

Notes of Meeting No.10 of the South East Water CCG Customer Research Sub-Group
30th May 2018, South East Water, Head Office, Snodland.
Present:

Zoe McLeod (Chair)
 Leslie Sopp (Independent – research and insight)
 Karen Gibbs (KG) (CCW)
 Alison Lee (AL) (SEW) (Part)
 Nicola Blake (NB) (SEW)
 Oliver Martin (OM) (SEW)
 Jane Gould (JG) (Create 51)

Apologies:

Jo East (JE) (ICS)
 Laura Rafferty (LR) (SEW)
 Jo Osborn (JO) (SEW)
 Anne Noelle (Vantage)

Notetaker: Julia Gorman (JFG) (SEW)

Agenda Item no.	Notes and Actions
1. Introduction	No issues raised.
2. Declaration of Interest	The Sub-Group had no interests to declare at this meeting.
3. Minutes and actions from the last meeting	Minutes agreed
4. Social tariff research update and feedback on questionnaire	<p>AL circulated a hard copy of the high level findings at the meeting and gave an overview of the report.</p> <p>Action: AL to provide confirmation of the number of customers included in the pilot.</p> <p>The Group were asked to provide feedback by email but any initial thoughts were welcome to be discussed.</p> <p>Action: AL to provide a note prioritising when feedback was needed on all the reports presented to the sub-group.</p> <p>Action: AL requested feedback from the CCG on the social tariff research</p> <p>There was general discussion on the levels of subsidy that need to be tested for the WTP. ZM raised the concern that customer's willingness to pay, may be greater than caps currently being tested.</p> <p>KG noted that although a small minority of customers may be happy to high levels of cross subsidy, the targets set would need to be supported by the majority of customers and therefore, there wasn't a need to test very high levels.</p> <p>OM queried how much higher would the option need to be?</p>

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	<p>ZM suggested that a logical place to start was for SEW to understand the levels of need in the SEW area and to ensure that the option for the upper level of the potential subsidy would at least give customers the option of paying enough to cover meeting that need.</p> <p>Action: OM to check with AC what the expected availability date for the Experian data and review likely percentages.</p> <p>The group discussed how much contextual information should be included in the survey.</p> <p>OM suggested including in the context the number of customers that could benefit as a percentage of the total customers and the level of contribution that will be needed to deliver this.</p> <p>OM raised the issues of the current level of funding in the bill and whether this needs to be identified up front, to be transparent and remove the risk of customers thinking they are being conned?</p> <p>LS noted that the percentages of the bill total could be very different in future. AL advised that the agreed subsidy is currently £1.50 but customers are currently paying approximately 80 pence. As a percentage of the current bill this subsidy equates to 0.7% but the actual charge is 0.4%. The potential additional £2 subsidy means that the social tariff cross subsidy would be 1.7% of the current bill. This percentage assume that we have the maximum number of customers enrolled on the scheme.</p> <p>KG preference was that this must be based on difference the contribution will make and should include number and percentage of customers that could be helped.</p> <p>All agreed the proposal should be transparent.</p> <p>ZM queried if knowing up front what was currently included in the bill (which was significantly below what was needed) could result in low framing and could set expectations too low or if conversely it would have the opposite effect as would build trust in the process. This is particularly the case as the focus groups on social support suggested that customer expectations were that they would be asked to pay significantly more than they were/also finding out later that they already contributed to social support later in the discussion impacted their trust levels.</p> <p>LS suggested using split tests. Where some customers were informed upfront, and the others were not. This should be tested in pilot and then rolled out across the research if necessary.</p> <p>OM raised the issues of which results would then be used from the research if a split test was applied. Would one set of results be selected as most appropriate, or a combination of the two sets of results? ZM considered that the results would need to be weighted.</p> <p>Challenge: SEW to demonstrate understanding of customer need in their area and increase the upper level of the cap to cover the cost of providing a social tariff and PSR support to meet that need.</p> <p>Challenge: SEW to pilot different approaches to see if these materially impacted customers WTP.</p> <p>LS expressed his concern around customers being able to effectively work through the survey due to the complexity and challenged the company to carry out cognitive testing to test this.</p> <p>Challenge: SEW to carry out cognitive testing of the social support survey before conducting quantitative research</p>

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	<p>LS said question 54, should be rewritten to 'Did you understand and make a judgement?'</p> <p>There was a discussion on the order of the different subsidy options and levels.</p> <p>LS noted that there needed to be narrative that was not too technical in order to engagement with customer in a way they can understand and contribute.</p> <p>The group had a discussion on WTP by segment. The group queried if in principle people could pay different amounts. OM said they could set up initiatives where people could opt in to pay for more. OM would need to look at this.</p> <p>Challenge: ZM stated the need for the wording to be very user friendly. AL to review the wording with JG.</p> <p>ZM suggested the use of split testing in the trials could be combined with using case studies Following a discussion although this could help the customers be more empathetic, there was general concern that this could be considered to be leading.</p> <p>LS asked if the CCG could listen to the phone questionnaires. AL did not think it would be possible to listen in while the questionnaire was in progress, but would review if they were or could be recorded, so the CCG could review then offline.</p> <p>Action: OM and AL to check on the recording of the trial questionnaires.</p> <p>ZM queried how the company would be engaging with hard to reach groups. SEW advised that in-home interviews would ensure that groups traditionally deemed harder to reach for research purposes would be engaged.</p>
<p>5. Bill profile research feedback on questionnaire</p>	<p>AL circulated copies of the survey proposal. Thumbnail graphics would be available tomorrow.</p> <p>Action: AL to circulate the thumbnail graphics for the CCG to review.</p> <p>LS queried if, in line with appropriate research guidelines and his suggestion previously, it was now clear that customers did not have to complete the whole questionnaire for them to be included in the prize draw. SEW advised that customers would not need to complete the whole survey.</p> <p>KG noted there was no reference to the level of inflation used. AL advised that as the purpose was to test the customers views on the phasing of spend, and so inflation had been excluded so the total spend was kept the same for each option.</p> <p>KG asked about the longer term profiling and the appropriateness of the 20 year period and if this was too long for customers to envisage. OM noted they needed to demonstrate that the current and future generation had been considered in helping to shape phasing of expenditure. If a shorter period was used it would not give the same flexibility to move expenditure between current and future customers.</p> <p>KG had concerns that the long-term question may inform how some customers would answer the short term questions. It was noted that as this is a postal survey, that customers would be able to change their response to earlier questions. LS asked if this was the only piece of research on bill profile. OM confirmed that it was and that it was important to comply with Ofwat's requirement for evidence of customer support for the bill profile in terms of stable bills versus pay as you go. SEW will also need to provide customer support on whether reward and penalty adjustments are recovered in 5yr period for the customers receiving the service, or whether smooth bills were more important.</p>

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	<p>LS suggested that customers may find 20 years too long and may not be able to answer this, but that changing the wording may help customers to engage with these questions.</p> <p>Action: LS to provide some suitable wording to help with the long-term questions.</p>
<p>6. Corporate reporting/responsible business research discussion on approach</p>	<p>AL updated the group on progress to date and shared Brand Edge's revised proposal.</p> <p>The group discussed the content, format and length of the research.</p> <p>ZM did not get the feel from the report that it had fully addressed the issues raised in the group's phone discussion prior to the sub-group. Concerns were raised that it still seemed to focus on how the company communicated its approach as opposed to genuinely engaging them on some hot topics such as tax havens, 'fat cat' executive pay differentials, gender pay differentials.</p> <p>AL advised that the topic guides would help to demonstrate how these issues would be addressed and proposed that they are commissioned and drawn up for review by the CCG.</p> <p>ZM said it was important that it was made clear what SEW can and can't change and to particularly engage on those issues within their control. OM felt Brand Edge was very balanced and would cover these issues.</p> <p>Action: OM to get Brand Edge to produce the topic guides and then circulate to the CCG for review. Adrienne and Penny will also be asked for their input.</p> <p>ZM wanted the research to draw out if customers just wanted of a trade mark to show compliance or they wanted to see details.</p> <p>OM confirmed that the question on gearing has been removed. KG agreed that this was the right approach.</p> <p>KG expects reassurance will come when the CCG can look at what issues came from the research and what the SEW will do differently to address them. All agreed.</p> <p>Action: OM to set out what issues are set by Ofwat and those that the company can outperform/underperform on.</p> <p>The research is currently proposed as 2 hours, but this can be reviewed when the topic guides are available and agreed. LS suggested that different groups could cover different topics.</p> <p>OM noted the SEW had used Brand Edge for their branding and this had been very successful. Brand Edge had taken on board what was important to SEW, but they would also help SEW to push boundaries.</p> <p>Concerns with the report were raised by the CCG. OM suggested that the 'Front page' should be used to track progress and set out the aim and objectives. LS noted that the proposal was the initial stepping stone and the group agreed that it was low risk for SEW to continue with their proposal and if required, and following CCG review of the topic guides, SEW could correct the approach.</p> <p>ZM wanted reassurance and asked for the aims to be set out and circulated for reviewed by CCG.</p> <p>Action: AL to get JE to pull together the aims and circulate for CCG review.</p>

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	<p>OM noted that JE will be the third moderator and he will help to balance with Brand Edge from the water company prospective. JE has been working very closely with SEW, so is very familiar with SEW's perspective.</p> <p>The group agreed that a catch up meeting at the end of the 1st session to review and inform the next session would be very useful.</p> <p>Action: AL to arrange a catch up meeting for the CCG at the end of the 1st session. Action: Topic guides to be circulated to the group ASAP</p>
<p>7. Acceptability of the plan research discussion on approach</p>	<p>AL summarised the report. The focus groups will be held in the w/c 11th June to make sure customers understand the language of the plan.</p> <p>It was agreed that they would feedback comments by email and a separate phone discussion with Accent would be organised to discuss the approach.</p> <p>The proposed focus will be the quant survey and looking at getting the language right. Some examples will be used, but it will not define targets.</p> <p>Accent have reviewed and taken into account the CCWater principles of acceptability guide.</p> <p>Action: AL to ask Accent to provide a table in the appendix to show how the questionnaire is in line with the principles of acceptability.</p> <p>Action: CCG to provide feedback by 05/06/18 Action: SEW to organise a phone meeting with Accent to discuss the proposed approach</p>
<p>8. WRMP research feedback on questionnaire</p>	<p>Handout provided for quant research of the overall acceptability of WRMP.</p> <p>It set out what issues had been raised by customers and stakeholders and what changes have been implemented as a result. Draft version of the questionnaire should be available next week.</p> <p>ZM directed the group to focus on the overall approach not individual questions at this stage. Those could be sent back by email.</p> <p>LS flagged the challenge of the amount of content to get through in the time available.</p> <p>JG advised that a hall test was due to be carried out 07/06/18 and the CCG members were welcome to attend.</p> <p>Action: JG to send round detail of the WRMP hall test</p> <p>The group questioned the inclusivity of the research approach. SEW said that questionnaire will go online with a target of a completion rate of 600 surveys. There will be 106 in depth interviews to capture the view from customers who are hard to reach. ZM asked how the research will be used if the online and in depth interview give very different results.</p> <p>LS suggested a review of in-depth interviews could be used to identify if any new questions were needed. The results could be assessed to see if vulnerable customers have different views. That would then a give sense of whether the research needs finessing or changing.</p> <p>Action: JG to circulate questionnaire sample and method for comparison and review.</p>

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	<p>LS noted that the online format will tend to pick up certain population groups and that this could be significant for vulnerable customers. LS asked if telephone format could be considered.</p> <p>ZM picked up on the issue of accessibility for customers not online. LD confirmed that the majority of response to the WRMP consultation had been via parish councils or word of mouth. Very few responses had been reliant on online accessibility.</p> <p>JG advised the current version of the report may need finessing. Feedback will be requested from the CCG when the next version has been circulated. The timescale for CCG response will be agreed when the next version is circulated.</p> <p>KG asked about comparability and best practice. Why was the questionnaire set at 15 minutes, or could this be reviewed and updated if needed. LS suggested keeping the online format, but to increase the number of hall tests.</p> <p>LS suggested a phased roll out to monitor responses and provide the opportunity to make adjustments if needed.</p> <p>Action: LD to review with JE about best practice and if the duration be changed from 15 minutes.</p> <p>Action: JG to arrange more hall test to pick up customers that do not normally have online access.</p> <p>LS asked if the online platform would enable flexibility the order that the questions are presented? Customers can become fatigued as they go through the questionnaire, if the questions are rotated, it will prevent the answers to later questions being of poor quality.</p> <p>Action: JG to check if the order of online questions can be rotated.</p> <p>Action: JG to check if the platform can monitor the areas that customers select 'more information' and remove questionnaires where the response time is less than the minimum required to provide considered responses.</p> <p>Action: JG to arrange for the CCG to be given access to the online test so they can see how they find it and provide feedback.</p> <p>There was a brief discussion on the cost implications of some of the options.</p>
9. Customer segmentation re-naming	<p>AL provided the group with an update on the values based segmentation segment names. The report set out the original segment names, the proposed new titles and the logic behind them.</p> <p>KG asked where these categories will be used and if they would be public facing.</p> <p>OM confirmed that they will be used in the Business Plan and will be used to report on these segments as part of the business as usual. The new names will also be used for the customer satisfaction surveys. The new naming will be presented to the SEW Board next week for sign off.</p> <p>LS asked about the need to retrofit the new names with previous research. The group agreed that any public document, will need updating, but that development work does not need to be changed.</p> <p>Action: OM/AL to look at updating public reports with the new naming.</p> <p>The group supported the name changes.</p>

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	Action: AL to get the headings in the report to be changed to the new names, with the old name in brackets.
10. AOB	Action: AL, OM to agree order of priority of the CCG responses required by this group and the CVSG.
11. Private session	The group discussed SEW's project planning and the corporate reporting workshop.

Summary of actions and Challenges

Action	Owner
AL to provide confirmation of the number of customers included in the pilot.	AL
AL to provide a note prioritising when feedback was needed on all the reports presented to the sub-group.	AL
AL requested feedback from the CCG on the social tariff research, by the next day 31/05/18, if at all possible.	All
OM to check with AC what the expected availability date for the Experian data and review likely percentages.	OM, AC
OM and AL to check on the recording of the pilot questionnaires.	OM, AL
AL to circulate the thumbnail graphics for the CCG to review.	AL
LS to provide some suitable wording to help with the long term questions.	LS
OM to get Brand Edge to produce the topic guides and then circulate to the CCG for review. Adrian and Penny will also be asked for their input.	OM
OM to set out what issues are set by Ofwat and those that the company can outperformed, underperformed on.	OM
AL to get JE to pull together the aims and circulate for CCG review – corporate reporting	AL, JE
AL to arrange a catch up meeting for the CCG at the end of the 1 st session – corporate reporting	AL
AL to ask Accent to provide a table in the appendix to show how the questionnaire is in line with the principles of acceptability.	AL
Topic guides to be circulated to the group ASAP	AL
AL to ask Accent to provide a table in the appendix to show how the questionnaire is in line with the principles of acceptability.	AL
CCG to provide feedback on the acceptability research by 05/06/18.	All
SEW to organise a phone meeting with Accent to discuss the proposed approach.	SEW
JG to send round detail of the WRMP test on the 07/06/18.	JG
JG to circulate questionnaire sample and method for comparison and review	JG
LD to review with JE about best practice and if the duration be changed from 15mins	LD
JG to arrange more hall test to pick up customers that do not normally have online access.	JG
JG to check if the order of online questions can be rotated.	JG
JG to check if the platform can monitor the areas that customers select 'more information' and remove questionnaires where the response time is less than the minimum required to provide considered responses.	JG
JG to arrange access for the CCG to be given access to the online test so they can see how they find it and provide feedback.	JG
OM/AL to look at updating public reports with the new naming.	OM, AL
AL to get the headings in the report to be changed to the new names, with the old name in brackets.	AL
AL, OM to agree order of priority of the CCG responses required by this group and the CVSG.	AL, OM

Challenge
SEW to demonstrate understanding of customer need in their area and increase the upper level of the cap to cover the cost of providing a social tariff and PSR support to meet that need.

SEW to pilot different approaches to see if these materially impacted customers WTP.

SEW to carry out cognitive testing of the social support survey before conducting quantitative research

ZM stated the need for the wording to be very user friendly. AL to review the wording with JG.