

PRICE REVIEW 2009 CUSTOMERS' PRIORITIES

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PR09 Programme Manager

Higher profile industry?

Growing awareness

“I don’t want people wasting it...so I think it is right that people should be made to use it carefully.”



Growing cynicism

“Telling me to have a shower instead of a bath when they’re losing eight Battersea Power Stations full...hypocritical.”



Higher profile industry?



- **BRITAIN'S BIGGEST DRIPS**

- **WATER CHEEK!**



- **EAU NO!**



CCWater's Expectations

Placing consumers at the heart of the price review

- Identifying consumers' priorities
- Acting upon identified priorities
- Thinking about benefits
- Communicating
- Being realistic



CCWater's Expectations

Working in partnership

- A shared clear objective
- Openness and transparency
- Collaborative research
- Consumer involvement



Customers' Expectations?

Consumer Research

- *Using Water Wisely* (December 2006)
 - Majority willing to do their bit to conserve water but only if government and water companies do likewise.

- *Fair Charging* (February 2007)
 - Fairness seen as “everyone gets a reasonable deal from the water company”

- *Annual Tracking Survey* (March 2007)
 - General contentment with services but cost is an issue.

- *PR09 Deliberative*



Customers' Expectations?

PR09 Deliberative Research – early views

- A safe and reliable supply of water
- Little thought about sewerage services
- Environmental improvement hardly on the radar
- Willingness to pay?

Affordability

Water bills 2014/15 as % of income after housing costs (in 2005-06 prices)

Company	Income decile									
	1st	2nd	3rd	4th	5th	6th	7th	8th	9th	10th
Northumbrian	6.33%	3.59%	2.83%	2.33%	1.97%	1.68%	1.46%	1.23%	1.00%	0.67%
Thames	7.36%	4.17%	3.29%	2.70%	2.29%	1.95%	1.69%	1.43%	1.16%	0.78%
Severn Trent	6.45%	3.66%	2.89%	2.37%	2.01%	1.71%	1.48%	1.25%	1.02%	0.68%
Yorkshire	7.02%	3.98%	3.14%	2.58%	2.19%	1.87%	1.61%	1.36%	1.11%	0.74%
Anglian	7.64%	4.33%	3.42%	2.81%	2.38%	2.03%	1.76%	1.48%	1.21%	0.81%
United Utilities	7.86%	4.45%	3.51%	2.89%	2.44%	2.09%	1.81%	1.52%	1.24%	0.83%
Southern	7.90%	4.48%	3.53%	2.91%	2.46%	2.10%	1.82%	1.53%	1.25%	0.84%
Wessex	8.45%	4.79%	3.78%	3.11%	2.63%	2.25%	1.94%	1.64%	1.33%	0.89%
Dwr Cymru	8.59%	4.87%	3.84%	3.16%	2.67%	2.28%	1.98%	1.67%	1.36%	0.91%
South West	10.83%	6.14%	4.84%	3.98%	3.37%	2.88%	2.49%	2.10%	1.71%	1.14%
Industry avg	7.24%	4.11%	3.24%	2.66%	2.25%	1.92%	1.67%	1.40%	1.14%	0.77%

Summary

- Customers at the heart of the price review
 - and they need to see that they are
- Customers' views reflected in business plans
 - and if they are not then expect to face their wrath
- Affordability a key issue
 - 63% nationally say charges are affordable; 25% disagree
 - in South West the split is 46% to 42%. Worrying, isn't it?

