

# Social tariff research reports

Overall report

Individual company area report –  
Wessex Water

Individual company area report –  
Bristol Water

Individual company area report –  
Bournemouth Water

Business plan  
2025-2030



**Wessex Water**  
YTL GROUP

FOR YOU. FOR LIFE.

---

# Social tariff Research: Wessex Water, Bristol Water, Bournemouth Water

---

June 2023

**Ali Sims, Research Director**  
[asims@djsresearch.com](mailto:asims@djsresearch.com)

**Matt Prince, Associate Director**  
[mprince@djsresearch.com](mailto:mprince@djsresearch.com)

**Head office:** 3 Pavilion Lane,  
Strines, Stockport, Cheshire, SK6 7GH

**Leeds office:** Regus, Office 18.09, 67 Albion Street,  
Pinnacle, 15th–18th Floors, Leeds, LS1 5AA

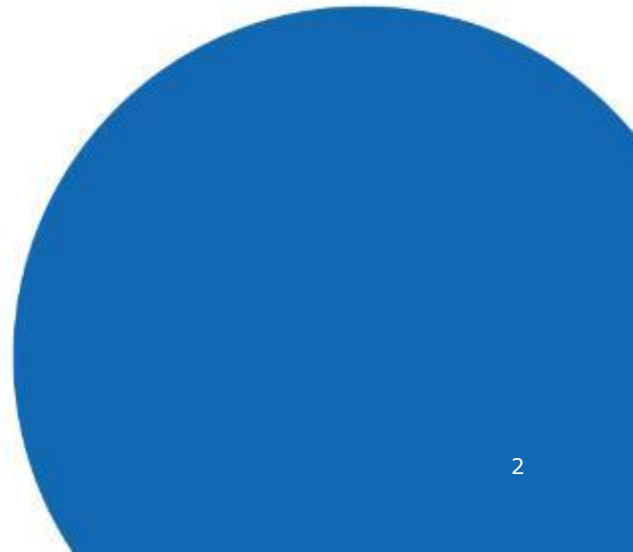
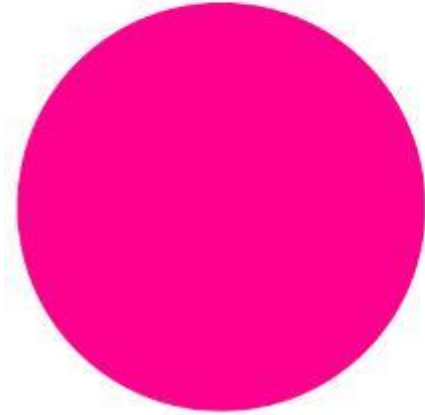
+44 (0)1663 767 857 | [djsresearch.co.uk](https://djsresearch.co.uk)



---

# Contents

Background, objectives and methodology	3
Executive summary	12
Priority Services	14
Household bills	16
Helping those who are struggling to pay	20
Willingness to contribute	27
Acceptability of proposed changes	57
Conclusions and recommendations	63
Appendices	66



---

**Background, objectives  
and methodology**





# Background and objectives

As part of the business planning process for PR24, Wessex Water, Bristol Water and Bournemouth Water are consulting with their customers on a number of topics, including on social tariffs. Each company wishes to eradicate water poverty across their region(s), with the aim of no customer's bill being more than 5% of their disposable income.

To achieve this aim, it is likely to be necessary for each company to increase its social tariff charge to customers' bills.

To understand customers' willingness to contribute to an increased cross subsidy, DJS research were commissioned to undertake acceptability and willingness to contribute research with customers to explore and understand:

## **Financial confidence**

The extent to which customers are confident they will be able to afford their water and other household bills over the next 12 months.

## **Acceptability of the principle of social tariffs**

Measure the proportion of customers who find the principle of social tariffs acceptable / unacceptable and why.

## **Acceptability of each water company's proposed changes to the social tariff**

Inform customers about each company's plans for the future of the schemes (partly) funded through social tariffs, and understand how acceptable or unacceptable this is to customers.

## **Willingness to contribute**

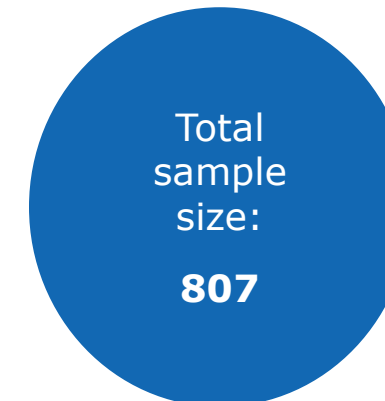
Assess customers' willingness to contribute (WtC) to a social tariff through their water bills, and the amount that they would be willing to contribute each month as part of their bills to support this.



# Methodology

Quantitative interviews were conducted online (680) via panel and face to face (127) via Computer Assisted Personal Interviews (CAPI). The CAPI interviews were conducted with customers who have limited or no internet access to ensure a representation of offline participants in the research.

Interviews lasted 9 minutes on average, and respondents were shown a number of pieces of stimulus during the interview (as shown throughout the report and in the appendix) to provide information relating to the proposed social tariff and other elements of each company's existing programmes and schemes to support customers.



**Quantitative fieldwork was conducted during April 2023**

20 qualitative in-depth interviews were conducted on Teams/telephone with respondents from the quantitative stage. The purpose of the in-depth interviews, was to explore customers' reasons for their willingness or unwillingness to contribute more to their water company's social tariff. Interviews were split by the amount they were willing to contribute, ranging from £0 to more than £2 per month.

**Qualitative fieldwork was conducted during May/June 2023**

## Notes on this report:

To understand customers' willingness to contribute (WtC) to the social tariff, a **contingent valuation** exercise was conducted. Contingent valuation is used to establish the amount customers are willing to pay (if anything) towards a scheme/service. Respondents were presented with a randomised starting price point and asked if they would or would not be willing to pay this amount each month to contribute towards the social tariff. If customers answered 'no' they were asked again at the next lowest price point – repeated up to three times. If customers answered 'yes' they were asked at the next highest price point - repeated up to three times. From this we established the maximum amount customers were willing to contribute based within the range established in the previous questions, providing us with a final amount they were willing to contribute.



---

# Weighting

Quotas were set on water company, age, gender and SEG.

The total sample matches well with the local profile in terms of age, gender and SEG.

However, within each of the 3 water company areas we see some deviation from the local profiles which have been corrected through weighting.

A weight has been applied to the respondent data to ensure profiles match in terms of age, gender and SEG within the regions and therefore reflect the views of a representative sample.

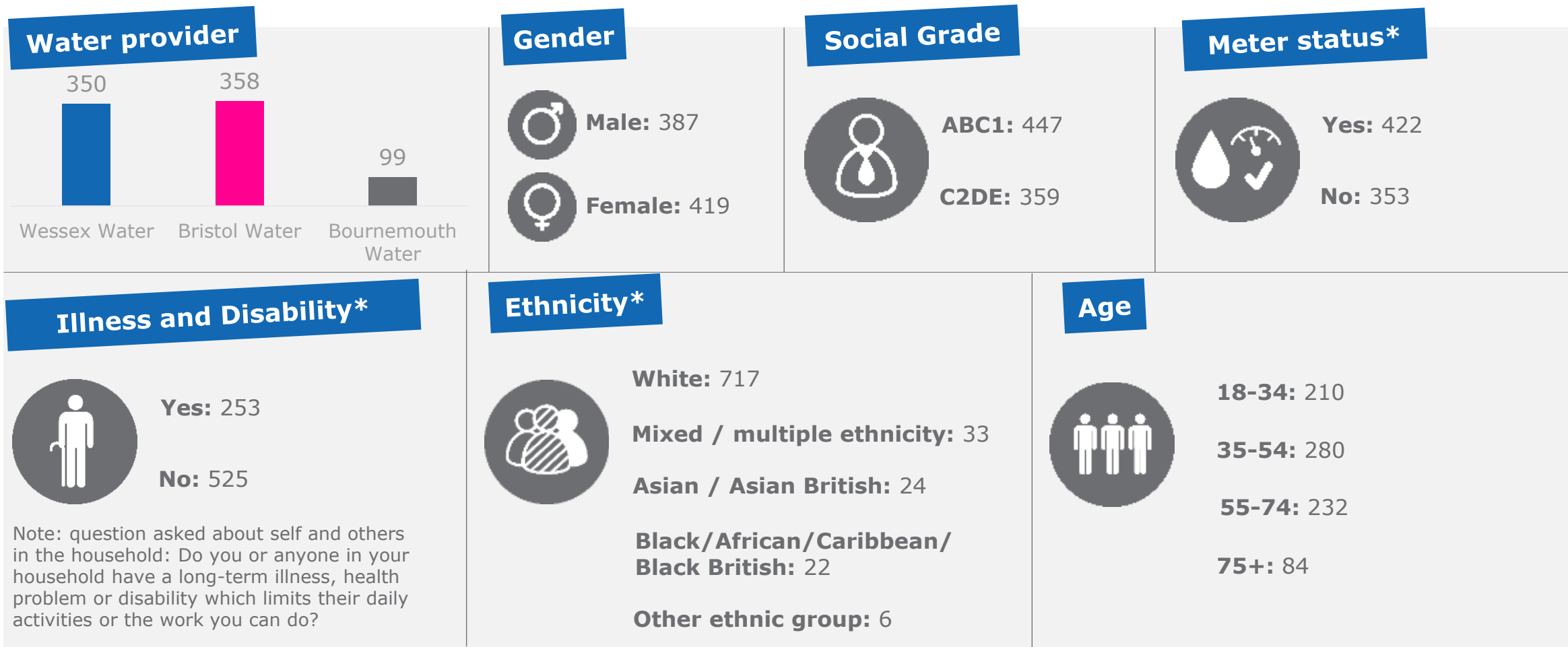
All data reported on in this report is weighted data.

A further explanation of weighting and the weighting profiles can be found in Appendix 2 of this document.



# Sample: overall

The sample achieved overall is shown below, and the sample for each company on the following slides.



Note: question asked about self and others in the household: Do you or anyone in your household have a long-term illness, health problem or disability which limits their daily activities or the work you can do?

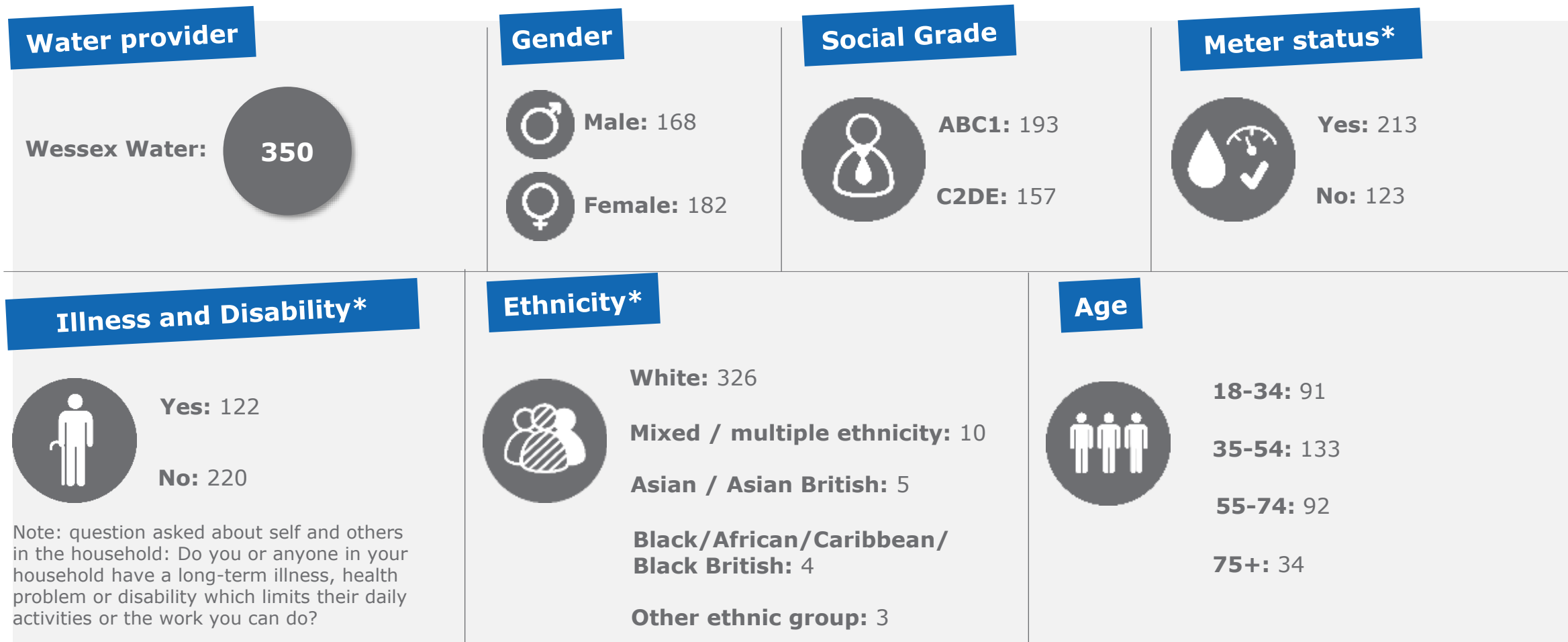
\*remainder don't know / prefer not to say. Please note: weighted sample profile shown.





# Sample: Wessex Water

The sample achieved for Wessex Water is shown below.

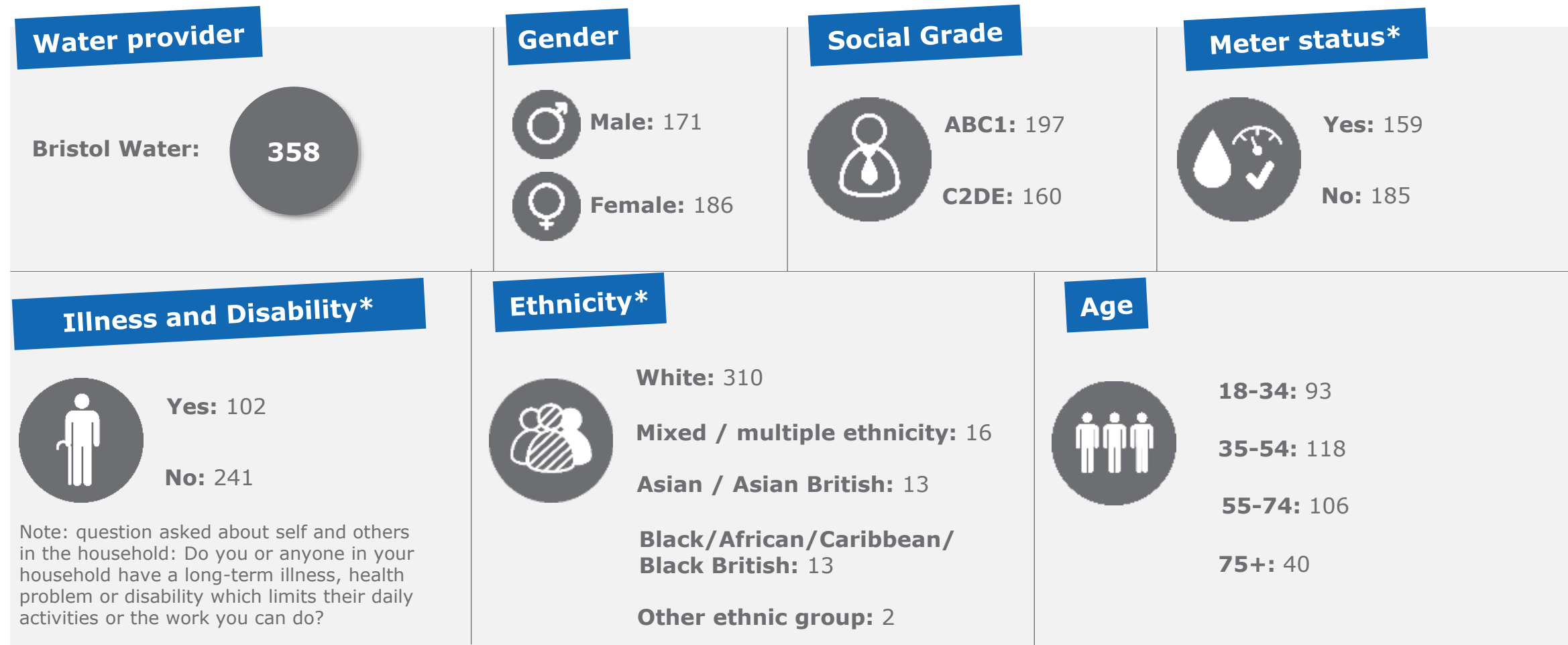


\*remainder don't know / prefer not to say. Please note: weighted sample profile shown. As weighted data is used, totals shown across individual companies might not match to the overall sample profile



# Sample: Bristol Water

The sample achieved for Bristol Water is shown below.

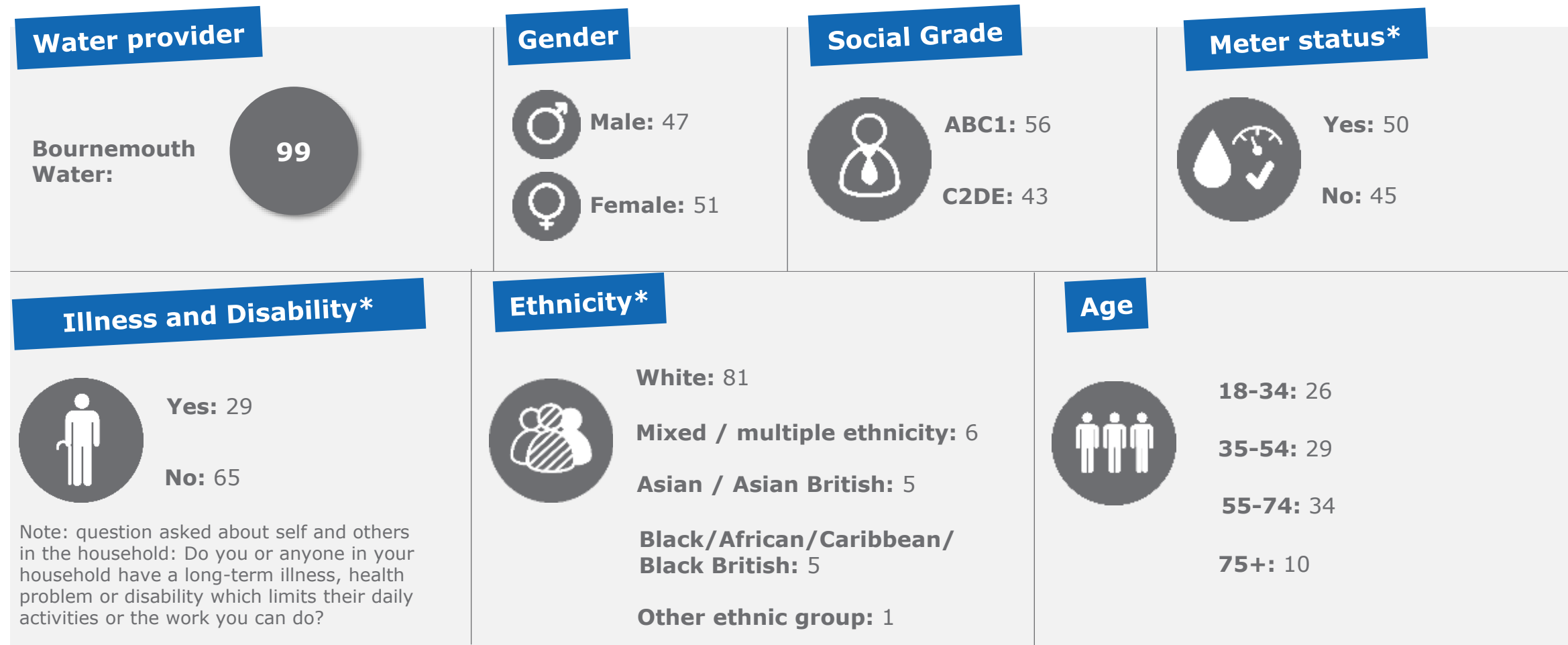


\*remainder don't know / prefer not to say. Please note: weighted sample profile shown. As weighted data is used, totals shown across individual companies might not match to the overall sample profile



# Sample: Bournemouth Water

The sample achieved for Bournemouth Water is shown below.



\*remainder don't know / prefer not to say. Please note: weighted sample profile shown. As weighted data is used, totals shown across individual companies might not match to the overall sample profile



# Sample: In-depth interviews

## Water provider

Bristol Water:

8

Bournemouth  
Water

4

Wessex  
Water:

8

Overall

20

Willing to  
contribute:

Willing to  
contribute:

Willing to  
contribute:

Willing to  
contribute:



£0: 2

Up to £1: 1

Up to £2: 2

£2+: 3



£0: 1

Up to £1: 1

Up to £2: 2

£2+: 1



£0: 2

Up to £1: 3

Up to £2: 1

£2+: 2



£0: 5

Up to £1: 5

Up to £2: 5

£2+: 5

---

# Executive summary



# Executive summary

## Headline finding:

Almost three-quarters are willing to contribute towards additional cross-subsidy for social tariffs for the period 2025-30, however, customers do express concerns around the cost of living and bill affordability both now and in the future.

## Key findings:

1

Over half of customers of each of Wessex Water, Bristol Water and Bournemouth Water would be willing to contribute (WtC) at least an additional £1.00 per month towards an additional cross-subsidy for social tariffs each year from 2025-30. The mean WtC is £1.50 per month among Wessex Water customers, £1.79 among Bristol Water customers and £1.83 among Bournemouth Water customers.

2

However, there are significant sub-group differences, with older customers, and those in lower SEG groups and with lower household incomes typically having a lower WtC threshold.

## Household bills and the cost of living:

Around two-thirds (67%) of customers feel confident they will be able to afford their water bills over the next 12 months. This is broadly in-line with perceived affordability of council tax and internet/broadband, but lower than mobile phone (76% confident overall). As might be expected, gas and electric bills are where customers are least confident they will be able to afford their bills – with over a quarter (29%) not being confident they will be able to afford.

## Awareness of support services:

Over two-thirds say they have heard of Priority Services. In addition, around one in six (15%) say they are not aware but would like to know more – rising to 23% among Bournemouth Water customers.

Around three in five (59%) are aware of financial support for customers who are struggling to pay, with Bristol Water customers being most likely to have previously had support or currently be receiving support (22%).

## Perceptions of social tariffs:

Half (50%) agree with the principle of contributing to support customers who are struggling to pay, and just over a quarter (27%) disagree. After being informed of plans for increasing the support on offer to customers from 2025-2030, 47% find the changes acceptable, and 32% unacceptable. Among customers who find it unacceptable the main reasons focus on wanting the company to do more / cut profits to fund, feeling that it is not a customer's responsibility and a feeling that it's not affordable to pay more / that bills are already too high.

## Willingness to Contribute (WtC)

75% of Wessex Water customers, 72% of Bristol Water customers and 77% of Bournemouth Water customers are willing to contribute towards additional cross-subsidy for social tariffs. The mean WtC among Wessex Water customers is £1.50 per month, £1.79 for Bristol Water customers, and £1.83 for Bournemouth Water customers – suggesting broad support for an enhanced social tariff from 2025-2030.

---

## Priority services





# Over two-thirds (68%) are aware of priority services at a total level

## Awareness and usage of priority services

	Total	Wessex Water (a)	Bristol Water (b)	B'mth Water (c)
Yes – I have heard of them but do not need these services	40%	45% <sup>c</sup>	38%	28%
Yes – I have signed up to them	12%	9%	14%	14%
Yes – I have heard of them, may need them, but haven't done anything	16%	14%	18%	21%
No – but I would like to know more	15%	13%	15%	23% <sup>a</sup>
No – but I do not need them	14%	17%	13%	11%
Don't know	2%	2%	2%	3%

**Wessex Water customers are significantly more likely to have heard of priority services but not need them than Bournemouth Water customers (45% cf 28% respectively). Bournemouth Water customers are significantly more likely to have not heard of priority services, but want to know more than Wessex Water customers (23% cf. 13%).**

## Sub group differences: total sample

**Customers who are in receipt of benefits are significantly more likely to be aware (at any level) than those who are not (76% cf. 65%)**

**Customers who are confident in being able to afford their water bill are significantly more likely to be aware (at any level) than those who are not (72% cf. 60%)**

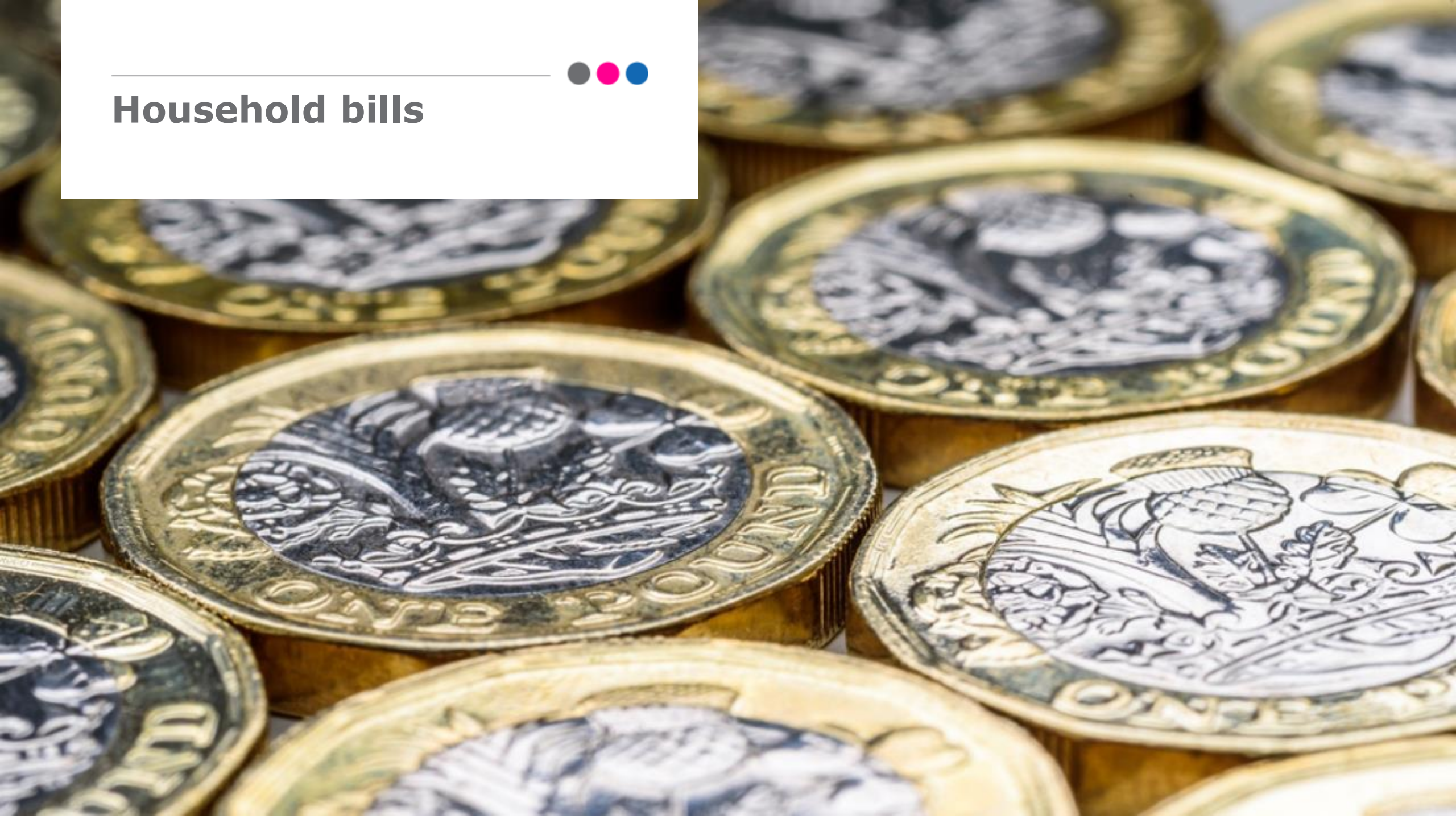
**Higher socio economic group customers (ABC1s) are more likely to have heard of priority services than lower socio economic group customers (C2DEs); (72% cf. 64%)**

a/b/c: denotes significantly higher (at 95% confidence level) than comparator



---

# Household bills

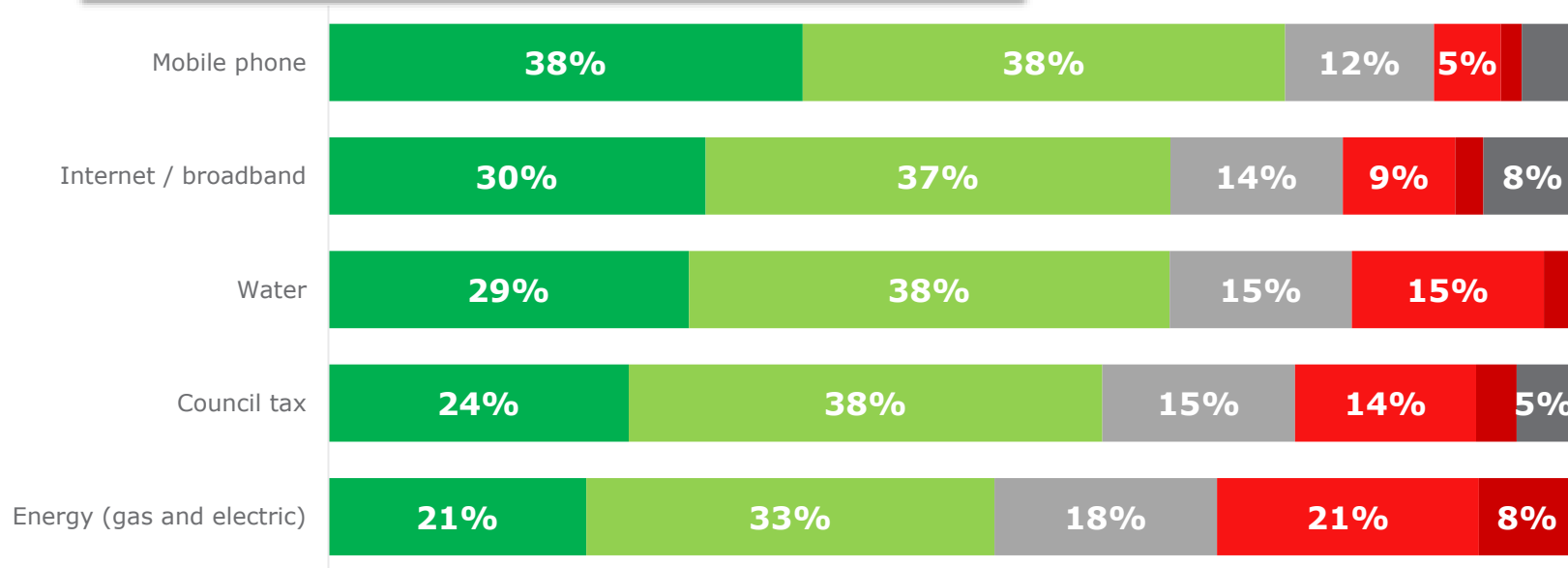




# Just over two thirds (67%) are confident in being able to afford their water bill over the next 12 months

Wessex Water customers are more likely to be confident in being able to afford their water bills over the next 12 months (73%) than either Bristol Water or Bournemouth Water customers (63% and 61%). Overall, customers are least confident in being able to afford their energy bills (53%).

## Confidence in being able to afford household bills over the next 12 months



	% confident		
	Wessex Water (a)	Bristol Water (b)	Bournemouth Water (c)
Total	76%	74%	75%
Mobile phone	79%	74%	75%
Internet / broadband	72% <sup>b</sup>	63%	67%
Water	73% <sup>bc</sup>	63%	61%
Council tax	63%	62%	58%
Energy (gas and electric)	54%	52%	54%

■ Very confident ■ Quite confident ■ Neither ■ Not very confident ■ Not at all confident ■ Not applicable

a/b/c: denotes significantly higher (at 95% confidence level) than comparator

Note: data labels <5% not shown

**Base:** all respondents (808) / Wessex Water (350) / Bristol Water (358) / Bournemouth Water (99). Data is weighted to facilitate comparison. **Q02.** Which of the following best describes how confident you feel in being able to afford the following bills over the next 12 months; please answer on a scale of 1 to 5 where 1 is not at all confident and 5 is very confident? Please note that totals may not add up due to rounding.



# The general increase in the cost of living is the key factor for lack of confidence in being able to afford water bills over the next 12 months

## Cost of living increases

"The cost of living is absolutely crippling me financially."

**Male, 55-64, Wessex Water**

59%

## Wages aren't going up/low income/no income security

"My job is insecure."

**Female, 25-34, Bournemouth Water**

34%

Other codes include:

- Retired / relying on pension (4%)
- Other / something else (7%)
- Don't know / prefer not to say (11%)





# Cost of living

**In the context of rising costs across the board, participants are concerned about their ability to cope with the accumulation of their household bills.**

Some key themes:

- Wage stagnation- outgoings increasing but income remaining the same.
- Limited control over energy usage and food consumption- even when you use/eat less, you pay more.
- Uncertainty over global events and their effect on the economy- e.g., war in Ukraine.

## The struggle to keep afloat

"I very rarely go on my online banking because I'm always worried about what it's going to say... there's always more going out than coming in."

**Female, 35-44, household income £19k-£45k, not willing to pay**

## Some bills have more than doubled

"Cost of living... my electricity and gas has just gone from £80 to £195- and quite frankly, I don't know how I'm going to pay it."

**Female, 45-54, household income under £19k, willing to pay up to £1**

## Limited control

"We're paying more but we're using less"

**Female, 18-24, household income over £45k, not willing to pay**

---

**Helping those who are  
struggling to pay**





# Almost three in five (58%) are aware of support for customers who are struggling to pay

Wessex Water and Bristol Water customers are significantly more likely to have had support in the past than Bournemouth Water customers, and Bristol Water customers are more likely to be currently in receipt of support than Wessex Water customers. Wessex Water customers are significantly more likely to be aware but not need it than Bristol Water customers.

## Awareness and usage of financial support

	Total	Wessex Water (a)	Bristol Water (b)	B'mth Water (c)
Yes – I have had support with my bill in the past	11%	10% <sup>c</sup>	13% <sup>c</sup>	3%
Yes – I am currently receiving support with my bill	7%	5%	9% <sup>a</sup>	6%
Yes – I am aware, may need this, but haven't done anything	18%	16%	19%	20%
Yes – but I do not need it	23%	26% <sup>b</sup>	19%	27%
No – but I think I might need it	9%	7%	10%	11%
No – but I would like to know more	15%	14%	15%	17%
No – but I do not need it	15%	19% <sup>b</sup>	12%	13%
Don't know	2%	2%	2%	2%

a/b/c: denotes significantly higher (at 95% confidence level) than comparator



# Of those previously or currently in receipt of support, WaterSure and reduced bills through Assist or WaterCare are the most common services received

## Support services in receipt of / previously in receipt of

	Total	Wessex Water (a)	Bristol Water (b)	B'mth Water*
Bill cap scheme - WaterSure	33%	30%	34%	39%
Reduced bill – Assist / Reduced bill – WaterCare	30%	17%	36% <sup>a</sup>	60%
Flexible payment plan	26%	29%	23%	28%
Debt support scheme - Restart	22%	16%	26%	18%
Discount for low-income pensioners	18%	16%	20%	18%
Water Direct (using benefit payments)	18%	18%	18%	20%
Payment breaks	8%	12%	6%	0%
Other (specify)	2%	4%	0%	0%
Don't know / prefer not to say	7%	18% <sup>b</sup>	1%	0%

a/b: denotes significantly higher (at 95% confidence level) than comparator

\*Caution: very low base size (10).

# Information for participants

## Respondent information

Before being asked about social tariffs, including their general support or opposition and then their willingness to contribute, respondents were shown the following information screen:

**“All major water companies in England and Wales have schemes to give lower bills to some customers who might otherwise struggle to pay. These are called social tariff schemes. In line with Government rules these schemes are mostly funded by charging other households a bit more on their bills.**

**This is what’s also known as a cross-subsidy. There are a number of examples of cross subsidies in day-to-day life. For example, concessionary tickets for children or pensioners to attractions (e.g. the cinema, theme parks etc.). Another example is the price of a stamp which is the same within the UK whatever distance the letter or parcel travels. At different points in our lives, we are all likely to have helped fund cross-subsidies, and to have received help from them.**

**The image below gives you some more information about social tariffs and cross-subsidies in the water sector, please review this image before continuing.”**

## STIMULUS 1

**Wessex Water**

### EXAMPLES OF SOCIAL TARIFFS FOR WATER BILLS

<p><b>Reduced bill: Assist</b></p> <p>Assist is available for customers who are struggling to pay and need a discount on their bill. The level of discount varies, but can be up to 90% off a customer's bill.</p> <p>Customers do not need to receive means tested benefits to apply, but an independent analysis of their household finances is required.</p> <p>If an application to Assist is successful, bills are reduced to an amount the customer can afford based on an independent advisor's assessment of affordability.</p>	<p><b>Bill cap scheme: WaterSure</b></p> <p>WaterSure helps reduce water bills if the household uses a lot of water for reasons beyond their control (e.g. households with 4 or 5 children or someone in the household has a higher than average water usage due to a certain medical condition).</p> <p>Recipients must be in receipt of a means tested benefit or tax credit on the 1st of the water meter. Bills are capped in-line with the average metered bill so customers don't pay more for reasons they cannot help.</p>	<p><b>Discount for low income pensioners</b></p> <p>Discount for low income pensioners is available for customers who are in receipt of Pension Credit, or where the state pension is the only source of income for all adults in that household.</p> <p>Customers can receive a discount of around 25% on their water and/or sewerage bill.</p> <p>To receive the discount, customers need to provide their name or birth and a copy of evidence to show entitlement to Pension Credit, and a copy of a bank statement showing the state pension is the only source of income.</p>
---	--	---

Please note, customers who are not in receipt of support subsidies. At the moment, Wessex Water subsidises a customer's water bill, 28,900 goes towards the cost.

**Bristol Water (water supply) / Wessex Water (wastewater)**

### EXAMPLES OF SOCIAL TARIFFS FOR WATER BILLS

<p><b>Reduced bill: Assist</b></p> <p>Assist is available for customers who are struggling to pay and need a discount on their bill. The level of discount varies, but can be up to 90% off a customer's bill.</p> <p>Customers do not need to receive means tested benefits to apply, but an independent analysis of their household finances is required.</p> <p>If an application to Assist is successful, bills are reduced to an amount the customer can afford based on an independent advisor's assessment of affordability.</p>	<p><b>Bill cap scheme: WaterSure</b></p> <p>WaterSure helps reduce water bills if the household uses a lot of water for reasons beyond their control (e.g. households with 4 or 5 children or someone in the household has a higher than average water usage due to a certain medical condition).</p> <p>Recipients must be in receipt of a means tested benefit or tax credit on the 1st of the water meter. Bills are capped in-line with the average metered bill so customers don't pay more for reasons they cannot help.</p>	<p><b>Discount for low income pensioners</b></p> <p>Discount for low income pensioners is available for customers who are in receipt of Pension Credit, or where the state pension is the only source of income for all adults in that household.</p> <p>Customers can receive a discount of around 25% on their water and/or sewerage bill.</p> <p>To receive the discount, customers need to provide their name or birth and a copy of evidence to show entitlement to Pension Credit, and a copy of a bank statement showing the state pension is the only source of income.</p>
---	--	---

**Birmingham Water (water supply) / Wessex Water (wastewater)**

### EXAMPLES OF SOCIAL TARIFFS FOR WATER BILLS

<p><b>Reduced bill: WaterCare (Birmingham Water)</b></p> <p>Water Care is available for customers on a low income in relation to the number of children and adults in the household. Customers need to be in receipt of a means tested benefit and be on someone assessed as eligible. Water Care is made up of 5 bands with reductions in water bills ranging from 15% to 95%.</p>	<p><b>Bill cap scheme: WaterSure</b></p> <p>WaterSure helps reduce water bills if the household uses a lot of water for reasons beyond their control (e.g. households with 4 or 5 children or someone in the household has a higher than average water usage due to a certain medical condition). Recipients must be in receipt of a means tested benefit or tax credit and be the water meter. Bills are capped in-line with the average metered bill so customers don't pay more for reasons they cannot help.</p>
<p><b>Reduced bill: Assist (Wessex Water)</b></p> <p>Assist is available for customers who are struggling to pay and need a discount on their water bill. The level of discount varies, but can be up to 90% off a customer's bill. Customers do not need to receive means tested benefits to apply, but an independent analysis of their household finances is required. If an application to Assist is successful, bills are reduced to an amount the customer can afford based on an independent advisor's assessment of affordability.</p>	<p><b>Discount for low income pensioners</b></p> <p>Discount for low income pensioners is available for customers who are in receipt of Pension Credit, or where the state pension is the only source of income for all adults in that household.</p> <p>Customers can receive a discount of around 25% on their water and/or sewerage bill. To receive the discount, customers need to provide their name or birth and a copy of evidence to show entitlement to Pension Credit, and a copy of a bank statement showing the state pension is the only source of income.</p>

Please note, customers who are not in receipt of support subsidies. At the moment, Birmingham Water subsidises a customer's water bill, 1,000 customers in total are in receipt of WaterCare, which means on average a customer's water bill for their water supply will be subsidised by 500,000 goes towards the cross-subsidy for each bill.



Note: full page stimulus shown in appendix



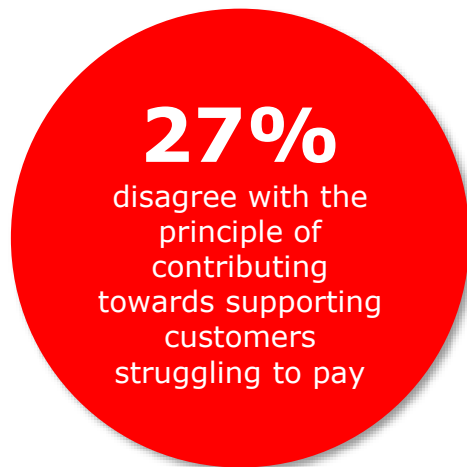


# Half agree with the principle of contributing towards supporting customers struggling to pay

## Agreement with the principle of contributing towards supporting customers struggling to pay...



■ Completely agree    ■ Slightly agree    ■ Neither  
■ Slightly disagree    ■ Strongly disagree    ■ Don't know



## Significant sub-group differences (total sample)\*

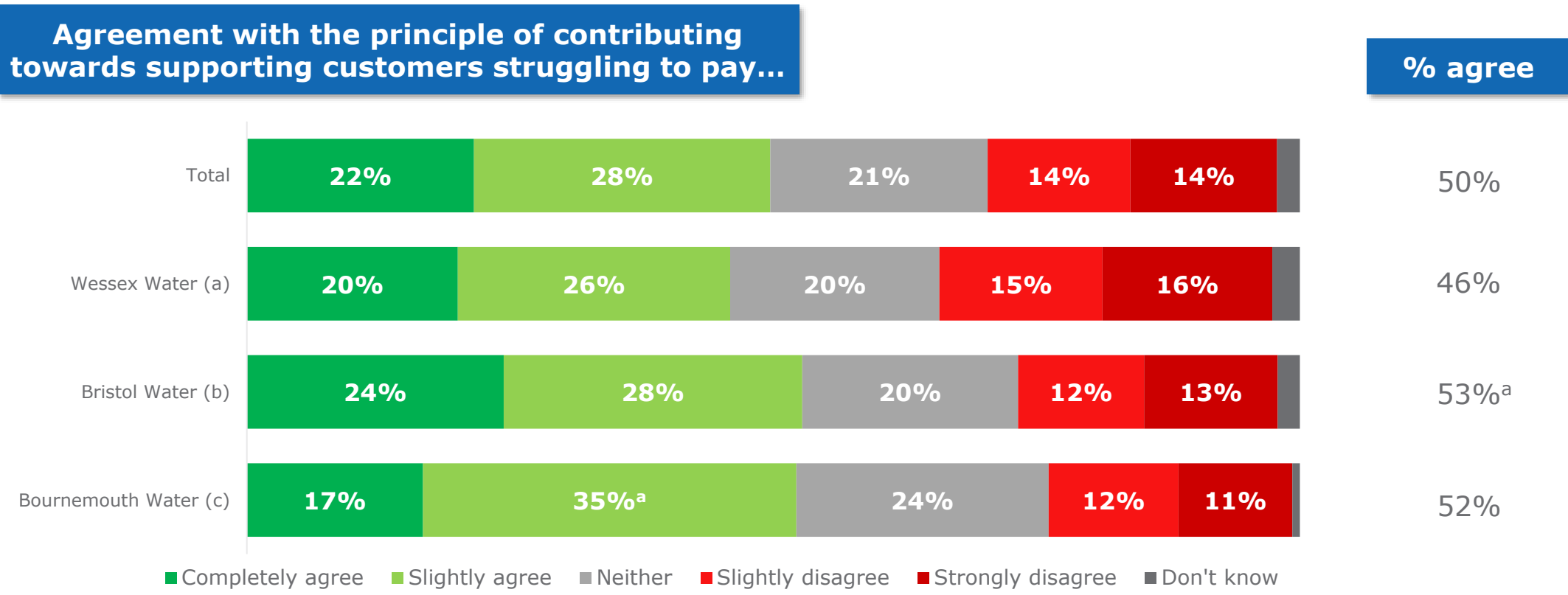
	% agree	% disagree
<b>Age</b>		
18-34 (a)	54% <sup>d</sup>	18%
35-54 (b)	51% <sup>d</sup>	29%
55-74 (c)	54% <sup>d</sup>	25%
75+ (d)	25%	55%
<b>Aware of priority services</b>		
Yes (a)	54% <sup>b</sup>	22%
No (b)	41%	39%
<b>Confidence in water bill affordability</b>		
Confident (a)	57% <sup>a</sup>	23%
Not confident (b)	36%	41%
<b>Aware of financial support</b>		
Yes (a)	55% <sup>a</sup>	23%
No (b)	43%	35%

a/b/c/d: denotes significantly higher (at 95% confidence level) than comparator on % agree

\*Only sub-groups where significant differences occur are shown



# Bristol Water customers are more likely to agree with the general principle than Wessex Water customers



Note: data labels <5% not shown

a/b/c/d: denotes significantly higher (at 95% confidence level) than comparator on % agree

**Base:** all respondents (808) / Wessex Water (350) / Bristol Water (358) / Bournemouth Water (99). Data is weighted to facilitate comparison. **Q06.** As a [WATER COMPANY] customer, to what extent do you agree or disagree with the general principle of paying a contribution towards supporting customers who are struggling to pay their bill? Please answer on a scale of 1 to 5 where 1 is completely disagree and 5 is completely agree. their water bills?



# Conflicting feelings about contributing

A range of customers were consulted qualitatively in terms of their willingness to contribute to social tariffs, and there were some conflicting thoughts.

Some feel a desire to contribute but are limited in their ability to do so, while others feel conflicted about the fairness of the schemes.

Some key themes:

- People feel like they want to do good and help others, but are limited by their own financial resources
- There's concern that a lot of those struggling (e.g. middle-income families) might be slipping through the net
- There's the potential for customers to be contributing to social tariffs when they should in fact be on them themselves, due to a lack of awareness

## Struggling yet subsidising

"We're suffering, yet our bills have been increased to help someone else. It makes no sense."

**Female, 35-44, household income between £19k-£45k, not willing to pay**

## Working for no reward

"My mum works full time. I'm a young girl, I work full time. My sister as well, but I feel that we're actually penalised, and I feel that it's not fair."

**Female, 18-24, household income over £45k, not willing to contribute**

## Conflicting interests

"You sort of weigh up how much you are finding that your money is running out by the end of the month, with the desire to do some sort of good."

**Male, 45-54, household income between £19k-£45k, willing to contribute more than £2**

---

**Willingness to contribute**



# Information for participants

## Respondent information

Before being asked about social tariffs, including their general support or opposition and then their willingness to contribute to their water company's proposed social tariff, respondents were shown various pieces of information and stimulus as shown over the next three slides:

### INFO3

**"[WATER COMPANY] want to eradicate water poverty in the region.**

**[WATER COMPANY] anticipate that more customers may find themselves in financial difficulty as the cost-of-living increases and would like to respond by providing help for more customers, now and into the future."**

## STIMULUS 2&3

### ADDITIONAL HELP AVAILABLE

As well as the social tariff schemes, water companies offer others support for customers who are struggling with their bills.



#### Debt support scheme: Restart

This scheme is for customers who have signed up to it, they cannot repay.

Customers are asked to pay what they can afford towards their water charges in the first week of the bill. Debt is then reduced by an agreed amount in year two if they continue to make payments. The water company will contact their relevant DLU.

#### Water Direct

Customers in receipt of benefits can make payments direct from their benefits.

Water Direct is available to customers with two failed payments. Customers will receive no action to pursue debt while on Water Direct.

Customers must provide details of their benefits, their current and proof of identification.

#### Flexible payment plan

Customers can pay less on their bills for an agreed period of time and catch up on payments later.

#### Payment breaks

Short term payment breaks for customers who need a little extra help, or who have experienced a change in circumstances.

2

### SUPPORT+ SERVICES PROVIDED BY WATER COMPANIES

In addition to the additional financial support provided, water companies also offer a number of additional layers of support and help to customers and communities.

#### Company funded support:

- **Funding for the debt advice sector.** In 2022, around £400k was given to debt advice organisations.
- **The Wessex Water Foundation.** Around £155k per year goes into grass roots community projects to improve the lives of local people who are in most need of support. Projects are typically in areas of multiple deprivation or rural isolation, support people who lack access to services, help people to manage or avoid debt and take steps to build financial capability.

#### Additional support and services

- Free water meters
- Free water efficiency help, see energy in the home and online!
- Free in home water efficiency services!
- Fixing leaks in

Wessex Water

### SUPPORT+ SERVICES PROVIDED BY WATER COMPANIES

In addition to the additional financial support provided, water companies also offer a number of additional layers of support and help to customers and communities.

#### Company funded support:

- **Funding for the debt advice sector.** In 2022, around £400k was given to debt advice organisations.
- **The Wessex Water Foundation.** Around £155k per year goes into grass roots community projects to improve the lives of local people who are in most need of support. Projects are typically in areas of multiple deprivation or rural isolation, support people who lack access to services, help people to manage or avoid debt and take steps to build financial capability.

#### Stol Water Social Contract.

Stol Water supports a number of partners in the community to help with customers in most need through their Social Contract. This includes a number of Hard to Reach projects with Charities in the region.

#### Additional support and services

- Free water meters
- Free water efficiency devices to help you save water and energy in the home and garden
- Help with fixing leaks

### SUPPORT+ SERVICES PROVIDED BY WATER COMPANIES

In addition to the additional financial support provided, water companies also offer a number of additional layers of support and help to customers and communities.

#### Company funded support:

- **Funding for the debt advice sector.** In 2022, around £400k was given to debt advice organisations.
- **The Wessex Water Foundation.** Around £155k per year goes into grass roots community projects to improve the lives of local people who are in most need of support. Projects are typically in areas of multiple deprivation or rural isolation, support people who lack access to services, help people to manage or avoid debt and take steps to build financial capability.
- **Donmouth Water Neighbourhood Fund.** The Donmouth Neighbourhood Fund is a charitable organisation in our community. There will be £100,000 a year funding available for neighbourhood community groups which help provide local services focused on health and wellbeing and deliver positive economic outcomes.

#### Additional support and services

- Free water meters
- Free water efficiency devices to help you save water and energy in the home and garden
- Help with fixing leaks

Donmouth Water Neighbourhood Fund/Wessex Water Neighbourhood

3

Stol Water (water supply)/Wessex Water (house water)

3

Note: full page stimulus shown in appendix



# Information for participants

## INFO4

**“When answering the next set of questions, please be aware that over the next few years many household costs may increase due to inflation. These household costs include energy, food and fuel prices. It is currently expected that the rate of increase in prices will slow from the middle of this year.**

**Your water bill may also be affected by how much other costs increase each year such as the company’s running costs e.g., energy, wages etc, money invested to improve day to day water services and long-term investments.”**

## INFO5

**“In order to support more customers who are struggling to pay through social tariffs in future, [WATER COMPANY] would need to increase the contributions made by other customers to pay for this. Customers already pay an amount on their bills as a cross-subsidy to support those on a social tariff.**

**We’d now like to ask you about the additional amount you would be willing to contribute – if anything - in order to make the proposed changes to expand the number of customers on social tariff schemes.**

**Please also note that if [WATER COMPANY] want to help more customers, or increase this discount in the future, they would have to consult with customers again.**

# Information for participants



\*Note: full page stimulus shown in appendix 1

## STIMULUS 4&5

### THE EXISTING SOCIAL TARIFF SCHEME...

#### The current position

**28,000** customers supported

**£8.50** (£0.71 per month) bill contribution

### Wessex Water

**Please note:** customer bills currently include a contribution towards supporting customers through social tariffs.

This information details the current level of contribution to social tariffs by each customer per year.

4

Wessex Water

## Wessex Water

### HOW THE SOCIAL TARIFF SCHEME WOULD WORK...

Here are some examples of how the expanded social tariff scheme would work in future. The information relates to the number of additional customers that would be supported through customer contributions through social tariffs. At each level of additional support outlined, a yearly contribution amount is stated, alongside a per month figure.

#### Example 1

**7,000** additional customers supported  
**£6** (£0.50 per month) bill contribution

#### Example 3

**28,500** additional customers supported  
**£24** (£2 per month) bill contribution

#### Example 2

**14,000** additional customers supported  
**£12** (£1 per month) bill contribution

#### Example 4

**42,500** additional customers supported  
**£36** (£3 per month) bill contribution



## Bristol Water

### HOW THE SOCIAL TARIFF SCHEME WOULD WORK...

Here are some examples of how the expanded social tariff scheme would work in future. The information relates to the number of additional customers that would be supported through customer contributions through social tariffs. At each level of additional support outlined, a yearly contribution amount is stated, alongside a per month figure.

#### Example 1

**5,000** additional customers supported  
**£6** (£0.50 per month) bill contribution

#### Example 3

**21,000** additional customers supported  
**£24** (£2 per month) bill contribution

#### Example 2

**10,000** additional customers supported  
**£12** (£1 per month) bill contribution

#### Example 4

**31,000** additional customers supported  
**£36** (£3 per month) bill contribution



Bristol Water (water supply)  
Wessex Water (waste water)

5

### THE EXISTING SOCIAL TARIFF SCHEME...

#### The current position

**21,000** customers supported

**£7.65** (£0.64 per month) bill contribution

### Bristol Water

**Please note:** customer bills currently include a contribution towards supporting customers through social tariffs.

This information details the current level of contribution to social tariffs by each customer per year.

4

Bristol Water (water supply)/Wessex Water (waste water)

### THE EXISTING SOCIAL TARIFF SCHEME...

#### The current position

**1,000** customers supported

**£4.55** (£0.38 per month) bill contribution

### Bournemouth Water

**Please note:** customer bills currently include a contribution towards supporting customers through social tariffs.

This information details the current level of contribution to social tariffs by each customer per year.

4

Bournemouth Water (water supply)/Wessex Water (waste water)

### HOW THE SOCIAL TARIFF SCHEME WOULD WORK...

Here are some examples of how the expanded social tariff scheme would work in future. The information relates to the number of additional customers that would be supported through customer contributions through social tariffs. At each level of additional support outlined, a yearly contribution amount is stated, alongside a per month figure.

#### Example 1

**500** additional customers supported  
**£12** (£1 per month) bill contribution

#### Example 3

**1,500** additional customers supported  
**£36** (£3 per month) bill contribution

#### Example 2

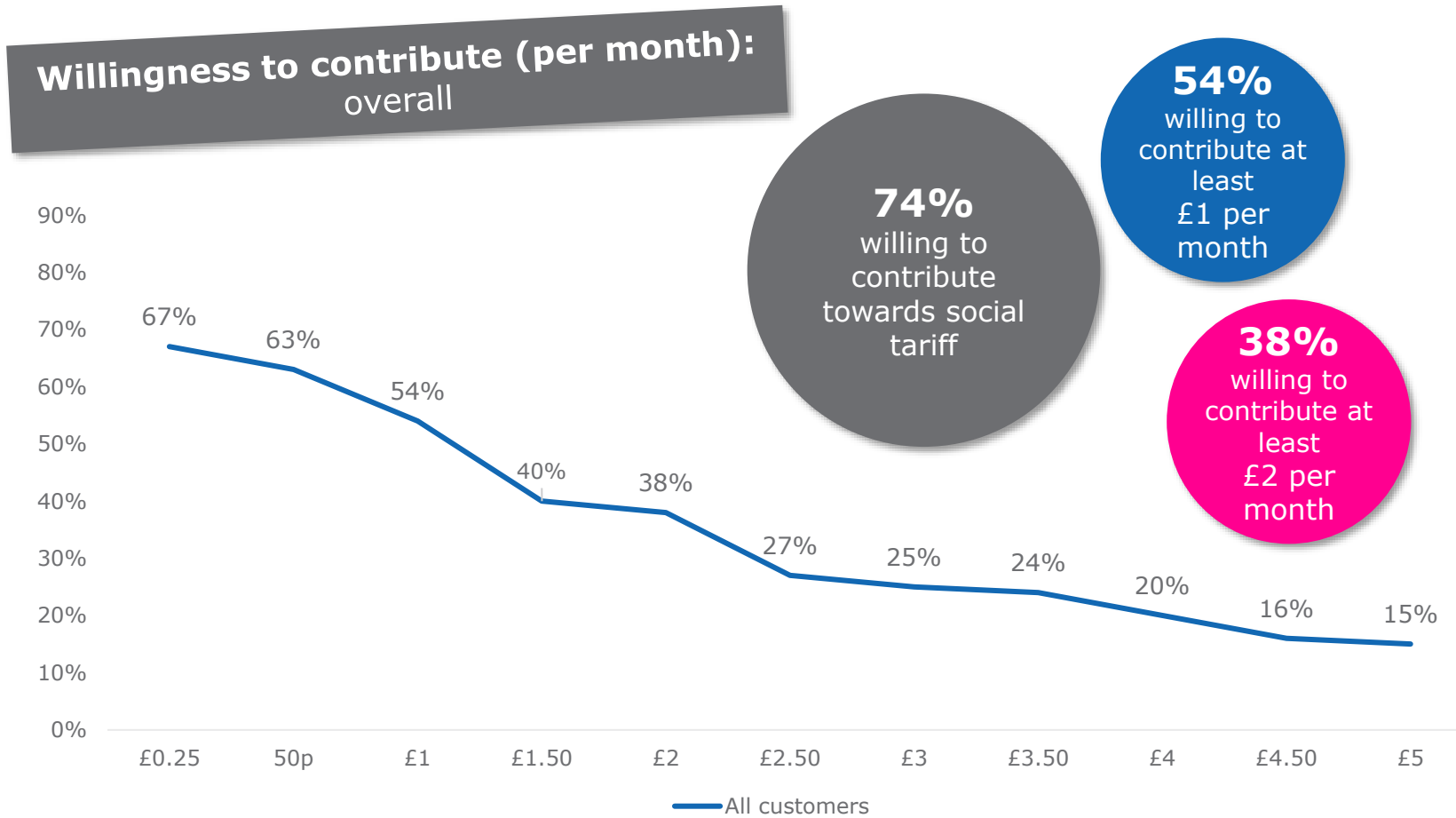
**1,000** additional customers supported  
**£24** (£2 per month) bill contribution



Bournemouth Water (water supply)  
Wessex Water (waste water)

5

# Overall, around three quarters are willing to contribute at all, and over half (54%) are willing to contribute £1 a month



Across the total sample, the average (mean) WtC is £1.67 per month. The lower limit for WtC is £1.54 per month, and the upper limit £1.80\*

The median WtC amount is £1.00, meaning a majority (50.1%) are willing to contribute up to that amount.

There are significant differences in WtC across different sample sub-groups, as shown on the following slides.

\*The upper and lower limits for WtC are value ranges either side of the mean score where there is 95% confidence that there would be no significant difference in WtC / acceptability between those values.

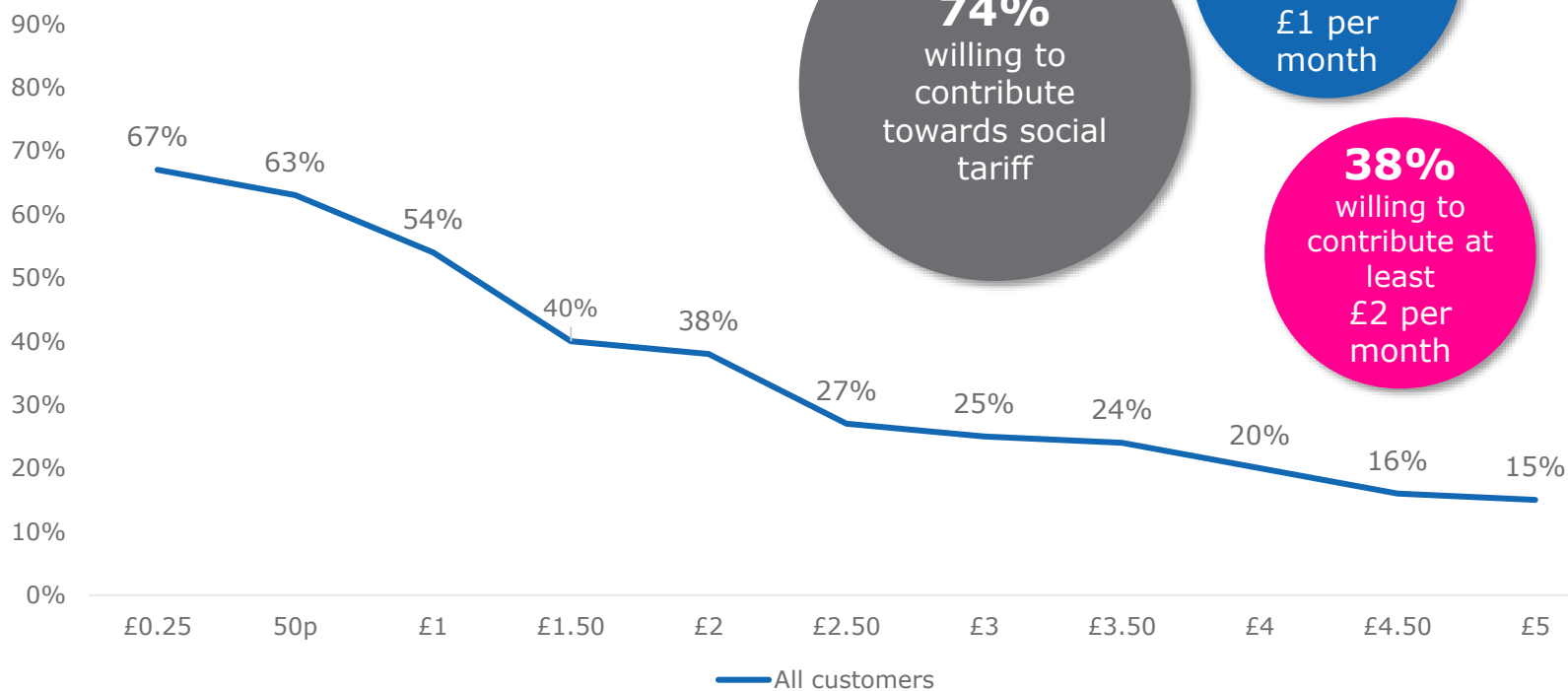
**Total sample**





# Overall, around three quarters are willing to contribute at all, and over half (54%) are willing to contribute £1 a month

**Willingness to contribute (per month): overall**



**74%** willing to contribute towards social tariff

**54%** willing to contribute at least £1 per month

**38%** willing to contribute at least £2 per month

**Wessex Water:**

- 75% willing to contribute at all
- 62% willing to contribute at least £0.50
- 52% willing to contribute at least £1.00
- 33% willing to contribute at least £2.00

**Bristol Water:**

- 72% willing to contribute at all
- 61% willing to contribute at least £0.50
- 54% willing to contribute at least £1.00
- 41% willing to contribute at least £2.00

**Bournemouth Water:**

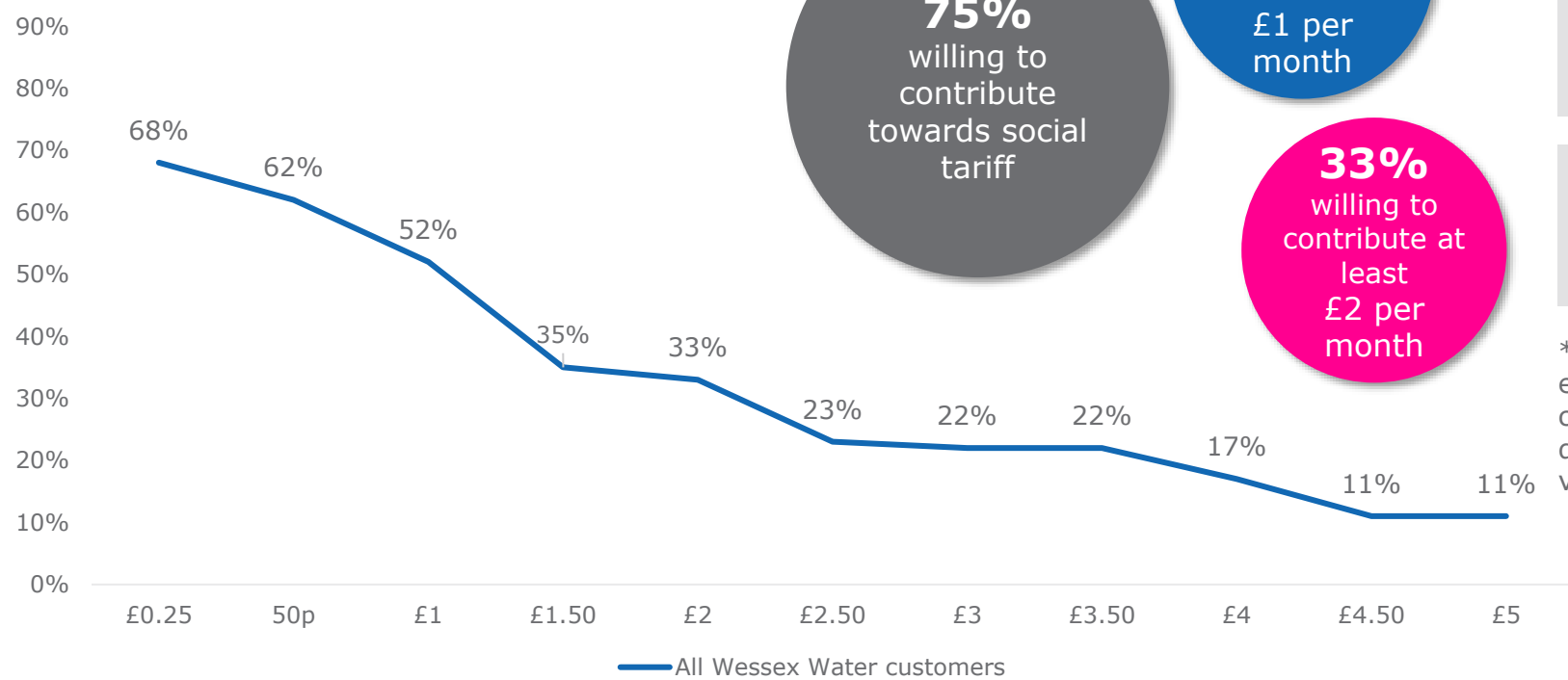
- 77% willing to contribute at all
- 71% willing to contribute at least £0.50
- 62% willing to contribute at least £1.00
- 38% willing to contribute at least £2.00

**Total sample**



# Willingness to Contribute (WtC): Wessex Water

**Willingness to contribute (per month):  
Wessex Water**



**75%**  
willing to  
contribute  
towards social  
tariff

**52%**  
willing to  
contribute at  
least  
£1 per  
month

**33%**  
willing to  
contribute at  
least  
£2 per  
month

Across the sample for **Wessex Water**, the average (mean) WtC is £1.50 per month. The lower limit for WtC is £1.32 per month, and the upper limit £1.68\*

The median WtC amount is £1.00, meaning a majority (50.1%) are willing to contribute up to that amount.

There are significant differences in WtC across different sample sub-groups, as shown on the following slides.

\*The upper and lower limits for WtC are value ranges either side of the mean score where there is 95% confidence that there would be no significant difference in WtC / acceptability between those values.

**Wessex Water**



# Willingness to Contribute (WtC): Wessex Water

## Willingness to Contribute

Across the total Wessex Water sample, the average (mean) WtC is £1.50 per month with a 95% confidence interval of values between £1.32 and £1.68 (meaning any difference in the tariff amount between those two values is unlikely to result in any significant change in WtC).

The median WtC amount is £1.00 per month, meaning a majority (50.1%) are willing to contribute up to that amount.

The tables to the right and on the following slides detail the WtC for different sub-groups of interest within the sample.

## Age

	18-34 (91)	35-54 (133)	55-64 (53)	65+ (74)
Mean WtC	£1.92	£1.41	£1.66	£1.05
Median WtC	£1.00	£1.00	£1.09	£0.30
Willing to contribute at all (value >£0)	91%	69%	80%	64%
Would pay at least £0.50 (%)	75%	54%	66%	57%
Would pay at least £1 (%)	63%	49%	46%	48%
Would pay £2 or more (%)	47%	30%	38%	19%

Younger customers (under 35) have a significantly higher mean WtC than those aged 35-54 and 65+



# Willingness to Contribute (WtC): Wessex Water

## Gender

	Male (168)	Female (182)
Mean WtC	£1.73	£1.29
Median WtC	£1.00	£0.99
Willing to contribute at all (value >£0)	74%	77%
Would pay at least £0.50 (%)	64%	60%
Would pay at least £1 (%)	55%	49%
Would pay £2 or more (%)	39%	29%

There are no significant gender differences

## SEG

	ABC1 (193)	C2DE (157)
Mean WtC	£1.57	£1.42
Median WtC	£1.00	£1.00
Willing to contribute at all (value >£0)	77%	73%
Would pay at least £0.50 (%)	64%	60%
Would pay at least £1 (%)	52%	52%
Would pay £2 or more (%)	34%	32%

There are no significant differences by SEG



# Willingness to Contribute (WtC): Wessex Water

## Meter status

	Metered (213)	Unmetered (214)
Mean WtC	£1.67	£1.16
Median WtC	£1.00	£0.50
Willing to contribute at all (value >£0)	77%	70%
Would pay at least £0.50 (%)	66%	54%
Would pay at least £1 (%)	55%	46%
Would pay £2 or more (%)	37%	24%

Metered customers have a higher WtC than unmetered customers.

## Household income

	Less than £19k (72)	£19k - £45k (139)	£45k+ (89)
Mean WtC	£1.03	£1.68	£1.73
Median WtC	£0.50	£0.80	£1.00
Willing to contribute at all (value >£0)	64%	75%	83%
Would pay at least £0.50 (%)	51%	59%	72%
Would pay at least £1 (%)	37%	49%	61%
Would pay £2 or more (%)	21%	38%	41%

WtC varies by household income, with those with a household income of less than £19k having a significantly lower median WtC than those with higher household incomes (£19k and above)



# Willingness to Contribute (WtC): Wessex Water

## Support for the general principle of contributing towards those who are struggling to pay

	Agree (161)	Neither (70)	Disagree (111)
Mean WtC	£2.12	£1.33	£0.78
Median WtC	£1.50	£0.75	£0.09
Willing to contribute at all (value >£0)	90%	84%	52%
Would pay at least £0.50 (%)	78%	60%	43%
Would pay at least £1 (%)	68%	46%	34%
Would pay £2 or more (%)	50%	29%	13%

As might be expected, those who agree with the general principle of paying a contribution towards supporting customers who are struggling to pay their bill, have a significantly higher WtC mean and median average than those who disagree.

## Acceptability of asking customers to contribute to social tariff

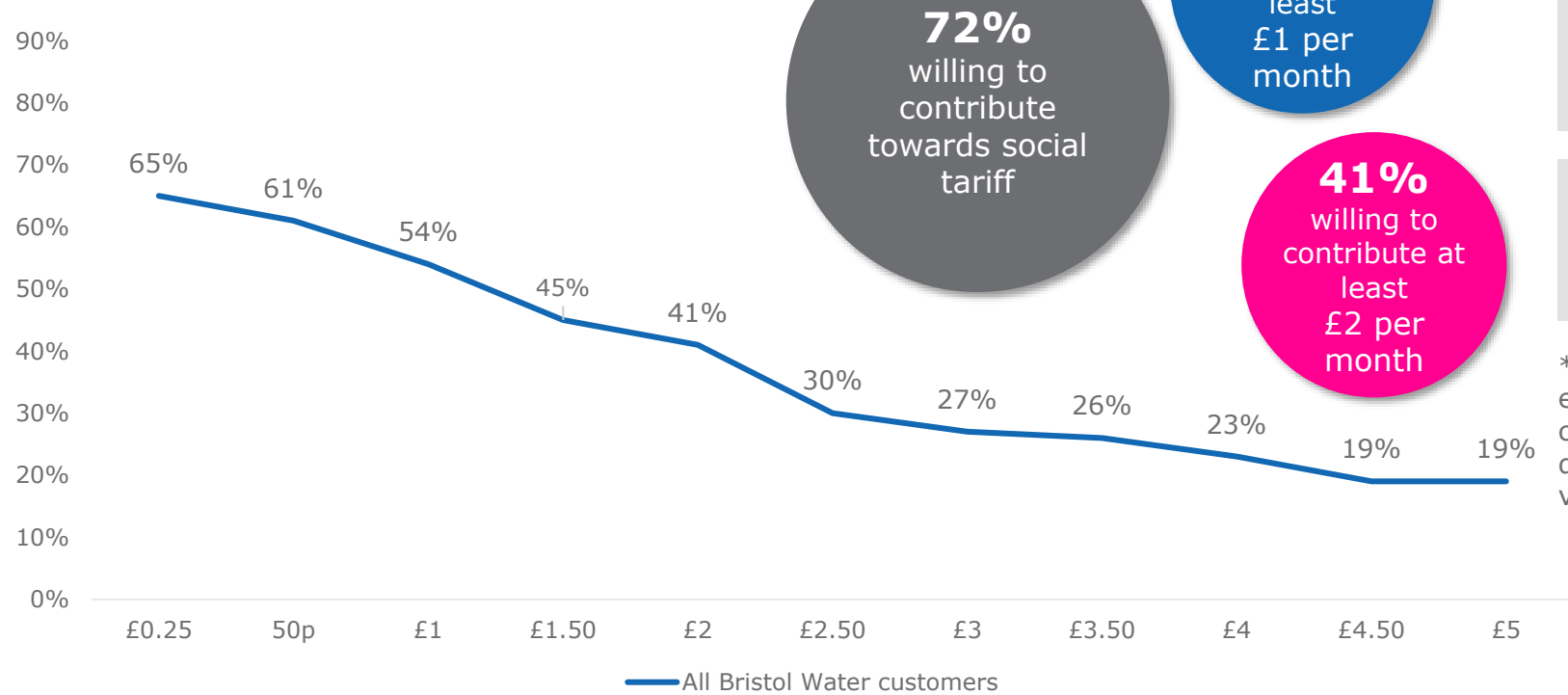
	Acceptable (154)	Neither (65)	Unacceptable (119)
Mean WtC	£2.29	£1.45	£0.61
Median WtC	£2.00	£1.00	£0.00
Willing to contribute at all (value >£0)	92%	85%	50%
Would pay at least £0.50 (%)	82%	66%	36%
Would pay at least £1 (%)	70%	54%	28%
Would pay £2 or more (%)	52%	29%	12%

Similarly, those who find it acceptable for Wessex Water to use customer funding to increase financial support to customers (after being informed of plans) have a significantly higher WtC mean and median average than those who find it unacceptable.



# Willingness to Contribute (WtC): Bristol Water

**Willingness to contribute (per month):**  
Bristol Water



**72%** willing to contribute towards social tariff

**54%** willing to contribute at least £1 per month

**41%** willing to contribute at least £2 per month

Across the sample for **Bristol Water**, the average (mean) WtC is £1.79 per month. The lower limit for WtC is £1.69 per month, and the upper limit £1.89\*

The median WtC amount is £1.00, meaning a majority (50.1%) are willing to contribute up to that amount.

There are significant differences in WtC across different sample sub-groups, as shown on the following slides.

\*The upper and lower limits for WtC are value ranges either side of the mean score where there is 95% confidence that there would be no significant difference in WtC / acceptability between those values.

**Bristol Water**



# Willingness to Contribute (WtC): Bristol Water

## Willingness to Contribute

Across the total Bristol Water sample, the average (mean) WtC is £1.79 per month with a 95% confidence interval of values between £1.69 and £1.89 (meaning any difference in the tariff amount between those two values is unlikely to result in any significant change in WtC).

The median WtC amount is £1.00 per month, meaning a majority (50.1%) are willing to contribute up to that amount.

The tables to the right and on the following slides detail the WtC for different sub-groups of interest within the sample.

## Age

	18-34 (93)	35-54 (118)	55-64 (79)	65+ (68)
Mean WtC	£2.11	£2.04	£2.06	£0.62
Median WtC	£1.00	£1.50	£1.50	£0.00
Willing to contribute at all (value >£0)	85%	78%	79%	34%
Would pay at least £0.50 (%)	71%	68%	68%	28%
Would pay at least £1 (%)	59%	63%	59%	26%
Would pay £2 or more (%)	48%	49%	48%	12%

Under 65s have a significantly higher WtC than over 65s. Just over a third of over 65s would be willing to contribute at all, resulting in a median WtC of £0.





# Willingness to Contribute (WtC): Bristol Water

## Gender

	Male (172)	Female (186)
Mean WtC	£1.93	£1.66
Median WtC	£1.00	£1.00
Willing to contribute at all (value >£0)	71%	73%
Would pay at least £0.50 (%)	63%	59%
Would pay at least £1 (%)	56%	53%
Would pay £2 or more (%)	45%	38%

There are no significant differences in WtC by gender among Bristol Water customers.

## SEG

	ABC1 (197)	C2DE (161)
Mean WtC	£2.02	£1.51
Median WtC	£1.00	£1.00
Willing to contribute at all (value >£0)	76%	66%
Would pay at least £0.50 (%)	65%	55%
Would pay at least £1 (%)	58%	50%
Would pay £2 or more (%)	46%	36%

The mean and median WtC is higher for ABC1 customers than C2DEs, and a higher proportion are willing to contribute at all (76% cf. 66%).



# Willingness to Contribute (WtC): Bristol Water

## Meter status

	Metered (159)	Unmetered (185)
Mean WtC	£2.00	£1.60
Median WtC	£1.00	£0.55
Willing to contribute at all (value >£0)	80%	63%
Would pay at least £0.50 (%)	67%	56%
Would pay at least £1 (%)	60%	50%
Would pay £2 or more (%)	45%	37%

Metered customers have a higher mean WtC than unmetered customers, and a higher proportion are willing to contribute at all (80% cf. 63%).

## Household income

	Less than £19k (56)	£19k - £45k (112)	£45k+ (126)
Mean WtC	£1.76	£1.90	£2.40
Median WtC	£1.00	£1.00	£2.00
Willing to contribute at all (value >£0)	82%	84%	78%
Would pay at least £0.50 (%)	62%	69%	73%
Would pay at least £1 (%)	54%	61%	67%
Would pay £2 or more (%)	38%	47%	54%

Although those with a higher household income (£45k+) have a higher mean WtC than those with lower household incomes, there is no significant difference in willingness to contribute anything at all.



# Willingness to Contribute (WtC): Bristol Water

## Support for the general principle of contributing towards those who are struggling to pay

	Agree (189)	Neither (73)	Disagree (88)
Mean WtC	£2.29	£1.53	£1.00
Median WtC	£2.00	£0.80	£0.00
Willing to contribute at all (value >£0)	83%	75%	47%
Would pay at least £0.50 (%)	73%	61%	37%
Would pay at least £1 (%)	69%	49%	30%
Would pay £2 or more (%)	54%	35%	22%

As might be expected, those who agree with the general principle of paying a contribution towards supporting customers who are struggling to pay their bill have a significantly higher WtC mean and median average than those who disagree.

## Acceptability of asking customers to contribute to social tariff

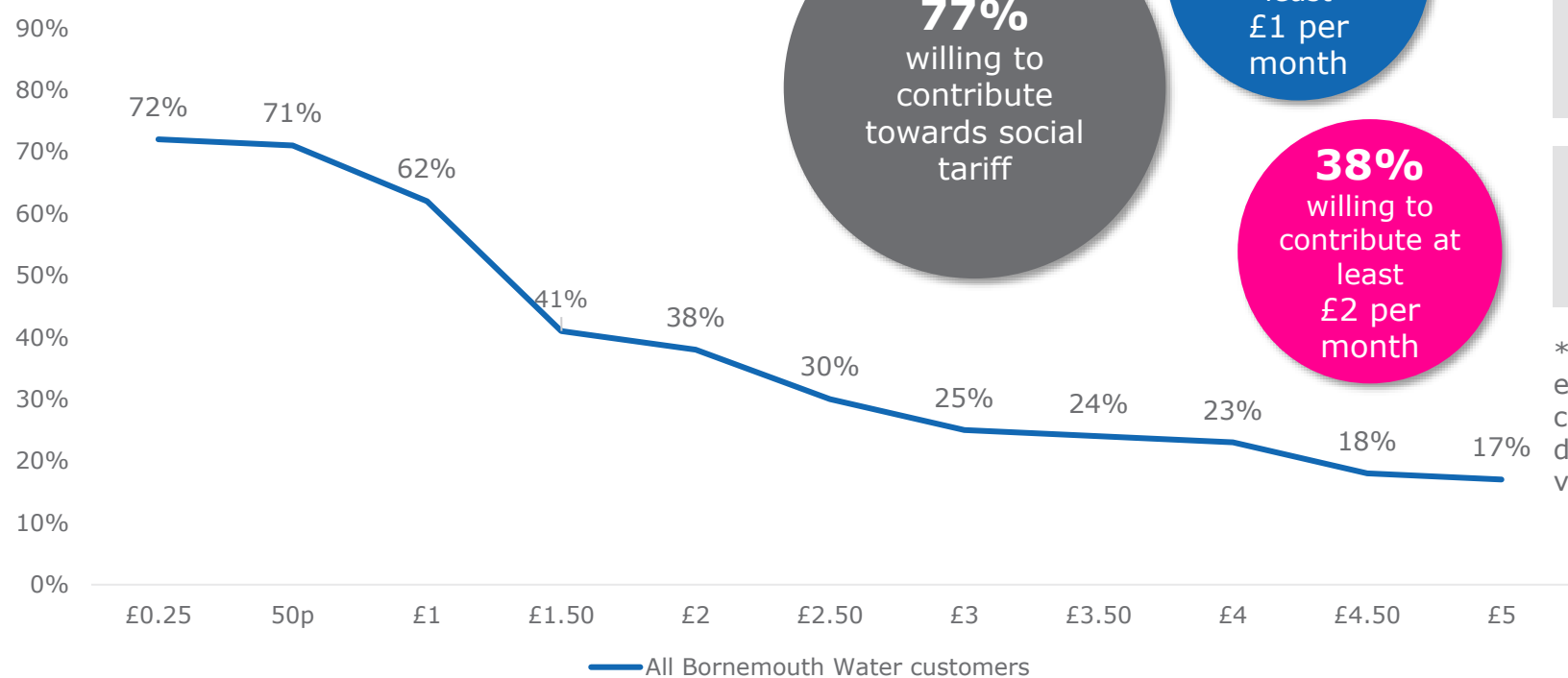
	Acceptable (179)	Neither (57)	Unacceptable (106)
Mean WtC	£2.42	£1.96	£0.68
Median WtC	£2.00	£1.00	£0.00
Willing to contribute at all (value >£0)	89%	84%	38%
Would pay at least £0.50 (%)	79%	72%	27%
Would pay at least £1 (%)	74%	56%	22%
Would pay £2 or more (%)	57%	43%	14%

Similarly, those who find it acceptable for Bristol Water to use customer funding to increase financial support to customers (after being informed of plans) have a significantly higher WtC mean and median average than those who find it unacceptable.



# Willingness to Contribute (WtC): Bournemouth Water

**Willingness to contribute (per month):  
Bournemouth Water**



Across the sample for **Bournemouth Water**, the average (mean) WtC is £1.83 per month. The lower limit for WtC is £1.46 per month, and the upper limit £2.20\*

The median WtC amount is £1.00, meaning a majority (50.1%) are willing to contribute up to that amount.

There are significant differences in WtC across different sample sub-groups, as shown on the following slides.

\*The upper and lower limits for WtC are value ranges either side of the mean score where there is 95% confidence that there would be no significant difference in WtC / acceptability between those values.

**Bournemouth Water**



# Willingness to Contribute (WtC): Bournemouth Water

## Willingness to Contribute

Across the total Bournemouth Water sample, the average (mean) WtC is £1.83 per month with a 95% confidence interval of values between £1.46 and £2.20 (meaning any difference in the tariff amount between those two values is unlikely to result in any significant change in WtC).

The median WtC amount is £1.00 per month, meaning a majority (50.1%) are willing to contribute up to that amount.

The tables to the right and on the following slides detail the WtC for different sub-groups of interest within the sample.

Throughout, please note the low base sizes of some comparator groups. Where a group is marked with an asterisk (\*) it signifies a low base size of less than 30. In such instances, data (and data comparisons) should be treated with caution.

## Age

	18-34* (26)	35-54* (29)	55-64* (21)	65+* (24)
Mean WtC	£2.31	£1.20	£2.77	£1.25
Median WtC	£2.00	£0.50	£3.00	£1.00
Willing to contribute at all (value >£0)	86%	56%	95%	79%
Would pay at least £0.50 (%)	74%	56%	81%	79%
Would pay at least £1 (%)	63%	43%	76%	72%
Would pay £2 or more (%)	60%	21%	64%	14%

18-34s and 55-64s have a higher mean WtC than 35-54s and over 65s\*.

\*Caution: low base size (<30)



# Willingness to Contribute (WtC): Bournemouth Water

## Gender

	Male (48)	Female (51)
Mean WtC	£1.98	£1.69
Median WtC	£1.00	£1.00
Willing to contribute at all (value >£0)	71%	83%
Would pay at least £0.50 (%)	69%	73%
Would pay at least £1 (%)	60%	65%
Would pay £2 or more (%)	41%	36%

Women are more likely to be willing to contribute than men, however, a higher proportion of men have a WtC of £2+ than women.

## SEG

	ABC1 (56)	C2DE (43)
Mean WtC	£1.78	£1.90
Median WtC	£1.00	£1.00
Willing to contribute at all (value >£0)	77%	78%
Would pay at least £0.50 (%)	69%	75%
Would pay at least £1 (%)	59%	66%
Would pay £2 or more (%)	37%	41%

There is no significant difference in WtC across ABC1s and C2DEs.



# Willingness to Contribute (WtC): Bournemouth Water

## Meter status

	Metered (50)	Unmetered (45)
Mean WtC	£1.72	£2.03
Median WtC	£1.00	£1.00
Willing to contribute at all (value >£0)	72%	82%
Would pay at least £0.50 (%)	72%	70%
Would pay at least £1 (%)	62%	63%
Would pay £2 or more (%)	36%	41%

Unmetered customers have a slightly higher WtC than metered customers.

## Household income

	Less than £19k* (23)	£19k - £45k (34)	£45k+* (24)
Mean WtC	£1.94	£1.83	£2.51
Median WtC	£1.00	£1.00	£2.00
Willing to contribute at all (value >£0)	75%	68%	93%
Would pay at least £0.50 (%)	65%	65%	82%
Would pay at least £1 (%)	60%	52%	66%
Would pay £2 or more (%)	49%	38%	58%

Those with an annual household income of £45k+ have a higher WtC than those with an annual household income below £45k.

\*Caution: low base size (<30)



# Willingness to Contribute (WtC): Bournemouth Water

## Support for the general principle of contributing towards those who are struggling to pay

	Agree (52)	Neither* (24)	Disagree* (23)
Mean WtC	£2.57	£1.47	£0.58
Median WtC	£2.00	£1.00	£0.10
Willing to contribute at all (value >£0)	87%	77%	56%
Would pay at least £0.50 (%)	80%	77%	44%
Would pay at least £1 (%)	71%	66%	40%
Would pay £2 or more (%)	60%	27%	4%

As might be expected, those who agree with the general principle of paying a contribution towards supporting customers who are struggling to pay their bill have a higher WtC mean and median average than those who disagree.

## Acceptability of asking customers to contribute to social tariff

	Acceptable (47)	Neither* (22)	Unacceptable (30)
Mean WtC	£2.91	£1.15	£0.63
Median WtC	£3.00	£1.00	£0.50
Willing to contribute at all (value >£0)	90%	72%	61%
Would pay at least £0.50 (%)	86%	67%	51%
Would pay at least £1 (%)	78%	57%	41%
Would pay £2 or more (%)	65%	24%	8%

Similarly, those who find it acceptable for Bournemouth Water to use customer funding to increase financial support to customers (after being informed of plans) have a significantly higher WtC mean and median average than those who find it unacceptable.

\*Caution: low base size (<30)





# Case Study 1: Willing to contribute £0

Emma is only supportive of social tariffs under certain circumstances (such as disability) and feels that work needs to be done to make social tariffs fairer for everyone in society before she would fully support them.

**She feels that her family is using less, but paying more**

**She feels that bills should be reduced for everyone equally**

## About Emma:

- Emma is 18-24 and lives with her mum and her sister.
- She has a full-time job, as do her mum and sister, yet they are struggling financially and feel as though they are having to cut back on things they enjoy in order to make ends meet.
- Emma's combined household income is £45k+.
- She does not feel as though her family should be supporting others when they themselves are not receiving any help.

"I think they need to make it fair for all customers. It has to work for everybody, not just one group or two groups of people"

**Bristol Water**

"We are lucky that there are the three of us that are all in full-time work. But obviously, as for outgoings and things like water bills, electric bills, we're noticing we're not able to do the things that we used to enjoy like going on holiday or just treating yourself to that new T-shirt or trainers."

**Bristol Water**



## Case Study 2: Willing to contribute up to £1

Brenda is currently on social tariffs and is broadly in support of them due to the financial relief she gains from them.

She was unaware that the tariffs she is on are subsidised by other customers and she is now conscious of the impact this has on others. She feels bad that others might struggle more for her to struggle less.

**She feels that social tariffs should be funded by companies not customers**

**She feels that transparency is key and customers should be informed of how much they contribute to social tariffs.**

### About Brenda:

- Brenda is aged 45-54 and has some chronic illnesses including Crohn's, depression and anxiety.
- Although she is in receipt of disability PIP payments and ESA, she is struggling to make ends meet as they have not increased in line with the cost of living.
- Brenda's combined household income is under £19k.
- She would like to help others as much as she can but has limited resources to do so.

"I'm on benefits and disabled PIP and ESA- and it has gone up, but not in relation to what the actual bills are."

**Wessex Water**

"It's like robbing the rich to give to the poor kind of thing."

**Wessex Water**



## Case Study 3: Willing to contribute up to £2

Dean is supportive of social tariffs and willing to contribute but stresses that measures should be taken to ensure that the system is not abused.

He only sees social tariffs as acceptable when the recipient is in need through no fault of their own.

**He feels that social tariffs are most appropriate for utility bills since they are a necessity**

**He feels that the amount paid by customers towards social tariffs is reasonable**

### About Dean

- Dean is 25-34 and lives with his partner and 4-month-old child.
- He is currently managing to pay the bills but is worried about future increases and the fact his wage isn't increasing in line with inflation.
- His combined household income is between £19k-£45k.
- He is more cautious with spending and has changed his habits to cope with the increased cost of living.

"With sort of like rent going up and all the bills going up, it's getting sort of a worry. But at the moment, it's manageable.

**Bristol Water**

"You've got people that just don't want to work and are choosing to have an easy life, and it's not acceptable for them... it's for the people that can't work of their own accord."

**Bristol Water**



## Case Study 4: Willing to contribute £2+

Dan is supportive of social tariffs and feels that everyone that needs support should be afforded it.

He would be willing to contribute a lot more money to social tariffs, on the condition that companies were seen to be doing their part too.

**He feels that water is a basic human need**

**He feels that if everyone is supported, society as a whole benefits.**

### About Dan:

- Dan is 25-34 and works full time.
- His combined household income is between £19k-£45k.
- He feels lucky that he is coping well financially and wants to do whatever he can to help others.
- He recognises that life is a lottery and feels that helping others is in the everyone's best interests.

"I've been to school, I've been to uni. I have good jobs. I have savings. I can travel. I have financial mobility, you know, I'm fully able. I don't have any sort of disability- so it just makes sense to do it because in the end sometimes it's just a lottery."

**Wessex Water**

"You hear stereotypical things like people are lazy or sponging off. It's not quite right, you know, because sometimes it's just pure luck or family friends or the circle that you have. Certainly that's it. So I would say it makes sense to build a fairer society because if I look after you, you're better off, society gets better as a whole."

**Wessex Water**

---

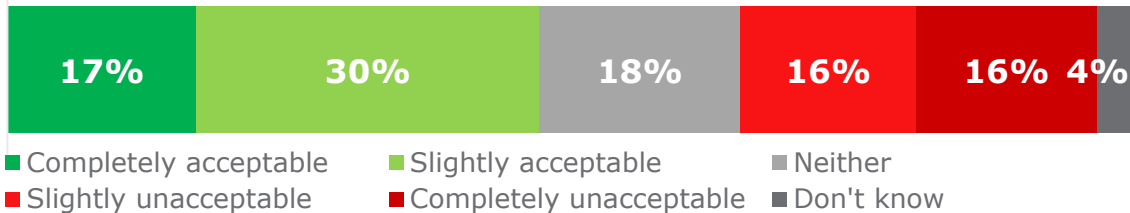
● ● ●

## Acceptability of proposed changes



# Almost half (47%) find the proposed increase to the social tariff using customer funding acceptable

## Overall acceptability of using customer funding to increase support for customers



■ Completely acceptable   
 ■ Slightly acceptable   
 ■ Neither  
■ Slightly unacceptable   
 ■ Completely unacceptable   
 ■ Don't know



a/b/c/d: denotes significantly higher (at 95% confidence level) than comparator on % acceptable

\*Only sub-groups where significant differences occur are shown

## Significant sub-group differences (total sample)\*

	% acceptable	% unacceptable
<b>Age</b>		
18-34 (a)	52% <sup>d</sup>	23%
35-54 (b)	47% <sup>d</sup>	31%
55-74 (c)	48% <sup>d</sup>	32%
75+ (d)	34%	55%
<b>SEG</b>		
ABC1 (a)	50% <sup>b</sup>	31%
C2DE (b)	43%	33%
<b>Aware of Priority services</b>		
Yes (a)	52%	27%
No (b)	38%	43%
<b>Confidence in water bill affordability</b>		
Confident (a)	52%	28%
Not confident (b)	35%	42%
<b>Aware of financial support</b>		
Yes (a)	53%	27%
No (b)	41%	40%

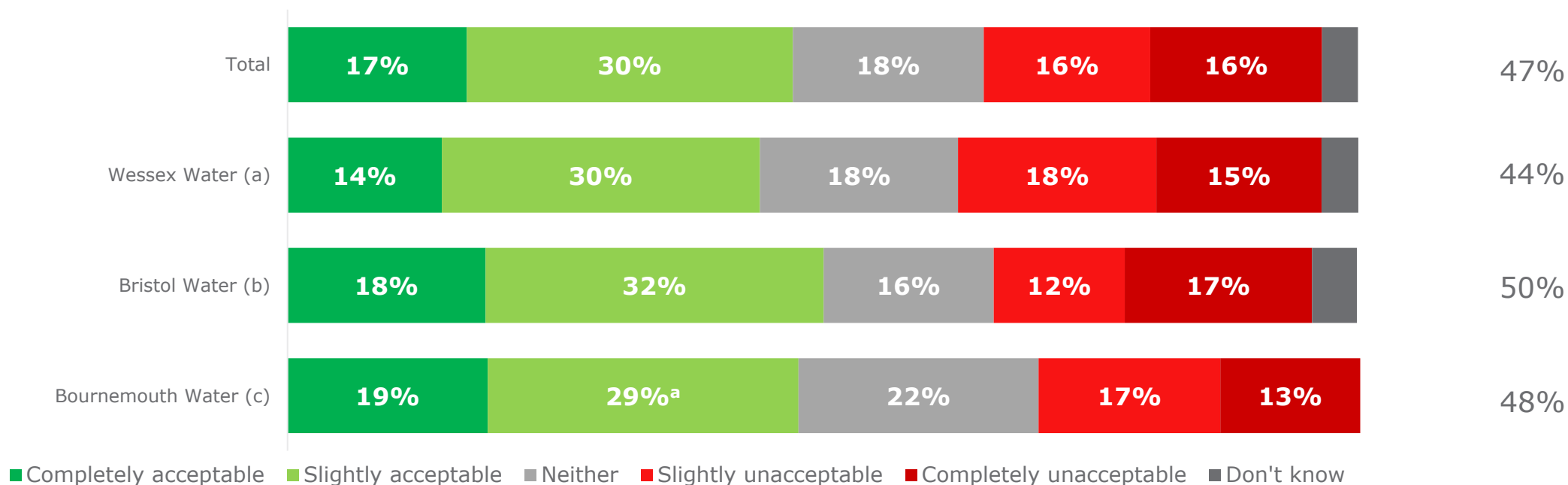
**Base:** all respondents (808) / Wessex Water (350) / Bristol Water (358) / Bournemouth Water (99). Data is weighted to facilitate comparison. **Q11.** Overall, based on all the information you have seen about the changes to the social tariff, how acceptable do you think it is for [WATER COMPANY] to use customer funding to increase the support to customers?



# There is no significant difference in acceptability across the three companies

## Overall acceptability of using customer funding to increase support for customers

## % acceptable



Note: data labels <5% not shown

a/b/c/d: denotes significantly higher (at 95% confidence level) than comparator on % acceptable

**Base:** all respondents (808) / Wessex Water (350) / Bristol Water (358) / Bournemouth Water (99). Data is weighted to facilitate comparison. **Q11.** Overall, based on all the information you have seen about the changes to the social tariff, how acceptable do you think it is for [WATER COMPANY] to use customer funding to increase the support to customers?



# Reasons for finding the use of customer funding to increase support to customers acceptable

## Agree with the scheme/it's a good idea

"It gives existing customers a chance to support other customers who may be struggling more than the existing customers. It is completely acceptable to allow other people to help each other - as it should be for everything."

**Male, 18-24, Bristol Water**

27%

## We should help the vulnerable and those struggling

"They provide a good service and this scheme would be helping those who are less fortunate."

**Female, 75+, Wessex Water**

19%

Other codes include:

- Company should cut profits to fund this/water companies make too much profit (10%)\*
- Not customers responsibility to help people (7%)\*
- Everyone needs help/is already struggling (10%)\*
- People cannot afford bill increases/bills already high (7%)\*
- Don't know (23%)

Note: only codes >4% shown.

\*Note: Among customers who find it acceptable for their water company to use customer funding to increase support to customers there are still some negative responses (shown to the left) around the company needing to do more, people already struggling and not being able to afford bill increases.







# Reasons for finding the use of customer funding to increase support to customers unacceptable

## Company should cut profits to fund this/water companies make too much profit

"Wessex Water are a multi-billion pound company, they should be able to help people. Everyone is struggling right now and the company should be able to help much more than they do."

**Female, 18-24, Wessex Water**

**33%**

## People cannot afford bill increases/bills already high

"I am on a fixed income and people are struggling already. I cant afford any increases to my bills."

**Male, 75+, Bournemouth Water**

**12%**

## It's not customers' responsibility to help people

"Don't think it should be up to the public to help fund the public. It should be up to the big companies or government who make lots of money."

**Female, 25-34, Bournemouth Water**

**28%**

Other codes include:

- Everyone needs help/is already struggling (12%)
- Funding should come from the Government (7%)
- Against the scheme in principle/just don't like the scheme (7%)
- Don't know (12%)

Note: only codes >4% shown.





# Feelings on social tariffs

Just over a third feel the social tariffs they were provided with information about are a good or fair idea. However, there is some concern around water company contributions / profit, and whether help is properly directed towards those who really need it.

## Feelings towards social tariffs

Good / fair / helpful idea	34%
Water company profits should cover this	8%
Needs to go to the right people	6%
Everyone is struggling, not just low income families/should be available to more people	5%
Good intention but unfair that some pay more/less	5%
Negative opinion of scheme	4%
Wary of people who are not deserving benefiting	4%
Need more information	3%
Not enough help / could do more to help	3%
Not sure / Neutral	3%
Don't want to / can't afford to contribute	3%
Don't know	27%

Note: only codes 3%+ shown

"They are the right thing to do, but if the water companies are making excess profits the funding should come from there first. I don't know if the water companies have share holders, but if they do, let them pay towards the social funds too by reducing dividends.."

**Male, 35-44, Bristol Water**

"I agree with helping pensioners and people with medical conditions. I find it more difficult to accept for households with 3 or more children. I understand circumstances change, and the cost of living increases has hit us all rather unexpectedly, but I feel some consideration should have been given about personal finances before making the decision to have 3 or more children.."

**Female, 35-44, Wessex Water**

"I don't mind it. But they need to make sure that they are asking the right customers for help.."

**Female, 55-64, Bournemouth Water**

---

## Conclusions and recommendations





# Conclusions

**Although the majority (67%) of customers are confident they will be able to afford their water bills over the next 12 months, confidence in being able to afford other bills is significantly lower, with over a quarter (29%) not being confident they will be able to afford their energy bills.**

As might be expected, the cost of living is a significant factor in uncertainty around bill affordability, with almost three-fifths of those who are not confident they will be able to afford their water bill citing the cost of living as a factor when asked why. In addition, cost of living and squeezed household finances are also frequently mentioned when considering the acceptability of plans to increase the support available to customers between 2025 and 2030.

**Over two thirds (68%) are aware of priority services, and almost three in five (58%) are aware of financial support.** In addition, 15% are unaware of priority services but would like to know more, and 9% are unaware of financial support but feel they might need it. This points towards a customer base that is largely aware of their water company's activity, and mindful of support services that might be available to them.

**Half (50%) agree with the principle of contributing towards customers who are struggling to pay.** However, there are significant generational differences in outlook, with older customers significantly less likely to support (in principle) than younger customers.

**When customers are asked to consider how much they would be willing to contribute to the social tariff in future (if anything), around three-quarters would be willing to contribute in some form.** However, significant differences between customer groups are evident, with older customers again having a lower WtC threshold. Additionally, those from higher income households tend to have a higher WtC.



# Recommendations and considerations

**Despite the significant pressures many are feeling on their household finances, there is sufficient support to indicate that a majority of customers are willing to contribute towards additional cross-subsidy for social tariffs for the period 2025-30.** The mean average WtC ranges from £1.50 among Wessex Water customers to £1.79 among Bristol Water customers, and £1.83 for Bournemouth Water customers.

**However, while the majority are willing to contribute, there is a significant concern about future household finances and bill affordability – even among those in generally more favourable economic circumstances.** With this in mind, Wessex Water, Bristol Water and Bournemouth Water should be mindful that customers are (increasingly) vigilant towards their month to month expenditure, and are likely to be resistant to significant bill increases that impact their ability to spend elsewhere and absorb other rising costs such as food, rent and mortgages.

**In addition, even among those who are supportive of the principle of social tariffs there remains some scepticism about how it is operated and who is eligible.** To this end, it will be important for Wessex Water, Bristol Water and Bournemouth Water to continue to clearly communicate its eligibility criteria for social tariffs, and to demonstrate that support is being provided to those who really need it. It is also important to communicate contributions made by the water companies and their shareholders.

**Those who are aware of Priority Services and/or financial support are more likely to find the proposals acceptable than those who are unaware.** Continuing to promote these services to as wide an audience as possible could help drive acceptance and understanding of social tariffs.

---

## Appendix 1: Customer classification





# Customer classification

	Total	Wessex Water	Bristol Water	B'mth Water
<b>Do you pay directly for your water and wastewater?</b>				
Yes	89%	93%	88%	79%
No, it is covered by my rent	7%	3%	9%	15%
I pay in another way	1%	1%	0%	4%
Don't know	3 %	3 %	3 %	2 %
<b>Bill amount</b>				
Less than £100 (Less than £8 per month)	5%	7%	4%	3%
£101-£200 (£8 - £16 per month)	10%	13%	6%	12%
£201-£300 (£16.01 - £25 per month)	17%	16%	18%	16%
£301-£400 (£25.01 - £33 per month)	16%	13%	19%	14%
£401-£500 (£33.01 - £42 per month)	14%	14%	12%	18%
£501-£600 (£42.01 - £50 per month)	11%	10%	11%	16%
£601-£700 (£50.01 - £58 per month)	10%	8%	14%	6%
£701-£800 (£58.01 - £67 per month)	5%	6%	4%	2%
£801 or more (£67.01 or more per month)	4%	4%	5%	3%
Don't know	6%	6%	6%	6%
Prefer not to say	2%	4%	1%	2%



# Customer classification

	Total	Wessex Water	Bristol Water	B'mth Water
<b>Working status</b>				
Work full time	46%	43%	49%	46%
Work part time	16%	18%	14%	19%
Self-employed	6%	6%	5%	5%
Unemployed / looking for work	4%	4%	2%	6%
Long term sick / disabled	4%	4%	5%	2%
Retired	17%	16%	19%	15%
Looking after home or family	4%	6%	3%	2%
Student	1%	1%	2%	3%
Other	0%	0%	0%	1%
Prefer not to say	2%	2%	1%	2%
<b>Anyone in the household in receipt of benefits</b>				
Yes (self or others)	34%	36%	35%	26%
No	58%	60%	56%	63%
Prefer not to say	6%	4%	6%	10%
Don't know	1%	0%	3%	1%





# Customer classification

	Total	Wessex Water	Bristol Water	B'mth Water
<b>Household income</b>				
Less than £10,000	5%	5%	5%	5%
£10,001 - £13,000	5%	6%	4%	5%
£13,001 - £16,000	4%	5%	4%	2%
£16,001 - £19,000	6%	6%	3%	11%
£19,001 - £25,000	10%	10%	10%	11%
£25,001 - £29,000	9%	9%	9%	6%
£29,001 - £35,000	7%	10%	5%	5%
£35,001 - £45,000	10%	11%	7%	12%
£45,001 - £55,000	10%	8%	11%	9%
£55,001 - £65,000	7%	6%	9%	4%
£65,001 - £75,000	5%	4%	5%	6%
£75,001 - £85,000	2%	2%	3%	2%
£85,001 - £95,000	2%	1%	3%	2%
£95,001 - £105,000	2%	2%	1%	0%
£105,001 - £115,000	1%	1%	1%	1%
More than £115,000	1%	1%	2%	0%
Prefer not to say (do not read out)	16%	12%	18%	19%



# Customer classification

	Total	Wessex Water	Bristol Water	B'mth Water
<b>Long-term illness, health problem or disability</b>				
Yes (self or others)	31%	35%	28%	29%
No	65%	63%	67%	65%
Prefer not to say	4%	2%	4%	6%
<b>Illness, health problem or disability require the use of extra water (only asked to those who say they or someone in their household has a long-term illness, health problem or disability)</b>				
Yes	31%	31%	38%	13%
No	65%	65%	59%	84%
Prefer not to say	4%	4%	3%	3%

---

● ● ●

## Appendix 2: Explanation of weighting





# Explanation of 'weighting'

When we conduct research we speak to a sample of customers and we use their responses as an **estimate** of the views of all customers. We interview a wide range of customers, from different regions, different ages and different socio-economic groups. As far as possible, we aim to interview a **representative sample** of customers so that the profile of the sample matches the profile of all customers but sometimes these profiles may have differences.

In order to mitigate the effects of any sample imbalances, we use **survey weighting**. This makes sure that we don't over or under-represent the views of certain groups of customer.



## How does weighting work?

Suppose we spoke to 200 customers and found that 45% of this sample were 'very satisfied' – could we be sure that 45% of all customers were very satisfied?

Suppose 150 of our sample were women (50% of whom were very satisfied) and 50 were men (30% very satisfied) making 45% very satisfied overall . BUT if we want a **representative** sample with half men and half women then we need to weight the sample so we have the equivalent views of 100 men and 100 women. We **up-weight** the views of the men (by doubling their responses) and **down-weight** the views of women. The weighted sample of 100 men and 100 women has 40% very satisfied which reflects the views of all customers.

The **advantages** of using weighted data are that the results more accurately represent the views of the typical customer and we ensure the views of hard-to-reach customers are still considered at an equal proportion within the total sample.



# Explanation of 'weighting'

Quotas were set on water company, age, gender and SEG.

The total sample matches well with the local profile in terms of age, gender and SEG.

However, within each of the 3 areas we see some deviation from the local profiles which are corrected through weighting.

A RIM weight is applied to the respondent data to ensure profiles match in terms of age, gender and SEG within the regions and therefore reflect the views of a representative sample.

The weights applied to the data collected are checked through our best practice criteria.

The overall weighting efficiency of the Social Tariff data is **94.9%** - (efficiency runs from 0 to 100% - with 100% meaning that the sample matched the population completely in all measures – values **above 70%** mean that the weighting is fit for purpose). The efficiency here is above our cut off for fit for purpose.

- We also check that there are no extreme weights >5 (the largest weight=2.3 so we don't have any extreme weights >5).
- We also require that the system has less than 5% of weights>3 and here we also have 0% of weights >3.
- Finally, we require that the average weight value for any outlier weight (over 2) is less than 3. And here, the average of outlier weights is 2.23 which is less than 3.

So, the weighting system meets all of our requirements and is fit for purpose.



# Explanation of 'weighting'

**Table 1: Weighting by age**

	Age	Sample	Local profile	
All	18-34	26%	26%	Overall, age is in line with the local profile
	35-44	16%	16%	
	45-54	17%	17%	
	55-64	21%	19%	
	65+	21%	22%	
Wessex	18-34	27%	26%	Wessex had fewer 55-64 year olds than the local population
	35-44	20%	18%	
	45-54	22%	20%	
	55-64	10%	15%	
	65+	22%	21%	
Bristol	18-34	24%	26%	Bristol had a higher proportion of 55-64 year olds
	35-44	14%	16%	
	45-54	13%	17%	
	55-64	32%	22%	
	65+	18%	19%	
Bournemouth	18-34	25%	26%	Bournemouth in line with the local profile
	35-44	10%	14%	
	45-54	13%	15%	
	55-64	22%	21%	
	65+	29%	24%	

**Table 2: Weighting by gender**

	Gender	Sample	Local profile	
All	Male	49%	48%	Overall, gender is in line with the local profile
	Female	51%	52%	
Wessex	Male	38%↓	48%	Wessex had fewer men
	Female	62%↑	52%	
Bristol	Male	58%↑	48%	Bristol had a higher proportion of women
	Female	42%↓	52%	
Bournemouth	Male	51%	48%	Bournemouth in line with the local profile

**Table 3: Weighting by SEG**

	SEG	Sample	Local profile	
All	ABC1	61%	55%	Overall, SEG is in line, slightly higher proportion of ABC1s but not significantly so
	C2DE	39%	45%	
Wessex	ABC1	61%	55%	Wessex in line, slightly higher proportion of ABC1s
	C2DE	39%	45%	
Bristol	ABC1	59%	55%	Bristol in line, slightly higher proportion of ABC1s
	C2DE	41%	45%	
Bournemouth	ABC1	68%↑	55%	Bournemouth significantly higher proportion of ABC1s

---

**Appendix 3:** Research  
guidance information





# Research guidance (I)

Ofwat have set out requirements for High Quality Research in their Customer Engagement Policy. All water company research and engagement should follow best practice and lead to a meaningful understanding of what is important to customers and wider stakeholders.

## Useful and contextualised

This research was conducted to consult customers to ascertain how much extra, if anything, they are prepared to pay on their water bill to help pay the bills of struggling customers during the next 5-year period.

## Fit for purpose

Pilot interviews were carried out prior to the full launch of fieldwork and pilot interviews included additional questions to check customer understanding of the materials and questions.

## Ethical

This research was conducted by DJS Research who are a member of the Market Research Society. Customers were reminded that they could be open and honest in their views due to anonymity and DJS and Wessex Water / Bristol Water / Bournemouth Water were subject to strict data protection protocols.

## Continual

Customer views will be directly fed into the plans for AMP8 which covers the next five-year period (2025-2030).

## Inclusive

A combination of online and in person CAPI interviews were conducted to ensure that customers classed as digitally vulnerable and hard-to-reach were included in the research.

## Neutrally designed within the confines of the guidance

Every effort has been made to ensure that the research is neutral and free from bias. Where there is the potential for bias, this has been acknowledged in the report. Participants were encouraged to give their open and honest views and reassurances were given that Wessex Water / Bristol Water / Bournemouth Water were open to hearing their honest opinions and experiences.

## Independently assured

All research was conducted by DJS, an independent market research agency. Wessex Water / Bristol Water / Bournemouth Water reviewed all research materials ahead of fieldwork and prior to the survey being scripted and provided a check and challenge approach on the method and findings.

## Shared in full with others

The full final report and research materials will be shared internally with Wessex Water/Bristol Water/Bournemouth Water colleagues along with CCW.



---

## Appendix 4: Stimulus



# EXAMPLES OF SOCIAL TARIFFS FOR WATER BILLS

## Reduced bill: **Assist**

Assist is available for customers who are struggling to pay and need a discount on their bill. The level of discount can vary, but can be up to 90% off a customer's bill.

Customers do not need to receive means tested benefits to apply, but an independent analysis of their household finances is required.

If an application to Assist is successful, bills are reduced to an amount the customer can afford based on an independent advisor's assessment of affordability.

## Bill cap scheme: **WaterSure**

WaterSure helps reduce water bills if the household uses a lot of water for reasons beyond their control (e.g. households with 3+ children or someone in the household has a higher than average water usage due to a certain medical condition).

Recipients must be in receipt of a means tested benefit or tax credit and be on a water meter. Bills are capped in-line with the average metered bill so customers don't pay more for reasons they cannot help.

## Discount for low income pensioners

Discount for low income pensioners is available for customers who are in receipt of Pension Credit, or where the state pension is the only source of income for all adults in their household.

Customers can receive a discount of around £60 on their water and/or sewerage bill.

To receive the discount, customers need to provide their date of birth and a copy of evidence to show entitlement to Pension Credit, or a copy of a bank statement showing the state pension as the only source of income.

**Please note:** customers who are not in receipt of support from a social tariff already pay more for their water services to fund the cross subsidies. At the moment, Wessex Water supports around **28,000 customers** on social tariffs in this area, which means out of a customer's yearly bill, £8.50 goes towards the cross-subsidy for social tariffs.

# EXAMPLES OF SOCIAL TARIFFS FOR WATER BILLS

## Reduced bill: **Assist**

Assist is available for customers who are struggling to pay and need a discount on their bill. The level of discount can vary, but can be up to 90% off a customer's bill.

Customers do not need to receive means tested benefits to apply, but an independent analysis of their household finances is required.

If an application to Assist is successful, bills are reduced to an amount the customer can afford based on an independent advisor's assessment of affordability.

## Bill cap scheme: **WaterSure**

WaterSure helps reduce water bills if the household uses a lot of water for reasons beyond their control (e.g. households with 3+ children or someone in the household has a higher than average water usage due to a certain medical condition).

Recipients must be in receipt of a means tested benefit or tax credit and be on a water meter. Bills are capped in-line with the average metered bill so customers don't pay more for reasons they cannot help.

## Discount for low income pensioners

Discount for low income pensioners is available for customers who are in receipt of Pension Credit, or where the state pension is the only source of income for all adults in their household.

Customers can receive a discount of around £60 on their water and/or sewerage bill.

To receive the discount, customers need to provide their date of birth and a copy of evidence to show entitlement to Pension Credit, or a copy of a bank statement showing the state pension as the only source of income.

**Please note:** customers who are not in receipt of support from a social tariff already pay more for their water services to fund the cross subsidies. At the moment, Bristol Water and Wessex Water support around **21,000 customers** on social tariffs in this area, which means out of a customer's yearly bill for their water supply and waste water, £7.65 goes towards the cross-subsidy for social tariffs.

# EXAMPLES OF SOCIAL TARIFFS FOR WATER BILLS

## Reduced bill: **WaterCare (Bournemouth Water)**

WaterCare is available for customers on a low income in relation to the number of children and adults in the household. Customers need to be in receipt of a means tested benefit, and be on a meter or assessed charges. WaterCare is made up of 5 bands, with reductions in water bills ranging from 15% to 85%.

## Bill cap scheme: **WaterSure**

WaterSure helps reduce water bills if the household uses a lot of water for reasons beyond their control (e.g. households with 3+ children or someone in the household has a higher than average water usage due to a certain medical condition). Recipients must be in receipt of a means tested benefit or tax credit and be on a water meter. Bills are capped in-line with the average metered bill so customers don't pay more for reasons they cannot help.

## Reduced bill: **Assist (Wessex Water)**

Assist is available for customers who are struggling to pay and need a discount on their waste water bill. The level of discount can vary, but can be up to 90% off a customer's bill. Customers do not need to receive means tested benefits to apply, but an independent analysis of their household finances is required. If an application to Assist is successful, bills are reduced to an amount the customer can afford based on an independent advisor's assessment of affordability.

## **Discount for low income pensioners**

Discount for low income pensioners is available for customers who are in receipt of Pension Credit, or where the state pension is the only source of income for all adults in the household.

Customers in receipt of the discount can receive a discount of around £60 on their water and/or sewerage bill. To receive the discount, customers need to provide their date of birth and a copy of evidence to show entitlement to Pension Credit, or a copy of a bank statement showing the state pension as the only source of income.

**Please note:** customers who are not in receipt of support from a social tariff already pay more for their water services to fund the cross subsidies. At the moment, Bournemouth Water and Wessex Water support around **1,000 customers** on social tariffs in this area, which means out of a customer's yearly bill for their water supply and waste water, £4.50 goes towards the cross-subsidy for social tariffs.

# ADDITIONAL HELP AVAILABLE

As well as the social tariff schemes, water companies offer other support for customers who are struggling with their bills.



## Debt support scheme: **Restart**

This scheme is for customers who have significant debt they cannot repay.

Customers are asked to pay what they can afford toward their water charges in the first year, and their debt is then reduced by an equivalent amount.

In year two, if they continue to make payments, the water company will clear their remaining debt.

## **Water Direct**

Customers in receipt of benefits can make payments direct from their benefits.

Water Direct is available to customers at least £50 in arrears or with two failed payments. Customers will receive no action to recover debt while on Water Direct.

Customers must provide details of the benefits they receive and proof of identification.

## **Flexible payment plan**

Customers can pay less on their bills for an agreed period of time and catch up on payments later.

## **Payment breaks**

Short term payment breaks for customers who need a little longer to pay, or who have experienced a change in circumstances.

# SUPPORT+ SERVICES PROVIDED BY WATER COMPANIES

In addition to the additional financial support provided, water companies also offer a number of additional layers of support and help to customers and communities.

## Company funded support:

- **Funding for the debt advice sector.**

In 2022, around £400k was given to debt advice organisations.

- **The Wessex Water Foundation.**

Around £155k per year goes into grass roots community projects to improve the lives of local people who are in most need of support. Projects are typically in areas of multiple deprivation or rural isolation, support people who lack access to services, help people to manage or avoid debt and take steps to build financial capability.

## Additional support and services

- Free water meters
- Free water efficiency devices to help you save water and energy in the home and garden and an online GetWaterFit tool
- Free in home water efficiency visits
- Fixing leaky loos

# SUPPORT+ SERVICES PROVIDED BY WATER COMPANIES

In addition to the additional financial support provided, water companies also offer a number of additional layers of support and help to customers and communities.

## Company funded support:

- **Funding for the debt advice sector.**

In 2022, around £450k was given to debt advice organisations.

- **The Wessex Water Foundation.**

Around £155k per year goes into grass roots community projects to improve the lives of local people who are in most need of support. Projects are typically in areas of multiple deprivation or rural isolation, support people who lack access to services, help people to manage or avoid debt and take steps to build financial capability.

- **Bristol Water Social Contract.**

Bristol Water supports a number of partners in the community to help reach customers most in need through their Social Contract. This includes a number of Hard to Reach projects with Charities in the region.

## Additional support and services

- Free water meters
- Free water efficiency devices to help you save water and energy in the home and garden
- Help with fixing leaks

# SUPPORT+ SERVICES PROVIDED BY WATER COMPANIES

In addition to the additional financial support provided, water companies also offer a number of additional layers of support and help to customers and communities.

## Company funded support:

- **Funding for the debt advice sector.**

In 2022, around £400k was given to debt advice organisations.

- **The Wessex Water Foundation.**

Around £155k per year goes into grass roots community projects to improve the lives of local people who are in most need of support. Projects are typically in areas of multiple deprivation or rural isolation, support people who lack access to services, help people to manage or avoid debt and take steps to build financial capability.

- **Bournemouth Water Neighbourhood Fund.**

The Neighbourhood Fund is all about supporting our local community. There will be £100,000-a-year funding available for neighbourhood community groups which inspire physical activities, education, health and wellbeing and deliver positive environmental outcomes.

## Additional support and services

- Free water meters
- Free water efficiency devices to help you save water and energy in the home and garden
- Help with fixing leaks



# THE EXISTING SOCIAL TARIFF SCHEME...

## The current position

**28,000** customers supported

**£8.50** (£0.71 per month)  
bill contribution

**Please note:** customer bills currently include a contribution towards supporting customers through social tariffs.

This information details the current level of contribution to social tariffs by each customer per year.

# THE EXISTING SOCIAL TARIFF SCHEME...

## The current position

**21,000** customers supported

**£7.65** (£0.64 per month)  
bill contribution

**Please note:** customer bills currently include a contribution towards supporting customers through social tariffs.

This information details the current level of contribution to social tariffs by each customer per year.

# THE EXISTING SOCIAL TARIFF SCHEME...

## The current position

**1,000** customers supported

**£4.55** (£0.38 per month)  
bill contribution

**Please note:** customer bills currently include a contribution towards supporting customers through social tariffs.

This information details the current level of contribution to social tariffs by each customer per year.

# HOW THE SOCIAL TARIFF SCHEME WOULD WORK...

Here are some examples of how the expanded social tariff scheme would work in future.

The information relates to the number of additional customers that would be supported through customer contributions through social tariffs. At each level of additional support outlined, a yearly contribution amount is stated, alongside a per month figure.

## Example 1

**7,000**  
additional customers supported  
**£6** (£0.50 per month)  
bill contribution

## Example 3

**28,500**  
additional customers supported  
**£24** (£2 per month)  
bill contribution

## Example 2

**14,000**  
additional customers supported  
**£12** (£1 per month)  
bill contribution

## Example 4

**42,500**  
additional customers supported  
**£36** (£3 per month)  
bill contribution



# HOW THE SOCIAL TARIFF SCHEME WOULD WORK...

Bristol Water (water supply)/  
Wessex Water (waste water)



Here are some examples of how the expanded social tariff scheme would work in future.

The information relates to the number of additional customers that would be supported through customer contributions through social tariffs. At each level of additional support outlined, a yearly contribution amount is stated, alongside a per month figure.

## Example 1

**5,000**  
additional customers supported  
**£6** (£0.50 per month)  
bill contribution

## Example 2

**10,500**  
additional customers supported  
**£12** (£1 per month)  
bill contribution

## Example 3

**21,000**  
additional customers supported  
**£24** (£2 per month)  
bill contribution

## Example 4

**31,000**  
additional customers supported  
**£36** (£3 per month)  
bill contribution

# HOW THE SOCIAL TARIFF SCHEME WOULD WORK...

Bournemouth Water (water supply)/  
Wessex Water (waste water)



Here are some examples of how the expanded social tariff scheme would work in future.

The information relates to the number of additional customers that would be supported through customer contributions through social tariffs. At each level of additional support outlined, a yearly contribution amount is stated, alongside a per month figure.

## Example 1

**500**  
additional customers supported

**£12** (£1 per month)  
bill contribution

## Example 2

**1,000**  
additional customers supported

**£24** (£2 per month)  
bill contribution

## Example 3

**1,500**  
additional customers supported

**£36** (£3 per month)  
bill contribution

---

**Appendix 5: Questionnaire**



## Introduction

### ONLINE

This survey is being conducted on behalf of a group of water companies in England – we will tell you who they are during the survey. They are looking to consult a range of customers in order to understand their views about schemes to help people who are struggling to afford their water and wastewater bills; otherwise known as social tariffs.

This survey is being conducted by DJS Research, an independent market research company that follows the Market Research Society rules. Your responses are confidential and won't be attributed to you. Any personal information we ask for is only for statistical purposes and will not be passed back to our client or third parties for research, marketing or sales purposes, unless you give your express permission.

The survey will take around 10 minutes to complete.

### CAPI

My name is....., and I am working for DJS Research Ltd, an independent research consultancy.

We are undertaking this survey on behalf of [IF WESSEX: Wessex Water] / [IF BRISTOL: Wessex Water and Bristol Water] / [IF BOURNEMOUTH: Bournemouth Water and Wessex Water]. They are looking to consult a range of customers in order to understand their views about schemes to help people who are struggling to afford their water and wastewater bills; otherwise known as social tariffs.

The interview should take around 10 minutes and all of your answers will be treated in the strictest confidence. The information gathered in this survey will not be used for anything other than research purposes.

DJS Research is a member of the Market Research Society and complies fully with the Data Protection Act and the Market Research Society's code of conduct. This ensures that your contact details are never passed on to any third parties without your permission. All data is aggregated and treated as private and confidential.

Would you be willing to take part?

## SCREENER QUESTIONS

### INFO1.

Thank you for taking part in this survey. First of all, we just need to check that we are speaking to a broad and representative range of customers.

Please click 'Next' to continue with the survey.

### INFO PAGE

### SOCAPI.

Base: CAPI only

How frequently do you access the internet?

CAPI: Read out

### SINGLE RESPONSE

Code	Answer list	Scripting Notes	Routing
1	More than once a week		Thank & Close
2	Less than once a week		Continue
3	I do not use the internet at all		Continue
86	Don't know		Thank & Close



S01.

Base: All respondents

Who is your water services provider?

Online: Please choose one answer only

CAPI: Do not read out

SINGLE CODE



Code	Answer list	Scripting Notes	Routing
1	Wessex Water		QUOTAS: Wessex
2	Bristol Water		QUOTAS: Bristol
3	Bournemouth Water		QUOTAS: Bournemouth
4	South West Water		SCREEN OUT
5	Another water company		SCREEN OUT
6	We use a private borehole/spring		SCREEN OUT
85	Don't know		SCREEN OUT

Online respondents only

Thank you. To let you know, this survey has been commissioned by [IF WESSEX WATER AT S01: Wessex Water] / [IF BRISTOL WATER AT S01: Bristol Water and Wessex Water] / [IF BOURNEMOUTH WATER AT S01: Bournemouth Water and Wessex Water]

S02.

Base: All respondents

Are you responsible, either jointly or solely, for paying your household water and wastewater bill?

Online: Please choose one answer only

CAPI: Do not read out

SINGLE CODE

Code	Answer list	Scripting Notes	Routing
1	Yes		
2	No		CLOSE

S03.

Base: All respondents

Which of the following age groups do you fall into?

Online: Please choose one answer only

CAPI: Show showcard 1

SINGLE CODE

Code	Answer list	Scripting Notes	Routing
1	Under 18		CLOSE
2	18-24		QUOTA
3	25-34		
4	35-44		QUOTA
5	45-54		QUOTA
6	55-64		QUOTA
7	65-74		QUOTA
8	75+		
86	Prefer not to say		CLOSE

S04.

Base: All respondents

Please select the gender you most identify with.

Online: Please choose one answer only

CAPI: Show showcard 2

SINGLE CODE

Code	Answer list	Scripting Notes	Routing
1	Male		QUOTA
2	Female		QUOTA
3	Prefer to self describe as... (Please write in)	OPEN	
86	Prefer not to say		CLOSE

S05.

**Base: All respondents**

Which of the following best describes the main income earner's occupation in your household? (If the main income earner is now retired, please select the category that best reflects their occupation **before** they retired.).

*Online: Please choose one answer only*

*CAPI: Show showcard 3*

**SINGLE RESPONSE**

Code	Answer list	Scripting Notes	Routing
1	Higher managerial, administrative or professional		QUOTA
2	Intermediate managerial, administrative or professional		
3	Supervisory or clerical and junior managerial, administrative or professional		
4	Skilled manual worker		QUOTA
5	Semi or unskilled manual worker		
6	Casual worker, or dependant on state welfare		
86	Prefer not to say		CLOSE

S06.

**Base: All respondents**

Do you have a water meter?

*Online: Please choose one answer only*

*CAPI: Do not read out*

**SINGLE CODE**

Code	Answer list	Scripting Notes	Routing
1	Yes		QUOTA
2	No		QUOTA
85	Don't know		QUOTA

**IF PARTICIPANT IS SCREENED OUT:**

**INFO2. CAPI ONLY**

Thank you for your time. Today we're looking to speak to a broad and representative range of [IF WESSEX WATER AT S01: Wessex Water] / [IF BRISTOL WATER AT S01: Bristol Water and Wessex Water] / [IF BOURNEMOUTH WATER AT S01: Bournemouth Water and Wessex Water] customers and, unfortunately, we have already surveyed a number of people in your circumstances.

**Priority Services**

**Q01.**

**Base: All respondents**

Are you aware of any services offered by [IF WESSEX WATER AT S01: Wessex Water] / [IF BRISTOL WATER AT S01: Bristol Water and Wessex Water] / [IF BOURNEMOUTH WATER AT S01: Bournemouth Water and Wessex Water], to assist customers who need them, such as:

- Large print or braille bills
- Bills in a language other than English for people who need them
- Passwords to check that company callers are genuine
- Extra help for customers if there is a burst water pipe, such as delivering bottled water to their door

You may know this additional support as 'Priority Services'.

*INTERVIEWER: DO NOT READ OUT. SINGLE CODE. PROBE TO PRECODE.*

**SINGLE RESPONSE**

Code	Answer list	Scripting notes	Routing
1	Yes - I have heard of them but do not need these services		
2	Yes - I have signed up to them		
3	Yes - I have heard of them, may need them, but haven't done anything		
4	No - but I would like to know more		
5	No - but I do not need them		
85	Don't know		

## Household bills

The next set of questions are about household bills.

**Q02.**

**Base: All respondents**

Which of the following best describes how confident you feel in being able to afford the following bills over the next 12 months; please answer on a scale of 1 to 5 where 1 is not at all confident and 5 is very confident?

*Online: Please choose one answer only per statement*

*CAPI: Show showcard 4*

**SINGLE CODE PER STATEMENT. ROTATE STATEMENT LIST**

Code	Answer list	Scripting Notes	Routing
1	1 - Not at all confident		
2	2 - Not very confident		
3	3 - Neither/nor		
4	4 - Quite confident		
5	5 - Very confident		
87	Not applicable		

Code	Statement list <b>list</b>	Scripting Notes	Routing
1	Water bill		
2	Energy bill (gas and electric)		
3	Mobile phone bill		
4	Council tax		
5	Internet / broadband bill		

**Q03.**

**Base: all code 1/2 (not confident) at Q02\_1 (water bill)**

You said you are not confident that you will be able to afford your water bill over the next 12 months. Why do you say that?

*Online: please provide as much detail as possible*

*CAPI: probe fully*

**OPEN RESPONSE**

Code	Answer list	Scripting Notes	Routing
85	Don't know		

## Helping those struggling to pay water and wastewater bills

**Q04.**

**Base: All respondents**

And, were you aware that **[IF WESSEX WATER AT S01: Wessex Water] / [IF BRISTOL WATER AT S01: Bristol Water and Wessex Water] / [IF BOURNEMOUTH WATER AT S01: Bournemouth Water and Wessex Water]** offer support for customers who are struggling to pay their water bills?

*Online: Please choose one answer only*

*CAPI: Ask for yes / no, then code as applicable*

**SINGLE CODE**

Code	Answer list	Scripting notes	Routing
1	Yes - I have had support with my bill in the past		
2	Yes - I am currently receiving support with my bill		
3	Yes - I am aware, may need this, but haven't done anything		
4	Yes - but I do not need it		
5	No - but I think I might need it		
6	No - but I would like to know more		
7	No - but I do not need it		
85	Don't know		

Q05.

Base: All code 1 or 2 at Q04

Which of the following support services [IF CODE 1 AT Q04: were you using / in receipt of?] / [IF CODE 2 AT Q04: are you using / in receipt of]?

Online: Please select all that apply

CAPI: Ask for yes / no, then code as applicable

**MULTI CODE**

Code	Answer list	Scripting notes	Routing
1	[IF WESSEX / BRISTOL: Reduced bill - Assist] [IF BOURNEMOUTH: Reduced bill - WaterCare]	If Wessex / Bristol at S01 show Reduced bill - Assist OR if Bournemouth at S01 show Reduced bill - WaterCare.	
2	Bill cap scheme - WaterSure		
3	Debt support scheme - Restart		
4	Discount for low-income pensioners		
5	Flexible payment plan		
6	Water Direct (using benefit payments)		
7	Payment breaks		
80	Other (specify)	OPEN	
85	Don't know		
86	Prefer not to say		

**INFO2**

All major water companies in England and Wales have schemes to give lower bills to some customers who might otherwise struggle to pay. These are called social tariff schemes. In line with Government rules these schemes are mostly funded by charging other households a bit more on their bills.

This is what's also known as a cross-subsidy. There are a number of examples of cross subsidies in day-to-day life. For example, concessionary tickets for children or pensioners to attractions (e.g. the cinema, theme parks etc.). Another example is the price of a stamp which is the same within the UK whatever distance the letter or parcel travels. At different points in our lives, we are all likely to have helped fund cross-subsidies, and to have received help from them.

The image below gives you some more information about social tariffs and cross-subsidies in the water sector, please review this image before continuing.

**INSERT STIMULUS 1**

Q06.

Base: All respondents

As a [IF WESSEX WATER AT S01: Wessex Water] / [IF BRISTOL WATER AT S01: Bristol Water and Wessex Water] / [IF BOURNEMOUTH WATER AT S01: Bournemouth Water and Wessex Water] customer, to what extent do you agree or disagree with the general principle of paying a contribution towards supporting customers who are struggling to pay their bill? Please answer on a scale of 1 to 5 where 1 is completely disagree and 5 is completely agree.

Online: Please choose one answer only

CAPI: Show showcard 5

**SINGLE CODE**

Code	Answer list	Scripting Notes	Routing
1	1 - Completely disagree		
2	2 - Slightly disagree		
3	3 - Neither agree/nor disagree		
4	4 - Slightly agree		
5	5 - Completely agree		
85	Don't know		

**Proposed support**

**INFO3**

[IF WESSEX WATER AT S01: Wessex Water] / [IF BRISTOL WATER AT S01: Bristol Water and Wessex Water] / [IF BOURNEMOUTH WATER AT S01: Bournemouth Water and Wessex Water] want to eradicate water poverty in the region.

[IF WESSEX WATER AT S01: Wessex Water] / [IF BRISTOL WATER AT S01: Bristol Water and Wessex Water] / [IF BOURNEMOUTH WATER AT S01: Bournemouth Water and Wessex Water] anticipate that more customers may find themselves in financial difficulty as the cost-of-living increases and would like to respond by providing help for more customers, now and into the future.

**INSERT STIMULUS 2 and 3**

#### INFO4

When answering the next set of questions, please be aware that over the next few years many household costs may increase due to inflation. These household costs include energy, food and fuel prices. It is currently expected that the rate of increase in prices will slow from the middle of this year.

Your water bill may also be affected by how much other costs increase each year such as the company's running costs e.g., energy, wages etc, money invested to improve day to day water services and long-term investments.

#### HOW THE SCHEME WOULD WORK

#### INFOS.

In order to support more customers who are struggling to pay through social tariffs in future, [IF WESSEX WATER AT S01: Wessex Water] / [IF BRISTOL WATER AT S01: Bristol Water and Wessex Water] / [IF BOURNEMOUTH WATER AT S01: Bournemouth Water and Wessex Water] would need to increase the contributions made by other customers to pay for this. Customers already pay an amount on their bills as a cross-subsidy to support those on a social tariff.

#### INSERT STIMULUS 4&5 – Current and future contributions

We'd now like to ask you about the additional amount you would be willing to contribute – if anything – in order to make the proposed changes to expand the number of customers on social tariff schemes.

Please also note that if [IF WESSEX WATER AT S01: Wessex Water] / [IF BRISTOL WATER AT S01: Bristol Water and Wessex Water] / [IF BOURNEMOUTH WATER AT S01: Bournemouth Water and Wessex Water] want to help more customers, or increase this discount in the future, they would have to consult with customers again.

Please click 'Next' to continue with the survey.

#### Q07.

Base: All respondents

Would you be willing to contribute [INSERT RANDOM FIGURE HERE..... FROM STARTING POINTS TABLE BELOW] extra per month moving forward, in order to increase the number of customers helped on social tariff schemes?

Online: Please choose one answer only

CAPI: Do not read out

SINGLE CODE

Code	Answer list	Scripting Notes	Routing
1	Yes		
2	No		

DP NOTE: IF 'YES' RESPONSE TO Q07, REPEAT QUESTION USING CONTINGENT VALUATION SPREADSHEET UNTIL RESPONDENT EITHER ANSWERS NO OR YES 3 TIMES.

IF 'NO' RESPONSE TO Q07, REPEAT QUESTION AND DECREASE IN ~~30p~~ INCREMENTS UNTIL RESPONDENT ANSWERS YES OR NO 3 TIMES.

RANDOMISE STARTING POINT EVERY INTERVIEW

IF RESPONDENT SELECTS YES 3 TIMES, ASK THEM WHAT THE MAXIMUM THEY WOULD BE WILLING TO CONTRIBUTE PER YEAR IS: SEE Q8

IF RESPONDENT SAYS NO 3 TIMES OR SAYS NO TO [LOWEST AMOUNT], ASK THEM WHAT WOULD THE MAXIMUM YOU WOULD BE WILLING TO CONTRIBUTE PER MONTH BE, IF ANYTHING: SEE Q9

Q08.

**Base: All respondents who reach a maximum or minimum in bidding process at Q7**

We understand that you **would not be willing/would be willing** to contribute **[pull through last amount from Q7] per month** towards the proposed changes to the social tariff. What is the maximum additional amount **per month** you would be willing to contribute?

*Online: Please enter the amount you would be willing to pay in the box below.*

*CAPI: Get value from customer and enter in the box below.*

**OPEN TEXT RESPONSE WITH LOGIC FUNCIONS FOR MONETARY AMOUNTS.**



Code	Answer list	Scripting notes	Routing
85	Don't know <i>(do not read out)</i>	-	

Q09.

**Base: All respondents who have not reached a maximum or minimum amount**

We understand that you would be willing to contribute **[pull through last amount from Q7] per month** towards the proposed changes to the social tariff but not as much as **[pull through last amount said 'no' to]**. What is the maximum additional amount **per month** you would be willing to contribute?

*Online: Please enter the additional amount you would be willing to pay in the box below.*

*CAPI: Get value from customer and enter in the box below.*

**OPEN TEXT RESPONSE WITH LOGIC FUNCIONS FOR MONETARY AMOUNTS.**

Code	Answer list	Scripting notes	Routing
85	Don't know <i>(do not read out)</i>	-	

Q10.

**Base: All respondents who give valid numeric answer at Q08 or Q09 (Q08\_1>=0 OR Q09\_1>=0).**

**If zero:** You said that you aren't willing to contribute anything towards the proposed changes to the social tariff. In as much detail as possible, please tell us why you say that.

**If an amount is stated:** You've said that you would be willing to contribute **[insert stated amount]** per month. In as much detail as possible, please tell us why you say that.

*Online: Please include as much detail as possible.*

*CAPI: Probe fully.*

**OPEN TEXT RESPONSE.**

Code	Answer list	Scripting notes	Routing
85	Don't know <i>(do not read out)</i>		

**anRefCheck.**

**Base: Online survey only**

If today is Monday, tomorrow must be...?

**SINGLE RESPONSE, ORDERED. SCREEN OUT FOR QUALITY PURPOSES IF CODE 3 IS NOT SELECTED**

Code	Answer list	Scripting notes	Routing
1	Sunday		SCREEN OUT
2	Friday		SCREEN OUT
3	Tuesday		PROCEED
4	Monday		SCREEN OUT
5	Wednesday		SCREEN OUT
6	Saturday		SCREEN OUT
7	Thursday		SCREEN OUT

### Q11.

Overall, based on all the information you have seen about the changes to the social tariff, how acceptable do you think it is for [IF WESSEX WATER AT S01: Wessex Water] / [IF BRISTOL WATER AT S01: Bristol Water and Wessex Water] / [IF BOURNEMOUTH WATER AT S01: Bournemouth Water and Wessex Water] to use customer funding to increase the support to customers?

Please answer on a scale of 1 to 5 where 1 is completely unacceptable and 5 is completely acceptable.

*Please choose one answer only*

*CAPI: Show showcard 7*

#### SINGLE CODE

Code	Answer list	Scripting Notes	Routing
1	1 - Completely unacceptable		
2	2 - Slightly unacceptable		
3	3 - Neither acceptable/nor unacceptable		
4	4 - Slightly acceptable		
5	5 - Completely acceptable		
85	Don't know		

### Q12.

**Base: All respondents who coded 1-5 at Q11**

Why do you find it **INSERT ANSWER FROM Q11?**

*Online: Please include as much detail as possible.*

*CAPI: Probe fully.*

#### OPEN RESPONSE

Code	Answer list	Scripting Notes	Routing
85	Don't know		

### Q013.

**Base: All respondents**

Based on what you have seen about the social tariffs in place today. What are your feelings towards them in terms of the help they offer and to whom? Please provide as much detail as possible

#### OPEN RESPONSE

Code	Answer list	Scripting Notes	Routing
85	Don't know		

#### P1 & P2 TO BE REMOVED AFTER COGNITIVE INTERVIEWS

##### P1.

**Base: All respondents**

We are interested to know how easy you found all the information and questions in this survey. Please indicate this below.

*Online: Please choose one answer only*

*CAPI: Do not read out*

#### SINGLE CODE

Code	Answer list	Scripting Notes	Routing
1	Very easy to understand		
2	Quite easy to understand		
3	Quite difficult to understand		
4	Very difficult to understand		
85	Don't know		

P2.

Base: All respondents coding P1\_3-4

Do you have any questions or suggestions on what you have read today that you would like further clarification on? Please provide as much information on this in the box below.

Online: Please include as much detail as possible.

CAPI: Probe fully.

OPEN RESPONSE

Code	Answer list	Scripting notes	Routing
85	No. I have no questions.	-	

AND FINALLY...

We'd now like to find out a little more about you.

The following questions help [IF WESSEX WATER AT S01: Wessex Water] / [IF BRISTOL WATER AT S01: Bristol Water and Wessex Water] / [IF BOURNEMOUTH WATER AT S01: Bournemouth Water and Wessex Water] to understand how views vary between people in different circumstances.

Please click 'Next' to continue with the survey.

C01.

Base: All respondents

Do you pay [IF WESSEX WATER AT S01: Wessex Water] / [IF BRISTOL WATER AT S01: Bristol Water and Wessex Water] / [IF BOURNEMOUTH WATER AT S01: Bournemouth Water and Wessex Water] directly for your water and wastewater?

Online: Please choose one answer only

CAPI: Read out

SINGLE CODE

Code	Answer list	Scripting Notes	Routing
1	Yes		
2	No, it is covered by my rent		
80	I pay in another way (specify)	OPEN	
85	Don't know		

C02.

Base: ASK IF C01=1

How much do you pay [IF WESSEX WATER AT S01: Wessex Water] / [IF BRISTOL WATER AT S01: Bristol Water and Wessex Water] / [IF BOURNEMOUTH WATER AT S01: Bournemouth Water and Wessex Water] each year for your water and wastewater services?

Online: Please choose one answer only

CAPI: Show showcard 8

SINGLE CODE

Code	Answer list	Scripting Notes	Routing
1	Less than £100 (Less than £8 per month)		
2	£101-£200 (£8 - £16 per month)		
3	£201-£300 (£16.01 - £25 per month)		
4	£301-£400 (£25.01 - £33 per month)		
5	£401-£500 (£33.01 - £42 per month)		
6	£501-£600 (£42.01 - £50 per month)		
7	£601-£700 (£50.01 - £58 per month)		
8	£701-£800 (£58.01 - £67 per month)		
9	£801 or more (£67.01 or more per month)		
85	Don't know		
86	Prefer not to say		

C03.

Base: All respondents

Which of the following best describes your current working status?

Online: Please choose one answer only

CAPI: Show showcard 9

SINGLE CODE ONLY

Code	Answer list	Scripting notes	Routing
1	Work full time (30 hours or more per week)		
2	Work part time (under 30 hours per week)		
3	Self-employed		



4	Unemployed / looking for work		
5	Long term sick / disabled		
6	Retired		
7	Looking after home or family		
8	Student		
80	Other (please write in)	OPEN	
86	Prefer not to say		

#### C04.

##### Base: All respondents

Does anyone in your household currently receive any of the following benefits?

*Online: Please choose all that apply*

*CAPI: Show showcard 10*

##### MULTI CODE

Code	Answer list	Scripting Notes	Routing
1	Housing benefit		
2	Jobseekers allowance		
3	Working tax credits		
4	Child tax credits		
5	Employment and Support Allowance/Incapacity benefit		
6	Pension Credit		
7	Universal Credit		
8	Disability living allowance/Personal Independence Payments		
9	Income support		
10	Attendance allowance		
11	Carers allowance		
87	None of these	EXCLUSIVE	
85	Don't know	EXCLUSIVE	
86	Prefer not to say	EXCLUSIVE	

#### C05.

##### Base: All respondents

Including yourself, how many adults aged 18 and over are there in your household?

*Online: Insert the number of people aged over 18 in your household in the box below.*

*CAPI: Insert number of people aged over 18 in the household in the box below.*

##### SINGLE RESPONSE.

Code	Answer list	Scripting notes	Routing
1		NUMERIC. MAX 10.	
86	Prefer not to say		

#### C06.

##### Base: All respondents

And, do you have any dependent children (under 18) living at home with you?

*Online: Please choose one answer only*

*CAPI: Do not read out*

##### SINGLE RESPONSE.

Code	Answer list	Scripting notes	Routing
1	Yes - dependent children (under 18 in the household)		
2	No - dependent children under 18 in the household		
86	Prefer not to say		

C07.

Base: Code 1 (yes) at C06

How many children do you have living at home with you in the following age ranges?

Online: Please include the number of dependent children in each of the age ranges below. For any that are not applicable, please enter '0'.

CAPi: Code all that apply. Prompt as necessary. For any that are not applicable, please enter '0'.

MULTI RESPONSE - NUMERIC.

Code	Answer list	Scripting notes	Routing
1	Yes – pre-school age (not yet started primary school)	NUMERIC	
2	Yes – primary school age	NUMERIC	
3	Yes – secondary school age	NUMERIC	
4	Yes – post secondary school age (post GCSEs)	NUMERIC	

C08.

Base: All respondents

Could you tell me which of the following ANNUAL income bands your household falls into? Please take account of the income of all those in the household (before tax and national insurance) and include any pensions, benefits, or extra earnings.

Online: Please choose one answer only

CAPi: Show showcard 11

SINGLE CODE

Code	Answer list	Scripting notes	Routing
1	Less than £10,000		
2	£10,001 - £13,000		
3	£13,001 - £16,000		
4	£16,001 - £19,000		
5	£19,001 - £25,000		
6	£25,001 - £29,000		
7	£29,001 - £35,000		
8	£35,001 - £45,000		
9	£45,001 - £55,000		
10	£55,001 - £65,000		
11	£65,001 - £75,000		
12	£75,001 - £85,000		
13	£85,001 - £95,000		
14	£95,001 - £105,000		

15	£105,001 - £115,000		
16	More than £115,000		
86	Prefer not to say ( <i>do not read out</i> )		

The following questions help [IF WESSEX WATER AT S01: Wessex Water] / [IF BRISTOL WATER AT S01: Bristol Water and Wessex Water] / [IF BOURNEMOUTH WATER AT S01: Bournemouth Water and Wessex Water] to ensure that their research is accessible and inclusive for all their customers.

C09.

Base: All respondents

How would you describe your ethnicity?

Online: Please choose one answer only

CAPi: Show showcard 12

SINGLE CODE

Code	Answer list	Scripting notes	Routing
1	White (this includes English, Welsh, Scottish, Northern Irish, British, Irish and any other White background)		
2	Mixed/Multiple (this includes White and Black Caribbean, White and Black African, White and Asian and any other mixed/multiple ethnic background)		
3	Asian/Asian British (this includes Indian, Pakistani, Bangladeshi, Chinese and any other Asian background)		
4	Black/African/Caribbean/Black British (this includes African, Caribbean and any other Black/African/Caribbean background)		
80	Other ethnic group		
86	Prefer not to say		

**C010.****Base: All respondents**

Do you or anyone in your household have a long-term illness, health problem or disability which limits their daily activities or the work you can do?

*Online: Please choose one answer only*

*CAPI: Do not read out*

**SINGLE CODE**

Code	Answer list	Scripting Notes	Routing
1	Yes		
2	No		
86	Prefer not to say		

**C011.****Base: ASK IF CODE 1 AT C010**

And does this require them to use extra water?

*Online: Please choose one answer only*

*CAPI: Do not read out*

**SINGLE CODE**

Code	Answer list	Scripting Notes	Routing
1	Yes		
2	No		
86	Prefer not to say		

**C012.****Base: All respondents**

Depending on the results of this survey we may want to recontact some customers to conduct telephone interview lasting 20 minutes about some of their answers. We'd pay respondents £35. Would you be happy to be contacted?

*Online: Please choose one answer only*

*CAPI: Do not read out*

**SINGLE CODE**

Code	Answer list	Scripting Notes	Routing
1	Yes		
2	No		

**C013****Base: CAPI respondents only**

Would it be OK if DJS Research re-contacted you if we have a need to further clarify any of the responses you have given in this survey today?

*CAPI: Do not read out*

**SINGLE CODE**

Code	Answer list	Scripting Notes	Routing
1	Yes (VERIFY CONTACT DETAILS AT END OF SURVEY)		
2	No		
85	Don't know (do not read out)		

**C14. If yes at C10 or ~~an~~REC (C13/1)****Base: All respondents**

Thank you for agreeing to be recontacted. Depending on the level of interest we cannot guarantee that everyone who expresses an interest will be contacted. In the space below, please provide your preferred contact details

*Online: Please enter your name, email address and telephone number in the boxes below.*

*CAPI: Do not read out*

**SINGLE CODE**

Code	Answer list	Scripting Notes	Routing
1	Name	OPEN	
2	Email address	OPEN	
3	Telephone number (inc STD Code)	OPEN	

**C015.****Base: All online**

Thank you for taking part in this survey. If you would like more information about the support available to customers please visit [IF WESSEX WATER AT S01: <https://www.wessexwater.co.uk/your-account/help-paying/>] / [IF BRISTOL WATER AT S01: <https://www.bristolwater.co.uk/home/account-and-services/bills-and-payments/get-help-with-paying-your-bill/>] / [IF BOURNEMOUTH WATER AT S01: <https://www.bournemouthwater.co.uk/bills/need-help-paying-your-bill/>]

C11c.

Base: All CAPI

Thank you for taking part in this survey. Would you like more information about the help available to customers with their bills?

*CAPI: If yes, please hand out leaflet with details of how to contact*

SINGLE CODE

Code	Answer list	Scripting Notes	Routing
1	Yes		
2	No		Thank & Close

END OF SURVEY

**ONLINE ONLY:** You've now reached the end of the survey - thank you very much for your time.

---

## Appendix 6: Discussion guide



8943\_ Wessex Water/Bristol Water/Bournemouth Water  
Follow up Depth Discussion Guide (30 mins)  
Version 1



(I) Introduction		7 mins
<b>Brief explanation of the purpose of the research</b>	<p>Moderator to explain the nature of the research.</p> <ul style="list-style-type: none"> <li>I work for a company called DJS Research, we are an independent market research company and today we are working on behalf of [FROM SAMPLE: Wessex Water / Bristol Water / Bournemouth Water]</li> <li>Following on from your participation in an online survey about [FROM SAMPLE: Wessex Water's / Bristol Water's / Bournemouth Water's] plans for social tariffs for customers in the period 2025-2030, we would like to conduct some follow up research with customers to understand more about your current circumstances, and your associated opinions and attitudes towards social tariffs for water customers.</li> <li>Moderator to reassure respondents about confidentiality / GDPR compliance.</li> <li>Feedback will be summarised into a report along with other research, we won't pass names/specific details of who we have spoken to back to our client.</li> <li>There are no right and wrong answers; we are just interested in your views, opinions and ideas.</li> <li>Brief explanation about audio/video recording information - we may use anonymised quotes &amp;/or video clips in our report to illustrate the research findings for our client, but these will not be attributed to you personally.</li> </ul>	
<b>Introductions</b>	<p>Moderator to invite respondent(s) to introduce themselves.</p> <p>I'd first of all like to spend some time understanding more about you...</p> <ul style="list-style-type: none"> <li>Tell me a bit about yourself; who you live with; working status; hobbies</li> <li>What are your main concerns in life at the moment?</li> <li>How are you feeling about your household finances currently and what's coming in versus what's now going out? [MODERATOR: refer to response from quant in relation to affordability of water bills, e.g. in the survey you took part in you mentioned that you are [CONFIDENCE LEVEL] in being able to afford your water bills over the next 12 months. Is that still the case?]             <ul style="list-style-type: none"> <li>How has your outlook of your finances changed over the past 6 to 12 months or so? Better? Worse? How so?</li> <li>[IF CUSTOMER HAS CONCERNS] Which bills or expenses are of most concern/have impacted you most?</li> <li></li> </ul> </li> </ul>	

1

(II) Re-cap on social tariffs		8 mins
<b>Re-cap on social tariffs</b>	<p>Thank you for your responses so far. I'd now like to move on to talk about social tariffs and cross-subsidies. In your own words, could you briefly tell me a bit about your understanding of what social tariffs and cross-subsidies are? (MODERATOR: If necessary, stress that there are no right or wrong answers)</p> <p>MODERATOR, IF REQUIRED, READ OUT:</p> <p>All major water companies in England and Wales have schemes to give lower bills to some customers who might otherwise struggle to pay. These are called social tariff schemes. In line with Government rules these schemes are mostly funded by charging other households a bit more on their bills.</p> <p>This is what's also known as a cross-subsidy. There are a number of examples of cross subsidies in day-to-day life. For example, concessionary tickets for children or pensioners to attractions (e.g. the cinema, theme parks etc.). Another example is the price of a stamp which is the same within the UK whatever distance the letter or parcel travels. At different points in our lives, we are all likely to have helped fund cross-subsidies, and to have received help from them.</p> <p>Before you took part in the survey on behalf of [FROM SAMPLE: Wessex Water / Bristol Water / Bournemouth Water], were you aware of the support available to customers who are struggling to pay their bills? IF SO: what were you aware of? How did you become aware of it?</p> <ul style="list-style-type: none"> <li>Generally speaking, to what extent do you support the principle of social tariffs and cross-subsidies? Are there any areas / aspects of life where you think social tariffs are not appropriate? (PROBE ON WHAT ANY WHY). And, any areas where you think social tariffs and cross-subsidies are particularly beneficial? (PROBE ON WHAT AND WHY)</li> </ul> <p>I'd now like to spend a minute or so going over some of the information you were presented with in the online survey you completed.</p> <p><b>MODERATOR: If conducting over Zoom/Teams show slide. If conducting over the phone read out info on slide.</b></p> <p>MODERATOR: Show or read out from slide (using the relevant water company pack - <del>use</del> if Wessex Water show / read out from Wessex Water slide):</p> <ul style="list-style-type: none"> <li>SLIDE 1 examples of social tariffs for water bills</li> <li>SLIDE 4 the existing social tariff scheme</li> </ul> <ul style="list-style-type: none"> <li>Having reviewed this information again, how do you feel about the social tariff that is currently in place for [FROM SAMPLE: Wessex Water / Bristol Water / Bournemouth Water]? PROBE ON:             <ul style="list-style-type: none"> <li>Number of customers supported (is it too many, not enough or about right?). Why?</li> <li>Eligibility criteria (does it include the right people? Are there any groups that are included but shouldn't be? Any groups that aren't included but should be?)</li> <li>Amount paid by customers (is it too much, not enough or about right?). Why?</li> <li>Level of support for customers in receipt of social tariffs (is it too much, not enough or about right?)</li> </ul> </li> <li>To what extent do you support or oppose for [FROM SAMPLE: Wessex Water / Bristol Water / Bournemouth Water] including a charge in bills to contribute towards supporting customers through social tariffs?             <ul style="list-style-type: none"> <li>Why do you say that? (PROBE FULLY)</li> <li>IF DON'T FULLY SUPPORT: what, if anything, would make you more supportive of a</li> </ul> </li> </ul>	

2



social tariff on your water bill? (PROBE ON: communication / information / detail on who is supported / safeguards in place to avoid abuse of the scheme(s) etc.)

(III) Social tariffs 2025-2030

12 mins

Still thinking about social tariffs, I'd like to spend some time now thinking about [FROM SAMPLE: Wessex Water's / Bristol Water's / Bournemouth Water's] future plans for supporting customers who are struggling to afford their water bills through a social tariff

**MODERATOR: If conducting over Zoom/Teams show slide. If conducting over the phone read out info on slide.**

**MODERATOR: Show or read out from slide (using the relevant water company pack - ~~W&B~~ if Wessex Water show / read out from Wessex Water slide):**

- SLIDE 5 how the social tariff scheme would work

**MODERATOR: For next section refer to W&B figure from sample**

When responding to the survey, you said you [IF WTP is £0: would not be willing to contribute to the social tariff] / [IF WTP => £0.01: would be willing to contribute W&B amount from sample per month to the social tariff]

- IF WTP is £0:** why wouldn't you be willing to contribute anything to the social tariff? **PROBE ON:**
  - To what extent do your own financial circumstances affect your response?
  - Are there any circumstances in which you would be willing to contribute? IF SO: What/when?
  - What, if anything could [FROM SAMPLE: Wessex Water / Bristol Water / Bournemouth Water] do to make you more likely to be willing to contribute something to a social tariff in future? **PROBE ON:**
    - Need to improve other areas of service first (e.g. water quality, customer service etc)
    - Lack of trust in [FROM SAMPLE: Wessex Water / Bristol Water Bournemouth Water] generally... anything they could do to build / develop trust?
    - Lack of knowledge on what bills contribute to
    - More investment / money should come from [FROM SAMPLE: Wessex Water / Bristol Water / Bournemouth Water] before they ask customers to contribute
    - The groups / people that the social tariffs are targeting / supporting aren't right. Help should be focused elsewhere / on other groups
- IF WTP is => £0.01:** why would you be willing to contribute up to W&B amount from sample per month to the social tariff?
  - Do you support the principle of social tariffs generally? IF SO: why do you support social tariffs in principle? Any circumstances which haven't been mentioned previously when you wouldn't be willing to contribute? (**MODERATOR: PROBE FULLY**)
  - To what extent do your own financial circumstances affect your response?
  - What, if anything could [FROM SAMPLE: Wessex Water / Bristol Water / Bournemouth Water] do to make you more likely to be willing to contribute more to a social tariff in future? **PROBE ON:**
    - Need to improve other areas of service first (e.g. water quality,

Social tariffs 2025-2030

3

- customer service etc)
- More information/knowledge of what bills contribute to
- More investment / money should come from [FROM SAMPLE: Wessex Water / Bristol Water / Bournemouth Water] before they ask customers to contribute
- The groups / people that the social tariffs are targeting / supporting aren't right. Help should be focused elsewhere / on other groups

As a customer, how important is it for you to know / be aware of the amount you are contributing to social tariffs in your water bills? Please answer on a scale of 1-5 where 1 is not important at all and 5 is extremely important?

- Why do you say that?

What else, if anything, would you like to hear / know from [FROM SAMPLE: Wessex Water / Bristol Water / Bournemouth Water] in relation to social tariffs? Where / how should they deliver this information?



(IV) Experience and perceptions of water supplier.

5 mins

For the final section, I'd like to spend a bit of time talking about your experience and perception of [FROM SAMPLE: Wessex Water / Bristol Water / Bournemouth Water]

Experience and perceptions of water supplier

- What are your main expectations of [FROM SAMPLE: Wessex Water / Bristol Water / Bournemouth Water] as your water provider?
  - IF NEEDED: e.g., Service, reliability, value for money, environment
- What experience do you have of them?
- Is there anything about the service [FROM SAMPLE: Wessex Water / Bristol Water / Bournemouth Water] provides that you would like to see them improve?
- How would you describe your relationship with [FROM SAMPLE: Wessex Water / Bristol Water / Bournemouth Water]?
- Do you feel like a valued customer of [FROM SAMPLE: Wessex Water / Bristol Water / Bournemouth Water]?
  - Why/why not?
- What words would you use to describe how you feel about [FROM SAMPLE: Wessex Water / Bristol Water / Bournemouth Water]?
- And how would you rate the value for money you receive for your water services provided by [FROM SAMPLE: Wessex Water / Bristol Water / Bournemouth Water]? Please do this on a scale from 1-10 with 1 being the lowest value for money and 10 the highest.
  - Why did you give this rating?

Any final questions

**Thank & Close. Remind participant they will receive their 'thank you' for taking part within 1 working week (£35 gift/voucher to be sent via email)**

4

# For more information



**Ali Sims, Research Director**

asims@djsresearch.com

**Matt Prince, Associate Director**

mprince@djsresearch.com

**Head office:** 3 Pavilion Lane, Strines,  
Stockport, Cheshire, SK6 7GH

**Leeds office:** Regus, Office 18.09, 67 Albion Street  
Pinnacle, 15th–18th Floors, Leeds, LS1 5AA

+44 (0)1663 767 857 | [djsresearch.co.uk](http://djsresearch.co.uk)



**Follow us on LinkedIn...**

For free market research findings and our latest news and developments: [linkedin.com/company/djs-research-ltd](https://www.linkedin.com/company/djs-research-ltd)

For regularly updated market research findings from your sector, please have a look at our complimentary insights: [djsresearch.co.uk/blog/articles](http://djsresearch.co.uk/blog/articles)



# Social tariff Research: Wessex Water

June 2023

**Ali Sims, Research Director**  
[asims@djsresearch.com](mailto:asims@djsresearch.com)

**Matt Prince, Associate Director**  
[mprince@djsresearch.com](mailto:mprince@djsresearch.com)

**Head office:** 3 Pavilion Lane,  
Strines, Stockport, Cheshire, SK6 7GH

**Leeds office:** Regus, Office 18.09, 67 Albion Street,  
Pinnacle, 15th–18th Floors, Leeds, LS1 5AA

+44 (0)1663 767 857 | [djsresearch.co.uk](https://djsresearch.co.uk)

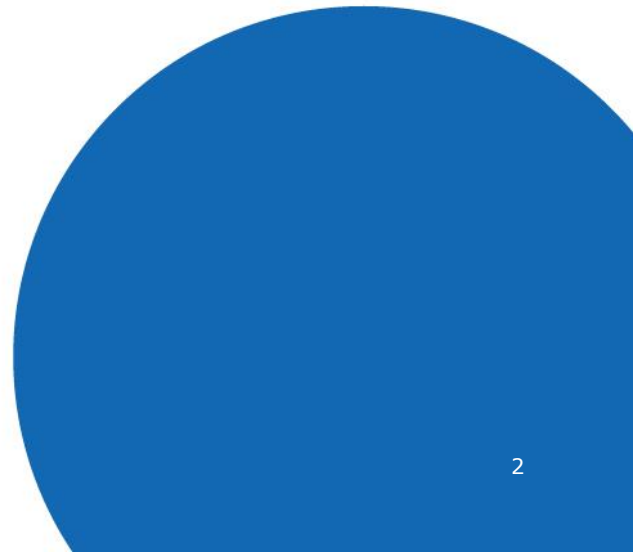
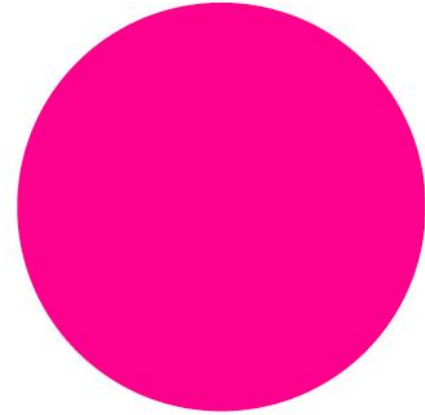


JN8943

---

# Contents

Background, objectives and methodology	3
Priority Services	7
Household bills	9
Helping those who are struggling to pay	11
Willingness to contribute	16
Acceptability of proposed changes	25
Conclusions and recommendations	27
Appendices	30



---

**Background, objectives  
and methodology**





# Background and objectives

As part of the business planning process for PR24, Wessex Water, Bristol Water and Bournemouth Water are consulting with their customers on a number of topics, including on social tariffs. Each company wishes to eradicate water poverty across their region(s), with the aim of no customer's bill being more than 5% of their disposable income.

To achieve this aim, it is likely to be necessary for each company to increase its social tariff charge to customers' bills.

To understand customers' willingness to contribute to an increased cross subsidy, DJS research were commissioned to undertake acceptability and willingness to contribute research with customers to explore and understand:

## **Financial confidence**

The extent to which customers are confident they will be able to afford their water and other household bills over the next 12 months.

## **Acceptability of the principle of social tariffs**

Measure the proportion of customers who find the principle of social tariffs acceptable / unacceptable and why.

## **Acceptability of each water company's proposed changes to the social tariff**

Inform customers about each company's plans for the future of the schemes (partly) funded through social tariffs, and understand how acceptable or unacceptable this is to customers.

## **Willingness to contribute**

Assess customers' willingness to contribute (WtC) to a social tariff through their water bills, and the amount that they would be willing to contribute each month as part of their bills to support this.

This document reports on Wessex Water only.

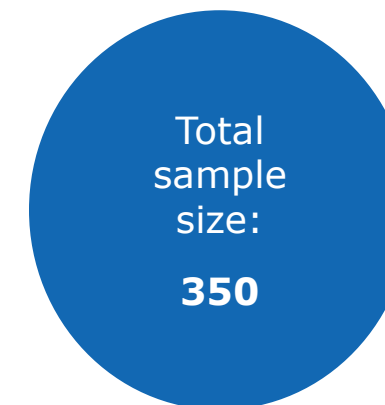


# Methodology

## Fieldwork

Interviews were conducted online (300) via panel and face to face (50) via Computer Assisted Personal Interview (CAPI). The CAPI interviews were conducted with customers who have limited or no internet access to ensure a representation of offline participants in the research.

Interviews lasted 9 minutes on average, and respondents were shown a number of pieces of stimulus during the interview (as shown throughout the report and in the appendix) to provide information relating to the proposed social tariff and other elements of the company's existing programmes and schemes to support customers.



**Fieldwork was conducted during April 2023**

## Notes on this report:

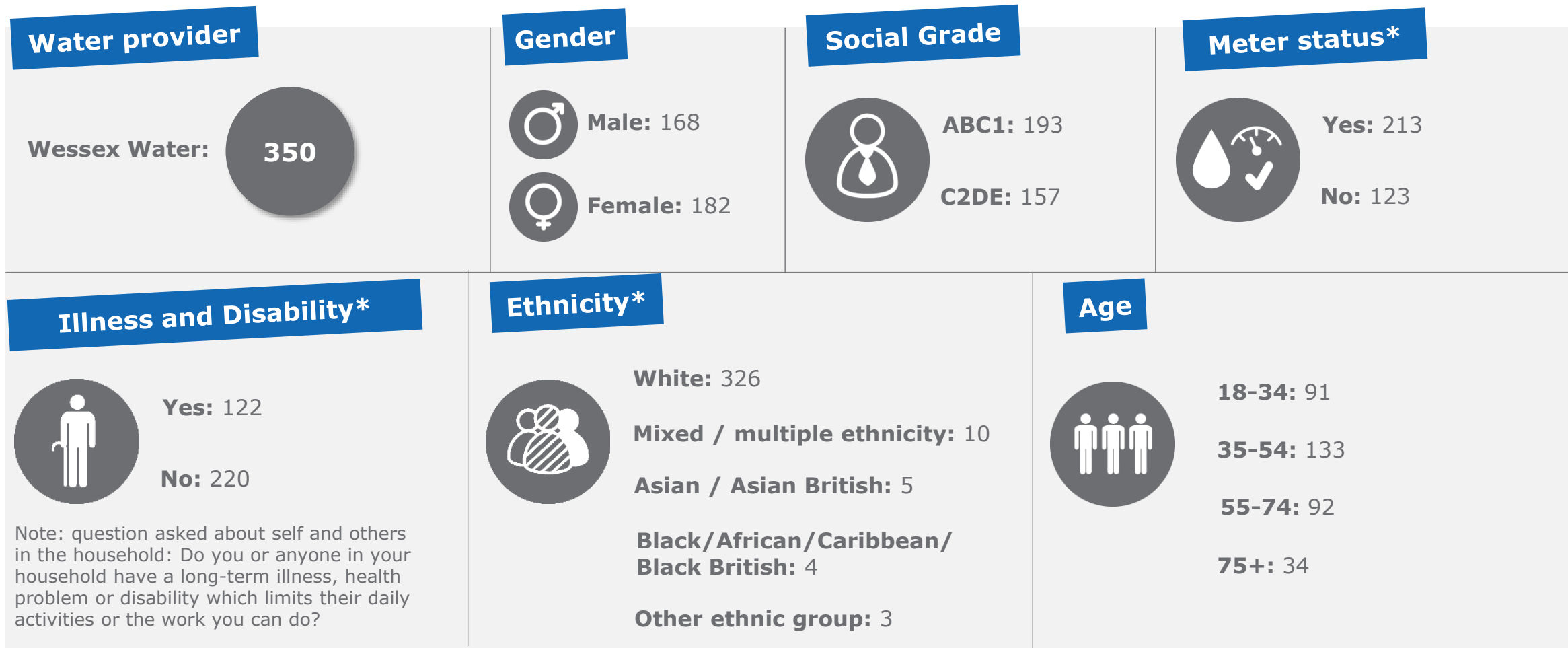
To understand customers' willingness to contribute (WtC) to the social tariff, a **contingent valuation** exercise was conducted. Contingent valuation is used to establish the amount customers are willing to pay (if anything) towards a scheme/service. Respondents were presented with a randomised starting price point and asked if they would or would not be willing to pay this amount each month to contribute towards the social tariff. If customers answered 'no' they were asked again at the next lowest price point – repeated up to three times. If customers answered 'yes' they were asked at the next highest price point - repeated up to three times. From this we established the maximum amount customers were willing to contribute based within the range established in the previous questions, providing us with a final amount they were willing to contribute.

Within the sample we see some deviation from the local profile in terms of age, gender and SEG which have been corrected through weighting. A weight has been applied to the respondent data to ensure profiles match in terms of age, gender and SEG within the region and therefore reflect the views of a representative sample. The data reported on in this report is weighted data.



# Sample: Wessex Water

The sample achieved for Wessex Water is shown below.



\*remainder don't know / prefer not to say

---

## Priority services





# Over two-thirds (68%) are aware of Priority Services – with awareness highest among younger customers

## Awareness and usage of priority services

	Wessex Water
Yes – I have heard of them but do not need these services	45%
Yes – I have signed up to them	9%
Yes – I have heard of them, may need them, but haven't done anything	14%
No – but I would like to know more	13%
No – but I do not need them	17%
Don't know	2%

## Sub group differences:

**Over 75s are least likely to be aware of Priority Services (38%). Three quarters (75%) of 18-34s and 35-54s are aware, and three fifths (62%) of 55-64s**

**Those who are aware of financial support are also more likely to be aware of Priority Services than those who are not aware of financial support (82% cf. 49%)**

**Just 42% of those whose working status is long term sick or disabled are aware of Priority Services\***

\*Caution: very low base size (<20)



---

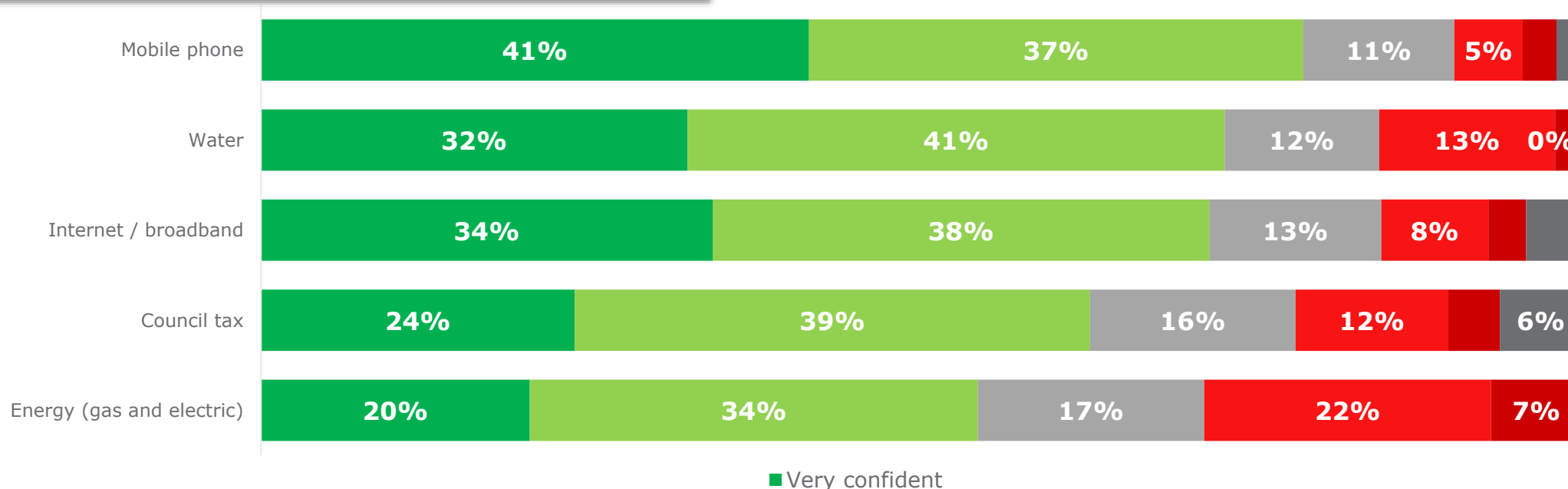
# Household bills





# Customers are most confident in being able to afford their mobile phone bill, and least confident with their energy bill (29% not confident)

## Confidence in being able to afford household bills over the next 12 months



Note: data labels <5% not shown

---

**Helping those who are  
struggling to pay**





# Over half (57%) are aware of financial support, with 55-74s being most likely to be aware

## Awareness and usage of financial support

### Wessex Water

Yes – I have had support with my bill in the past	10%
Yes – I am currently receiving support with my bill	5%
Yes – I am aware, may need this, but haven't done anything	16%
Yes – but I do not need it	26%
No – but I think I might need it	7%
No – but I would like to know more	14%
No – but I do not need it	19%
Don't know	2%

## Sub group differences:

Over 75s are least likely to be aware of financial support (31%), while 55-74s are most likely to be aware (66%). 60% of 18-34s and 56% of 35-54s are aware

Those who are aware of Priority Services are also more likely to be aware of financial support than those who are not aware (69% cf. 32%)



# Of those currently in receipt of or previously in receipt of financial support, WaterSure and flexible payment plans are the most frequent sources of support

## Support services in receipt of / previously in receipt of

### Wessex Water

Bill cap scheme - WaterSure	30%
Flexible payment plan	29%
Water Direct (using benefit payments)	18%
Reduced bill – Assist	17%
Debt support scheme - Restart	16%
Discount for low-income pensioners	16%
Payment breaks	12%
Other (specify)	4%
Don't know / prefer not to say	18%

# Information for participants

## Respondent information

Before being asked about social tariffs, including their general support or opposition and then their willingness to contribute respondents were shown the following information screen:

**“All major water companies in England and Wales have schemes to give lower bills to some customers who might otherwise struggle to pay. These are called social tariff schemes. In line with Government rules these schemes are mostly funded by charging other households a bit more on their bills.**

**This is what’s also known as a cross-subsidy. There are a number of examples of cross subsidies in day-to-day life. For example, concessionary tickets for children or pensioners to attractions (e.g. the cinema, theme parks etc.). Another example is the price of a stamp which is the same within the UK whatever distance the letter or parcel travels. At different points in our lives, we are all likely to have helped fund cross-subsidies, and to have received help from them.**

**The image below gives you some more information about social tariffs and cross-subsidies in the water sector, please review this image before continuing.”**

## STIMULUS 1

**EXAMPLES OF SOCIAL TARIFFS FOR WATER BILLS**

**Reduced bill: Assist**  
Assist is available for customers who are struggling to pay and need a discount on their bill. The level of discount can vary, but can be up to 90% off a customer's bill.  
Customers do not need to receive means tested benefits to apply, but an independent analysis of their household finances is required.  
If an application to Assist is successful, bills are reduced to an amount the customer can afford based on an independent advisor's assessment of affordability.

**Bill cap scheme: WaterSure**  
WaterSure helps reduce water bills if the household uses a lot of water for reasons beyond their control (e.g. households with 3+ children or someone in the household has a higher than average water usage due to a certain medical condition).  
Recipients must be in receipt of a means tested benefit or tax credit and be on a water meter. Bills are capped in-line with the average metered bill so customers don't pay more for reasons they cannot help.

**Discount for low income pensioners**  
Discount for low income pensioners is available for customers who are in receipt of Pension Credit, or where the state pension is the only source of income for all adults in their household.  
Customers can receive a discount of around £60 on their water and/or sewerage bill.  
To receive the discount, customers need to provide their date of birth and a copy of evidence to show entitlement to Pension Credit, or a copy of a bank statement showing the state pension as the only source of income.

**Please note:** customers who are not in receipt of support from a social tariff already pay more for their water services to fund the cross subsidies. At the moment, Wessex Water supports around **28,000 customers** on social tariffs in this area, which means out of a customer's yearly bill, £8.50 goes towards the cross-subsidy for social tariffs.

Wessex Water

1

Note: full page stimulus shown in appendix

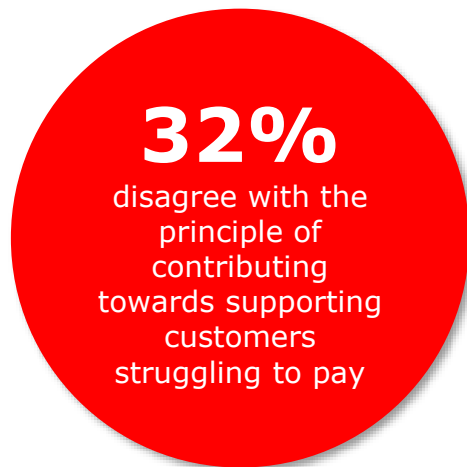


# Just under half agree with the principle of contributing towards supporting customers struggling to pay

## Agreement with the principle of contributing towards supporting customers struggling to pay...



■ Completely agree   
 ■ Slightly agree   
 ■ Neither  
■ Slightly disagree   
 ■ Strongly disagree   
 ■ Don't know



## Significant sub-group differences

**Over 75s are significantly less likely to agree with the principle than all other age groups** (75+, 23% agree; 18-34 and 55-74, 49% agree; 35-54, 47% agree)

**Those aware of Priority Services are more likely to agree than those who are unaware** (50% cf. 37%)

**Those confident in being able to afford their water bill over the next 12 months more likely to agree than those who are not confident** (51% cf. 30%)

**Those aware of financial support are more likely to agree than those who are unaware** (52% cf. 38%)

---

**Willingness to contribute**





# Information for participants

## Respondent information

Before being asked about social tariffs, including their general support or opposition and then their willingness to contribute to their water company's proposed social tariff, respondents were shown various pieces of information and stimulus as shown over the next three slides:

### INFO3

**“[WATER COMPANY] want to eradicate water poverty in the region.**

**[WATER COMPANY] anticipate that more customers may find themselves in financial difficulty as the cost-of-living increases and would like to respond by providing help for more customers, now and into the future.”**

## STIMULUS 2&3

### ADDITIONAL HELP AVAILABLE

As well as the social tariff schemes, water companies offer other support for customers who are struggling with their bills.



#### Debt support scheme: Restart

This scheme is for customers who have significant debt they cannot repay.

Customers are asked to pay what they can afford toward their water charges in the first year, and their debt is then reduced by an equivalent amount.

In year two, if they continue to make payments, the water company will clear their remaining debt.

#### Water Direct

Customers in receipt of benefits can make payments direct from their benefits.

Water Direct is available to customers at least £50 in arrears or with two failed payments. Customers will receive no action to recover debt while on Water Direct.

Customers must provide details of the benefits they receive and proof of identification.

#### Flexible payment plan

Customers can pay less on their bills for an agreed period of time and catch up on payments later.

#### Payment breaks

Short term payment breaks for customers who need a little longer to pay, or who have experienced a change in circumstances.

2

### SUPPORT+ SERVICES PROVIDED BY WATER COMPANIES

In addition to the additional financial support provided, water companies also offer a number of additional layers of support and help to customers and communities.

#### Company funded support:

- **Funding for the debt advice sector.**  
In 2022, around £400k was given to debt advice organisations.
- **The Wessex Water Foundation.**  
Around £155k per year goes into grass roots community projects to improve the lives of local people who are in most need of support. Projects are typically in areas of multiple deprivation or rural isolation, support people who lack access to services, help people to manage or avoid debt and take steps to build financial capability.

#### Additional support and services

- Free water meters
- Free water efficiency devices to help you save water and energy in the home and garden and an online GetWaterFit tool
- Free in home water efficiency visits
- Fixing leaky loos

Wessex Water

3

Note: full page stimulus shown in appendix



# Information for participants

## INFO4

**“When answering the next set of questions, please be aware that over the next few years many household costs may increase due to inflation. These household costs include energy, food and fuel prices. It is currently expected that the rate of increase in prices will slow from the middle of this year.**

**Your water bill may also be affected by how much other costs increase each year such as the company’s running costs e.g., energy, wages etc, money invested to improve day to day water services and long-term investments.”**

## INFO5

**“In order to support more customers who are struggling to pay through social tariffs in future, [WATER COMPANY] would need to increase the contributions made by other customers to pay for this. Customers already pay an amount on their bills as a cross-subsidy to support those on a social tariff.**

**We’d now like to ask you about the additional amount you would be willing to contribute – if anything - in order to make the proposed changes to expand the number of customers on social tariff schemes.**

**Please also note that if [WATER COMPANY] want to help more customers, or increase this discount in the future, they would have to consult with customers again.**



# Information for participants

## STIMULUS 4&5

### THE EXISTING SOCIAL TARIFF SCHEME...

#### The current position

**28,000** customers supported

**£8.50** (£0.71 per month) bill contribution

**Please note:** customer bills currently include a contribution towards supporting customers through social tariffs.

This information details the current level of contribution to social tariffs by each customer per year.

Wessex Water

4

### HOW THE SOCIAL TARIFF SCHEME WOULD WORK...

Here are some examples of how the expanded social tariff scheme would work in future.

The information relates to the number of additional customers that would be supported through customer contributions through social tariffs. At each level of additional support outlined, a yearly contribution amount is stated, alongside a per month figure.

Wessex Water



#### Example 1

**7,000** additional customers supported

**£6** (£0.50 per month) bill contribution

#### Example 2

**14,000** additional customers supported

**£12** (£1 per month) bill contribution

#### Example 3

**28,500** additional customers supported

**£24** (£2 per month) bill contribution

#### Example 4

**42,500** additional customers supported

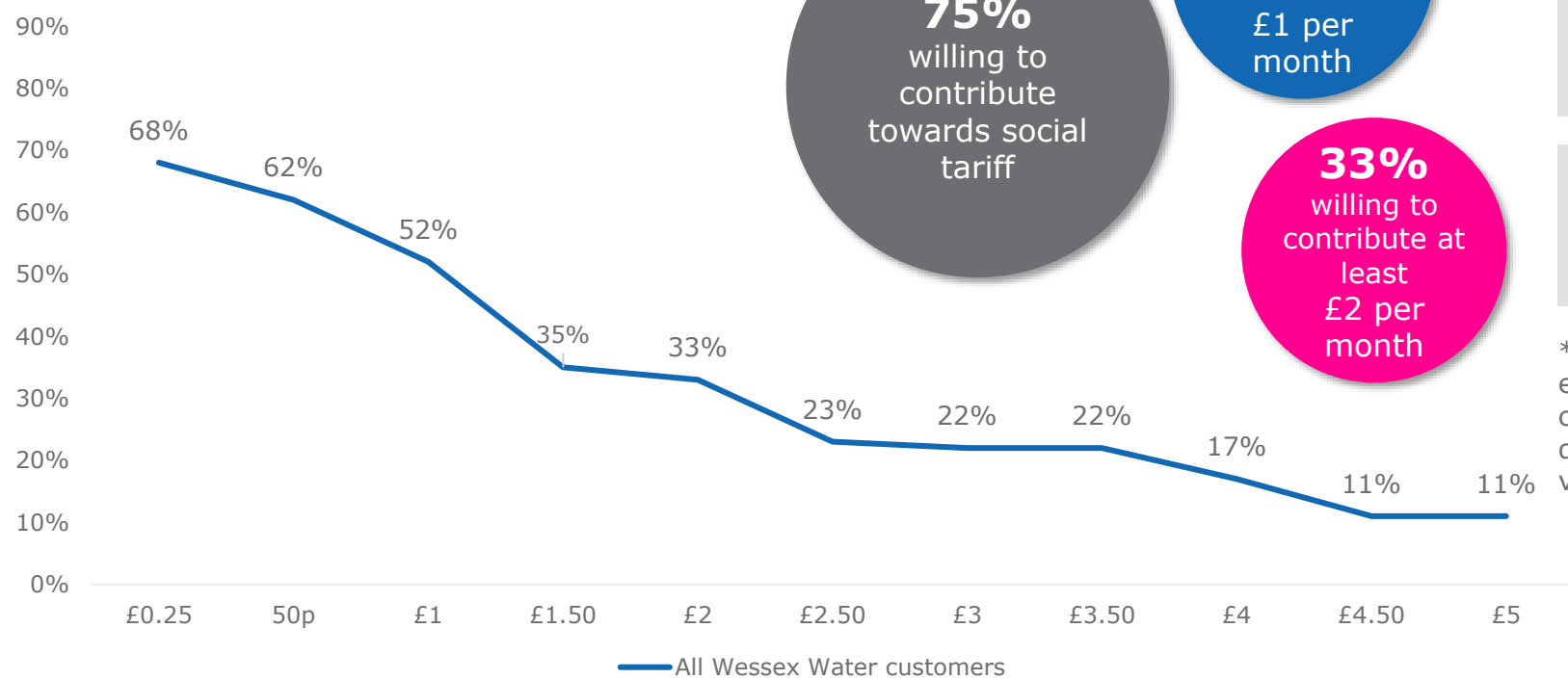
**£36** (£3 per month) bill contribution

5



# Willingness to Contribute (WtC): Wessex Water

**Willingness to contribute (per month):  
Wessex Water**



**75%**  
willing to contribute towards social tariff

**52%**  
willing to contribute at least £1 per month

**33%**  
willing to contribute at least £2 per month

Across the sample for **Wessex Water**, the average (mean) WtC is £1.50 per month. The lower limit for WtC is £1.32 per month, and the upper limit £1.68\*

The median WtC amount is £1.00, meaning a majority (50.1%) are willing to contribute up to that amount.

There are significant differences in WtC across different sample sub-groups, as shown on the following slides.

\*The upper and lower limits for WtC are value ranges either side of the mean score where there is 95% confidence that there would be no significant difference in WtC / acceptability between those values.

**Wessex Water**



# Willingness to Contribute (WtC): Wessex Water

## Willingness to Contribute

Across the total Wessex Water sample, the average (mean) WtC is £1.50 per month with a 95% confidence interval of values between £1.32 and £1.68 (meaning any difference in the tariff amount between those two values is unlikely to result in any significant change in WtC).

The median WtC amount is £1.00 per month, meaning a majority (50.1%) are willing to contribute up to that amount.

The tables to the right and on the following slides detail the WtC for different sub-groups of interest within the sample.

## Age

	18-34 (91)	35-54 (133)	55-64 (53)	65+ (74)
Mean WtC	£1.92	£1.41	£1.66	£1.05
Median WtC	£1.00	£1.00	£1.09	£0.30
Willing to contribute at all (value >£0)	91%	69%	80%	64%
Would pay at least £0.50 (%)	75%	54%	66%	57%
Would pay at least £1 (%)	63%	49%	46%	48%
Would pay £2 or more (%)	47%	30%	38%	19%

Younger customers (under 35) have a significantly higher mean WtC than those aged 35-54 and 65+



# Willingness to Contribute (WtC): Wessex Water

## Gender

	Male (168)	Female (182)
Mean WtC	£1.73	£1.29
Median WtC	£1.00	£0.99
Willing to contribute at all (value >£0)	74%	77%
Would pay at least £0.50 (%)	64%	60%
Would pay at least £1 (%)	55%	49%
Would pay £2 or more (%)	39%	29%

There are no significant gender differences

## SEG

	ABC1 (193)	C2DE (157)
Mean WtC	£1.57	£1.42
Median WtC	£1.00	£1.00
Willing to contribute at all (value >£0)	77%	73%
Would pay at least £0.50 (%)	64%	60%
Would pay at least £1 (%)	52%	52%
Would pay £2 or more (%)	34%	32%

There are no significant differences by SEG



# Willingness to Contribute (WtC): Wessex Water

## Meter status

	Metered (213)	Unmetered (214)
Mean WtC	£1.67	£1.16
Median WtC	£1.00	£0.50
Willing to contribute at all (value >£0)	77%	70%
Would pay at least £0.50 (%)	66%	54%
Would pay at least £1 (%)	55%	46%
Would pay £2 or more (%)	37%	24%

Metered customers have a higher WtC than unmetered customers.

## Household income

	Less than £19k (72)	£19k - £45k (139)	£45k+ (89)
Mean WtC	£1.03	£1.68	£1.73
Median WtC	£0.50	£0.80	£1.00
Willing to contribute at all (value >£0)	64%	75%	83%
Would pay at least £0.50 (%)	51%	59%	72%
Would pay at least £1 (%)	37%	49%	61%
Would pay £2 or more (%)	21%	38%	41%

WtC varies by household income, with those with a household income of less than £19k having a significantly lower median WtC than those with higher household incomes (£19k and above)



# Willingness to Contribute (WtC): Wessex Water

## Support for the general principle of contributing towards those who are struggling to pay

	Agree (161)	Neither (70)	Disagree (111)
Mean WtC	£2.12	£1.33	£0.78
Median WtC	£1.50	£0.75	£0.09
Willing to contribute at all (value >£0)	90%	84%	52%
Would pay at least £0.50 (%)	78%	60%	43%
Would pay at least £1 (%)	68%	46%	34%
Would pay £2 or more (%)	50%	29%	13%

As might be expected, those who agree with the general principle of paying a contribution towards supporting customers who are struggling to pay their bill, have a significantly higher WtC mean and median average than those who disagree.

## Acceptability of asking customers to contribute to social tariff

	Acceptable (154)	Neither (65)	Unacceptable (119)
Mean WtC	£2.29	£1.45	£0.61
Median WtC	£2.00	£1.00	£0.00
Willing to contribute at all (value >£0)	92%	85%	50%
Would pay at least £0.50 (%)	82%	66%	36%
Would pay at least £1 (%)	70%	54%	28%
Would pay £2 or more (%)	52%	29%	12%

Similarly, those who find it acceptable for Wessex Water to use customer funding to increase financial support to customers (after being informed of plans) have a significantly higher WtC mean and median average than those who find it unacceptable.



---

● ● ●

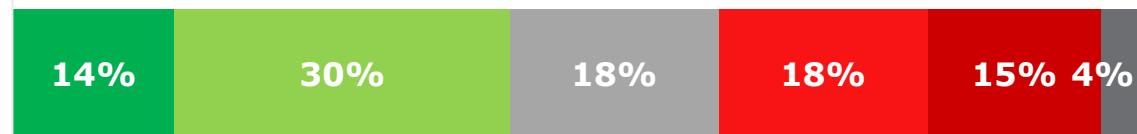
# Acceptability of proposed changes





# Almost half (44%) find the proposed increase to the social tariff using customer funding acceptable

## Overall acceptability of using customer funding to increase support for customers



■ Completely acceptable   ■ Slightly acceptable   ■ Neither  
■ Slightly unacceptable   ■ Completely unacceptable   ■ Don't know



## Significant sub-group differences

**18-34s are significantly more likely to find the proposals acceptable than 35-54s (54% cf. 38%).** Acceptability among 55-74s is 44% and 75+, 43%.

**Those confident in being able to afford their water bill over the next 12 months more likely find the proposals acceptable than those who are not confident (50% cf. 26%)**

---

## Conclusions and recommendations





# Conclusions

**Although the majority (73%) of customers are confident they will be able to afford their water bills over the next 12 months, confidence in being able to afford other bills is significantly lower, with almost a third (29%) not being confident they will be able to afford their energy bills.**

**Over two thirds (68%) are aware of priority services, and over half (57%) are aware of financial support.** In addition, 13% are unaware of priority services but would like to know more, and 7% are unaware of financial support but feel they might need it. However, for Priority Services, less than half (42%) whose working status is long term sick or disabled are aware of Priority Services suggesting there may still be some key gaps in awareness (although the low base size of this sub-group - <20 – should be noted and data treated with caution). Conversely, 70% of those on benefits are aware of the financial support Wessex Water offers.

**Just under half (46%) agree with the principle of contributing towards customers who are struggling to pay.** However, there are significant generational differences in outlook, with older customers significantly less likely to support (in principle) than younger customers. Additionally, those aware of Priority Services and/or financial support are more likely to agree than those who are unaware.

**When customers are asked to consider how much they would be willing to contribute to the social tariff in the future (if anything), three-quarters (75%) would be willing to contribute in some form.** However, significant differences between customer groups are evident, with older customers having a lower WtC threshold. Additionally, metered customers and those from higher income households tend to have a higher WtC.



# Recommendations and considerations

**Despite the significant pressures many are feeling on their household finances, there is sufficient support to indicate that a majority of customers are willing to contribute towards additional cross-subsidy for social tariffs for the period 2025-30.** The mean average WtC is £1.50 with an upper limit of £1.68 and a lower limit of £1.32 where there is a 95% confidence that WtC would not change significantly.

**However, while the majority are willing to contribute, there is a significant concern about future household finances and bill affordability – even among those in generally more favourable economic circumstances.** With this in mind, Wessex Water should be mindful that customers are (increasingly) vigilant towards their month to month expenditure, and are likely to be resistant to significant bill increases that impact their ability to spend elsewhere and absorb other rising costs such as food, rent and mortgages.

**In addition, even among those who are supportive of the principle of social tariffs there remains some scepticism about how it is operated and who is eligible. A significant minority also question why Wessex Water need to ask for a cross subsidy and can't fund it all.** To this end, it will be important for Wessex Water to continue to clearly communicate its eligibility criteria for social tariffs, and to demonstrate that support is being provided to those who really need it.

**Metered customers have a higher WtC than unmetered customers.** Continuing to promote metering and its associated benefits with the aim of increasing the number of metered households could work to drive acceptability and WtC in future.

---

## Appendix 1: Customer classification





# Customer classification

## Wessex Water

Do you pay directly for your water and wastewater?	
Yes	93%
No, it is covered by my rent	3%
I pay in another way	1%
Don't know	3%
Bill amount	
Less than £100 (Less than £8 per month)	7%
£101-£200 (£8 - £16 per month)	13%
£201-£300 (£16.01 - £25 per month)	16%
£301-£400 (£25.01 - £33 per month)	13%
£401-£500 (£33.01 - £42 per month)	14%
£501-£600 (£42.01 - £50 per month)	10%
£601-£700 (£50.01 - £58 per month)	8%
£701-£800 (£58.01 - £67 per month)	6%
£801 or more (£67.01 or more per month)	4%
Don't know	6%
Prefer not to say	4%



# Customer classification

## Wessex Water

Working status	
Work full time	43%
Work part time	18%
Self-employed	6%
Unemployed / looking for work	4%
Long term sick / disabled	4%
Retired	16%
Looking after home or family	6%
Student	1%
Other	0%
Prefer not to say	2%
Anyone in the household in receipt of benefits	
Yes (self or others)	36%
No	60%
Prefer not to say	4%
Don't know	0%





# Customer classification

## Wessex Water

Household income	
Less than £10,000	5%
£10,001 - £13,000	6%
£13,001 - £16,000	5%
£16,001 - £19,000	6%
£19,001 - £25,000	10%
£25,001 - £29,000	9%
£29,001 - £35,000	10%
£35,001 - £45,000	11%
£45,001 - £55,000	8%
£55,001 - £65,000	6%
£65,001 - £75,000	4%
£75,001 - £85,000	2%
£85,001 - £95,000	1%
£95,001 - £105,000	2%
£105,001 - £115,000	1%
More than £115,000	1%
Prefer not to say (do not read out)	12%



# Customer classification

## Wessex Water

### Long-term illness, health problem or disability

Yes (self or others) 35%

No 63%

Prefer not to say 2%

### Illness, health problem or disability require the use of extra water (only asked to those who say they or someone in their household has a long-term illness, health problem or disability)

Yes 31%

No 65%

Prefer not to say 4%

---

## Appendix 2: Research guidance information





# Research guidance (I)

Ofwat have set out requirements for High Quality Research in their Customer Engagement Policy. All water company research and engagement should follow best practice and lead to a meaningful understanding of what is important to customers and wider stakeholders.

## Useful and contextualised

This research was conducted to consult customers to ascertain how much extra, if anything, they are prepared to pay on their water bill to help pay the bills of struggling customers during the next 5-year period.

## Fit for purpose

This project followed the same methodology to that of the social tariff cross subsidy research conducted by DJS Research on behalf of other water companies in 2018 and 2022. Pilot interviews were carried out prior to the full launch of fieldwork and pilot interviews included additional questions to check customer understanding of the materials and questions.

## Ethical

This research was conducted by DJS Research who are a member of the Market Research Society. Customers were reminded that they could be open and honest in their views due to anonymity and DJS and Wessex Water / Bristol Water / Bournemouth Water were subject to strict data protection protocols.

## Continual

Customer views will be directly fed into the plans for AMP8 which covers the next five-year period (2025-2030).

## Inclusive

A combination of online and in person CAPI interviews were conducted to ensure that customers classed as digitally vulnerable and hard-to-reach customers were included in the research.

## Neutrally designed within the confines of the guidance

Every effort has been made to ensure that the research is neutral and free from bias. Where there is the potential for bias, this has been acknowledged in the report. Participants were encouraged to give their open and honest views and reassurances were given that Wessex Water / Bristol Water / Bournemouth Water were open to hearing their honest opinions and experiences.

## Independently assured

All research was conducted by DJS, an independent market research agency. Wessex Water / Bristol Water / Bournemouth Water reviewed all research materials ahead of fieldwork and prior to the survey being scripted and provided a check and challenge approach on the method and findings.

## Shared in full with others

The full final report and research materials will be shared internally with Severn Trent colleagues along with CCW.

---

## Appendix 3: Stimulus



# EXAMPLES OF SOCIAL TARIFFS FOR WATER BILLS

## Reduced bill: **Assist**

Assist is available for customers who are struggling to pay and need a discount on their bill. The level of discount can vary, but can be up to 90% off a customer's bill.

Customers do not need to receive means tested benefits to apply, but an independent analysis of their household finances is required.

If an application to Assist is successful, bills are reduced to an amount the customer can afford based on an independent advisor's assessment of affordability.

## Bill cap scheme: **WaterSure**

WaterSure helps reduce water bills if the household uses a lot of water for reasons beyond their control (e.g. households with 3+ children or someone in the household has a higher than average water usage due to a certain medical condition).

Recipients must be in receipt of a means tested benefit or tax credit and be on a water meter. Bills are capped in-line with the average metered bill so customers don't pay more for reasons they cannot help.

## Discount for low income pensioners

Discount for low income pensioners is available for customers who are in receipt of Pension Credit, or where the state pension is the only source of income for all adults in their household.

Customers can receive a discount of around £60 on their water and/or sewerage bill.

To receive the discount, customers need to provide their date of birth and a copy of evidence to show entitlement to Pension Credit, or a copy of a bank statement showing the state pension as the only source of income.

**Please note:** customers who are not in receipt of support from a social tariff already pay more for their water services to fund the cross subsidies. At the moment, Wessex Water supports around **28,000 customers** on social tariffs in this area, which means out of a customer's yearly bill, £8.50 goes towards the cross-subsidy for social tariffs.

# ADDITIONAL HELP AVAILABLE

As well as the social tariff schemes, water companies offer other support for customers who are struggling with their bills.



## Debt support scheme: **Restart**

This scheme is for customers who have significant debt they cannot repay.

Customers are asked to pay what they can afford toward their water charges in the first year, and their debt is then reduced by an equivalent amount.

In year two, if they continue to make payments, the water company will clear their remaining debt.

## **Water Direct**

Customers in receipt of benefits can make payments direct from their benefits.

Water Direct is available to customers at least £50 in arrears or with two failed payments. Customers will receive no action to recover debt while on Water Direct.

Customers must provide details of the benefits they receive and proof of identification.

## **Flexible payment plan**

Customers can pay less on their bills for an agreed period of time and catch up on payments later.

## **Payment breaks**

Short term payment breaks for customers who need a little longer to pay, or who have experienced a change in circumstances.

# SUPPORT+ SERVICES PROVIDED BY WATER COMPANIES

In addition to the additional financial support provided, water companies also offer a number of additional layers of support and help to customers and communities.

## Company funded support:

- **Funding for the debt advice sector.**

In 2022, around £400k was given to debt advice organisations.

- **The Wessex Water Foundation.**

Around £155k per year goes into grass roots community projects to improve the lives of local people who are in most need of support. Projects are typically in areas of multiple deprivation or rural isolation, support people who lack access to services, help people to manage or avoid debt and take steps to build financial capability.

## Additional support and services

- Free water meters
- Free water efficiency devices to help you save water and energy in the home and garden and an online GetWaterFit tool
- Free in home water efficiency visits
- Fixing leaky loos



# THE EXISTING SOCIAL TARIFF SCHEME...

## The current position

**28,000** customers supported

**£8.50** (£0.71 per month)  
bill contribution

**Please note:** customer bills currently include a contribution towards supporting customers through social tariffs.

This information details the current level of contribution to social tariffs by each customer per year.

# HOW THE SOCIAL TARIFF SCHEME WOULD WORK...

Here are some examples of how the expanded social tariff scheme would work in future.

The information relates to the number of additional customers that would be supported through customer contributions through social tariffs. At each level of additional support outlined, a yearly contribution amount is stated, alongside a per month figure.

## Example 1

**7,000**  
additional customers supported  
**£6** (£0.50 per month)  
bill contribution

## Example 3

**28,500**  
additional customers supported  
**£24** (£2 per month)  
bill contribution

## Example 2

**14,000**  
additional customers supported  
**£12** (£1 per month)  
bill contribution

## Example 4

**42,500**  
additional customers supported  
**£36** (£3 per month)  
bill contribution



# For more information



**Ali Sims, Research Director**

asims@djsresearch.com

**Matt Prince, Associate Director**

mprince@djsresearch.com

**Head office:** 3 Pavilion Lane, Strines,  
Stockport, Cheshire, SK6 7GH

**Leeds office:** Regus, Office 18.09, 67 Albion Street  
Pinnacle, 15th–18th Floors, Leeds, LS1 5AA

+44 (0)1663 767 857 | [djsresearch.co.uk](http://djsresearch.co.uk)



**Follow us on LinkedIn...**

For free market research findings and our latest news and developments: [linkedin.com/company/djs-research-ltd](https://www.linkedin.com/company/djs-research-ltd)

For regularly updated market research findings from your sector, please have a look at our complimentary insights: [djsresearch.co.uk/blog/articles](http://djsresearch.co.uk/blog/articles)



**BRISTOL  
WATER**

It's what we're made of.



# Social tariff Research: Bristol Water

June 2023

**Ali Sims, Research Director**  
[asims@djsresearch.com](mailto:asims@djsresearch.com)

**Matt Prince, Associate Director**  
[mprince@djsresearch.com](mailto:mprince@djsresearch.com)

**Head office:** 3 Pavilion Lane,  
Strines, Stockport, Cheshire, SK6 7GH

**Leeds office:** Regus, Office 18.09, 67 Albion Street,  
Pinnacle, 15th–18th Floors, Leeds, LS1 5AA

+44 (0)1663 767 857 | [djsresearch.co.uk](https://djsresearch.co.uk)

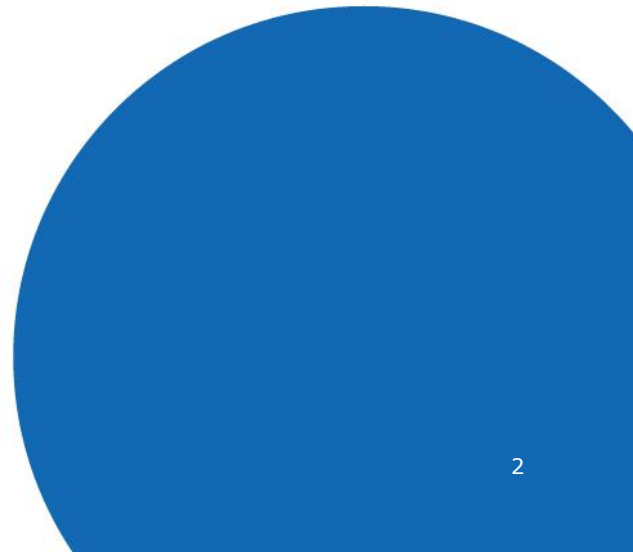
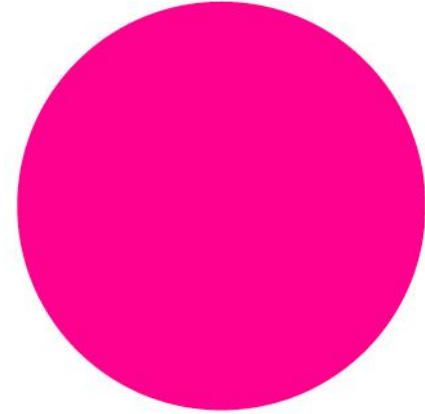
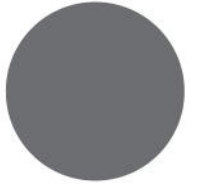


JN8943

---

# Contents

Background, objectives and methodology	3
Priority Services	7
Household bills	9
Helping those who are struggling to pay	11
Willingness to contribute	16
Acceptability of proposed changes	25
Conclusions and recommendations	27
Appendices	30



---

**Background, objectives  
and methodology**





# Background and objectives

As part of the business planning process for PR24, Wessex Water, Bristol Water and Bournemouth Water are consulting with their customers on a number of topics, including on social tariffs. Each company wishes to eradicate water poverty across their region(s), with the aim of no customer's bill being more than 5% of their disposable income.

To achieve this aim, it is likely to be necessary for Bristol Water to increase its social tariff charge to customers' bills.

To understand customers' willingness to contribute to an increased cross subsidy, DJS research were commissioned to undertake acceptability and willingness to contribute research with customers to explore and understand:

## **Financial confidence**

The extent to which customers are confident they will be able to afford their water and other household bills over the next 12 months.

## **Acceptability of the principle of social tariffs**

Measure the proportion of customers who find the principle of social tariffs acceptable / unacceptable and why.

## **Acceptability of each water company's proposed changes to the social tariff**

Inform customers about each company's plans for the future of the schemes (partly) funded through social tariffs, and understand how acceptable or unacceptable this is to customers.

## **Willingness to contribute**

Assess customers' willingness to contribute (WtC) to a social tariff through their water bills, and the amount that they would be willing to contribute each month as part of their bills to support this.

This document reports on Bristol Water only.

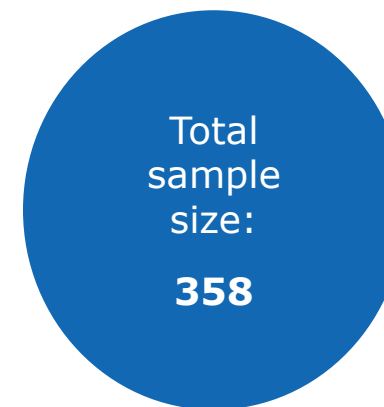


# Methodology

## Fieldwork

Interviews were conducted online (300) via panel and face to face (58) via Computer Assisted Personal Interview (CAPI). The CAPI interviews were conducted with customers who have limited or no internet access to ensure a representation of offline participants in the research.

Interviews lasted 9 minutes on average, and respondents were shown a number of pieces of stimulus during the interview (as shown throughout the report and in the appendix) to provide information relating to the proposed social tariff and other elements of the company's existing programmes and schemes to support customers.



**Fieldwork was conducted during April 2023**

## Notes on this report:

To understand customers' willingness to contribute (WtC) to the social tariff, a **contingent valuation** exercise was conducted. Contingent valuation is used to establish the amount customers are willing to pay (if anything) towards a scheme/service. Respondents were presented with a randomised starting price point and asked if they would or would not be willing to pay this amount each month to contribute towards the social tariff. If customers answered 'no' they were asked again at the next lowest price point – repeated up to three times. If customers answered 'yes' they were asked at the next highest price point - repeated up to three times. From this we established the maximum amount customers were willing to contribute based within the range established in the previous questions, providing us with a final amount they were willing to contribute.

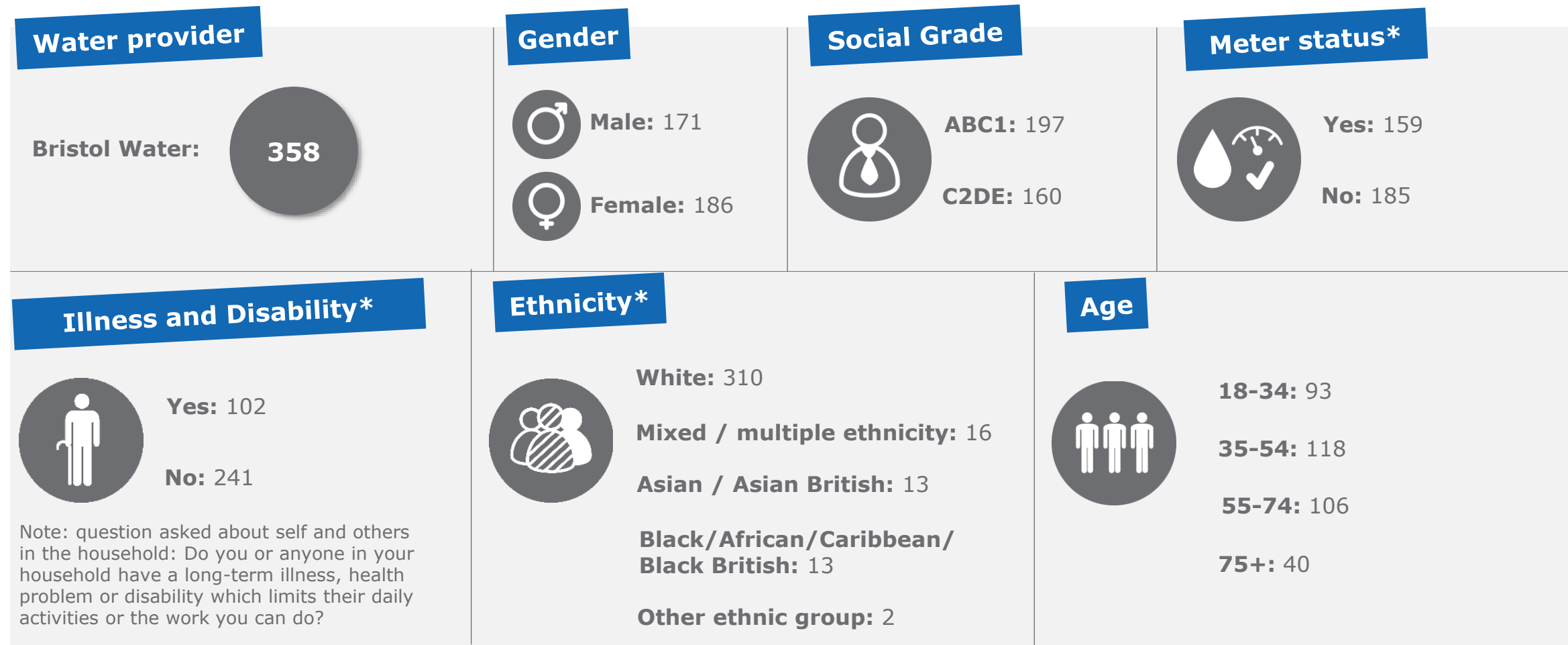
Within the sample we see some deviation from the local profile in terms of age, gender and SEG which have been corrected through weighting. A weight has been applied to the respondent data to ensure profiles match in terms of age, gender and SEG within the region and therefore reflect the views of a representative sample. The data reported on in this report is weighted data.





# Sample: Bristol Water

The sample achieved for Bristol Water is shown below.



\*remainder don't know / prefer not to say

---

## Priority services





# Over two-thirds (69%) are aware of Priority Services – with awareness highest among younger customers

## Awareness and usage of priority services

	Bristol Water
Yes – I have heard of them but do not need these services	38%
Yes – I have signed up to them	14%
Yes – I have heard of them, may need them, but haven't done anything	18%
No – but I would like to know more	15%
No – but I do not need them	13%
Don't know	2%

## Sub group differences:

**Over 75s are least likely to be aware of Priority Services (35%). Three quarters (75%) of 18-34s and four fifths (81%) of 35-54s are aware, and over two thirds (66%) of 55-64s**

**ABC1s more likely to be aware than C2DEs (75% cf. 63%) – however ABC1s more likely to be aware of but not need the services than C2DEs (45% cf. 30%)**

**74% of those who have someone in the household with an illness or disability which requires the use of additional water are aware of Priority Services**

---

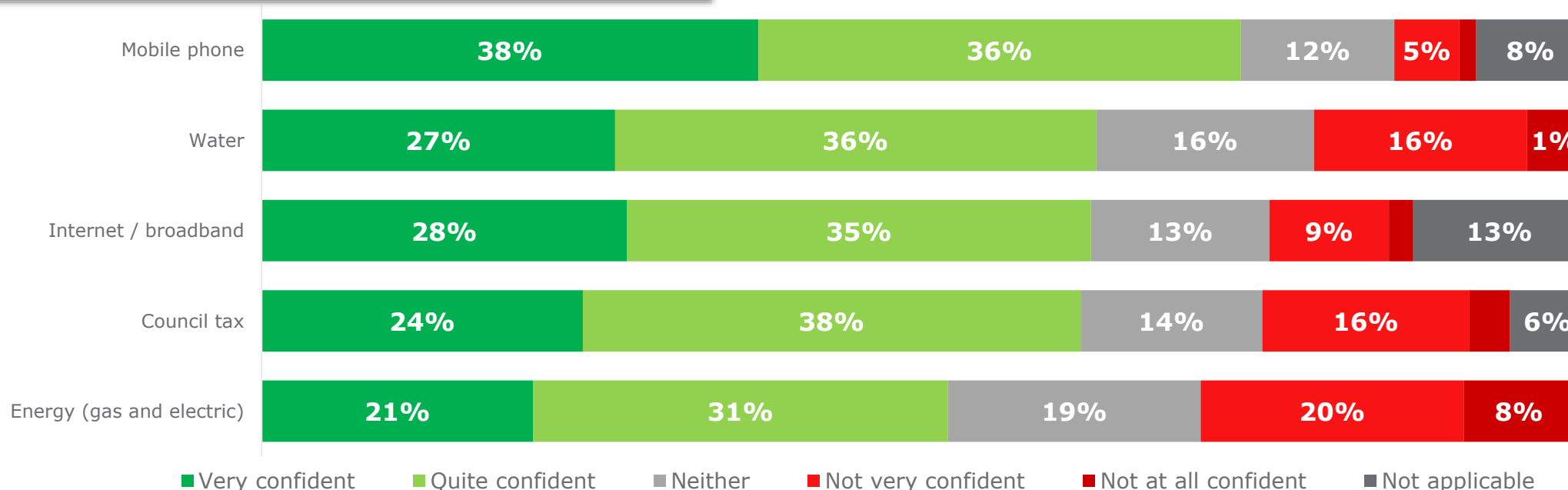
# Household bills





# Customers are most confident in being able to afford their mobile phone bill, and least confident with their energy bill (29% not confident)

## Confidence in being able to afford household bills over the next 12 months



Note: data labels <5% not shown

---

**Helping those who are  
struggling to pay**





# Three-fifths (60%) are aware of financial support, however, those who are not confident in the affordability of their water bill are less likely to be aware than those who are confident

## Awareness and usage of financial support

	Bristol Water
Yes – I have had support with my bill in the past	13%
Yes – I am currently receiving support with my bill	9%
Yes – I am aware, may need this, but haven't done anything	19%
Yes – but I do not need it	19%
No – but I think I might need it	10%
No – but I would like to know more	15%
No – but I do not need it	12%
Don't know	2%

## Sub group differences:

Over 75s are least likely to be aware of financial support (43%), while 55-74s and 35-54s are most likely to be aware (63% and 64%). 59% of 18-34s are aware

Those who are aware of Priority Services are also more likely to be aware of financial support than those who are not aware (71% cf. 37%)

Those who are confident they will be able to afford their water bill over the next 12 months are more likely to be aware than those who are not confident (67% cf. 42%)



# Of those currently in receipt of or previously in receipt of financial support, Assist and WaterSure are the most frequent sources of support

## Support services in receipt of / previously in receipt of

	Bristol Water
Reduced bill – Assist	38%
Bill cap scheme - WaterSure	34%
Debt support scheme - Restart	26%
Flexible payment plan	23%
Discount for low-income pensioners	20%
Water Direct (using benefit payments)	18%
Payment breaks	6%
Other (specify)	0%
Don't know / prefer not to say	0%



# Information for participants

## Respondent information

Before being asked about social tariffs, including their general support or opposition and then their willingness to contribute respondents were shown the following information screen:

**“All major water companies in England and Wales have schemes to give lower bills to some customers who might otherwise struggle to pay. These are called social tariff schemes. In line with Government rules these schemes are mostly funded by charging other households a bit more on their bills.**

**This is what’s also known as a cross-subsidy. There are a number of examples of cross subsidies in day-to-day life. For example, concessionary tickets for children or pensioners to attractions (e.g. the cinema, theme parks etc.). Another example is the price of a stamp which is the same within the UK whatever distance the letter or parcel travels. At different points in our lives, we are all likely to have helped fund cross-subsidies, and to have received help from them.**

**The image below gives you some more information about social tariffs and cross-subsidies in the water sector, please review this image before continuing.”**

## STIMULUS 1

**EXAMPLES OF SOCIAL TARIFFS FOR WATER BILLS**

**Reduced bill: Assist**  
Assist is available for customers who are struggling to pay and need a discount on their bill. The level of discount can vary, but can be up to 90% off a customer's bill.  
Customers do not need to receive means tested benefits to apply, but an independent analysis of their household finances is required.  
If an application to Assist is successful, bills are reduced to an amount the customer can afford based on an independent advisor's assessment of affordability.

**Bill cap scheme: WaterSure**  
WaterSure helps reduce water bills if the household uses a lot of water for reasons beyond their control (e.g. households with 3+ children or someone in the household has a higher than average water usage due to a certain medical condition).  
Recipients must be in receipt of a means tested benefit or tax credit and be on a water meter. Bills are capped in-line with the average metered bill so customers don't pay more for reasons they cannot help.

**Discount for low income pensioners**  
Discount for low income pensioners is available for customers who are in receipt of Pension Credit, or where the state pension is the only source of income for all adults in their household.  
Customers can receive a discount of around £60 on their water and/or sewerage bill.  
To receive the discount, customers need to provide their date of birth and a copy of evidence to show entitlement to Pension Credit, or a copy of a bank statement showing the state pension as the only source of income.

**Please note:** customers who are not in receipt of support from a social tariff already pay more for their water services to fund the cross subsidies. At the moment, Bristol Water and Wessex Water support around **21,000 customers** on social tariffs in this area, which means out of a customer's yearly bill for their water supply and waste water, £7.65 goes towards the cross-subsidy for social tariffs.

Bristol Water (water supply)/Wessex Water (waste water)

1

Note: full page stimulus shown in appendix



# Just over half agree with the principle of contributing towards supporting customers struggling to pay

## Agreement with the principle of contributing towards supporting customers struggling to pay...



■ Completely agree   ■ Slightly agree   ■ Neither  
■ Slightly disagree   ■ Strongly disagree   ■ Don't know



## Significant sub-group differences

Over 75s are significantly less likely to agree with the principle than all other age groups (75+, 24% agree; 18-34, 54%; 35-54, 57%; 55-74, 57%)

Those aware of Priority Services are more likely to agree than those who are unaware (57% cf. 44%)

Those confident in being able to afford their water bill over the next 12 months more likely to agree than those who are not confident (62% cf. 39%)

Those aware of financial support are more likely to agree than those who are unaware (59% cf. 45%)

---

**Willingness to contribute**



# Information for participants

## Respondent information

Before being asked about social tariffs, including their general support or opposition and then their willingness to contribute to their water company's proposed social tariff, respondents were shown various pieces of information and stimulus as shown over the next three slides:

### INFO3

**“[WATER COMPANY] want to eradicate water poverty in the region.**

**[WATER COMPANY] anticipate that more customers may find themselves in financial difficulty as the cost-of-living increases and would like to respond by providing help for more customers, now and into the future.”**

## STIMULUS 2&3

### ADDITIONAL HELP AVAILABLE

As well as the social tariff schemes, water companies offer other support for customers who are struggling with their bills.



#### Debt support scheme: Restart

This scheme is for customers who have significant debt they cannot repay.

Customers are asked to pay what they can afford toward their water charges in the first year, and their debt is then reduced by an equivalent amount.

In year two, if they continue to make payments, the water company will clear their remaining debt.

#### Water Direct

Customers in receipt of benefits can make payments direct from their benefits.

Water Direct is available to customers at least £50 in arrears or with two failed payments. Customers will receive no action to recover debt while on Water Direct.

Customers must provide details of the benefits they receive and proof of identification.

#### Flexible payment plan

Customers can pay less on their bills for an agreed period of time and catch up on payments later.

#### Payment breaks

Short term payment breaks for customers who need a little longer to pay, or who have experienced a change in circumstances.

2

### SUPPORT+ SERVICES PROVIDED BY WATER COMPANIES

In addition to the additional financial support provided, water companies also offer a number of additional layers of support and help to customers and communities.

#### Company funded support:

- **Funding for the debt advice sector.**  
In 2022, around £450k was given to debt advice organisations.
- **The Wessex Water Foundation.**  
Around £155k per year goes into grass roots community projects to improve the lives of local people who are in most need of support. Projects are typically in areas of multiple deprivation or rural isolation, support people who lack access to services, help people to manage or avoid debt and take steps to build financial capability.
- **Bristol Water Social Contract.**  
Bristol Water supports a number of partners in the community to help reach customers most in need through their Social Contract. This includes a number of Hard to Reach projects with Charities in the region.

#### Additional support and services

- Free water meters
- Free water efficiency devices to help you save water and energy in the home and garden
- Help with fixing leaks

Bristol Water (water supply)/Wessex Water (waste water)

3

Note: full page stimulus shown in appendix



# Information for participants

## INFO4

**“When answering the next set of questions, please be aware that over the next few years many household costs may increase due to inflation. These household costs include energy, food and fuel prices. It is currently expected that the rate of increase in prices will slow from the middle of this year.**

**Your water bill may also be affected by how much other costs increase each year such as the company’s running costs e.g., energy, wages etc, money invested to improve day to day water services and long-term investments.”**

## INFO5

**“In order to support more customers who are struggling to pay through social tariffs in future, [WATER COMPANY] would need to increase the contributions made by other customers to pay for this. Customers already pay an amount on their bills as a cross-subsidy to support those on a social tariff.**

**We’d now like to ask you about the additional amount you would be willing to contribute – if anything - in order to make the proposed changes to expand the number of customers on social tariff schemes.**

**Please also note that if [WATER COMPANY] want to help more customers, or increase this discount in the future, they would have to consult with customers again.**



# Information for participants

## STIMULUS 4&5

### THE EXISTING SOCIAL TARIFF SCHEME...

#### The current position

**21,000** customers supported

**£7.65** (£0.64 per month) bill contribution

**Please note:** customer bills currently include a contribution towards supporting customers through social tariffs.

This information details the current level of contribution to social tariffs by each customer per year.

Bristol Water (water supply)/Wessex Water (waste water)

4

### HOW THE SOCIAL TARIFF SCHEME WOULD WORK...

Here are some examples of how the expanded social tariff scheme would work in future.

The information relates to the number of additional customers that would be supported through customer contributions through social tariffs. At each level of additional support outlined, a yearly contribution amount is stated, alongside a per month figure.

Bristol Water (water supply)/  
Wessex Water (waste water)



#### Example 1

**5,000**  
additional customers supported  
**£6** (£0.50 per month)  
bill contribution

#### Example 2

**10,500**  
additional customers supported  
**£12** (£1 per month)  
bill contribution

#### Example 3

**21,000**  
additional customers supported  
**£24** (£2 per month)  
bill contribution

#### Example 4

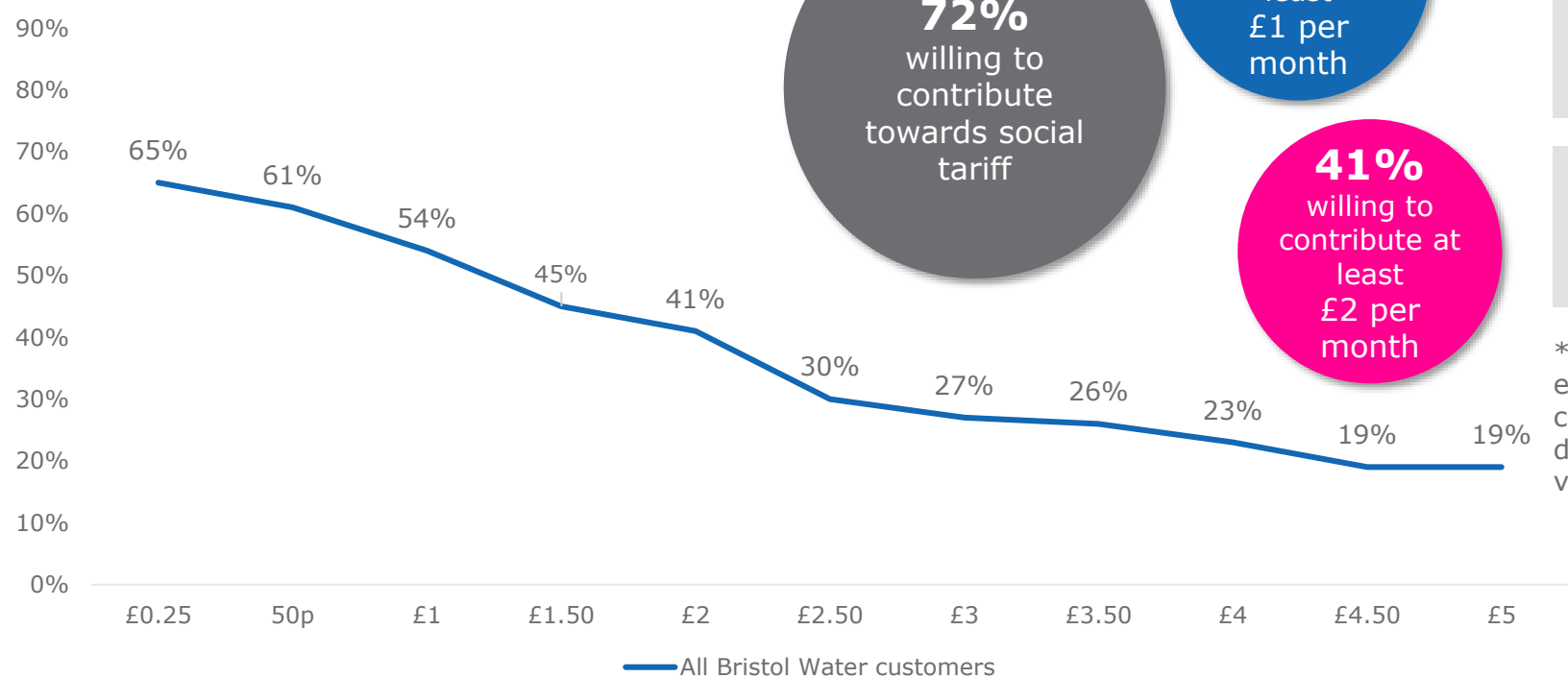
**31,000**  
additional customers supported  
**£36** (£3 per month)  
bill contribution

5



# Willingness to Contribute (WtC): Bristol Water

**Willingness to contribute (per month):**  
Bristol Water



**72%** willing to contribute towards social tariff

**54%** willing to contribute at least £1 per month

**41%** willing to contribute at least £2 per month

Across the sample for **Bristol Water**, the average (mean) WtC is £1.79 per month. The lower limit for WtC is £1.69 per month, and the upper limit £1.89\*

The median WtC amount is £1.00, meaning a majority (50.1%) are willing to contribute up to that amount.

There are significant differences in WtC across different sample sub-groups, as shown on the following slides.

\*The upper and lower limits for WtC are value ranges either side of the mean score where there is 95% confidence that there would be no significant difference in WtC / acceptability between those values.

**Bristol Water**



# Willingness to Contribute (WtC): Bristol Water

## Willingness to Contribute

Across the total Bristol Water sample, the average (mean) WtC is £1.79 per month with a 95% confidence interval of values between £1.69 and £1.89 (meaning any difference in the tariff amount between those two values is unlikely to result in any significant change in WtC).

The median WtC amount is £1.00 per month, meaning a majority (50.1%) are willing to contribute up to that amount.

The tables to the right and on the following slides detail the WtC for different sub-groups of interest within the sample.

## Age

	18-34 (93)	35-54 (118)	55-64 (79)	65+ (68)
Mean WtC	£2.11	£2.04	£2.06	£0.62
Median WtC	£1.00	£1.50	£1.50	£0.00
Willing to contribute at all (value >£0)	85%	78%	79%	34%
Would pay at least £0.50 (%)	71%	68%	68%	28%
Would pay at least £1 (%)	59%	63%	59%	26%
Would pay £2 or more (%)	48%	49%	48%	12%

Under 65s have a significantly higher WtC than over 65s. Just over a third of over 65s would be willing to contribute at all, resulting in a median WtC of £0.





# Willingness to Contribute (WtC): Bristol Water

## Gender

	Male (172)	Female (186)
Mean WtC	£1.93	£1.66
Median WtC	£1.00	£1.00
Willing to contribute at all (value >£0)	71%	73%
Would pay at least £0.50 (%)	63%	59%
Would pay at least £1 (%)	56%	53%
Would pay £2 or more (%)	45%	38%

There are no significant differences in WtC by gender among Bristol Water customers.

## SEG

	ABC1 (197)	C2DE (161)
Mean WtC	£2.02	£1.51
Median WtC	£1.00	£1.00
Willing to contribute at all (value >£0)	76%	66%
Would pay at least £0.50 (%)	65%	55%
Would pay at least £1 (%)	58%	50%
Would pay £2 or more (%)	46%	36%

The mean and median WtC is higher for ABC1 customers than C2DEs, and a higher proportion are willing to contribute at all (76% cf. 66%).



# Willingness to Contribute (WtC): Bristol Water

## Meter status

	Metered (159)	Unmetered (185)
Mean WtC	£2.00	£1.60
Median WtC	£1.00	£0.55
Willing to contribute at all (value >£0)	80%	63%
Would pay at least £0.50 (%)	67%	56%
Would pay at least £1 (%)	60%	50%
Would pay £2 or more (%)	45%	37%

Metered customers have a higher mean WtC than unmetered customers, and a higher proportion are willing to contribute at all (80% cf. 63%).

## Household income

	Less than £19k (56)	£19k - £45k (112)	£45k+ (126)
Mean WtC	£1.76	£1.90	£2.40
Median WtC	£1.00	£1.00	£2.00
Willing to contribute at all (value >£0)	82%	84%	78%
Would pay at least £0.50 (%)	62%	69%	73%
Would pay at least £1 (%)	54%	61%	67%
Would pay £2 or more (%)	38%	47%	54%

Although those with a higher household income (£45k+) have a higher mean WtC than those with lower household incomes, there is no significant difference in willingness to contribute anything at all.



# Willingness to Contribute (WtC): Bristol Water

## Support for the general principle of contributing towards those who are struggling to pay

	Agree (189)	Neither (73)	Disagree (88)
Mean WtC	£2.29	£1.53	£1.00
Median WtC	£2.00	£0.80	£0.00
Willing to contribute at all (value >£0)	83%	75%	47%
Would pay at least £0.50 (%)	73%	61%	37%
Would pay at least £1 (%)	69%	49%	30%
Would pay £2 or more (%)	54%	35%	22%

As might be expected, those who agree with the general principle of paying a contribution towards supporting customers who are struggling to pay their bill have a significantly higher WtC mean and median average than those who disagree.

## Acceptability of asking customers to contribute to social tariff

	Acceptable (179)	Neither (57)	Unacceptable (106)
Mean WtC	£2.42	£1.96	£0.68
Median WtC	£2.00	£1.00	£0.00
Willing to contribute at all (value >£0)	89%	84%	38%
Would pay at least £0.50 (%)	79%	72%	27%
Would pay at least £1 (%)	74%	56%	22%
Would pay £2 or more (%)	57%	43%	14%

Similarly, those who find it acceptable for Bristol Water to use customer funding to increase financial support to customers (after being informed of plans) have a significantly higher WtC mean and median average than those who find it unacceptable.

---

● ● ●  
**Acceptability of proposed  
changes**





# Half (50%) find the proposed increase to the social tariff using customer funding acceptable

## Overall acceptability of using customer funding to increase support for customers



■ Completely acceptable   ■ Slightly acceptable   ■ Neither  
■ Slightly unacceptable   ■ Completely unacceptable   ■ Don't know



## Significant sub-group differences

**35-54s (58%) and 55-74s (50%) are significantly more likely to find the proposals acceptable than over 75s (30%).**  
Acceptability among 18-34s, 49%.

**Those aware of Priority Services are more likely to find the proposals acceptable than those who are unaware (56% cf. 40%)**

**Those aware of financial support are more likely to find the proposals acceptable than those who are unaware (56% cf. 42%)**

---

## Conclusions and recommendations





# Conclusions

**Although the majority (63%) of customers are confident they will be able to afford their water bills over the next 12 months, confidence in being able to afford other bills is significantly lower, with over a quarter (28%) not being confident they will be able to afford their energy bills.**

**Over two thirds (70%) are aware of priority services, and three in five (60%) are aware of financial support.** In addition, 15% are unaware of priority services but would like to know more, and 10% are unaware of financial support but feel they might need it. However, for financial support, those who are not confident they will be able to afford their water bill over the next 12 months are less likely to be aware than those who are confident (42% cf. 67%), suggesting there may still be some gaps in awareness among customers who are more likely to be in need of such services either now or in the future.

**Half (50%) agree with the principle of contributing towards customers who are struggling to pay.** However, there are significant generational differences in outlook, with older customers significantly less likely to support (in principle) than younger customers. Additionally, those aware of Priority Services and/or financial support are more likely to agree than those who are unaware.

When customers are asked to consider how much they would be willing to contribute to the social tariff in future (if anything), almost three-quarters (72%) would be willing to contribute in some form. However, significant differences between customer groups are evident, with older customers again having a lower WtC threshold. Additionally, metered customers and those from higher socio economic groups (ABC1) tend to have a higher WtC.



# Recommendations and considerations

**Despite the significant pressures many are feeling on their household finances, there is sufficient support to indicate that a majority of customers are willing to contribute towards additional cross-subsidy for social tariffs for the period 2025-30.** The mean average WtC is £1.79 with an upper limit of £1.89 and a lower limit of £1.69 where there is a 95% confidence that WtC would not change significantly.

**However, while the majority are willing to contribute, there is a significant concern about future household finances and bill affordability – even among those in generally more favourable economic circumstances.** With this in mind, Bristol Water should be mindful that customers are (increasingly) vigilant towards their month to month expenditure, and are likely to be resistant to significant bill increases that impact their ability to spend elsewhere and absorb other rising costs such as food, rent and mortgages.

**In addition, even among those who are supportive of the principle of social tariffs there remains some scepticism about how it is operated and who is eligible.** To this end, it will be important for Bristol Water to continue to clearly communicate its eligibility criteria for social tariffs, and to demonstrate that support is being provided to those who really need it.

**Metered customers have a higher WtC than unmetered customers.** Continuing to promote metering and its associated benefits with the aim of increasing the number of metered households could work to drive acceptability and WtC in future.



---

## Appendix 1: Customer classification





# Customer classification

## Bristol Water

Do you pay directly for your water and wastewater?	
Yes	88%
No, it is covered by my rent	9%
I pay in another way	0%
Don't know	3 %
Bill amount	
Less than £100 (Less than £8 per month)	4%
£101-£200 (£8 - £16 per month)	6%
£201-£300 (£16.01 - £25 per month)	18%
£301-£400 (£25.01 - £33 per month)	19%
£401-£500 (£33.01 - £42 per month)	12%
£501-£600 (£42.01 - £50 per month)	11%
£601-£700 (£50.01 - £58 per month)	14%
£701-£800 (£58.01 - £67 per month)	4%
£801 or more (£67.01 or more per month)	5%
Don't know	6%
Prefer not to say	1%



# Customer classification

## Bristol Water

Working status	
Work full time	49%
Work part time	14%
Self-employed	5%
Unemployed / looking for work	2%
Long term sick / disabled	5%
Retired	19%
Looking after home or family	3%
Student	2%
Other	0%
Prefer not to say	1%
Anyone in the household in receipt of benefits	
Yes (self or others)	35%
No	56%
Prefer not to say	6%
Don't know	3%



# Customer classification

## Bristol Water

Household income	
Less than £10,000	5%
£10,001 - £13,000	4%
£13,001 - £16,000	4%
£16,001 - £19,000	3%
£19,001 - £25,000	10%
£25,001 - £29,000	9%
£29,001 - £35,000	5%
£35,001 - £45,000	7%
£45,001 - £55,000	11%
£55,001 - £65,000	9%
£65,001 - £75,000	5%
£75,001 - £85,000	3%
£85,001 - £95,000	3%
£95,001 - £105,000	1%
£105,001 - £115,000	1%
More than £115,000	2%
Prefer not to say (do not read out)	18%



# Customer classification

## Bristol Water

<b>Long-term illness, health problem or disability</b>	
Yes (self or others)	28%
No	67%
Prefer not to say	4%
<b>Illness, health problem or disability require the use of extra water (only asked to those who say they or someone in their household has a long-term illness, health problem or disability)</b>	
Yes	38%
No	59%
Prefer not to say	3%

---

## Appendix 2: Research guidance information





# Research guidance (I)

Ofwat have set out requirements for High Quality Research in their Customer Engagement Policy. All water company research and engagement should follow best practice and lead to a meaningful understanding of what is important to customers and wider stakeholders.

## Useful and contextualised

This research was conducted to consult customers to ascertain how much extra, if anything, they are prepared to pay on their water bill to help pay the bills of struggling customers during the next 5-year period.

## Fit for purpose

This project followed the same methodology to that of the social tariff cross subsidy research conducted by DJS Research on behalf of other water companies in 2018 and 2022. Pilot interviews were carried out prior to the full launch of fieldwork and pilot interviews included additional questions to check customer understanding of the materials and questions.

## Ethical

This research was conducted by DJS Research who are a member of the Market Research Society. Customers were reminded that they could be open and honest in their views due to anonymity and DJS and Wessex Water / Bristol Water / Bournemouth Water were subject to strict data protection protocols.

## Continual

Customer views will be directly fed into the plans for AMP8 which covers the next five-year period (2025-2030).

## Inclusive

A combination of online and in person CAPI interviews were conducted to ensure that customers classed as digitally vulnerable and hard-to-reach customers were included in the research.

## Neutrally designed within the confines of the guidance

Every effort has been made to ensure that the research is neutral and free from bias. Where there is the potential for bias, this has been acknowledged in the report. Participants were encouraged to give their open and honest views and reassurances were given that Wessex Water / Bristol Water / Bournemouth Water were open to hearing their honest opinions and experiences.

## Independently assured

All research was conducted by DJS, an independent market research agency. Wessex Water / Bristol Water / Bournemouth Water reviewed all research materials ahead of fieldwork and prior to the survey being scripted and provided a check and challenge approach on the method and findings.

## Shared in full with others

The full final report and research materials will be shared internally with Severn Trent colleagues along with CCW.

---

## Appendix 3: Stimulus





# EXAMPLES OF SOCIAL TARIFFS FOR WATER BILLS

## Reduced bill: **Assist**

Assist is available for customers who are struggling to pay and need a discount on their bill. The level of discount can vary, but can be up to 90% off a customer's bill.

Customers do not need to receive means tested benefits to apply, but an independent analysis of their household finances is required.

If an application to Assist is successful, bills are reduced to an amount the customer can afford based on an independent advisor's assessment of affordability.

## Bill cap scheme: **WaterSure**

WaterSure helps reduce water bills if the household uses a lot of water for reasons beyond their control (e.g. households with 3+ children or someone in the household has a higher than average water usage due to a certain medical condition).

Recipients must be in receipt of a means tested benefit or tax credit and be on a water meter. Bills are capped in-line with the average metered bill so customers don't pay more for reasons they cannot help.

## Discount for low income pensioners

Discount for low income pensioners is available for customers who are in receipt of Pension Credit, or where the state pension is the only source of income for all adults in their household.

Customers can receive a discount of around £60 on their water and/or sewerage bill.

To receive the discount, customers need to provide their date of birth and a copy of evidence to show entitlement to Pension Credit, or a copy of a bank statement showing the state pension as the only source of income.

**Please note:** customers who are not in receipt of support from a social tariff already pay more for their water services to fund the cross subsidies. At the moment, Bristol Water and Wessex Water support around **21,000 customers** on social tariffs in this area, which means out of a customer's yearly bill for their water supply and waste water, £7.65 goes towards the cross-subsidy for social tariffs.

# ADDITIONAL HELP AVAILABLE

As well as the social tariff schemes, water companies offer other support for customers who are struggling with their bills.



## Debt support scheme: **Restart**

This scheme is for customers who have significant debt they cannot repay.

Customers are asked to pay what they can afford toward their water charges in the first year, and their debt is then reduced by an equivalent amount.

In year two, if they continue to make payments, the water company will clear their remaining debt.

## **Water Direct**

Customers in receipt of benefits can make payments direct from their benefits.

Water Direct is available to customers at least £50 in arrears or with two failed payments. Customers will receive no action to recover debt while on Water Direct.

Customers must provide details of the benefits they receive and proof of identification.

## **Flexible payment plan**

Customers can pay less on their bills for an agreed period of time and catch up on payments later.

## **Payment breaks**

Short term payment breaks for customers who need a little longer to pay, or who have experienced a change in circumstances.

# SUPPORT+ SERVICES PROVIDED BY WATER COMPANIES

In addition to the additional financial support provided, water companies also offer a number of additional layers of support and help to customers and communities.

## Company funded support:

- **Funding for the debt advice sector.**

In 2022, around £450k was given to debt advice organisations.

- **The Wessex Water Foundation.**

Around £155k per year goes into grass roots community projects to improve the lives of local people who are in most need of support. Projects are typically in areas of multiple deprivation or rural isolation, support people who lack access to services, help people to manage or avoid debt and take steps to build financial capability.

- **Bristol Water Social Contract.**

Bristol Water supports a number of partners in the community to help reach customers most in need through their Social Contract. This includes a number of Hard to Reach projects with Charities in the region.

## Additional support and services

- Free water meters
- Free water efficiency devices to help you save water and energy in the home and garden
- Help with fixing leaks

# THE EXISTING SOCIAL TARIFF SCHEME...

## The current position

**21,000** customers supported

**£7.65** (£0.64 per month)  
bill contribution

**Please note:** customer bills currently include a contribution towards supporting customers through social tariffs.

This information details the current level of contribution to social tariffs by each customer per year.

# HOW THE SOCIAL TARIFF SCHEME WOULD WORK...

Bristol Water (water supply)/  
Wessex Water (waste water)



Here are some examples of how the expanded social tariff scheme would work in future.

The information relates to the number of additional customers that would be supported through customer contributions through social tariffs. At each level of additional support outlined, a yearly contribution amount is stated, alongside a per month figure.

## Example 1

**5,000**  
additional customers supported  
**£6** (£0.50 per month)  
bill contribution

## Example 2

**10,500**  
additional customers supported  
**£12** (£1 per month)  
bill contribution

## Example 3

**21,000**  
additional customers supported  
**£24** (£2 per month)  
bill contribution

## Example 4

**31,000**  
additional customers supported  
**£36** (£3 per month)  
bill contribution

# For more information



**Ali Sims, Research Director**

asims@djsresearch.com

**Matt Prince, Associate Director**

mprince@djsresearch.com

**Head office:** 3 Pavilion Lane, Strines,  
Stockport, Cheshire, SK6 7GH

**Leeds office:** Regus, Office 18.09, 67 Albion Street  
Pinnacle, 15th–18th Floors, Leeds, LS1 5AA

+44 (0)1663 767 857 | [djsresearch.co.uk](http://djsresearch.co.uk)



**Follow us on LinkedIn...**

For free market research findings and our latest news and developments: [linkedin.com/company/djs-research-ltd](https://www.linkedin.com/company/djs-research-ltd)

For regularly updated market research findings from your sector, please have a look at our complimentary insights: [djsresearch.co.uk/blog/articles](http://djsresearch.co.uk/blog/articles)



**Bournemouth  
Water**

---

# Social tariff Research: Bournemouth Water

---

June 2023

**Ali Sims, Research Director**  
[asims@djsresearch.com](mailto:asims@djsresearch.com)

**Matt Prince, Associate Director**  
[mprince@djsresearch.com](mailto:mprince@djsresearch.com)

**Head office:** 3 Pavilion Lane,  
Strines, Stockport, Cheshire, SK6 7GH

**Leeds office:** Regus, Office 18.09, 67 Albion Street,  
Pinnacle, 15th–18th Floors, Leeds, LS1 5AA

+44 (0)1663 767 857 | [djsresearch.co.uk](https://djsresearch.co.uk)



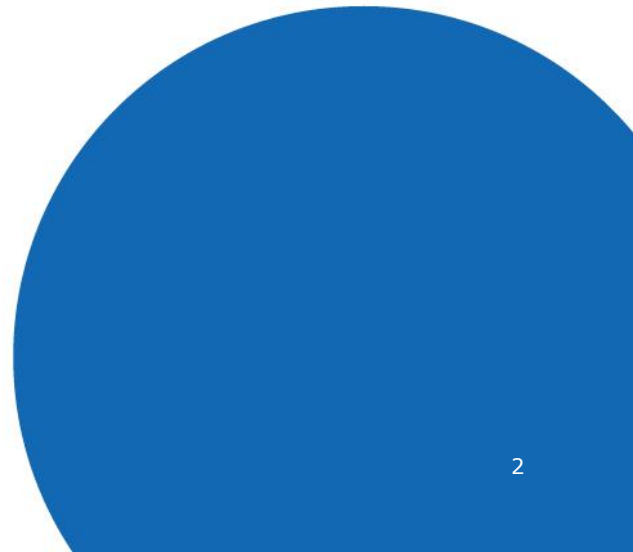
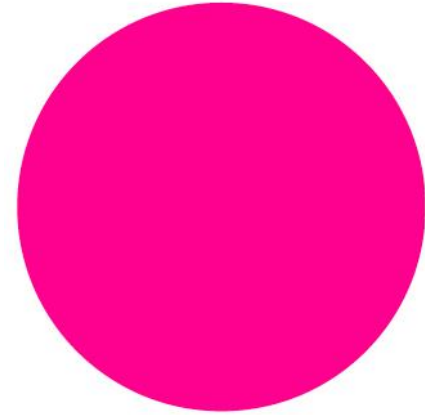
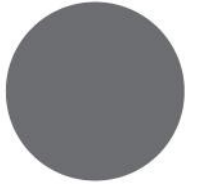
JN8943

**djs**  
research

---

# Contents

Background, objectives and methodology	3
Priority Services	7
Household bills	9
Helping those who are struggling to pay	11
Willingness to contribute	16
Acceptability of proposed changes	25
Conclusions and recommendations	27
Appendices	30





---

**Background, objectives  
and methodology**





# Background and objectives

As part of the business planning process for PR24, Wessex Water, Bristol Water and Bournemouth Water are consulting with their customers on a number of topics, including on social tariffs. Each company wishes to eradicate water poverty across their region(s), with the aim of no customer's bill being more than 5% of their disposable income.

To achieve this aim, it is likely to be necessary for Bournemouth Water to increase its social tariff charge to customers' bills.

To understand customers' willingness to contribute to an increased cross subsidy, DJS research were commissioned to undertake acceptability and willingness to contribute research with customers to explore and understand:

## **Financial confidence**

The extent to which customers are confident they will be able to afford their water and other household bills over the next 12 months.

## **Acceptability of the principle of social tariffs**

Measure the proportion of customers who find the principle of social tariffs acceptable / unacceptable and why.

## **Acceptability of each water company's proposed changes to the social tariff**

Inform customers about each company's plans for the future of the schemes (partly) funded through social tariffs, and understand how acceptable or unacceptable this is to customers.

## **Willingness to contribute**

Assess customers' willingness to contribute (WtC) to a social tariff through their water bills, and the amount that they would be willing to contribute each month as part of their bills to support this.

This document reports on Bournemouth Water only.

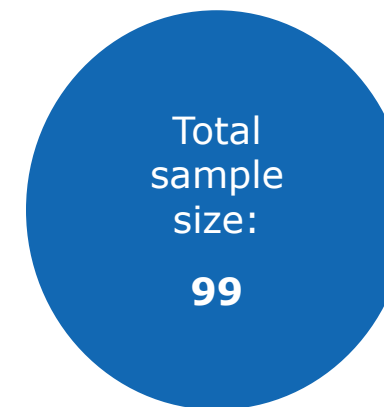


# Methodology

## Fieldwork

Interviews were conducted online (80) via panel and face to face (19) via Computer Assisted Personal Interview (CAPI). The CAPI interviews were conducted with customers who have limited or no internet access to ensure a representation of offline participants in the research.

Interviews lasted 9 minutes on average, and respondents were shown a number of pieces of stimulus during the interview (as shown throughout the report and in the appendix) to provide information relating to the proposed social tariff and other elements of the company's existing programmes and schemes to support customers.



Fieldwork was conducted during April 2023

## Notes on this report:

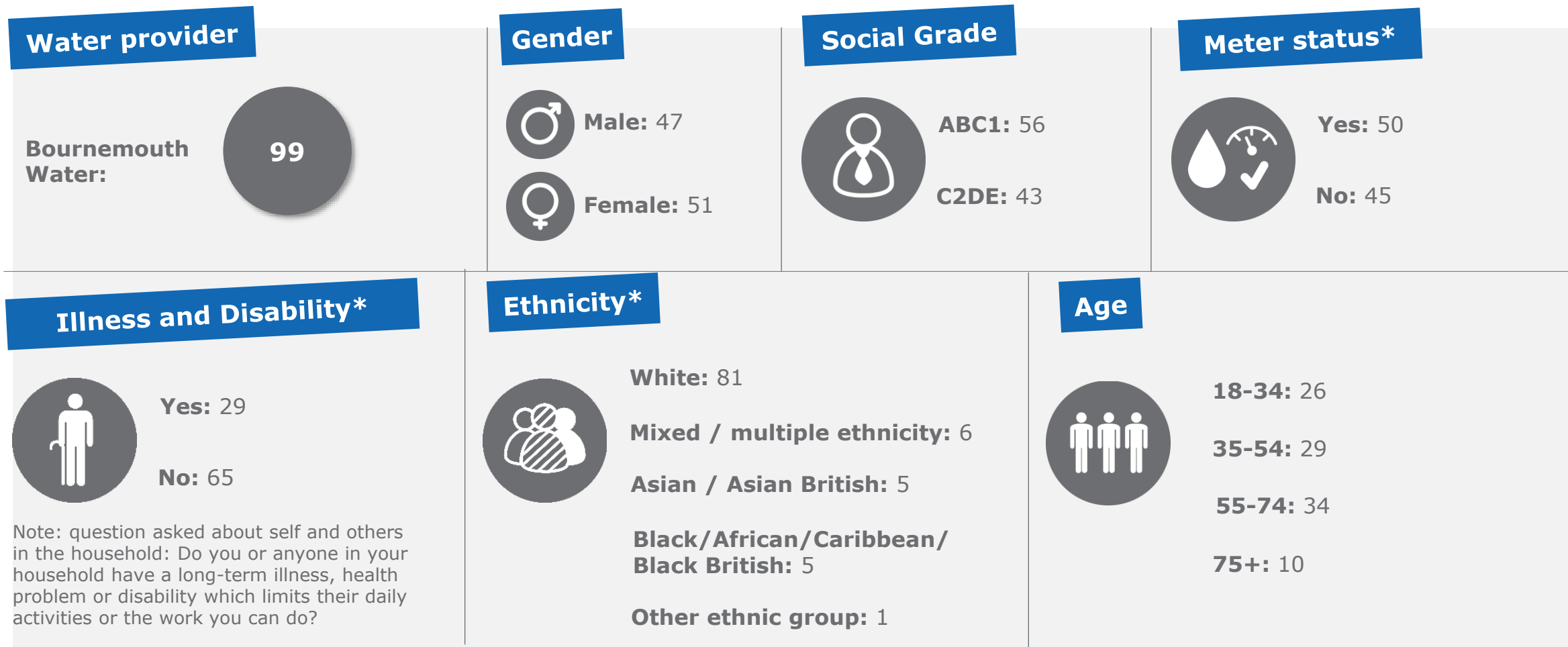
To understand customers' willingness to contribute (WtC) to the social tariff, a **contingent valuation** exercise was conducted. Contingent valuation is used to establish the amount customers are willing to pay (if anything) towards a scheme/service. Respondents were presented with a randomised starting price point and asked if they would or would not be willing to pay this amount each month to contribute towards the social tariff. If customers answered 'no' they were asked again at the next lowest price point – repeated up to three times. If customers answered 'yes' they were asked at the next highest price point - repeated up to three times. From this we established the maximum amount customers were willing to contribute based within the range established in the previous questions, providing us with a final amount they were willing to contribute.

Within the sample we see some deviation from the local profile in terms of age, gender and SEG which have been corrected through weighting. A weight has been applied to the respondent data to ensure profiles match in terms of age, gender and SEG within the region and therefore reflect the views of a representative sample. The data reported on in this report is weighted data.



# Sample: Bournemouth Water

The sample achieved for Bournemouth Water is shown below.



\*remainder don't know / prefer not to say

---

## Priority services





# Over three-fifths (62%) are aware of Priority Services – with awareness highest among younger customers

## Awareness and usage of priority services

### Bournemouth Water

Yes – I have heard of them but do not need these services	27%
Yes – I have signed up to them	14%
Yes – I have heard of them, may need them, but haven't done anything	21%
No – but I would like to know more	23%
No – but I do not need them	11%
Don't know	3%

## Sub group differences:

**Over 75s are least likely to be aware of Priority Services (32%). Awareness among 18-34s (79%), and 35-54s (62%) is significantly higher than over 75s.**  
Awareness among 55-74s is 59%

**Awareness among those who are aware of financial support is higher than those who are not aware (73% cf. 51%)**

\*Caution: note low base sizes for age group comparisons (base size <30. Treat data with caution)

---

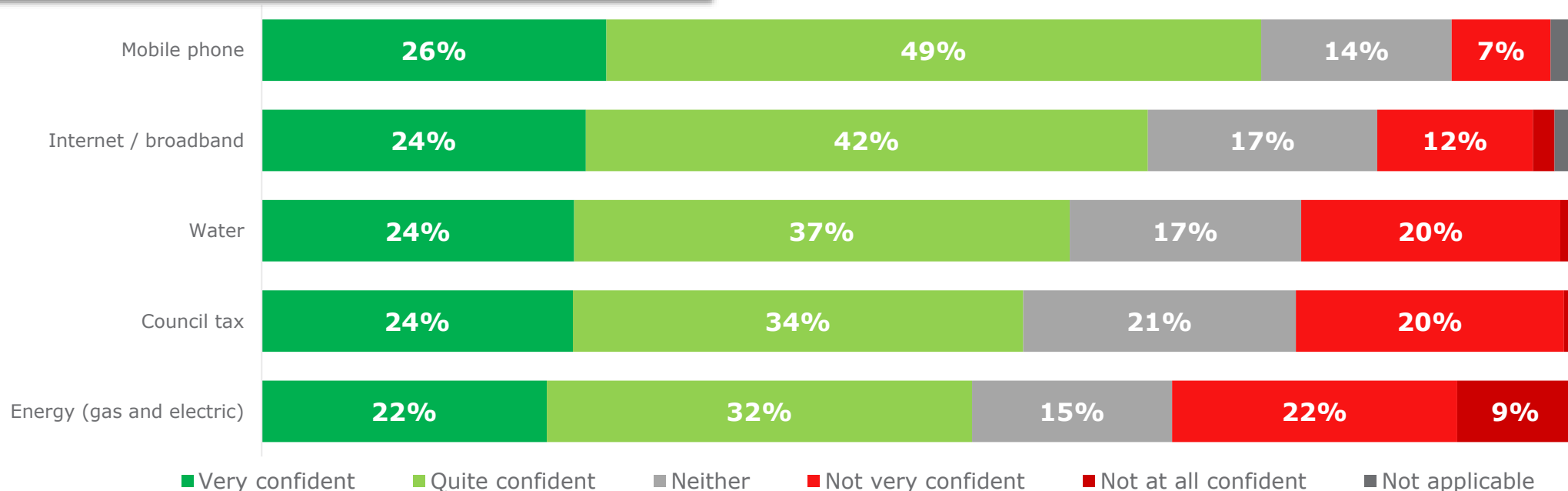
# Household bills





# Customers are most confident in being able to afford their mobile phone bill, and least confident with their energy bill (30% not confident)

## Confidence in being able to afford household bills over the next 12 months



Note: data labels <5% not shown



---

**Helping those who are  
struggling to pay**





# Less than three-fifths (56%) are aware of financial support, however, those who are not confident in the affordability of their water bill are less likely to be aware than those who are confident

## Awareness and usage of financial support

	Bournemouth Water
Yes – I have had support with my bill in the past	3%
Yes – I am currently receiving support with my bill	6%
Yes – I am aware, may need this, but haven't done anything	20%
Yes – but I do not need it	27%
No – but I think I might need it	11%
No – but I would like to know more	17%
No – but I do not need it	13%
Don't know	2%

## Sub group differences:

**Over 75s are least likely to be aware of financial support (32%), while 18-34s and 35-54s (both 63%) are most likely to be aware. 53% of 55-74s are aware**

**Those who are aware of Priority Services are also more likely to be aware of financial support than those who are not aware (66% cf. 44%)**

\*Caution: note low base sizes for age group comparisons (base size <30. Treat data with caution)



# Of those currently in receipt of or previously in receipt of financial support, WaterCare and WaterSure are the most frequent sources of support

## Support services in receipt of / previously in receipt of\*

	Bournemouth Water
Reduced bill – WaterCare	60%
Bill cap scheme - WaterSure	39%
Flexible payment plan	28%
Water Direct (using benefit payments)	20%
Debt support scheme - Restart	18%
Discount for low-income pensioners	18%
Payment breaks	0%
Other (specify)	0%
Don't know / prefer not to say	0%

\*Caution: very low base size (9).

# Information for participants

## Respondent information

Before being asked about social tariffs, including their general support or opposition and then their willingness to contribute respondents were shown the following information screen:

**“All major water companies in England and Wales have schemes to give lower bills to some customers who might otherwise struggle to pay. These are called social tariff schemes. In line with Government rules these schemes are mostly funded by charging other households a bit more on their bills.**

**This is what’s also known as a cross-subsidy. There are a number of examples of cross subsidies in day-to-day life. For example, concessionary tickets for children or pensioners to attractions (e.g. the cinema, theme parks etc.). Another example is the price of a stamp which is the same within the UK whatever distance the letter or parcel travels. At different points in our lives, we are all likely to have helped fund cross-subsidies, and to have received help from them.**

**The image below gives you some more information about social tariffs and cross-subsidies in the water sector, please review this image before continuing.”**

## STIMULUS 1

**EXAMPLES OF SOCIAL TARIFFS FOR WATER BILLS**

**Reduced bill: WaterCare (Bournemouth Water)**  
WaterCare is available for customers on a low income in relation to the number of children and adults in the household. Customers need to be in receipt of a means tested benefit, and be on a meter or assessed charges. WaterCare is made up of 5 bands, with reductions in water bills ranging from 15% to 85%.

**Bill cap scheme: WaterSure**  
WaterSure helps reduce water bills if the household uses a lot of water for reasons beyond their control (e.g. households with 3+ children or someone in the household has a higher than average water usage due to a certain medical condition). Recipients must be in receipt of a means tested benefit or tax credit and be on a water meter. Bills are capped in-line with the average metered bill so customers don't pay more for reasons they cannot help.

**Reduced bill: Assist (Wessex Water)**  
Assist is available for customers who are struggling to pay and need a discount on their waste water bill. The level of discount can vary, but can be up to 90% off a customer's bill. Customers do not need to receive means tested benefits to apply, but an independent analysis of their household finances is required. If an application to Assist is successful, bills are reduced to an amount the customer can afford based on an independent advisor's assessment of affordability.

**Discount for low income pensioners**  
Discount for low income pensioners is available for customers who are in receipt of Pension Credit, or where the state pension is the only source of income for all adults in the household. Customers in receipt of the discount can receive a discount of around £60 on their water and/or sewerage bill. To receive the discount, customers need to provide their date of birth and a copy of evidence to show entitlement to Pension Credit, or a copy of a bank statement showing the state pension as the only source of income.

**Please note:** customers who are not in receipt of support from a social tariff already pay more for their water services to fund the cross subsidies. At the moment, Bournemouth Water and Wessex Water support around **1,000 customers** on social tariffs in this area, which means out of a customer's yearly bill for their water supply and waste water, £4.50 goes towards the cross-subsidy for social tariffs.

Bournemouth Water (water supply)/Wessex Water (waste water)

1

Note: full page stimulus shown in appendix



# Just over half agree with the principle of contributing towards supporting customers struggling to pay

## Agreement with the principle of contributing towards supporting customers struggling to pay...



■ Completely agree   ■ Slightly agree   ■ Neither  
■ Slightly disagree   ■ Strongly disagree   ■ Don't know



## Significant sub-group differences\*

Over 75s are significantly less likely to agree with the principle than all 18-34s (75+, 31% agree; 18-34, 66%; 35-54, 43%; 55-74, 56%)

Those confident in being able to afford their water bill over the next 12 months more likely to agree than those who are not confident (63% cf. 37%)

\*Caution: note low base sizes for age group comparisons (base size <30. Treat data with caution)

---

**Willingness to contribute**



# Information for participants

## Respondent information

Before being asked about social tariffs, including their general support or opposition and then their willingness to contribute to their water company's proposed social tariff, respondents were shown various pieces of information and stimulus as shown over the next three slides:

### INFO3

**"[WATER COMPANY] want to eradicate water poverty in the region.**

**[WATER COMPANY] anticipate that more customers may find themselves in financial difficulty as the cost-of-living increases and would like to respond by providing help for more customers, now and into the future."**

## STIMULUS 2&3

### ADDITIONAL HELP AVAILABLE

As well as the social tariff schemes, water companies offer other support for customers who are struggling with their bills.



#### Debt support scheme: Restart

This scheme is for customers who have significant debt they cannot repay.

Customers are asked to pay what they can afford toward their water charges in the first year, and their debt is then reduced by an equivalent amount.

In year two, if they continue to make payments, the water company will clear their remaining debt.

#### Water Direct

Customers in receipt of benefits can make payments direct from their benefits.

Water Direct is available to customers at least £50 in arrears or with two failed payments. Customers will receive no action to recover debt while on Water Direct.

Customers must provide details of the benefits they receive and proof of identification.

#### Flexible payment plan

Customers can pay less on their bills for an agreed period of time and catch up on payments later.

#### Payment breaks

Short term payment breaks for customers who need a little longer to pay, or who have experienced a change in circumstances.

2

### SUPPORT+ SERVICES PROVIDED BY WATER COMPANIES

In addition to the additional financial support provided, water companies also offer a number of additional layers of support and help to customers and communities.

#### Company funded support:

- **Funding for the debt advice sector.**  
In 2022, around £400k was given to debt advice organisations.
- **The Wessex Water Foundation.**  
Around £155k per year goes into grass roots community projects to improve the lives of local people who are in most need of support. Projects are typically in areas of multiple deprivation or rural isolation, support people who lack access to services, help people to manage or avoid debt and take steps to build financial capability.
- **Bournemouth Water Neighbourhood Fund.**  
The Neighbourhood Fund is all about supporting our local community. There will be £100,000-a-year funding available for neighbourhood community groups which inspire physical activities, education, health and wellbeing and deliver positive environmental outcomes.

#### Additional support and services

- Free water meters
- Free water efficiency devices to help you save water and energy in the home and garden
- Help with fixing leaks

3

Bournemouth Water (water supply)/Wessex Water (waste water)

Note: full page stimulus shown in appendix



# Information for participants

## INFO4

**“When answering the next set of questions, please be aware that over the next few years many household costs may increase due to inflation. These household costs include energy, food and fuel prices. It is currently expected that the rate of increase in prices will slow from the middle of this year.**

**Your water bill may also be affected by how much other costs increase each year such as the company’s running costs e.g., energy, wages etc, money invested to improve day to day water services and long-term investments.”**

## INFO5

**“In order to support more customers who are struggling to pay through social tariffs in future, [WATER COMPANY] would need to increase the contributions made by other customers to pay for this. Customers already pay an amount on their bills as a cross-subsidy to support those on a social tariff.**

**We’d now like to ask you about the additional amount you would be willing to contribute – if anything - in order to make the proposed changes to expand the number of customers on social tariff schemes.**

**Please also note that if [WATER COMPANY] want to help more customers, or increase this discount in the future, they would have to consult with customers again.**





# Information for participants

## STIMULUS 4&5

### THE EXISTING SOCIAL TARIFF SCHEME...

#### The current position

**1,000** customers supported

**£4.55** (£0.38 per month) bill contribution

**Please note:** customer bills currently include a contribution towards supporting customers through social tariffs.

This information details the current level of contribution to social tariffs by each customer per year.

Bournemouth Water (water supply)/Wessex Water (waste water)

4

### HOW THE SOCIAL TARIFF SCHEME WOULD WORK...

Here are some examples of how the expanded social tariff scheme would work in future.

The information relates to the number of additional customers that would be supported through customer contributions through social tariffs. At each level of additional support outlined, a yearly contribution amount is stated, alongside a per month figure.

Bournemouth Water (water supply)/  
Wessex Water (waste water)



#### Example 1

**500**  
additional customers supported  
**£12** (£1 per month)  
bill contribution

#### Example 2

**1,000**  
additional customers supported  
**£24** (£2 per month)  
bill contribution

#### Example 3

**1,500**  
additional customers supported  
**£36** (£3 per month)  
bill contribution

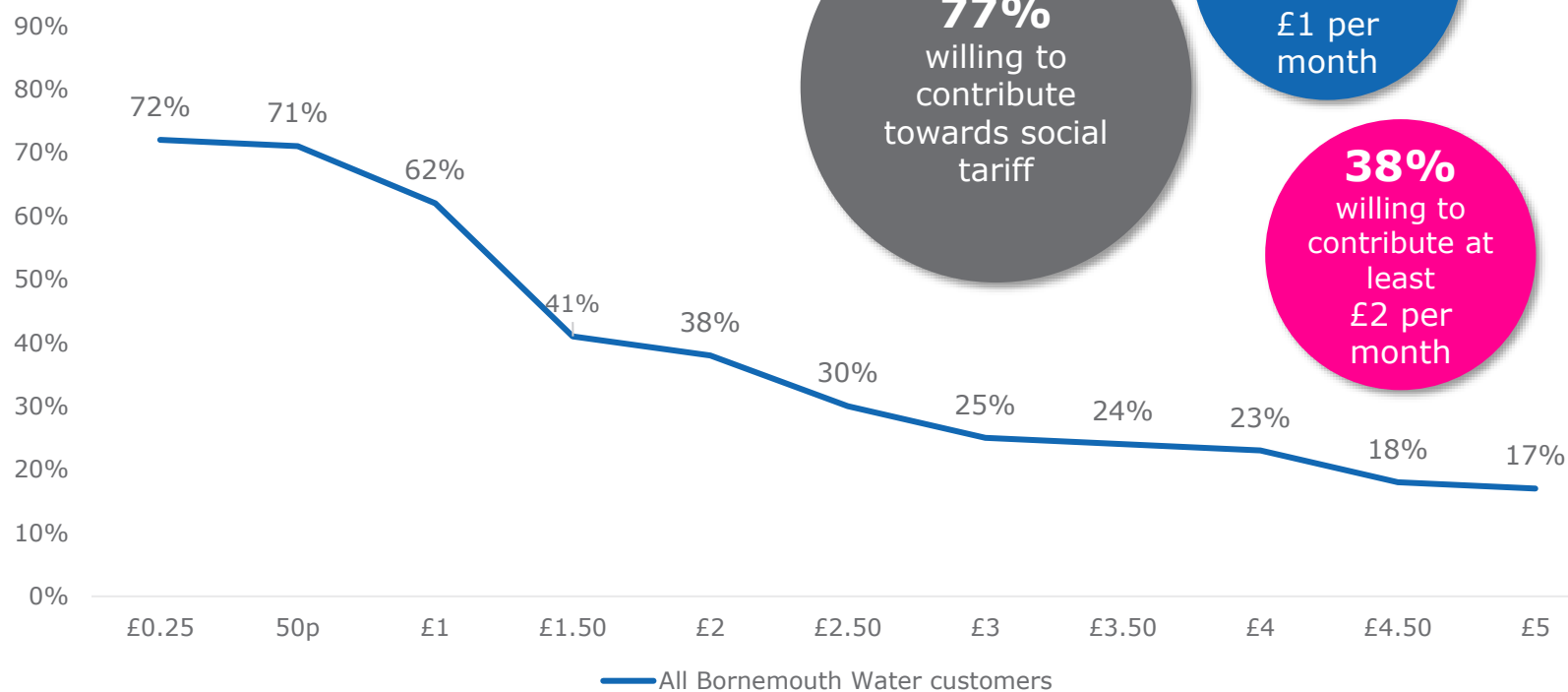
5

\*Note: full page stimulus shown in appendix



# Willingness to Contribute (WtC): Bournemouth Water

## Willingness to contribute (per month): Bournemouth Water



Across the sample for **Bournemouth Water**, the average (mean) WtC is £1.83 per month. The lower limit for WtC is £1.46 per month, and the upper limit £2.20\*

The median WtC amount is £1.00, meaning a majority (50.1%) are willing to contribute up to that amount.

There are significant differences in WtC across different sample sub-groups, as shown on the following slides.

\*The upper and lower limits for WtC are value ranges either side of the mean score where there is 95% confidence that there would be no significant difference in WtC / acceptability between those values.

**Bournemouth Water**



# Willingness to Contribute (WtC): Bournemouth Water

## Willingness to Contribute

Across the total Bournemouth Water sample, the average (mean) WtC is £1.83 per month with a 95% confidence interval of values between £1.46 and £2.20 (meaning any difference in the tariff amount between those two values is unlikely to result in any significant change in WtC).

The median WtC amount is £1.00 per month, meaning a majority (50.1%) are willing to contribute up to that amount.

The tables to the right and on the following slides detail the WtC for different sub-groups of interest within the sample.

Throughout, please note the low base sizes of some comparator groups. Where a group is marked with an asterisk (\*) it signifies a low base size of less than 30. In such instances, data (and data comparisons) should be treated with caution.

## Age

	18-34* (26)	35-54* (29)	55-64* (21)	65+* (24)
Mean WtC	£2.31	£1.20	£2.77	£1.25
Median WtC	£2.00	£0.50	£3.00	£1.00
Willing to contribute at all (value >£0)	86%	56%	95%	79%
Would pay at least £0.50 (%)	74%	56%	81%	79%
Would pay at least £1 (%)	63%	43%	76%	72%
Would pay £2 or more (%)	60%	21%	64%	14%

18-34s and 55-64s have a higher mean WtC than 35-54s and over 65s\*.

\*Caution: low base size (<30)



# Willingness to Contribute (WtC): Bournemouth Water

## Gender

	Male (48)	Female (51)
Mean WtC	£1.98	£1.69
Median WtC	£1.00	£1.00
Willing to contribute at all (value >£0)	71%	83%
Would pay at least £0.50 (%)	69%	73%
Would pay at least £1 (%)	60%	65%
Would pay £2 or more (%)	41%	36%

Women are more likely to be willing to contribute than men, however, a higher proportion of men have a WtC of £2+ than women.

## SEG

	ABC1 (56)	C2DE (43)
Mean WtC	£1.78	£1.90
Median WtC	£1.00	£1.00
Willing to contribute at all (value >£0)	77%	78%
Would pay at least £0.50 (%)	69%	75%
Would pay at least £1 (%)	59%	66%
Would pay £2 or more (%)	37%	41%

There is no significant difference in WtC across ABC1s and C2DEs.



# Willingness to Contribute (WtC): Bournemouth Water

## Meter status

	Metered (50)	Unmetered (45)
Mean WtC	£1.72	£2.03
Median WtC	£1.00	£1.00
Willing to contribute at all (value >£0)	72%	82%
Would pay at least £0.50 (%)	72%	70%
Would pay at least £1 (%)	62%	63%
Would pay £2 or more (%)	36%	41%

Unmetered customers have a slightly higher WtC than metered customers.

## Household income

	Less than £19k* (23)	£19k - £45k (34)	£45k+* (24)
Mean WtC	£1.94	£1.83	£2.51
Median WtC	£1.00	£1.00	£2.00
Willing to contribute at all (value >£0)	75%	68%	93%
Would pay at least £0.50 (%)	65%	65%	82%
Would pay at least £1 (%)	60%	52%	66%
Would pay £2 or more (%)	49%	38%	58%

Those with an annual household income of £45k+ have a higher WtC than those with an annual household income below £45k.

\*Caution: low base size (<30)



# Willingness to Contribute (WtC): Bournemouth Water

## Support for the general principle of contributing towards those who are struggling to pay

	Agree (52)	Neither* (24)	Disagree* (23)
Mean WtC	£2.57	£1.47	£0.58
Median WtC	£2.00	£1.00	£0.10
Willing to contribute at all (value >£0)	87%	77%	56%
Would pay at least £0.50 (%)	80%	77%	44%
Would pay at least £1 (%)	71%	66%	40%
Would pay £2 or more (%)	60%	27%	4%

As might be expected, those who agree with the general principle of paying a contribution towards supporting customers who are struggling to pay their bill have a higher WtC mean and median average than those who disagree.

## Acceptability of asking customers to contribute to social tariff

	Acceptable (47)	Neither* (22)	Unacceptable (30)
Mean WtC	£2.91	£1.15	£0.63
Median WtC	£3.00	£1.00	£0.50
Willing to contribute at all (value >£0)	90%	72%	61%
Would pay at least £0.50 (%)	86%	67%	51%
Would pay at least £1 (%)	78%	57%	41%
Would pay £2 or more (%)	65%	24%	8%

Similarly, those who find it acceptable for Bournemouth Water to use customer funding to increase financial support to customers (after being informed of plans) have a significantly higher WtC mean and median average than those who find it unacceptable.

\*Caution: low base size (<30)

---

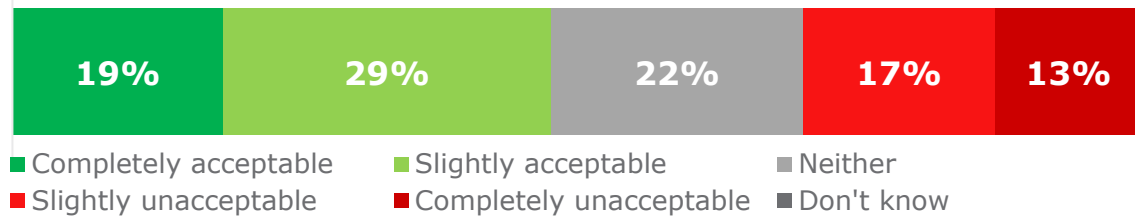
● ● ●

# Acceptability of proposed changes



# Almost half (48%) find the proposed increase to the social tariff using customer funding acceptable

## Overall acceptability of using customer funding to increase support for customers



## Significant sub-group differences

**18-34s (60%) and 55-74s (53%) are significantly more likely to find the proposals acceptable than over 75s (18%).**  
Acceptability among 35-54s, 40%.

\*Caution: note low base sizes for age group comparisons (base size <30. Treat data with caution)



---

## Conclusions and recommendations





# Conclusions

**Although the majority (61%) of customers are confident they will be able to afford their water bills over the next 12 months, confidence in being able to afford other bills is lower, with almost a third (31%) not being confident they will be able to afford their energy bills.**

**Over three in five (62%) are aware of priority services, and three in five (56%) are aware of financial support.** In addition, 23% are unaware of priority services but would like to know more, and 11% are unaware of financial support but feel they might need it.

**Just over half (52%) agree with the principle of contributing towards customers who are struggling to pay.** However, there are generational differences in outlook, with older customers significantly less likely to support (in principle) than younger customers. Additionally, those who are confident they will be able to afford their water bill over the next 12 months are more likely to agree than those who are not confident (63% cf. 37%).

When customers are asked to consider how much they would be willing to contribute to the social tariff in future (if anything), over three-quarters (77%) would be willing to contribute in some form. However, differences between customer groups are evident, with older customers again having a lower WtC threshold.



# Recommendations and considerations

**Despite the significant pressures many are feeling on their household finances, there is sufficient support to indicate that a majority of customers are willing to contribute towards additional cross-subsidy for social tariffs for the period 2025-30.** The mean average WtC is £1.86 with an upper limit of £2.20 and a lower limit of £1.46 where there is a 95% confidence that WtC would not change significantly.

**However, while the majority are willing to contribute, there is a significant concern about future household finances and bill affordability – even among those in generally more favourable economic circumstances.** With this in mind, Bournemouth Water should be mindful that customers are (increasingly) vigilant towards their month to month expenditure, and are likely to be resistant to significant bill increases that impact their ability to spend elsewhere and absorb other rising costs such as food, rent and mortgages.

**In addition, even among those who are supportive of the principle of social tariffs there remains some scepticism about how it is operated and who is eligible.** To this end, it will be important for Bournemouth Water to continue to clearly communicate its eligibility criteria for social tariffs, and to demonstrate that support is being provided to those who really need it.

---

## Appendix 1: Customer classification





# Customer classification

	Bournemouth Water
<b>Do you pay directly for your water and wastewater?</b>	
Yes	79%
No, it is covered by my rent	15%
I pay in another way	4%
Don't know	2%
<b>Bill amount</b>	
Less than £100 (Less than £8 per month)	3%
£101-£200 (£8 - £16 per month)	12%
£201-£300 (£16.01 - £25 per month)	16%
£301-£400 (£25.01 - £33 per month)	14%
£401-£500 (£33.01 - £42 per month)	18%
£501-£600 (£42.01 - £50 per month)	16%
£601-£700 (£50.01 - £58 per month)	6%
£701-£800 (£58.01 - £67 per month)	2%
£801 or more (£67.01 or more per month)	3%
Don't know	6%
Prefer not to say	2%



# Customer classification

	Bournemouth Water
<b>Working status</b>	
Work full time	46%
Work part time	19%
Self-employed	5%
Unemployed / looking for work	6%
Long term sick / disabled	2%
Retired	15%
Looking after home or family	2%
Student	3%
Other	1%
Prefer not to say	2%
<b>Anyone in the household in receipt of benefits</b>	
Yes (self or others)	26%
No	63%
Prefer not to say	10%
Don't know	1%



# Customer classification

	Bournemouth Water
<b>Household income</b>	
Less than £10,000	5%
£10,001 - £13,000	5%
£13,001 - £16,000	2%
£16,001 - £19,000	11%
£19,001 - £25,000	11%
£25,001 - £29,000	6%
£29,001 - £35,000	5%
£35,001 - £45,000	12%
£45,001 - £55,000	9%
£55,001 - £65,000	4%
£65,001 - £75,000	6%
£75,001 - £85,000	2%
£85,001 - £95,000	2%
£95,001 - £105,000	0%
£105,001 - £115,000	1%
More than £115,000	0%
Prefer not to say (do not read out)	19%



# Customer classification

## Bournemouth Water

### Long-term illness, health problem or disability

Yes (self or others) 29%

No 65%

Prefer not to say 6%

### Illness, health problem or disability require the use of extra water (only asked to those who say they or someone in their household has a long-term illness, health problem or disability)

Yes 13%

No 84%

Prefer not to say 3%



---

## Appendix 2: Research guidance information





# Research guidance (I)

Ofwat have set out requirements for High Quality Research in their Customer Engagement Policy. All water company research and engagement should follow best practice and lead to a meaningful understanding of what is important to customers and wider stakeholders.

## Useful and contextualised

This research was conducted to consult customers to ascertain how much extra, if anything, they are prepared to pay on their water bill to help pay the bills of struggling customers during the next 5-year period.

## Fit for purpose

This project followed the same methodology to that of the social tariff cross subsidy research conducted by DJS Research on behalf of other water companies in 2018 and 2022. Pilot interviews were carried out prior to the full launch of fieldwork and pilot interviews included additional questions to check customer understanding of the materials and questions.

## Ethical

This research was conducted by DJS Research who are a member of the Market Research Society. Customers were reminded that they could be open and honest in their views due to anonymity and DJS and Wessex Water / Bristol Water / Bournemouth Water were subject to strict data protection protocols.

## Continual

Customer views will be directly fed into the plans for AMP8 which covers the next five-year period (2025-2030).

## Inclusive

A combination of online and in person CAPI interviews were conducted to ensure that customers classed as digitally vulnerable and hard-to-reach customers were included in the research.

## Neutrally designed within the confines of the guidance

Every effort has been made to ensure that the research is neutral and free from bias. Where there is the potential for bias, this has been acknowledged in the report. Participants were encouraged to give their open and honest views and reassurances were given that Wessex Water / Bristol Water / Bournemouth Water were open to hearing their honest opinions and experiences.

## Independently assured

All research was conducted by DJS, an independent market research agency. Wessex Water / Bristol Water / Bournemouth Water reviewed all research materials ahead of fieldwork and prior to the survey being scripted and provided a check and challenge approach on the method and findings.

## Shared in full with others

The full final report and research materials will be shared internally with Severn Trent colleagues along with CCW.

---

## Appendix 3: Stimulus



# EXAMPLES OF SOCIAL TARIFFS FOR WATER BILLS

## Reduced bill: **WaterCare (Bournemouth Water)**

WaterCare is available for customers on a low income in relation to the number of children and adults in the household. Customers need to be in receipt of a means tested benefit, and be on a meter or assessed charges. WaterCare is made up of 5 bands, with reductions in water bills ranging from 15% to 85%.

## Bill cap scheme: **WaterSure**

WaterSure helps reduce water bills if the household uses a lot of water for reasons beyond their control (e.g. households with 3+ children or someone in the household has a higher than average water usage due to a certain medical condition). Recipients must be in receipt of a means tested benefit or tax credit and be on a water meter. Bills are capped in-line with the average metered bill so customers don't pay more for reasons they cannot help.

## Reduced bill: **Assist (Wessex Water)**

Assist is available for customers who are struggling to pay and need a discount on their waste water bill. The level of discount can vary, but can be up to 90% off a customer's bill. Customers do not need to receive means tested benefits to apply, but an independent analysis of their household finances is required. If an application to Assist is successful, bills are reduced to an amount the customer can afford based on an independent advisor's assessment of affordability.

## **Discount for low income pensioners**

Discount for low income pensioners is available for customers who are in receipt of Pension Credit, or where the state pension is the only source of income for all adults in the household.

Customers in receipt of the discount can receive a discount of around £60 on their water and/or sewerage bill. To receive the discount, customers need to provide their date of birth and a copy of evidence to show entitlement to Pension Credit, or a copy of a bank statement showing the state pension as the only source of income.

**Please note:** customers who are not in receipt of support from a social tariff already pay more for their water services to fund the cross subsidies. At the moment, Bournemouth Water and Wessex Water support around **1,000 customers** on social tariffs in this area, which means out of a customer's yearly bill for their water supply and waste water, £4.50 goes towards the cross-subsidy for social tariffs.

# ADDITIONAL HELP AVAILABLE

As well as the social tariff schemes, water companies offer other support for customers who are struggling with their bills.



## Debt support scheme: **Restart**

This scheme is for customers who have significant debt they cannot repay.

Customers are asked to pay what they can afford toward their water charges in the first year, and their debt is then reduced by an equivalent amount.

In year two, if they continue to make payments, the water company will clear their remaining debt.

## **Water Direct**

Customers in receipt of benefits can make payments direct from their benefits.

Water Direct is available to customers at least £50 in arrears or with two failed payments. Customers will receive no action to recover debt while on Water Direct.

Customers must provide details of the benefits they receive and proof of identification.

## **Flexible payment plan**

Customers can pay less on their bills for an agreed period of time and catch up on payments later.

## **Payment breaks**

Short term payment breaks for customers who need a little longer to pay, or who have experienced a change in circumstances.

# SUPPORT+ SERVICES PROVIDED BY WATER COMPANIES

In addition to the additional financial support provided, water companies also offer a number of additional layers of support and help to customers and communities.

## Company funded support:

- **Funding for the debt advice sector.**

In 2022, around £400k was given to debt advice organisations.

- **The Wessex Water Foundation.**

Around £155k per year goes into grass roots community projects to improve the lives of local people who are in most need of support. Projects are typically in areas of multiple deprivation or rural isolation, support people who lack access to services, help people to manage or avoid debt and take steps to build financial capability.

- **Bournemouth Water Neighbourhood Fund.**

The Neighbourhood Fund is all about supporting our local community. There will be £100,000-a-year funding available for neighbourhood community groups which inspire physical activities, education, health and wellbeing and deliver positive environmental outcomes.

## Additional support and services

- Free water meters
- Free water efficiency devices to help you save water and energy in the home and garden
- Help with fixing leaks

# THE EXISTING SOCIAL TARIFF SCHEME...

## The current position

**1,000** customers supported

**£4.55** (£0.38 per month)  
bill contribution

**Please note:** customer bills currently include a contribution towards supporting customers through social tariffs.

This information details the current level of contribution to social tariffs by each customer per year.

# HOW THE SOCIAL TARIFF SCHEME WOULD WORK...

Bournemouth Water (water supply)/  
Wessex Water (waste water)



Here are some examples of how the expanded social tariff scheme would work in future.

The information relates to the number of additional customers that would be supported through customer contributions through social tariffs. At each level of additional support outlined, a yearly contribution amount is stated, alongside a per month figure.

## Example 1

**500**  
additional customers supported

**£12** (£1 per month)  
bill contribution

## Example 2

**1,000**  
additional customers supported

**£24** (£2 per month)  
bill contribution

## Example 3

**1,500**  
additional customers supported

**£36** (£3 per month)  
bill contribution



# For more information



**Ali Sims, Research Director**

asims@djsresearch.com

**Matt Prince, Associate Director**

mprince@djsresearch.com

**Head office:** 3 Pavilion Lane, Strines,  
Stockport, Cheshire, SK6 7GH

**Leeds office:** Regus, Office 18.09, 67 Albion Street  
Pinnacle, 15th–18th Floors, Leeds, LS1 5AA

+44 (0)1663 767 857 | [djsresearch.co.uk](http://djsresearch.co.uk)



**Follow us on LinkedIn...**

For free market research findings and our latest news and developments: [linkedin.com/company/djs-research-ltd](https://www.linkedin.com/company/djs-research-ltd)

For regularly updated market research findings from your sector, please have a look at our complimentary insights: [djsresearch.co.uk/blog/articles](http://djsresearch.co.uk/blog/articles)

