

PR19 Customer Challenge Group – Research Methodology Sub-Group

**Meeting number:** 11

**Meeting Date:** 26<sup>th</sup> June 2018

**Paper No:** 2

**Agenda No:** 3

**Title:**

**Author:**

**Printing:** This document does not contain any graphs or pictures and therefore does not require you to print in colour.

<b>What is this paper about:</b>	This paper details where the Company is in its engagement programme
<b>Action needed from the CCG:</b>	The Company has produced this paper for information and discussion.

# PR19 – research programme update



# Update on key engagement/research activity

Area	Update
Household (HH) customer priorities	Research completed – debrief presented previously
HH service recovery	Research completed – debrief presented previously
HH bespoke services	Research completed – debrief presented previously
HH WRMP research	Research completed – debrief presented previously
HH Willingness to Pay	Research completed – debrief presented previously
Resilience and resilient customer	Research completed – debrief presented previously
Non-household (NHH) customer priorities	Research completed – debrief presented previously
Supercharge – WTP triangulation	Gamification approach to obtain additional WTP values for triangulation. Research completed. Analysis of the results are being undertaken by Frontier Economics.
dWRMP engagement	Further engagement on dWRMP which included: <ul style="list-style-type: none"> <li>▪ Community exhibitions</li> <li>▪ Stakeholder and community presentations</li> <li>▪ Website and social media</li> <li>▪ Qualitative and quantitative research to cover – overall dWRMP acceptability, leakage, PCC, resilience levels</li> </ul> High level debrief at May meeting

# Update on key engagement/research activity

Area	Update
Societal research	Stakeholder workshop in March. Research debrief in May.
NHH willingness to pay	Research completed – debrief in May
NHH WRMP research	Research completed
Retailer engagement	Short survey emailed to retailers in March. 4 responses so far out of 20. At present no-one has taken up the offer for a more detailed interview.
Co-creation of vulnerability strategy	<p>Key activities</p> <ul style="list-style-type: none"> <li>▪ Internal vulnerability Team, Stakeholder and customer engagement has been completed</li> <li>▪ Additional stakeholder mapping has been completed to expand and fill gaps which have been identified around our strategic caring agencies. This will become an on-going exercise continually developing</li> <li>▪ A second stage of stakeholder engagement facilitated by CAG Consultants has been included to provide wider engagement around vulnerability and to test our proposed approaches</li> <li>▪ Insights from first stage have provided sufficient data to enable draft vulnerability strategy to start to be co-created with a second stage engagement used to test strategy</li> <li>▪ Further horizon scanning activity is currently underway to understand our current position re vulnerable customers and an expert view of landscape changes until 2025 to establish key areas of focus for our strategy.</li> <li>▪ Weekly updates have been held with Zoe to improve communication and flow of information in between meetings and this continues to be effective and will continue.</li> <li>▪ CAG consultants scope was expanded to cover additional vulnerability stakeholder mapping and additional stakeholder workshops scheduled to take place w/c 11th June.</li> </ul>



# Future engagement/research activity

Area	High level scope/requirements
Rewards, incentives and penalties	<p>Type of research: Quantitative  Timing: April/May  Key questions to answer / areas to cover:</p> <ul style="list-style-type: none"> <li>▪ Should company performance be penalised/rewarded?</li> <li>▪ Should there be caps/collars?</li> <li>▪ What should overall size of rewards be (to support RORE range)?</li> <li>▪ Should rewards be in part/full reinvested into vulnerable schemes, community schemes</li> </ul> <p>Research completed – debrief at June meeting</p>
Financial and non-financial support	<p>Type of research: Qualitative and quantitative  Timing: May  Key questions to answer / areas to cover:</p> <ul style="list-style-type: none"> <li>▪ Willingness to pay for non-financial support for customers</li> <li>▪ Cross-subsidy for social tariff</li> </ul> <p>Focus groups in May, pilot study completed and mainstage commencing</p>
Bill profile	<p>Type of research: Quantitative via a postal survey with the option to complete the survey online  Timing: June/July  Key questions to answer / areas to cover:</p> <ul style="list-style-type: none"> <li>▪ Customer views on bill profiles over 5 and 20 years</li> <li>▪ Research to support PAYG/run off rates</li> <li>▪ In addition a resilience question will be incorporated into the survey</li> </ul>
Large non-household customers	<p>Proposed type of research: Survey  Timing: June  Key questions to answer / areas to cover:</p> <ul style="list-style-type: none"> <li>▪ Customer priorities</li> <li>▪ Attitudes to responsible business</li> <li>▪ Acceptability of the plan</li> </ul>

# Future engagement/research activity

Area	High level scope/requirements
<p>Transparency of reporting and corporate/financial structures/Responsible business</p>	<p>Type of research: Qualitative            Timing: May - July            Key questions to answer / areas to cover:</p> <ul style="list-style-type: none"> <li>▪ How should we report performance during 2020-25</li> <li>▪ Importance of subjects including dividends, group structure, Board pay, tax etc</li> <li>▪ Options of how we would could improve trust and confidence – e.g. self reporting, third party review, sign up to external ‘code of conduct’</li> </ul>
<p>Acceptability of the plan</p>	<p>Type of research: Quantitative            Timing: June/July            Key questions to answer / areas to cover:</p> <ul style="list-style-type: none"> <li>▪ Are the performance commitments targets stretching enough?</li> <li>▪ Acceptability of the plan overall</li> <li>▪ Acceptability of the plan for key components – bill, service, targets, rewards/penalties</li> <li>▪ Customer affordability of the plan</li> <li>▪ Need to combine acceptability and affordability of combined bill included sewerage</li> </ul> <p>Customer focus groups in June for HH and non household early July</p>