

PR24 Collaborative customer research steering group(s) meeting

12 September 2022



Agenda

Welcome and introduction

Actions from last meeting

Update on ODI rates research

Progress on affordability and acceptability testing

Next steps





Actions from last meeting

Actions from prior meetings and 8 August 2022

Action	Update
All companies were invited to approach Ofwat/CCW if more specific discussion is needed on key points.	Ongoing
Steering group members invited to provide more responses to the 'request for information' on affordability and acceptability testing.	Ongoing
Ofwat to consider the timing/volume of information requests in line with the other responsibilities of companies at this time.	Ongoing
<i>All other actions from the 08 August 2022 meeting are completed.</i>	





Update on ODI rates research

Fieldwork costs

Key points:

- Overall fieldwork costs are well within budget:
 - Largely due to the high proportion of email responses in the NHH survey
 - Also, a better response rate for postal NHH than assumed
- Costings in the contract with Accent were carefully drafted to take account of the uncertainties around different aspects of NHH surveying
- Postal NHH charged per letter sent and per incentive payment made
- Telephone NHH assumed a minimum 5% response rate
 - Response rate has been about 3%, largely, we think due to quality of telephone numbers/Covid effect
 - Telephone costs have been higher than expected
 - Contract enables variation, if agreed by Ofwat
 - Propose £110 per achieved NHH CATI interview rather than £75.64

Third tranche of invoices need to be carefully calculated to prevent overpayment



Analysis and Modelling Contract

- The contract is ready and has been signed by PJM Economics and needs to go through final Ofwat approval and signing procedures

Mapping

- Less progress has been made on mapping over the summer. This is now becoming urgent
- An experienced analyst within Ofwat will start work on mapping this week and provision has been made in the analysis and modelling contract with Paul Metcalfe and his team to develop some of the required models
- A number of data requests to companies may be needed to complete this work
- We will share methods and invite comments with members of this Group as the mapping analysis develops
- We anticipate mapping being completed in stages between now and Christmas



**Progress on affordability
and acceptability testing**

Follow up on affordability and acceptability meeting

- Water companies attended the ad hoc meeting on 6th – we found the meeting very useful and hope those who attended did too.
- Potential dates for a further meeting have been circulated to companies.
- We asked attendees when they anticipate starting their acceptability research and most said they would start preparing in December 2022 with fieldwork in early 2023.
- We have not so far received any follow up emails to suggest companies would be starting this any earlier than December 2022.
- On that basis we propose to issue guidance on, and materials for acceptability in November 2022. This will allow more time for consultation with water companies, and testing of materials.
- Thank you to the companies which have expressed an interest in supporting the development of the acceptability and affordability research approach by sharing early business plan outlines. We will be in touch to explore how this can work.



The background features a large, dark green semi-circle on the left side. To its right, there are several overlapping circles in various shades of light blue, creating a layered, abstract effect. The overall composition is clean and modern.

Next steps

Next steps

- Ofwat publishing 'charging' consultation – end of September
- Update on next steps for ODI rates:
 - Completion of NHH fieldwork – end of September
 - HH modelling during September
 - Share HH survey data set with companies ahead of next SG meeting
- Update on next steps for Affordability and Acceptability testing:
 - Further meeting(s) during September/October
 - Publication in November
- Next Steering Group meeting – 10th October

