have a long term impact. Action will assist reducing the money spent on water treatments.*

## Cleanliness of rivers (invest now/ongoing)

*This must be invested in now as a priority and potentially affecting the environment. Rivers are sources of fresh drinking water. The more polluted they are, the higher the cost of treatment, therefore, prevention is always better in the long run.*

## Being without water (invest ongoing/wait)

*This is an ongoing investment as things may happen out of anyone's control and I don't feel that this is a huge concern. It can't be prevented fully as issues occur, however trying to reduce the time people are without water is important.*

## External sewer flooding (invest ongoing/wait)

*Gradual investment should be made in regards to the sewer flooding in gardens etc as it is not something that can be controlled easily and would need a lot of focus and a steady plan to control this matter.*

### Rationale

*Investing here now will allow us to prepare for the future, allowing for less investment in the future. The more we invest in future proofing the more benefits can be gained in the future.*

*Invest starting now but continue gradually as this will require a large capital. It can also be mitigated via other measures. e.g. separating surface water and sewage water. Additionally, sewage water is continuously changing with medication, processed foods etc. making it more difficult to treat.*

*I would wait to invest in reducing incidents where customers are without water for 3+ hours because of problems in the network such as burst mains, as I think by investing on the others on an ongoing basis will directly impact this.*

*I feel that this is important but, less frequent and could need a campaign or working with home owners or councils to achieve.*

### Reactions to the quant

*Contamination of rivers is also another of my invest now and in the 40 percent bracket which I feel is also correct.*

*I think they reflect my views quite well although a lot more people think it's important to tackle sewerage leakage in gardens and streets. I've never experienced it but maybe it's worse than I thought?*

# On ambition, we asked customers to explain how ambitious and stretching each outcome feels before getting them to review quant findings

## Safe & high-quality drinking water

**OBJECTIVE:** to reduce incidents of tap water being temporarily discoloured or having an unusual taste or smell (it's still safe to drink)

**TODAY:** there are 7,000 incidents of poor tap water quality reported by Welsh Water customers per year.

**AMBITION:** To reduce this to 3,000 incidents of poor tap water quality reported per year.

*Welsh Water is a relatively poor performer on this currently compared with other water companies*

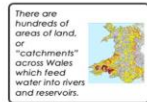
## Safe & high-quality drinking water

**OBJECTIVE:** to help society by replacing lead supply pipes on customers' properties with modern materials to reduce the risk of lead traces in the water

**TODAY:** Welsh Water has replaced all of its lead pipes but estimates there are 200,000 lead pipes on/in customers' properties - note these are the responsibility of the customer

**AMBITION:** To replace 100,000 lead pipes on/in customers' properties

## Safe & high-quality drinking water



**OBJECTIVE:** to work with landowners to prevent contamination of the water that runs off the hills into reservoirs. The cleaner the water entering reservoirs, the less money needs to be spent on water treatment.

**TODAY:** There are 23 water catchments that are officially 'at risk' when it comes to water quality

**AMBITION:** To take action in all catchment areas in Wales to prevent any significant contamination of water from the land

*It is expected that this risk will increase over time due to changes in land use and climate change*

## Ensuring a reliable water supply

**OBJECTIVE:** to reduce incidents where customers are without water for 3+ hours because of problems on the network such as burst mains

**TODAY:** on average every home supplied by Welsh Water is without water for 16 minutes per year.

**AMBITION:** to reduce interruptions to the water supply lasting 3+ hours by 90% - Welsh Water would be equal to, or better than, other water companies in making sure their customers are not without tap water for 3+ hours

*Welsh Water is currently a relatively poor performer on this compared with other water companies, meaning its customers are more likely to experience a supply interruption of more than 3 hours*

## Ensuring a reliable water supply

**OBJECTIVE:** to reduce leakage by replacing water mains pipes, and faster leakage detection and repair of new leaks

**TODAY:** It is estimated that around 20% of water is lost through leaks in the network or on customer properties

**AMBITION:** to halve the amount of water that leaks from Welsh Water's network - from 20% to 10%

*Currently Welsh Water's performance on leakage is roughly average for water companies in England and Wales*

## Ensuring a reliable water supply

**OBJECTIVE:** to reduce customers' water use, by encouraging and helping them to save water (e.g. through campaigns and providing water-saving devices)

**TODAY:** on average customers use 167 litres per person per day - about a wheelie bin full of water

**AMBITION:** to reduce the amount of water customers use by one third (33%) - to 110 litres per person per day

*Currently Welsh Water customers use more water on average than people in other parts of England and Wales*

## Wastewater, protecting and improving the environment

**OBJECTIVE:** to reduce sewer overflows and flooding in streets and gardens

*Sewers can overflow outside into streets and gardens due to too much storm rainwater, blocked sewers (e.g. from wet wipes), or problems with Welsh Water's equipment.*

**TODAY:** there are 3,700 occurrences per year (outside customer properties or in the street)

**AMBITION:** to reduce external sewer flooding by 25% - to 2,800 occurrences per year

*Currently Welsh Water is a relatively poor performer on this compared with other water companies*

## Wastewater, protecting and improving the environment

**OBJECTIVE:** to minimise sewer flooding inside customers' properties

*Sewers can overflow into people's properties due to too much storm rainwater, blocked sewers (e.g. from wet wipes), or problems with Welsh Water's equipment.*

**TODAY:** Around 200 homes experienced sewer flooding inside in the last year

**AMBITION:** to reduce the number of times sewers flood inside customers' properties by 40% - to 120 incidents per year

*Currently Welsh Water is neither the worst nor the best performing water company in this area*

## Wastewater, protecting and improving the environment

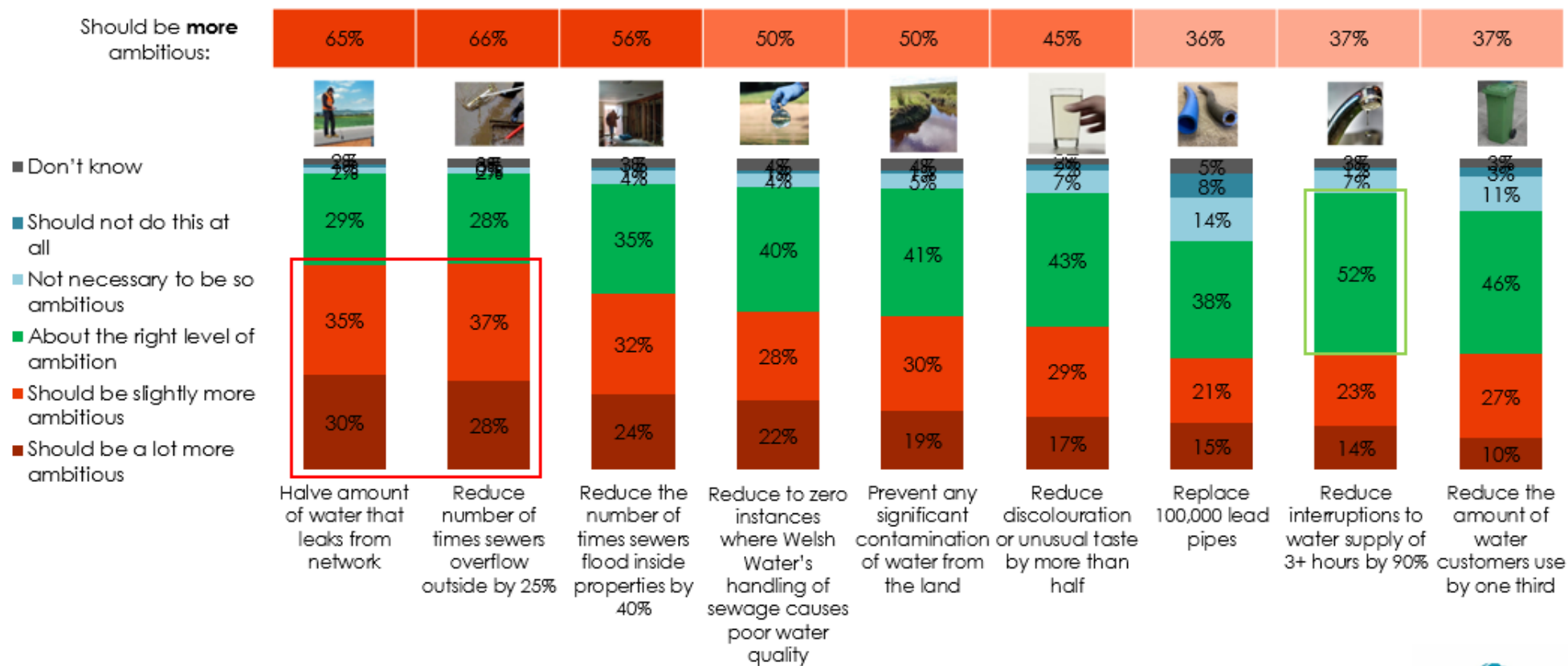
**OBJECTIVE:** to improve the quality and cleanliness of rivers by improving wastewater treatment works and sewerage systems

*River water quality can be affected by agriculture and industry, as well as used water ("wastewater") overflowing from water companies' sewers or being discharged from water treatment works.*

**TODAY:** Currently 2 in 10 rivers are rated as having 'good or better' water quality across England and Wales

**AMBITION:** to reduce to zero the instances where Welsh Water's handling of sewage is the cause of poor river water quality

# Blue Marble total sample results from October 2022 show that for leakage and sewer flooding in particular there is a desire for higher ambition in the targets






# Whilst our customers agree with DCWW ambition on safe and high quality drinking water, there are some differences on the other targets

## Safe and high quality drinking water

Our more informed customers seem aligned with the quantitative findings, feeling on the whole that targets are just about right, with permission to be a little more ambitious if needed

**OBJECTIVE:** to reduce incidents of tap water being temporarily discoloured or having an unusual taste or smell (it's still safe to drink)



**TODAY:** there are 7,000 incidents of poor tap water quality reported by Welsh Water customers per year.

**AMBITION:** To reduce this to 3,000 incidents of poor tap water quality reported per year.

Inline with our customers views

**OBJECTIVE:** to help society by replacing lead supply pipes on customers' properties with modern materials to reduce the risk of lead traces in the water




**TODAY:** Welsh Water has replaced all of its lead pipes but estimates there are 200,000 lead pipes on/in customers' properties - note these are the responsibility of the customer

**AMBITION:** To replace 100,000 lead pipes on/in customers' properties

Inline with our customers views

**OBJECTIVE:** to work with landowners to prevent contamination of the water that runs off the hills into reservoirs. The cleaner the water entering reservoirs, the less money needs to be spent on water treatment.



**TODAY:** There are 23 water catchments that are officially 'at risk' when it comes to water quality

**AMBITION:** To take action in all catchment areas in Wales to prevent any significant contamination of water from the land

Inline with our customers views

## Ensuring a reliable water supply

Whilst feedback around reducing water usage being just about right feels in line with our customers, they do feel more strongly that water loss targets may be slightly too ambitious, and that leakage targets are just about right, rather than needing to go further

**OBJECTIVE:** to reduce incidents where customers are without water for 3+ hours because of problems on the network such as burst mains




**TODAY:** on average every home supplied by Welsh Water is without water for 16 minutes per year

**AMBITION:** to reduce interruptions to the water supply lasting 3+ hours by 90% - Welsh Water would be equal to, or better than, other water companies in making sure their customers are not without tap water for 3+ hours

Some differences in views

**OBJECTIVE:** to reduce leakage by replacing water mains pipes, and faster leakage detection and repair of new leaks



**TODAY:** It is estimated that around 20% of water is lost through leaks in the network or on customer properties

**AMBITION:** to halve the amount of water that leaks from Welsh Water's network - from 20% to 10%

Some differences in views

**OBJECTIVE:** to reduce customers' water use, by encouraging and helping them to save water (e.g. through campaigns and providing water-saving devices)



**TODAY:** on average customers use 167 litres per person per day - about a wheelie bin full of water

**AMBITION:** to reduce the amount of water customers use by one third (33%) - to 110 litres per person per day

Inline with our customers views

## Wastewater, protecting and improving the environment

Targets around internal and external sewer flooding feel about right for our customers rather than needing to be more ambitious. On cleanliness of rivers, whilst we cannot be more ambitious than zero, this target is subject to a lot of discussion and debate

**OBJECTIVE:** to reduce sewer overflows and flooding in streets and gardens



**TODAY:** there are 3,700 occurrences per year (outside customer properties or in the street)

**AMBITION:** to reduce external sewer flooding by 25% - to 2,800 occurrences per year

Some differences in views

**OBJECTIVE:** to minimise sewer flooding inside customers' properties




**TODAY:** Around 200 homes experienced sewer flooding inside in the last year

**AMBITION:** to reduce the number of times sewers flood inside customers' properties by 40% - to 120 incidents per year

Some differences in views

**OBJECTIVE:** to improve the quality and cleanliness of rivers by improving wastewater treatment works and sewerage systems



**TODAY:** Currently 2 in 10 rivers are rated as having 'good or better' water quality across England and Wales

**AMBITION:** to reduce to zero the instances where Welsh Water's handling of sewage is the cause of poor river water quality

Some differences in views

# Our more informed customers have more knowledge of the scope of these challenges and the interlocking factors at play

## Safe and high quality drinking water

Our more informed customers are **happy to see that Welsh Water have not been over ambitious in this area** due to targets relying on many external factors / not fully in their control.

**Reducing incidents of discolouration** feels just about right. Some feel it could go further, however, worry that this may not be realistic for what feels like more BAU than urgent in the grand scheme of things.

Upon reading the information provided, **replacing lead pipes** feels like less of a sizeable problem than initially thought, with remaining pipework being on customers properties. As such, this feels just about right as again our customers feel this is more in home owners' than Welsh Water's control.

Our more informed customers understand the impact **working with landowners** can have, but also that this may be quite logistically complex to achieve. So although felt it could go further, they are happy with the current level with these complexities in mind.



Our more informed customers agree with the levels of ambition in the **quantitative results**, feeling it is a good footing to build from.

## Ensuring a reliable water supply

Our more informed customers feel that with greater knowledge and understanding of the scale of these challenges, comes **a sense that stretching further may be difficult** and in one area, we may need to scale back slightly.

Targets around reducing **incidents where customers are without water for 3+ hours** feel very ambitious. This combined with the current climate, elements out of Welsh Water's control and more pressing goals mean our more informed customers feel this could be stretching too far.

Reducing **leakage** targets feel just about right. Our more informed customers appreciate how big a challenge this is and even though they would like it to go further, they understand why doing this would not be realistic and would not want to see other targets compromised.

Reducing **customers' water usage** is admirable, and necessary, but a challenge. Customers here are polarised, with many wanting to see this target stretch further, others feeling as it is may be tough enough.



Our more informed customers understand why the **quantitative results** have come out as they have, believing the broader customer base is not armed with as much water knowledge as they have.

## Wastewater, protecting and improving the environment

Our more informed customers understand the differing moving parts at play with some of these areas, and as such **worry that increasing targets in some areas could be setting ourselves up for failure.**

Whilst **CSOs and external flooding** have been in the news, our more informed customers understand that there are also external factors at play, and as such this target feels just about right overall.

On **internal flooding and its causes**, again this feels about right. However, the concern is that this also involves action/behaviour change from customers. This makes it challenging and as such, there is little desire to see this target increased.

**River quality**, as we have seen, feels important to our more informed customers. An ambitious target is praised, but the target being set at zero feels polarising, with some feeling we may be setting ourselves up for failure and would prefer to see a ranged target i.e. 0-10 incidents.



Our more informed customers feel less likely to want to see targets increased vs. the **quantitative result**, especially when it comes to areas more outside of Welsh Water's control.

# In our more informed customers' own words:

## Safe and high quality drinking water

*I think this is a good target and needs to be achieved. They could possibly increase it, however I worry that would more than likely result in it not being achieved (discolouration).*

*Welsh Water have already replaced all of its led pipes and what is left is the responsibility of the customer, so the fact that they are aiming to replace 100,000 pipes despite this is the right amount of ambitious as it may be difficult to manage (lead pipes).*

*I feel that all are just about the right level of ambition. The goals set are realistic and can be completed within set timeframes. However, careful planning will be required, particularly with the last one (landowners).*

*These results definitely reflect my views, with the majority of participants choosing about the right level of ambition on all 3 objectives and I feel they are a good place to start.*

## Ensuring a reliable water supply

*90% is a huge leap and may be a stretch, here are elements beyond the companies control e.g. legacy infrastructure, labour shortages etc (without water).*

*50% is a great target. However, fixing leaks take time, resources and finances. Therefore, this is something that can be completed gradually to allow for other projects to be carried out. Given the other priorities I wouldn't want to see this stretched further at their expense (leaks).*

*I feel this is a great goal to have to save water, however, I feel it going to be very hard to achieve as people will not want to change their usage. I'd love for this goal to be met or even go further, but I'm sceptical the public will make the change (customers water usage).*

*I can see why most people say leaks should be more ambitious, however I understand the difficulties in doing so in a vast quite rural network. Aside from that there is nothing really surprising about these results.*

## Wastewater, protecting and improving the environment

*Important, however reducing number of times sewers overflow by 25% is ambitious enough. I feel this is achievable but they might be pushed back a little bit due to natural causes (external flooding).*

*Aiming to reduce the number of times sewers flood inside customers properties by 40% is a little too ambitious. This is a lot of work and would require customer actions in achieving this. For a low occurrence I feel the money could be better used elsewhere (internal flooding).*

*River quality is an ambitious goal as zero is always hard to archive. I feel a margin or error could be used to not have a failure. With extreme weather events this may not be achievable but river quality will get worse if urgent action isn't taken now (river cleanliness / quality).*

*I don't think you can get more ambitious than zero incidents regarding river pollution - concerning that maybe the survey question has not been understood correctly. I would worry about money spent if going more ambitious in areas out of their full control.*

Rationale

Reactions to the quant

# Summarising how our customers feel about the ambition of targets on longer term outcomes...

Our more informed customers prioritise the need for investment in a similar way to participants in the October quantitative research - however, there were some nuances, focussed around the size of the challenge.

Whilst our customers agree at a broad level with the ambition sentiment in the quantitative results, their more informed perspective means they understand more about the complexities involved and are looking at the bigger picture. **They tend to feel that the DCWW level of ambition is just about right with less feeling that targets need to stretch further than they already do.**

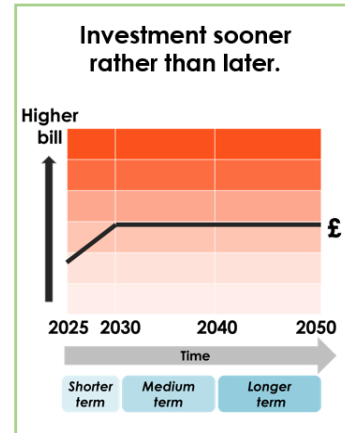
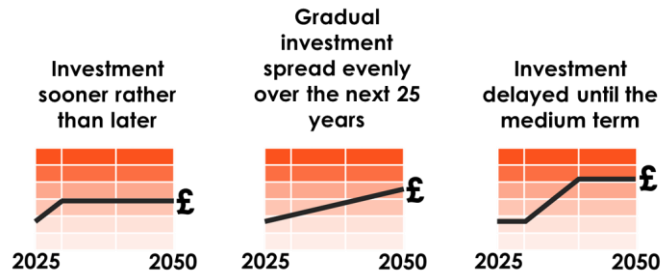






## Intergenerational fairness

# What we showed and asked about intergenerational fairness

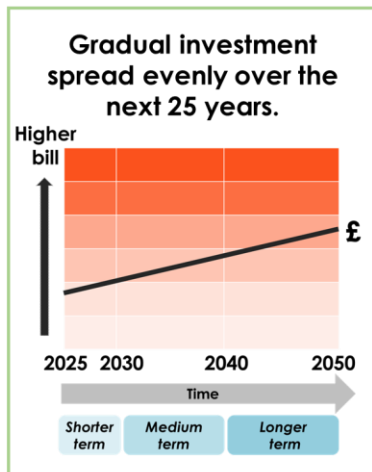


**WATER BILL:** Will go up in the short term\* then remain stable. The bill will be a **moderate amount higher** in 2050 than it is now.

**IMPACT:** Things that are likely to affect the reliability of Welsh Water's service will be dealt with in the short-to-medium term. Welsh Water can do more in the short term to make environmental improvements.

\*Bill would be 10-20% higher by 2030, not including inflation. So an average household's **monthly** water & sewerage bill would be £4-£8 higher by 2030, in today's prices.

*Inflation is the annual rate of increase in prices for goods and services, which is outside the control of Welsh Water.*

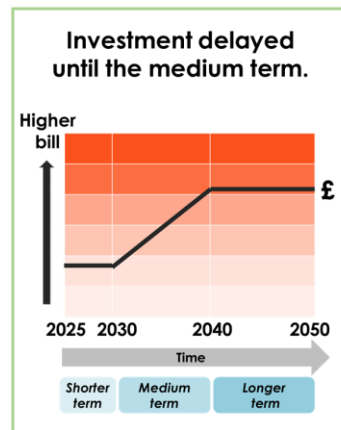


**WATER BILL:** Will increase steadily over time\*. The bill will be **quite a lot higher** in 2050 than it is now.

**IMPACT:** There could be a decrease in the reliability of Welsh Water's service in the short-to-medium term (e.g. from impacts of extreme weather). Welsh Water can make gradual progress on environmental improvements.

\*Bill would go up by 5-10% every 5 years, not including inflation. So an average household's **monthly** water and sewerage bill would rise by £2-£4 every 5 years, in today's prices.

*Inflation is the annual rate of increase in prices for goods and services, which is outside the control of Welsh Water.*



**WATER BILL:** Will not go up in the short term, but will then rise significantly\* before stabilising in 2040. The bill will be **a lot higher** in 2050 than it is now.

**IMPACT:** Likely to be a decrease in the reliability of Welsh Water's service in the short-to-medium term (e.g. because of more extreme weather). Welsh Water could not make environmental improvements until the medium or longer term.

\*Bill would go up by 10-20% every 5 years from 2030 to 2040, not including inflation. So an average household's **monthly** water and sewerage bill would rise by £4-£8 every 5 years between 2030 and 2040, in today's prices.

*Inflation is the annual rate of increase in prices for goods and services, which is outside the control of Welsh Water.*

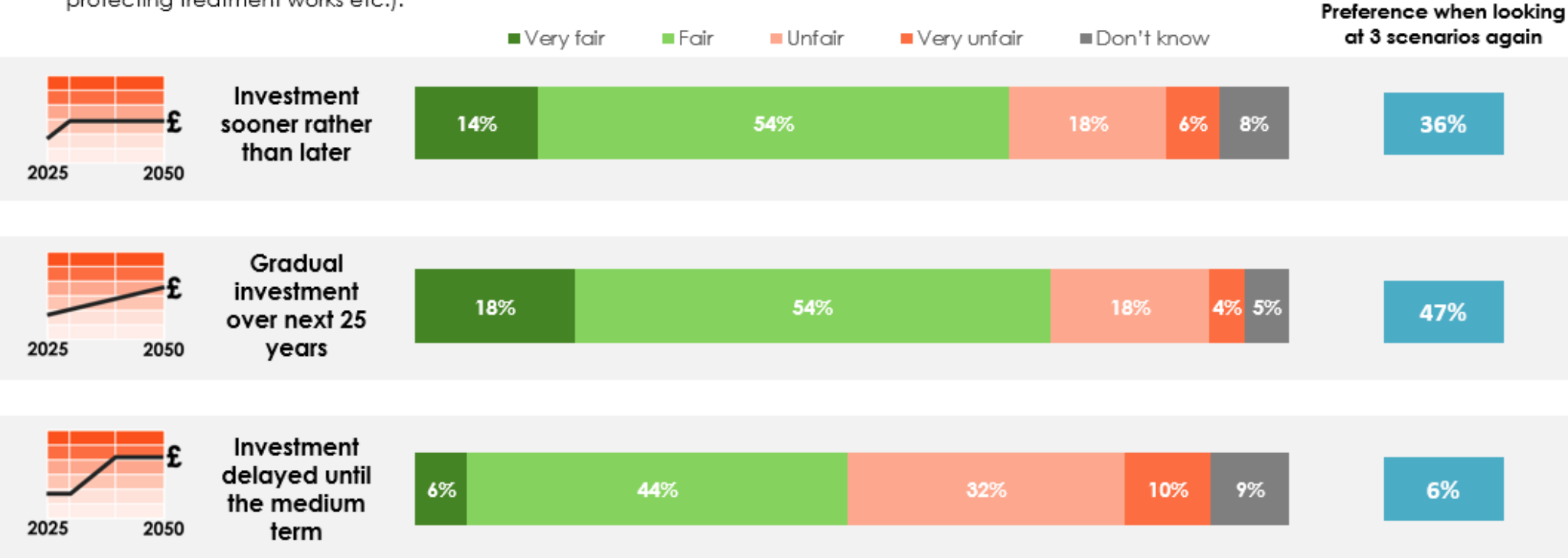
## Question areas covered:

- Customers were shown the three investment scenarios and asked how fair each feels
  - Rationale for ratings
  - Review of overall quantitative survey findings
  - Review of quantitative findings broken down by age

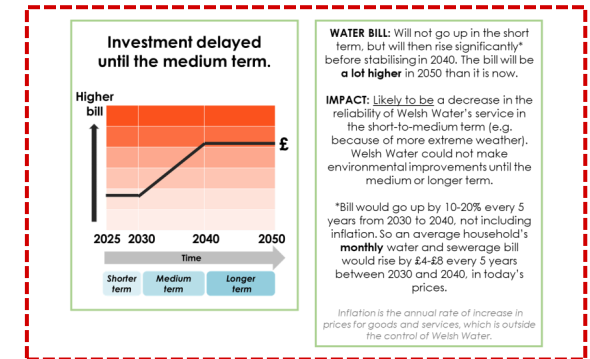
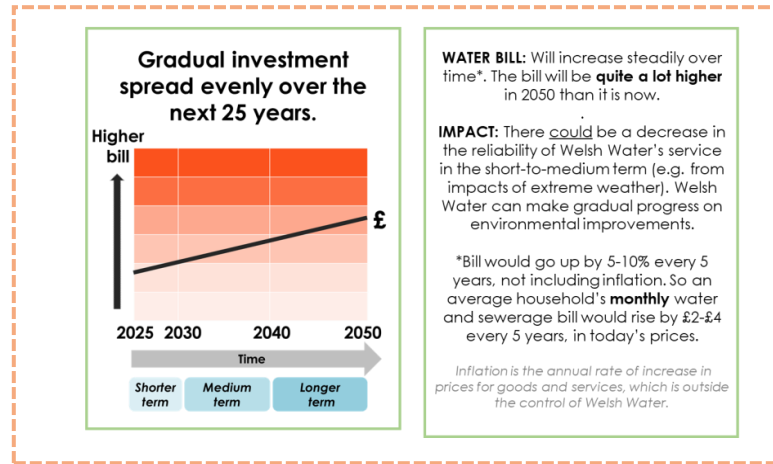
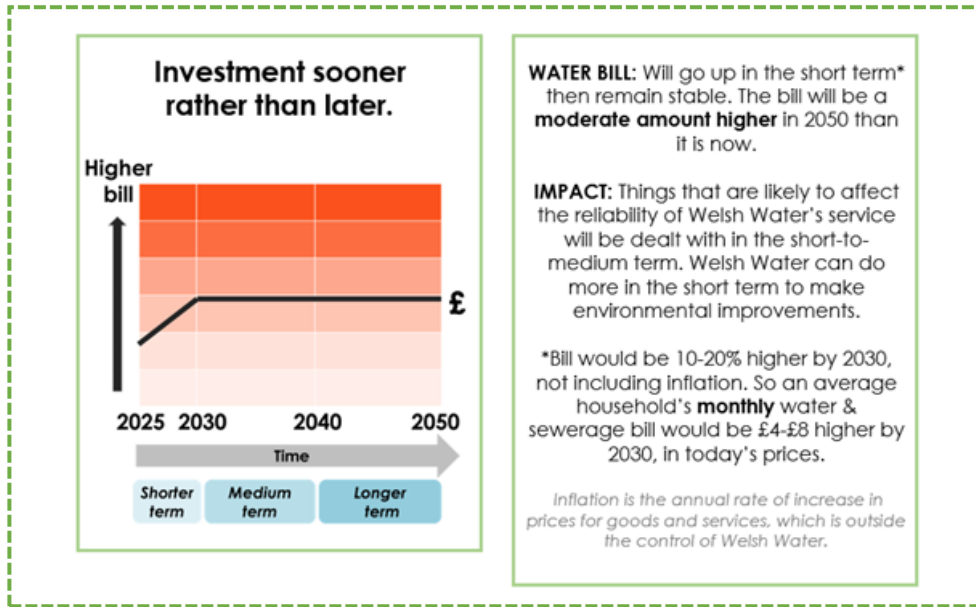
# Blue Marble total sample results from October 2022 show a desire for commencing investment sooner, albeit often the cost of living crisis in particular means customers feel this investment should be gradual

**Qualitative insight: Ability to have a 'selfish' and a societal view.**

- Scenario 2 is seen as the fairest overall, as bill increases and impact will be spread out.
- But need reassurance that the right investments are being prioritised to minimise problems down the track (e.g. leak reduction and protecting treatment works etc.).



# Whilst some of our more informed customers agree with gradual investment, more believe investment is needed urgently, sooner rather than later



Majority of our more informed customers felt that we should invest sooner rather than later


Opinion was more split when looking at gradual investment

Very few felt that investment should be delayed until the medium term



# There is a strong sense of needing to invest sooner to avoid the risk of problem areas worsening and the investment needing to increase

## Investment sooner rather than later

 Our more informed customers have more of an **understanding of the urgency needed and scale of the challenge** faced, meaning many of them believe investment cannot be delayed

Our more informed customers feel investment is needed, and it is needed sooner rather than later. A sense that we (as a country) are already behind the curve and need to play catch up.


Our customers are thinking to the future – if we don't invest now, the situation could be a lot worse when we do start to invest down the line, and more money than anticipated may be needed.

They also do not want to overly burden future generations for a problem they did not contribute to as a generation.



Our more informed customers are surprised at the **quantitative results**, that investing sooner rather than later is not the preferred option. However, it is appreciated that results are very close and that maybe a balance in terms of when investment starts is what is needed.

## Gradual investment over the next 25 years

 Whilst our more informed customers **can see the appeal of gradual investment**, this is more from a **bill impact** point of view in the current economic crisis. There is a larger concern that **any delay will exacerbate the challenge**

Gradual investment feels like it would be unfair to future generations, who did not contribute to the situation we find ourselves in.


There is also the same concern with not investing sooner, in that with more gradual investment the challenges faced will be gradually getting worse also. As such, we may find we need more money down the line, again feeling unfair to future generations.

Although they can see that gradual investment may feel more palatable during the current cost of living crisis, when looking at the bigger picture and armed with the knowledge they have, they still feel investment is needed sooner.



Our more informed customers are not surprised that the **quantitative results** show this option leading the way, and understand why. However, they tend towards a more imminent injection of investment.

## Investment delayed until the medium term

 Our more informed customers **agreed** with the broader customer base that investment **should not be delayed** until the medium term

Delaying investment until the medium term feels like we are burying our head in the sand and expecting future generations to sort out the problems we helped cause.

This will also lead to even bigger, more expensive problems and challenges down the line and it does not feel responsible to ignore this.

A sense that doing nothing really is not an option.



Our more informed customers agree with the shape of the **quantitative results**, but are still surprised at the number of people who have selected that this option feels fair – 50%. It is assumed that this is due to the current economic crisis.

# In our more informed customers' own words:

## Investment sooner rather than later

*I feel investment should be sooner rather than later. It's about creating a life that is better for the future generations. The bill going up now would be difficult for many, but the rewards are great.*

## Gradual investment over the next 25 years

*Gradual investment and investment delayed until the medium term would be unfair because the young population then would be paying for our 'bills'. We need to take care of this now so that we are not passing this on to the next generation.*

## Investment delayed until the medium term

*I feel like we are offsetting the problem to another generation. pushing the burden to our future selves.*

### Rationale

*I understand that investment now is for the long term, and there is an urgency to do it now. The longer we delay the worse it gets.*

*Sometimes delaying problems causes bigger problems. If we don't fix it now who knows if these figures will still be accurate in the future and we may need to invest significantly more than we would if we stopped these issues now.*

*Delaying is going to lead to bigger issues down the line. To know there is an issue and not take action is not a responsible way to act for the people of Wales.*

*I think it's very unfair to think about us now, and not generations beyond us, so investing in anything other than the immediate doesn't seem right to be considering the long-term effect.*

*I think a gradual investment will help household in terms of budgeting and will be a reasonable increase over time in the current climate at least.*

*Most of these areas we have discussed will cost a lot more if we kick these items down the road and the country will not tolerate any more. Welsh Water have the opportunity to lead the U.K. in these areas and that is worth it.*

### Reactions to the quant

*I am surprised. I think it's very fair to pay more now in the short term so we pay less later on, and very unfair to delay investment, as it would cost a lot more.*

*This isn't what I thought but I am not surprised as it does seem fairer across all generations.*

*I am surprised that so many people think it's fair for investment in the medium term, when it will result in much higher bills in 2050. It makes me think that they aren't considering future generations, and are prioritising themselves at, maybe due to the ongoing economic crisis.*

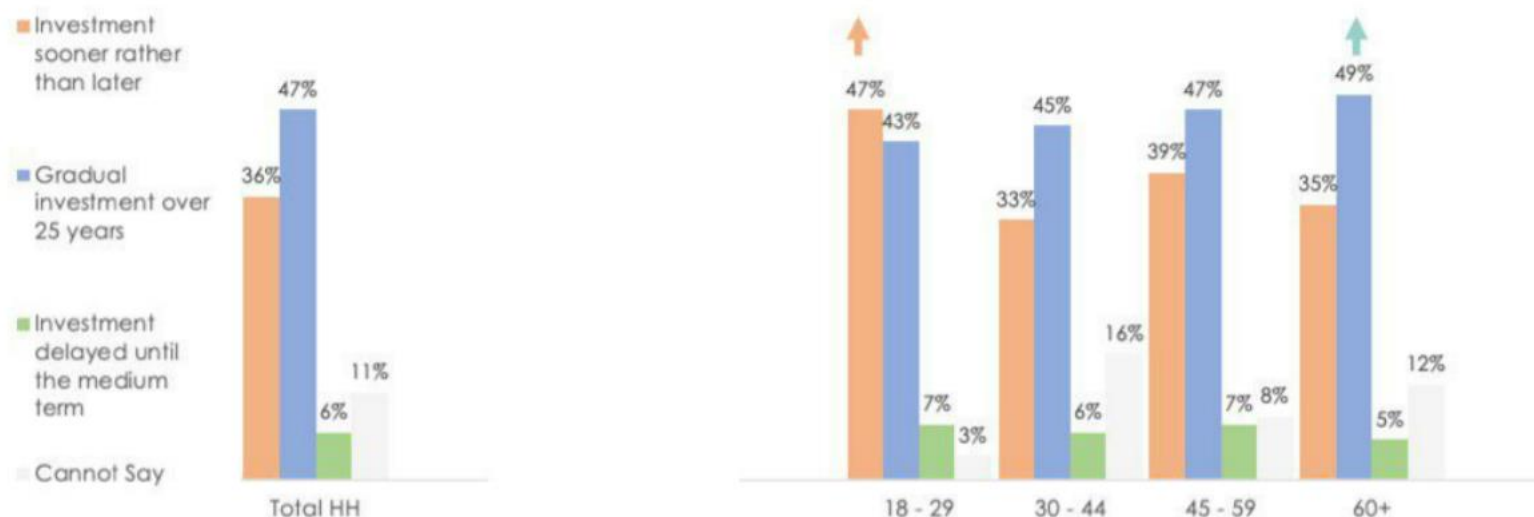


There is a feeling from some that sensible prioritisation could help ease any bill impact to the customers of today whilst still working towards targets ...

*"I think that it is fair to invest in some things sooner and invest in others gradually. Ideally a combination of prioritising things that need initial investment and those that can be a gradual thing would be the best case scenario in my view."*

# Blue Marble total sample results from October 2022 broken down by age show how younger customers tend towards more imminent investment vs older customers who prefer the gradual approach

Fairness of different investment scenarios by age group

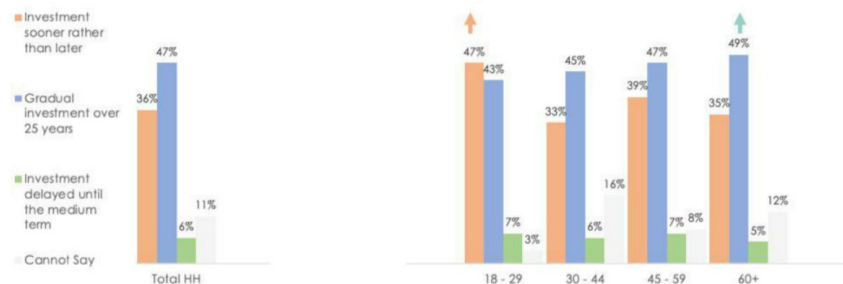


Q21. Looking again at the three scenarios, which one would you prefer? **Base** HH customers (936); 18-29 (94); 30-44 (256); 45-59 (234); 60+ (350); Any vulnerability (497)



# Our customers are not surprised that younger people are more likely to see investment as more urgent, although reasons why this is the case vary

Fairness of different investment scenarios by age group



Q21. Looking again at the three scenarios, which one would you prefer? Base HH customers (936): 18-29 (94); 30-44 (256); 45-59 (234); 60+ (350); Any vulnerability (497)

## Informed customers in the 18-29 age bracket agree that this reflects their views

- They feel that they are the generation that understands what is going on more, how important our environment is and the impacts we can have on it
- This generation will also be on the planet to see the impact some of these measures will have, and don't want to see things continue to get worse

## Middle and older generations also agree with this sentiment but some are a bit more sceptical

- A feeling that although yes, the younger generation are more environmentally aware, they also do not always pay bills as yet and so fail to understand the personal financial impact of bills vs. immediate action
- Also a feeling that 'instant action' is engrained in the younger generations, being used to a more instantly available lifestyle vs. older generations, so to wait or do changes gradually can be at conflict with this

*I think this fits in with my views as I would like to see this done sooner too. I feel like our generation has a better understanding of the environment - (aged 18-29).*

*I think I agree with this too, especially because I also fall into the 18-29 age group and therefore more likely to see the stability expected in 2030. It will come to haunt us in the future, and if we don't invest now it will only get worse, and as young people we will have to pay more down the line - (aged 18-29).*

*It would be interesting to know how many of the respondents in the younger age bracket pay for utilities now. Younger people tend to have a higher disposable income and therefore are less concerned about a large increase now. Older respondents with families / a pension are less concerned about immediate action and would prefer gradual increases - (aged 30+).*

*I am always mindful of a younger generations' views as they come from a generation where they don't have to wait, everything is provided for them instantly... news, food, entertainment all a click of a button away. So for them, they want improvements now so that they receive the best possible service instantly - (aged 30+).*

Q. Looking at these results, and in particular the fact that younger people are more likely to see investment as more urgent than their older counterparts, how well does this fit with your views – please explain in full.

# Summarising how our customers feel about intergenerational fairness...

Whilst a few of our more informed customers agree with gradual investment, **most feel investment is needed more urgently, sooner rather than later - otherwise we risk problem areas worsening, and the investment needing to increase.**

Our more informed customers have more of an understanding of the urgency needed and scale of the challenges faced, leading to a belief that investment cannot be delayed. They also do not wish to burden future generations with the cost to address a problem they did not contribute to creating.




# Views of the Future Generations Wales alumni are mainly aligned with our other informed customers; however, they do believe behaviour change has more of a role to play

As part of this research, we included a small sample of 5x 'Alumni of the Future Generations Wales programme'

**Importance of investment areas:** Whilst there is little change in view here at an overall level vs. the total sample, there is a slight difference when it comes to the specific objectives in each area. **The alumni place a greater importance on helping customers to become more efficient with their water usage.** They understand the impact this can have on the planet, the need to reduce and the need for behaviour change.

**Urgency and ambition of long term outcomes:** When looking at urgency of investment, the alumni do feel that investing sooner rather than later is sensible. They are again more likely to feel **customer water efficiency is in urgent need for investment** but also see the need for this to be **continual**. There is an understanding of the role social media can play in misinforming the public, so requires a longer term plan.

**Intergenerational fairness:** This audience are very **surprised to see that the quantitative findings show a preference for gradual investment.** They are concerned that this means their bills in the future will be significantly higher and assume that the customers included in the surveys are **not looking ahead financially** – though understandable in the current climate.



*Climate change is an emergency and everyone's responsibility and using less water reduces the amount of energy used, this in turn reduces your carbon footprint and also decreases the likelihood of a water shortage in future – Alumni.*

*Invest now but drip feed in customer water efficiency as its more efficient to do so. also with social media there might be negative or misinformation spread about it. it will require I large engagement plan. therefore invest carefully and gradually – Alumni.*

*I am surprised that so many people think it's fair for the investment in the medium term, when it will result in much higher bills in 2050. It makes me think that they aren't considering future generations, and are prioritising themselves at this time, maybe due to the ongoing economic crisis – Alumni.*





**Concluding thoughts – what this means for  
DCWW and for PR24**



# Key insights from engaging with our more informed customer panel



## Update on our customers

The cost of living is now having a significant financial, physical and emotional impact on our customer base, with some struggling on all 3 fronts – but affecting each generation differently. Most are displaying regular cost-cutting behaviours, and while still able to pay bills, this is often because they are making other sacrifices. Whilst water bills are not seen as part of the problem, nor very likely to be defaulted, this does not mean our customers are not massively financially stretched just now.



## Importance of investment areas

Whilst agreeing we need to keep bills affordable, these customers understand more about the complexities with our water supply and wastewater. This means that they often see the bigger picture and feel more strongly about the importance of some core long term outcomes. A particular difference is notable on contamination of water run off and working with landowners, something these customers seem more aware of and keener to resolve than the wider base.



## Urgency and ambition

On the urgency of investment, our more informed customers broadly align with the wider base. On ambition, they again understand more of the complexities involved and are looking at the bigger picture. As such, they tend to be more aligned with DCWW on ambition, with less feeling that targets need to be more stretching vs the wider customer base.



## Intergenerational fairness

Most of our more informed customers feel that investment is needed more urgently, sooner rather than later, or rather than gradually - otherwise we risk problem areas worsening, and the investment needed increasing. This again stems from a clearer comprehension of the scale of the challenges faced. They are also clear that they do not wish to burden future generations with the cost of addressing a problem they did not create.



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