

PR19 Customer Challenge Group – Vulnerability Sub-Group

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Title: Vulnerability Performance Commitments Update

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What is this paper about:	To update VSG on Vulnerability Performance Commitments
Action needed from the CCG:	Recommendations and feedback required.

Customer Challenge Group Vulnerability sub-group

Meeting 10

Vulnerability Performance Commitments

Purpose

- The purpose of this presentation is to provide a reminder of the definitions of the 6 vulnerability performance commitments and discuss next steps in relation to setting targets for each measure

Vulnerability performance commitments

6 measures submitted to Ofwat on 3rd May

- Satisfaction of customers who are experiencing payment difficulties
- Satisfaction of customers who are receiving non-financial support from South East Water
- Satisfaction of customers on our vulnerability schemes during a supply interruption
- Satisfaction of stakeholders in relation to assistance offered by South East Water
- Customers receiving non-financial support from South East Water
- Customers receiving financial support from South East Water

1. Satisfaction of customers who are experiencing payment difficulties

Definition

- Overall customer satisfaction of customers, who are identified as struggling to pay, will be measured through satisfaction tracking research, as a score out of 5.
- For the performance commitment the survey will include a single question that asks customers to score their overall satisfaction level.
- Customers identified as struggling to pay will include the following:
 - Customers and/or their representatives who have self-identified to South East Water as struggling to pay
 - Customers who have been referred to South East Water from a third party due to financial circumstances
 - Customers in receipt of South East Water's Social Tariff
 - Customers in receipt of South East Water's Water Sure Tariff
 - Customers identified by SEW or third parties as at risk of struggling to pay
- If the Company propose to add or remove any items to the list above this can only be done with prior agreement with CCWater and the company's Customer Challenge Group. The classification of customers 'at risk' will be agreed with CCWater and the Customer Challenge Group.

1. Satisfaction of customers who are experiencing payment difficulties

Proposed approach

- Monthly survey – method of survey to be discussed with CCG
- Performance commitment question:
 - Overall how satisfied are you with SEW in relation to support/payment options they offer for customers who are experiencing payment difficulties (1 to 5)
- Additional questions:
 - How easy was it to access the support/payment option? (1 to 5)
 - Did SEW have an option that helped your specific circumstances? (Yes/No)
 - Does the support/payment options SEW give you make a difference to your financial situation? (Yes/No)
 - Would you recommend South East Water's support/payment options to others? (Yes/No)
- We also need to consider how we will define those 'at risk of struggling to pay'

2. Satisfaction of customers who are receiving non-financial support from SEW

Definition

- Overall customer satisfaction of customers, who have applied for one of our non-financial assistance schemes, will be measured through satisfaction tracking research, as a score out of 5.
- This includes customers who are registered on the Priority Services Register (those who have registered in the current year or in previous years) and those who have applied during the current year but were unsuccessful in their application.
- For the performance commitment the survey will include a single question that asks customers to score their overall satisfaction level
- Assistance schemes defined as - Customers and/or their representatives who have applied for South East Water's Priority Services Register
- If the Company propose to add or remove any items to the list above this can only be done with prior agreement with CCWater and the company's Customer Challenge Group

2. Satisfaction of customers who are receiving non-financial support from SEW

Proposed approach

- Monthly survey – method of survey to be discussed with CCG
- Performance commitment question:
 - Overall how satisfied are you with SEW in relation to support/assistance they offer for customers who need additional support? (1 to 5)
- Additional questions:
 - Do you know what additional services are available to you as someone who is on the Priority Services Register? (Yes/No)
 - Have you had to used any of these additional services in the last 12 months (Yes/No)
 - How easy was it to access these additional services? (1 to 5)
 - Did South East Water have an option that meets your specific circumstances? (Yes/No)
 - Would you recommend South East Water's Priority Services Register? (Yes/No)

3. Satisfaction of customers on our vulnerability schemes during a supply interruption

Definition

- Overall customer satisfaction will be measured through satisfaction tracking research, when a reportable supply interruption has occurred, as a score out of 5.
- For the performance commitment the survey will include a single question that asks customers to score their overall satisfaction level in relation to the supply interruption.
- A reportable supply interruption is defined as any interruption that is included as part of the calculation of the common performance commitment 'water supply interruptions'.
- If a supply interruption is recorded as included within this measure a survey will be issued to customers who are included on the Company's priority services register (either on the register before the incident or as a result of the incident).

3. Satisfaction of customers on our vulnerability schemes during a supply interruption

Proposed approach

- Survey triggered by a supply interruption – method of survey to be discussed with CCG
- Performance commitment question:
 - Overall how satisfied were you with how South East Water handled the recent water supply interruption? (1 to 5)
- Additional questions:
 - How satisfied were you with the speed of resolution of the incident? (1 to 5)
 - How satisfied were you with the communication during the incident? (1 to 5)
 - Were alternative water supplies offered to you? (Yes/No)
 - How satisfied were you with the supply of alternative water? (1 to 5)
 - Did South East Water contact you before the incident affected you? (Yes/No)
 - Did South East Water contact you during the incident? (Yes/No)
 - Were you already on South East Water's Priority Services Register before the incident? (Yes/No)

4. Satisfaction of stakeholders in relation to assistance offered by South East Water

Definition

- This performance commitment is focused on ensuring stakeholders, who work with vulnerable customers, are satisfied with the service we provide to the customer and also the partnership arrangement we have with them.
- Satisfaction of stakeholders with SEW's approach to help and empower vulnerable customers and those that work with them, will be measured through satisfaction tracking research, as a score out of 5.
- For the performance commitment the survey will include a single question that asks stakeholders to score their overall satisfaction level.

4. Satisfaction of stakeholders in relation to assistance offered by South East Water

Proposed approach

- Annual survey – method of survey to be discussed with CCG
- Performance commitment question:
 - Overall how satisfied are you with SEW in relation to support/assistance they offer vulnerable customers directly or through partnership working with stakeholders? (1 to 5)
- Additional questions:
 - Are you aware of the following support schemes that SEW offer [list all]? (Yes/No)
 - How well do you think these schemes meet the needs of vulnerable customers? [score for each scheme] (1 to 5)
 - Has your organisation had any contact with South East Water in the past 12 months (Yes/No)
 - How well does South East Water work with your organisation? (1 to 5)

5. Customers receiving financial support from South East Water

Definition

- We will measure the number of customers on our Social Tariff and WaterSure Tariff, and/or other future financial support as agreed by CCWater and the CCG.
- This mechanism to update the list of tariffs/schemes that are being measured allows for the innovation of financial approaches which may better support customers in the future.
- The target will be based on the number of customers who are in financial difficulties at the start of the period with a target to increase take up of the Social Tariff and Watersure Tariff to reduce the number of customers who are currently in water poverty.

5. Customers receiving financial support from South East Water

Proposed approach

- Estimate total number of potential recipients
 - Target based on outputs from Experian data showing number of household properties in our region that may meet the eligibility criteria (income threshold below £16k).
 - Experian data was selected based on LSOA's in our region and matched against the Income Bandings and number of properties
 - Data will show volumes for household incomes for <£15k. Review of an assumed calculation will have to be undertaken from the £15k to £20k band to allow for households that are between £15k and £16k household income.
- Calculate current level of customers on Social Tariff / WaterSure vs 'total number of potential recipients' (as percentage)
- Set target % for next five years – discussion needed with CCG about other external data that can be used to help set this

6. Customers receiving non-financial support from South East Water

Definition

- The number of customers who are registered with SEW on the Priority Services Register.
- Additional metrics will be reported alongside this measure to ensure a focus on:
 - the quality of SEW's vulnerability data captured on the PSR
 - to show whether customers on the register have used the additional services during the year or not

6. Customers receiving non-financial support from South East Water

Proposed approach – considerations when setting a target for this measure

- Actual number of customers on PSR now is c2% of total customer base
- SEW current level is upper quartile in the industry
- Energy companies have c25% of customers on their PSR however there are concerns about how energy companies have “registered” large numbers of customers on the PSR without proper identification of the need for the additional services and without customer consent
- Data share with energy cutover in 2020 leaves uncertainty over whether there will be a surge of data from energy companies to water companies and uncertainty over whether customer’s consent will be required for this
- Discussion needed with CCG about how we could set a target for this measure
- Additional metrics as described on previous slide also need to be discussed and agreed with the CCG

Next steps

Satisfaction measures

- Design surveys ready to carry out 'baseline' surveys in July

Financial/non-financial measures

- Complete actions as discussed and agreed with the CCG so that targets can be set for inclusion in the business plan

End

south east water

Pure know_how