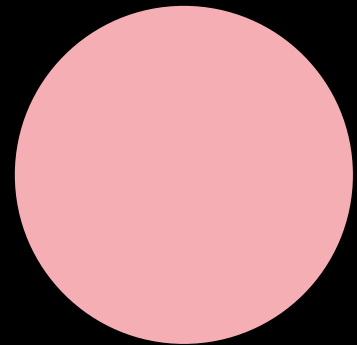
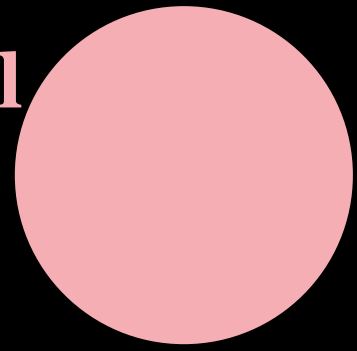


9 June 2023

---

**Ofwat - Environmental  
Performance  
Commitments  
Qualitative Research**



---

**Report of findings**

## Background and objectives

### Background

- Ofwat is the economic regulator of the water and wastewater sectors in England and Wales. Their role is to help build trust and confidence with customers, the environment and wider society. They work with a range of stakeholders including the UK government, the Welsh Assembly Government, water companies, consumer organisations and other regulators.
- As part of its programme of collaborative research for the Price Review 2024 (PR24), Ofwat and the Consumer Council for Water (CCW) commissioned Accent and PJM economics to conduct research across the water sector in England and Wales, the outputs of which will be used as a key input into the setting of financial incentives (Output Delivery Incentives – ODIs).
- Some of the results of the research are significantly out of line with expectations, particularly those relating to storm overflows. Qualitative investigations are needed to explore the specific areas of potential contribution to this.

### Objectives

1. Explore several hypotheses about how the high valuation has arisen for storm overflows and other company activities that have environmental consequences. These included:
  - **Incident descriptions.** Incident descriptions may not have been sufficiently clear and/or survey participants may have reacted more to the title and picture than the bullet points.
  - Customers, when making their survey choices, may have been **thinking about the phenomenon of storm overflows rather than a specific individual spill**, or may have been thinking of environmental impacts on rivers in general.
  - **Customers may not be willing to pay amounts that are implied by the research.** Estimates modelled from the survey research suggest that the average household would need to be compensated £42 per storm overflow spill before accepting a storm overflow within 5 miles of their home.
  - **Survey participants may have internalised the impact on other people of environmental impacts.** In other words, they may be considering the wider societal impact rather than just the impact on their own household. This would make it invalid to add up individual responses due to double/multiple counting.
2. Identify how people engage with the descriptions used for storm overflow and minor pollution incidents within the survey process
3. Explore the extent that this may have affected responses to other environmental impact incidents that were included in the survey research.

## Summary of findings

### Survey experience and purpose

- Respondents did not know the complete purpose of the research when taking part in the survey, and crucially did not know that it would be used to determine their willingness to pay for areas of water company provision or that their answers could impact on their future bills. Whilst this in itself is not an issue (respondents do not need to understand the complex nuances of how their collective results will be analysed), it is important to note when modelling using the data.
- That said, the survey was reported to be practically easy to answer, with clear questions and a good level of detail. However, some respondents said they found it a philosophical challenge to simultaneously think about both the impact on their household and the wider environment, although they ultimately easily defaulted to the former.

### Prioritisation of the impacts of service areas

- Respondents took onboard the instruction to consider the impact on their household and the wider impact on the environment when answering the survey, and easily mentally sorted the two types of issues they were shown into these groups. However, they did not hold these two equally, and made their choices through thinking primarily about their household. This is influenced by both their innate prioritisation (see hierarchy of needs model) and the instruction text within the survey. It was also influenced by their personal situation and their household make-up, including vulnerability. If the perceived impact of the issue was non-existent, minimal or easily manageable, they would then proceed to consider the latter. Similarly, if the environmental issue was seen as likely to impact their household (e.g. pollution incident on a river that they regularly walk by) they were more likely to choose those issues, but this was relatively rare. Respondents generally agreed with the resultant hierarchy in terms of impact on their household.
- Respondents were thinking about a single storm overflow or pollution incident event when answering the survey. They were able to consider geography in their answering, although they did not always conflate ‘nearby’ with ‘within five miles’ despite it being in the stimulus. ‘Elsewhere’ was taken to mean further away, but understanding varied (e.g. some thought it was a few miles away rather than next to their house). They also considered the timeframe of each issue, and the extent to which it was planned or unplanned.

### Understanding of water-related environmental issues

- Pre-survey knowledge of storm overflows was minimal and intertwined with flooding (both street and household). Respondents were generally aware that it related to heavy rainfall or storms, but they did not necessarily link this to sewerage and rainwater entering rivers. Despite answering questions related to storm overflows in the survey, many respondents were still unclear on their definition, and there was a persistent feeling that storm overflows’ impact was not limited to rivers. There was some scepticism about the impact (or lack thereof) on river quality and human health. Respondents dramatically underestimated the frequency with which storm overflows happen in England and Wales, and were surprised to learn the true scale of the issue.

- Pollution incidents is a more familiar term to respondents, but they do not generally just think about sewage pollution – it is linked in their minds to industrial waste and other pollutants (e.g. oil). Respondents generally understood the stimulus and it aided their decision-making: respondents attributed pollution incidents to accidents or negligence, in contrast to storm overflows, which were seen as a deliberate, preventative measure.
- Familiarity with ‘river water quality’ and ‘low flow’ as terms was minimal, but respondents were able to interpret their meaning. Upon discussing them in more detail and learning about them, respondents did express concern about them but generally concluded that this new knowledge would not impact their survey answers were they do it again.

## Compensation and willingness to pay

- The need for compensation is linked to direct household impact in respondents’ minds. It was therefore seen as generally not required for issues that did not directly impact their household, and again this was linked to their personal situation and household make-up. This was, however, complicated by the impact of the ‘cost of living’ crisis, and a desire to not turn down compensation if it was offered.
- When the question was flipped to a ‘willingness to pay’ framing, there was a strong negative reaction to the figures. Respondents did not believe they should have to foot the bill for preventing these issues. When they were able to see past this, they felt that the figures to prevent one incident of either a storm overflow, low river flow or poor river water quality was far too high. When discussing storm overflows specifically, some referenced the scale of the problem in England and Wales, and concluded that the total figure would be astronomically high.

## Section 1: Survey experience and purpose

### Respondents were unclear on the survey's purpose

Respondents did not agree on the purpose of the survey, and their ideas about what it would be used for was mixed. Some believed it was geared towards understanding public sentiment towards Ofwat, water companies and the sector as a whole. Respondents also thought the survey may be to understand how water companies can better manage service issues and the role that Ofwat can play in improving their management. Given the focus on service failure scenarios and compensation within the survey, some believed that it was to inform how best to placate customers when issues arose. There was no consensus on the survey purpose.

*“I think that's what it is, it's giving different scenarios of what could possibly disrupt the service and what would best help the customer in any sort of way.”*

*“There has been, like, water supply shortages they're always talking about and I've heard mentions of, like, they're likely to have the hosepipe ban in this summer as well. Last summer obviously it went on for a really long time so gauging a feel on what sort of impact maybe it'll see in the future for people. And like understanding maybe how people would react to their supplies being affected versus that environmental side of things.”*

*“I think it's possibly on the back of what I mentioned in terms of what was in the media with regards to sewage being pumped into waters. So possibly on the back of that, they're looking to, going forward, limit the reputational damage of the water companies.”*

Many recalled the environmental focus of the survey questions, which lead to a feeling that the survey was seeking to understand public perceptions of specific environmental events. Some respondents linked the purpose to broader contextual water-related events that respondents had seen in the media, citing service issues and pollution. Others deduced that it was aiming to find out how many people prioritised the environment over impact on their own household.

*“Well, I mean, with regards to environmental, I suppose they're feeling out how people feel about damage to the environment, if they have any spillages or any problems, what the reaction would be from general public regarding, you know, pollution.”*

*“I'm assuming that they're trying to get some understanding of how much people are willing to give up to protect the environment.”*

*“I think probably to improve services and challenge water companies and their responsibilities. Because actually at the moment I'm aware there's a group, in Exmouth particularly, that are trying to challenge the water company, they don't want to pay to protect their sewers, the bit on your bill where you protect sewers, because at the moment they don't feel like there is enough protection to that in Exmouth.”*

### Respondents did not see a link between their answers and future bills

When asked about the purpose of the survey, there was not an awareness of how their survey answers would or could impact their bill. The respondents tended to focus less on the ‘compensation’ element of the survey when talking through their recollection of the pre-task and talked in more detail about the trade-off part of the survey. When their attention was brought to financial matters, respondents recalled engaging with levels of compensation but did not link this to their bills.

## The survey was seen as easy to engage with, but respondents recognised the difficulty of making trade-offs of this kind

When asked to consider how difficult or easy the survey was, people answered on two levels: practically and philosophically.

Those who answered this practically were thinking of the respondent experience of the survey. The consensus was that the survey was easy to understand and when probed, it was clear that respondent had good comprehension of what they were being asked. The question wording was seen as clear and respondents were generally able to provide answers easily. When asked about the level of detail provided, most concluded that it was ‘about right’. The survey wasn’t identified as too long, and respondents reported being able to maintain their concentration even among some of the questions that felt more repetitive.

*“I think quite comprehensive obviously, each side give a pretty detailed summary of what would happen, the situation around it and choosing between the 2. I know nobody wants to be disrupted by that, but it was quite easy to choose between the 2 and which was the most appropriate one really.”*

Those who answered this question philosophically voiced some difficulty around two areas. Both of these go to show that respondents were following the instructions and answering the survey as requested, but there were some challenges to doing so:

1. **Determining the relative impact on their household** – Those who found it more straightforward to answer were particularly from single-person or small household or did not have any vulnerabilities. However, larger households or those with vulnerable members, such as the elderly, found it more challenging to assess the relative impact of incidents on their household. Some scenarios, such as not being able to flush the toilet, were particularly disruptive for vulnerable people. Those who found it difficult to think through the options described finding it hard to define the impact of the issues on their household, but respondents were ultimately able to come to a decision.

*“I just think that I can make easier compromises in my house, but then again, as I've said, it's my household, which is just me and the dog, so it's a bit different.”*

*“Yes because like I said, for me, having mobility issues and relying on other people, and the toilet and things like that, it would have a massive impact. Not so much like washing dishes or washing clothes, it's more like personal hygiene and toileting that, it would really affect me whereas the other one, the giving you 40 hours notice, you get in an advanced notice and you've got time to prepare to, you know, to add water in your kettle, get bottled water in, make other provisions, yes.”*

2. **Weighing up household and wider societal impact** – Some respondents reported finding it difficult when having to choose between issues that would either impact the environment or their home life, and in an ideal world, both could be avoided. They were ultimately able to make this decision, and prioritised their household in almost all cases as per the survey instructions, but it did provoke a philosophical challenge to weigh up the two types of issues against one another.

*“Perhaps from the philosophical point of view, the question, 'Which side would I go, environmental in a way or me?' But the heading said, 'Which would affect your household most?' So I tried to follow that.”*

*“The one in the river I, sort of, toyed with that one because like I said the hosepipe one if you asked me what would I rather, a hosepipe ban or pollution in a river I would say a hosepipe ban. But I had to answer hosepipe because that was what would affect me in my house, so that's what was in my head because I wasn't sure how to answer that one. The hosepipe ban probably sticks in my head as well because I grow plants and things in the garden so that would affect me but I thought I can get water or whatever, you know, if needs be it wouldn't be the end of the world. So they're probably ones that stick in my head.”*

## Prioritisation of the impacts of service areas

### Respondents spontaneously saw a distinction between environmental and household service areas

When asked to recall the ‘Impact of service issues’ section of the survey before it was then shown again on screen, respondents tended to recall having to choose between an issues that would impact their household directly and those that were more impactful to the wider environment. The randomisation of the combinations within the survey mechanic meant that many of the choices would not have been this, but the fact that many respondents remembered the issues in these two distinct groups is indicative.

*“[That section was] fairly straightforward. It was just more about the 2 different scenarios, how would I personally feel? So, you know, I gave my answer about something that impacted me personally would obviously, be more important than something that was, I guess, of a benefit to everybody.”*

*“I remember the, sort of, questions as to which would you prefer, whether it's the issues that are more local and affect just the household, so water being turned off for a certain amount of time, compared to an environmental issue, maybe within a few miles outside of the local area, and which I'd prefer. And it made me think that, at that point that, personally and possibly with a lot of other people, we're quite selfish in that we don't want to have our own household water availability affected. It might be, sort of, a stronger factor for us to think about compared to the environmental issues that happen around us.”*

*“As I say, you know, having to read through it and make sure I understood each of the different scenarios. But I think most of them, it's fairly clear for me in terms of a personal impact which would be my choice.”*

### They consistently prioritise issues that would impact their household over environmental issues

Respondents clearly prioritised issues that could impact their household over those that might have a wider societal or environmental impact. This is in-line with the quantitative results and the ‘hierarchy of needs’ model, which explains how people must have certainty about their base needs (e.g. reliable supply of water) before they can consider wider societal or environmental factors. When presented with two options that would not impact their household obviously (either two ‘environmental’ issues or household issues that they identified as not impacting them), respondents then considered the impact on the environment and others in their area.

While many respondents voiced feeling torn between their household's immediate impact and the potential long-term effects on the environment, we observed that the household issue was nearly always chosen. This dilemma did leave some feeling ‘selfish’ for prioritising their household impact over the environment. However when talking through their response, they referenced the survey’s instruction text and took solace in this. As discussed previously, the fact that respondents grappled with this decision demonstrates that they took the survey instructions seriously.

*“Well not selfish. Selfish is probably the wrong word but I'm just thinking of my household. My household comes first so that's-, rather than selfish, it was just more about me and my family I guess. I think I put agree for that one. The majority of the time I was like, 'Yes, definitely that one.' One or two of them I probably had to think for a few more minutes then I'd read back through it.”*



*“Yes, so from a selfish point again, it's me and my family and anybody close by.”*

*“And it made me think that, at that point that, personally and possibly with a lot of other people, we're quite selfish in that we don't want to have our own household water availability affected. It might be, sort of, a stronger factor for us to think about compared to the environmental issues that happen around us.”*

## **Respondents successfully used the information on screen in their decision-making to ascertain ‘impact’ on their household**

Each respondent’s interpretation of what “impact” means to them and their household was unique, incorporating personal or household factors, and their geographical location (e.g. proximity to a beach or river). In terms of the impact on their households, the participants generally prioritised the effects on personal hygiene and toileting, followed by issues like the ability to use tap water, mobility concerns, and advanced notice to prepare for water disruptions. Additionally, some participants considered the impact on their ability to engage in recreational activities, such as going to the beach. Overall, the participants' responses suggest that their understanding of “impact” is shaped by their individual circumstances, needs, and priorities, and that the concept of impact is multi-dimensional and can encompass a range of factors.

Beyond the considerations and needs of them and their household, their responses were significantly influenced by two factors:

1. **Geography.** Some had a clear understanding of the concept of ‘nearby’ meaning *within 5 miles of your household*, while others struggled to grasp it. This was either because there were no rivers ‘nearby’ or because they mistakenly interpreted the idea of ‘nearby’ to mean adjacent to their home. The use of the term “elsewhere” caused confusion for a handful of respondents, and a few of those respondents suggested that a more specific distance would have been more helpful in clarifying the question, but they were able to identify that this was further away (and therefore less impactful) than ‘nearby’.

*“So, I would automatically discount option B because it's elsewhere, someone else's problem.”*

*“It's still not far from us so if it's in our region, it's still nearby”*

*“So, I'm looking at this and, because the question is most impact, your household. So, I'm thinking where I live now, something that could affect me, so of these 2 options, because it's nearby and elsewhere. Selfishly, I'm more concerned about the nearby one. How near is that? So, I would automatically discount option B because it's elsewhere, someone else's problem.”*

2. The participants considered the **timeframe** and whether the incidents were **planned or unplanned**. The respondents had two main perspectives on the impact of planned incidents. Some felt that a planned incident would have less impact on their household since they could prepare for it and minimise the effect, while others believed that there would be a greater impact due to the additional energy and resources required to plan for the incident. Again, this varied significantly with the respondent’s situation and household make-up.

Most respondents were keen to stress that the information screen clearly indicated that the impact of the services section was focused solely on the effect on the respondents' households.

Many would repeatedly refer to this when providing their answers. When thinking about the impact of their household, respondents were careful to consider each element – for example, time of day or days of the week – and how this impacted their specific routines. For example, a family with a 4-month-old baby would view a planned supply interruption as having an immediate and severe impact.

*“I’m just looking at it again now and it does say about the, ‘Concerns you may have for your local or regional environment.’ But then I think when you got onto the questions it was a bit more-, I was probably thinking about it in me, personal impact, rather than the outside area. Because I’d always say, ‘That’s going to impact me more.’ Even though I’ve got concerns for the environmental area, I would consider the impact for me probably first.”*

*“When it went onto the questions that were either issues that affect the household versus issues that affect the local and less local environment, that’s where it became more of a, ‘What do we think about here? Do we think about the wider issues?’ Or, no, actually most times you just think about what’s happening in your own home.”*

When considering environmental issues, respondents understood that they were being asked to consider a single issue, rather than the phenomena as a whole.

*“I thought of a single spill, the pictures kind of only showed it like it was one spill”*

*“I’m assuming that’s a one-off. If it said, ‘An ongoing series of incidents elsewhere,’ etc. etc. etc. versus the, ‘One-off 4 hours, somewhere closer to us,’ I would be concerned that there was a problem.”*

## **On rare occasions, respondents prioritised environmental factors over household service issues**

Whilst respondents almost always considered their choices through the lens of impact on their household and therefore chose the service issue that was in or around their household, there were two situations in which they did not do this:

1. If respondents believed that they could easily manage the impact of a service issue on their household or that it would be minimal, they were more inclined to choose the environmental option. This is likely to be inflated through the qualitative research due to social desirability bias, and respondents got a positive feeling of altruism for choosing those options. Again, this was driven by their personal circumstances and household makeup: if they, or someone in their household, was living with a vulnerability, this was often not an option to them.

*“I’d say option A would be more of a long-term problem. I mean option B, yeah, that does have an impact on my household, but the fact is my daughter’s at school. It just means it takes longer to boil a kettle. You know, this is the working day, that doesn’t really have much of an impact. I mean, it’s just more of an inconvenience. Whereas something like option A, you know, untreated sewage goes in the river. I mean, we see on TV, in other countries when this happens and things, it’s not very pleasant. Kids get ill, people pick up things like animals, pets, you know, the wildlife. That would have a bigger impact, I think, on the local community and things, as opposed to just the inconvenience of doing the washing between, say, lunchtime and 6”*

*“I think it's because it's saying that the damage would be significant, that it's talking about the possible harm to wildlife and health risks to river users. So I think at that point I'd have to be thinking, well, really, is it important for me to be using my hosepipe to water some flowers or is it more important that the wildlife and the health risks are not happening?’ So I think that's almost a public conscience one then, isn't it, really.”*

*“Right, so the most impact on my household would be the pollution incident elsewhere. Again, I would, if it was a planned water supply interruption I'd just make plans to not be in the house and I've got enough notice, 2 days' notice, that I can make a plan to just go out or go see someone or go to the office for that day.”*

2. Sometimes respondents did believe the environmental issue would have a greater impact on their household than issues closer to home. This was driven by their proximity to rivers or the coast, and their regular use of these areas in their day-to-day lives.

*“So, yes. Significant pollution incident nearby, 4 weeks, untreated sewage. Yes, so this one would affect me more. See, I'm looking straight at the hours and the days, and stuff. Like, obviously it says nearby for 4 weeks, and it's significant pollution. It's going to affect me for 4 weeks. Or it's going to maybe have the potential to affect me. Yes, and then obviously, option B is discoloured water for 6 hours. That's fine, I can go without, like I said.”*

## **Respondents broadly agreed with the hierarchy created by the quantitative research**

When the modelled estimates of incident valuations arising from the research were presented to respondents, the majority were unsurprised to see service disruptions with clear household impacts at the top and the environment being placed lower on the scale. When it came to specific factors in the hierarchy, sewage in and outside the house were expected to be high, reflecting respondents' concerns about the immediate impact on their own lives. They are more tangible and easier to understand than broader environmental impacts. Respondents generally agreed with the placement of storm overflows and pollution incidents against other issues, and in terms of geography and severity.

*“Yes, I think that's right, actually because a lot of it is to do with the amount of time it affects as well, which is something I took into consideration, so yes, I would probably agree with that.”*

*“Obviously sewage inside your property, massive concern. Outside your property, again, massive concern. Draught, yeah, again. Water taste and smell 24 hours, I might put that closer to do not drink notice and the water boil notice but apart from that it's fairly standard, I think. It's probably right.”*

*“Well, if I read the first half a dozen at the top and the bottom half a dozen, the bottom bit it's all somewhere else, it's not in my backyard.”*

As with the choice exercise within the survey, where respondents did disagree with the order, it was because they felt that some of the environmental factors (e.g. hosepipe ban, pollution incident nearby) would have a significant impact on their household or because they felt they could manage through the service issue.

*“So for me, the significant incidents nearby, the significant pollution nearby and elsewhere would be really far up there. Water taste and smell for a day, to me is just really not a problem. I probably wouldn't drink it, but again I'd be able to deal with it. I might drink it, but boil it just to make it taste better, or mix it with squash or something. Yes, I don't know, there's a lot. People would put themselves and their own household higher than the environment for a lot of them, but I'm not like a person that particularly thinks of themselves as an environmentalist or anything, not in the slightest.”*

## Understanding of water-related environmental issues

### Storm overflows

#### *Understanding of the term*

While many claim to have heard of storm overflows before taking part in this research, many respondents were not able to give the correct definition, even after going through the survey during the interview. Respondents were generally aware that it related to heavy rainfall or storms, but they did not necessarily link this to sewerage and rainwater entering rivers. Despite answering questions related to storm overflows in the survey, many respondents were still unclear on their definition, and there was a persistent feeling that storm overflows' impact was not limited to rivers (i.e. it could impact on streets and areas nearer their home).

*"I would think that that [storm overflows] is when really heavy rainfall and the drains back up and make a big puddle with, well, sewage and things in it."*

*"I'd probably say, if I'm correct, it's to do with the drainage and the sewer system being able to cope with a large volume of water it came down in a heavy amount, that it could get rid of it quick enough so that it didn't leave the fields flooded."*

*"It's saying rainwater mixed with untreated sewage, so it's a potential leak, well I'm reading it as a potential leak from the drains, picking up overflow from commercial premises as well, so, although it's a one off, I think the impact of that is far greater than having an interruption just to your domestic water supply for 6 hours."*

*"I've just thought now, there is actually a major storm overflowing issue around here and it's probably about 4 or 5 miles away. There's a bypass that was built, near Manchester airport, about 5 or 6 years ago and they have a huge dip, not a huge dip but a significant dip in the road and it's a brand new road, it cost hundreds of millions of pounds and whenever it rains hard, it just cannot cope and there's huge overflow there."*

*"So I've heard of it in news articles and stuff, and what I think it is when the storm water and the foul sewerage, I've got a little bit of understanding of it from my job role, when that overfills with rain water or something, and then they use that, they can put basically just an overflow, so if it gets up too high, they've got emergency escapes, essentially, where they can push water into rivers or the sea"*

Having taken part in the survey during the interview, some considered them to be beyond the control of the water companies, treating them as an 'Act of God', while others were aware that these were deliberate but necessary decisions made by the companies. This was seen as different from pollution incidents, which were through accident, or negligence. In addition to this difference, some respondents saw storm overflows as the lesser of two evils when compared to pollution incidents. They believed that diluted sewage was less harmful than concentrated sewage that could result from a pollution incident.

*"I kind of thought it meant that you've probably got some drainage system, and usually it works fine, but if there's a storm, that drainage system could overflow. So you could get stuff coming back out of that drain, but only in the event of a storm or something. You know, where you get heavy rainfall, that kind of thing. That's how I understood it anyway."*

## *Impact on the environment and human health*

When asked about the environmental impact of storm overflows, respondents cited both positive and negative effects on the environment. The positive effects mentioned include preventing excess rainfall and protecting clean water sources from contamination. The negative effects mentioned include potential contamination of clean water sources if overflows occur and impact on habitats and crops if land becomes too wet.

There is also agreement that untreated sewage going into rivers and storm overflows can cause pollution and harm aquatic life. However, opinions on the severity of the impact vary.

Overall, the respondents recognised that storm overflows can have both benefits and drawbacks, and that the impact on the environment depends on various factors such as the type and frequency of pollution, and the location of the overflow.

*“Definitely yes, it will definitely have a positive effect if they work correctly. Because I'd say, yes, it just removes all the excess rainfall, if there's any heavy storms or any hurricanes, it definitely helps, yes.”*

*“I think they must do. But as with all these things in these sorts of scenarios, there are acceptable levels, anything under that level is seen as acceptable even though there might be some effect on the environment. But they're deemed to be acceptable, so whatever damage it causes is seen as a necessary evil that has to be accepted. So, yes, I think it probably does cause-, even what's acceptable probably does cause some damage to the environment, but not at a level which is deemed to be significant.”*

*“Whatever's overflowing is probably not going to be that good for the environment, whether it be untreated sewage, say. So it could well cause harm to fish or other organisms”*

The respondents had mixed opinions on whether there were human health implications or impacts due to storm overflows. Some were unsure and had not heard of any incidents or injuries caused by storm overflow systems, while others expressed concern over potential health risks, including the contamination of rivers, which could affect people drinking water or eating fish caught from the river. Others pointed out that swimming in untreated waters could be risky. It is worth noting that these concerns were mentioned when the topic was discussed in detail towards the end of the interview, and human health was generally not raised by respondents during the survey as part of their decision making process.

*“I shouldn't think so. I haven't heard anything on the news saying there've been any injuries or any incidents because of a storm overflow system, to human life, so yes, I don't think so.”*

## *Frequency*

Respondents dramatically underestimated the frequency with which storm overflows happen in England and Wales. Guesses varied significantly, but were generally in the tens or hundreds, and occasionally in the thousands. Respondents were therefore shocked when told that tens of thousands have occurred in recent years.

*“Oh my god. They must take a battering because that is crazy. I thought they were only used for, you know, emergencies only.”*

*“Flabbergasted is the word. If you put them all together, that's a catastrophe. I mean, if water companies, with that huge number, they're saying, 'Well, we've only had 10, we've only had 50, only, we're mitigating it and we're working to avoid it,' those turns of phrase, that's massive. Absolutely massive.”*

However, some coupled this relatively high amount of storm overflows with their lack of awareness of them, concluding that this meant that the system is working well and that they have a minimal impact on the environment.

*“I think, like I said before, there has to be an acceptable level of risk. So, yes, if there are tens of thousands, that means there's probably a higher level of durability in terms of what the bodies of water can accept from sewage overflows. So, yes, if there are that many, which obviously there are if you're saying that, then yes, there are probably-, well, either there are a lot that don't have any noticeable effect on the environment, or the acceptable levels are placed at a high enough level for there not to be deemed to be a problem with the environment.”*

*“Well it makes them seem a lot less threatening than I thought they were.”*

## Pollution incidents

Participants found it difficult to determine how big of a problem water pollution is in their local areas. Participants had generally not heard of any specific major incidents, but many felt that it was generally problem, especially affecting the sea and wildlife.

When presented with the relevant survey screens, respondents attributed pollution incidents to accidents or negligence, indicating that they believed the water company was at fault for failing to prevent the pollution from occurring. This was in contrast to storm overflows, which were seen as a deliberate, preventative measure. While respondents associated pollution incidents with sewage, there were also some who referenced oil spills or commercial waste entering rivers.

*“I mean, a storm overflow, it's a planned mechanism, it's a built-in mechanism to the water network. From what I'm gathering, what's come across in the scenarios is, that when those occurrences happen and they get discharged, you know, for several hours into a local river, they get washed away, there's only very minor and temporary impact on the environment and biodiversity, that's how it's been designed. So, a pollution incident is obviously not a planned mechanism, it's an accident potentially and that could affect the environment in a lot of different ways and could be more permanent and longstanding.”*

*“Well, I'm guessing a storm overflow would be as a result of natural forces in most case, but a pollution incident would probably be, I don't know, possible industry or farms discharging chemicals into rivers and lakes. Something along those lines.”*

## River water quality

There was generally a low awareness of the term ‘river water quality’, leaving respondents to put their own interpretation on the term. This tended to focus on river water quality being negatively impacted by chemicals and pollution.

*“Well, I've been in water treatment myself, in fact, drinking water treatment. So, you know, I know a little bit about the subject. But, I mean, it refers to the (TC 00:30:00) level of different chemical substances that might be in the river, the oxygen levels, the green levels, you know, the algae levels or what have you, and chemicals, stuff from sewage if you like.”*

*“Well, I would imagine the pollution or any quality of waterways where you've got the introduction of chemicals or sewage or other pollutants.”*

When told that ‘about 1 in 7 of rivers in England and nearly half in Wales meet the standard for good ecological status’, there was a strong sense of surprise. Respondents felt some shock at the apparent negative quality of the rivers in England and Wales.

*“I’m surprised that you’d tell me, you know, 1 in 7. I’m surprised by that figure, and I would have thought it would be 4, 5, you know, that’s what I would have expected to be an average. But this is well below average there for good. So, yes, I’m surprised at that.”*

*“I didn’t realise that, bit of a stunner that, I didn’t realise that at all. But, then again, I don’t really go close to rivers. It’s just a day out, a picnic or something like that.”*

*“Oh. Wow, now that’s very bad. I thought you were saying 1 in 7 is bad, in which case that’s not bad. Oh right, so 6 out of 7 rivers are rubbish. Yes, that’s very bad.”*

However, even in possession of this information, respondents were reticent to say this would impact their answers were they to do the survey again. They said they would continue to prioritise issues that directly impacted on their household. There was a feeling that this might result in them prioritising river water quality over other environmental factors.

*“It won’t affect my answers. You know, I’m disappointed that you tell me that figure. I’m disappointed to hear that, you know. It’s a government issue, isn’t it? I mean, the water quality and what’s allowed to be discharged into the rivers is a government issue.”*

*“Think the ones that I was comparing it to my household, I don’t think it would have affected still but the ones where it wasn’t my household, I think there was a few of them, I was just comparing a dirty pipe down the road or whatever. I probably would consider it then, yes.”*

## Low flow in rivers

As with river quality, ‘low flow’ is not a commonly recognised term but is one that respondents could easily interpret. After discussing the term in detail, respondents tended to not believe it would impact their results if they were to take the survey again. Among those that did, it was because the focus on the issues had made them consider if it was symptomatic of an issue that would impact their water supplies in the home (e.g. a drought).

*“I mean, I can imagine it. Is it a specific scientific term, ‘low flows in rivers’? It’s self-explanatory isn’t it?”*

*“Well, if you say low flow in rivers, I don’t know, like a lower level of water in the river.”*

*“Not just knowing that, because the wording is how it affects my household, not at this point in time, I don’t think I would have changed any of them but if my life wasn’t as it is”*

*“Probably, it does [affect my survey choices], because where would water come from? If there is a low level then that means that before it comes to me the supply would be lower, you know, there might be some issues with the supplies that we get.”*



## Compensation and willingness to pay

### Compensation is appealing, but generally not seen as needed for environmental issues

A diverse range of responses were received for the 'financial values' section of the survey, but crucially the respondents were able to understand the question and think through their answer. Participants who preferred the compensation option emphasised that the compensation being deposited directly into their bank account made it a more appealing choice than receiving a discount on a bill. Some respondents referenced the current 'cost of living' crisis and expressed how financial compensation would be a welcome relief and even incentivise them to tolerate service failures. A significant number of respondents were surprised at the notion of receiving compensation.. As such, because many saw it as an unexpected extra or 'freebie' rather than to compensate for disrupted services, they were encouraged to take the money option.

*"This one, I was actually torn here. I thought, you never had the money before so why do you need the money now? And then I said, 'Well actually, if I could have no running water or whatever for 6 hours with notice and it's planned, I think I could accept that and I think I'd take the money.'"*

*"So for me personally, it's not about money but I'm guessing that's the problem isn't it? They've got to weigh up how many people, you know, considering the money crisis in the world, would rather have the problem."*

On the other hand, respondents who favoured no service disruptions over compensation argued that potential health risks outweighed any monetary value of compensation. This was particularly the case for respondents in vulnerable situations with medical conditions, elderly individuals, or those with young children. There was also a recognition that compensation is ultimately funded through bills.

*"Yes, well, I mean, it was offering compensation, but to be honest, rather than have the compensation, I'd rather have the uninterrupted clean water. I mean, at certain points, there's no amount of compensation, you know. It's not a matter of how much compensation would you be happy with, I'd rather just have the clean water, and uninterrupted."*

*"I thought it was easy. Both options were offered what you're going to get, what you're not going to get, so I thought it was easy to answer. When they said if you have this, if you opt for this you get 50 pounds and then you opt for that you don't get anything. At least for me when I was evaluating it I felt like option B was the most obvious answer but in my head I was thinking they're offering me compensation but where are they going to get that compensation from? Most likely from the payers' pocket anyway."*

When asked about their views on compensation for environmental areas, some respondents felt that compensation was not needed if the environmental issue did not impact their household directly, even if it occurred nearby. However, for those who may have misunderstood storm overflows or were sceptical about the impact of untreated sewage on the environment and human health, they were more likely to want compensation. This suggests that compensation was seen as a way to mitigate negative impacts on people's lives.

Many participants in the discussion believe that compensation is reasonable if the water company cannot provide the service it is contracted to provide. However, while some respondents expect compensation if there is a failure in the system that could cause disruption, many do not expect compensation, especially if the interruption or overflow is

deemed to be a regular occurrence or not materially affecting them. Some suggest that instead of paying compensation, the utility company should invest in improving and maintaining the system.

*“I probably wouldn't expect to receive compensation, it would be a nice thing if it happened. I would expect to see compensation if that then subsequently directly impacted my property, i.e. it came through my front door or something like that.”*

*“Why would they want to accept compensation? I'm not quite sure on that because, unless they were on the river, they lived in a houseboat or worked on the river, or something like that, if they lived 5 miles away, would it bother them? Maybe not, I don't know.”*

## Respondents weren't willing to pay the values generated by the modelling for one fewer incident

When respondents were asked about their **willingness to pay** £42 per storm overflow incident, £44 per poor river water quality incident, or £54 per incident of low water flow in rivers, the majority were adamantly not willing to pay that. Respondents questioned why they should have to pay for something that was the responsibility of the water companies.

Several respondents were taken aback by the amount of money being proposed for just one fewer incident, especially when they became aware that there were thousands of these incidents happening in the case of storm overflows. Some even balked at the idea, stating that the proposed compensation was too high, given the volume of incidents. Some respondents would multiply out the proposed compensation by the number of incidents, and emphasise how this became a huge amount of money.

*“No, you know, I'd like it to be done at a better-, at a higher level, and added to my bill and everybody else's bill to sort the problem out, but not per specific incident, as you're suggesting like that. More a global thing, more an overall management thing.”*

*“Not if there's thousands of them happening all the time, I don't see what difference that would make, 1. Unless it was 1 per house, yes. And everybody did it. If everybody did it, that would probably reduce them all. But I should imagine it would cost more than that to stop it from happening. Do you see what I mean? If 42 quid could stop it once, and then somebody else's stops it again, they'd be eradicated wouldn't they, these overflows.”*

*“No. For just one, no. I just feel like things are so expensive, an extra £42 is a lot of money. So I'm thinking of this in the context that, so my water bill is £45 a month so I'm almost doubling what I'm paying for one storm event so for me personally no because it's a lot of money compared to what I'm currently paying. If it was, 'Would you pay £1', but-, in the hope that they're telling us what they're actually doing, where is this money going then maybe I would consider it but not £42.”*

The small minority of respondents who entertained paying this did express that they would be happier to pay (to some extent) if they could see the positive impact of having one less incident. They believed that if they could see a tangible benefit to the environment, such as improved water quality or reduced pollution, then they would be more willing to pay. They also mentioned transparency from water companies on what the £42 would be used for would also increase their willingness to pay.

*“Again, a bit extreme. I think if someone said, okay, you know what, we've had 6 months of dry weather we need to, for a 1 off, £15, £10, £20, fair enough. It's not their fault we've had too much sun. But the same way, on the flip side, £54 is a bit excessive as compensation. It's a bit excessive to add to your bill.”*

## Conclusion

While the survey was clear and easy to take part in, respondents were unaware of the way in which their answers would be interpreted. They did take onboard the instruction to consider the impact on their household and the wider impact on the environment when answering the survey, clearly prioritising the incidents that impact their households directly. Environmental factors were generally seen as less impactful on households, although a lack of prior knowledge of the issues at hand did add confusion. For example, storm overflows were intertwined with flooding (both street and household) to some respondents, which added complexity when trying to gauge impact on them and their household. Knowledge of pollution incidents, river water quality and low flow was also minimal, but respondents were mostly able to interpret their meaning and answer accordingly. When presented with the ‘willingness to pay’ figures, respondents felt that the amounts to prevent one incident of either a storm overflow, low river flow or poor river water quality was far too high.

Large quantitative studies are clearly required for the robust determination of customers’ willingness to pay at scale. However, this research demonstrates that qualitative methods are required to provide extra detail on respondents’ views and their decision-making processes. This information is crucial for the successful interpretation of the data and, therefore, the generation of regulatory incentives which are built on informed customer views.

## Appendix A: Methodology

Savanta interviewed 30 members of the public by Teams video call between 23<sup>rd</sup> February 2023 and 13<sup>th</sup> March 2023. The members of the public were sent a pre-task of completing the online survey prior to the interview. The following provides a breakdown of the interviews by quota:

- 5 respondents from Wales
- 25 respondents from England
- 15 male and 15 female respondents
- 9 respondents aged 18-34; 11 respondents aged 35-54; 10 respondents aged 55+
- 8 were Customers in Vulnerable Situations (CIVS) respondents
- 7 were classed as 'financially vulnerable'
- 5 were classed as 'very financially vulnerable'

Respondents were split into three cohorts of 10, who each had a slightly different area of focus during the interview:

- A - the primary focus was on the wider survey experience (including storm overflows, pollution incidents, river water quality and low flow rate).
- B - the primary focus was on elements of the survey relating to storm overflows and pollution incidents.
- C - the primary focus was on elements of the survey relating to river water quality and low flow rate.

A note on the methodology: this is a relatively small qualitative study designed to provide themes and context to help interpret the larger, quantitative study. It should not be taken as a definitive guide to how the thousands of quantitative respondents answered the survey.

## Appendix B: Discussion Guide

### Introduction

#### **Objective: to establish the interview dynamic**

Thank you very much for taking part in this interview.

My name is [xxxx] and I will be conducting this interview today.

Savanta is an independent market research agency, conducting this research on behalf of Ofwat, the economic regulator of the water and wastewater sectors in England and Wales.

There are no right or wrong answers today – we are interested in your opinion and experiences whatever they may be, even if you don't have much of an opinion. We are going to be discussing the survey that you took part in before this interview, and topics related to that.

The interview will last in the region of 45-60 minutes.

Everything you say will be strictly anonymous and in line with MRS code of conduct. If we quote what you say, it will be anonymised so that it can't be traced back to you.

Can I please confirm that you are okay with me recording this interview today for note-taking purposes? ***[Wait for the participant to agree]***

Finally, do you have any questions before we begin?

## Section 1: Spontaneous views on the survey experience (10 mins)

**Objective: To focus on the recollection and understanding of the survey pre-task**

Topic	Discussion points/questions
Introduction	<ol style="list-style-type: none"> <li>As you know from the survey you went through before we are chatting today, we're here to talk about water company services. We'd like to start with getting a sense of your general awareness of your water company. This may be from interactions with your water company or things that may have been in the Media – national or Locally – connected to them. Have you contacted or been contacted by your water company? What do you think of them? Have you read or seen anything about your water company in the press?</li> </ol>
Pre-task survey - general experience	<ol style="list-style-type: none"> <li>Can you start off by telling me how you found the survey you took part in before this interview?</li> <li>Having done the survey, why do you think Ofwat (the water sector regulator) and/or the water companies would be seeking feedback like this? How do you think they were planning to use the findings from a survey like this?</li> <li>Are there any specific details of the survey you can remember? Why does this stick out for you?</li> <li>How easy or difficult did you find the survey to answer? Why? Were you able to keep your attention focused on the survey throughout? Did you find the survey repetitive?</li> <li>Was there anything that you found particularly confusing or difficult to answer? Why?</li> </ol> <p><b><i>[Probe for areas of the survey that they (a) don't think they fully understood and (b) thought they probably understood but might have misinterpreted]</i></b></p>
Pre-task survey - choice section	<p>Moderator to draw their attention to the section of the survey where they had to repeatedly choose between two options on screen to indicate which one would have the biggest impact on them. If they don't remember, moderator can show a screenshot on screen to prompt their memory.</p> <ol style="list-style-type: none"> <li>How did you find this section? Why?</li> <li>How easy or difficult did you find these questions to answer? Why?</li> <li>How did you find the level of detail when making the decisions? Was it too much/too little? How so?</li> <li>How strongly did you feel about your responses? Did it vary across the questions? How so?</li> </ol>

Financial values	<p>Moderator to draw their attention to the financial values section of the survey. If they don't remember, moderator can show a screenshot on screen to prompt their memory.</p> <ol style="list-style-type: none"><li>11. How did you find this section? Why?</li><li>12. How easy or difficult did you find it to put financial values on these situations? Why?</li><li>13. How did you find the level of detail when making the decisions? Was it too much/too little? How so?</li><li>14. What would have made it easier for you to answer?</li></ol>
------------------	---

## Section 2: Cognitive testing (20-25 mins)

**Objective: Understanding how participants arrive at answers for the survey and gauge participant interpretations and understanding of questions and choices**

**Note:** For this section, respondents will have been pre-allocated into the A, B or C groups.

Topic	Discussion points/questions
Overall survey perception	<ol style="list-style-type: none"> <li>1. Before we go through the survey on screen, I'd like to understand your views on it. How would you describe the survey to someone who had not seen it?</li>   <li>2. We are going to be focusing on the choice questions which are roughly in the middle of the survey. What was your view on these questions when you were answering them?</li> </ol>
Cognitive testing	<p>Moderator to show survey on screen. Group <b>A</b> to start from the beginning and finish after Q37. Groups <b>B</b> and <b>C</b> should start at the 'Impact of service issues' info screen (just before Q17) and finish after Q31C.</p> <p>Moderator to vary questions asked to keep the conversation engaging but broadly follow this structure:</p> <ol style="list-style-type: none"> <li>1. Respondent reads screen and tells the moderator which answer they would select</li> <li>2. Moderator to ask: <ul style="list-style-type: none"> <li>- Talk me through how you arrived at your answer for this question.</li> <li>- What did you consider when answering it?</li> <li>- What do you think of the question?</li> <li>- Do you think you have all the information you need to answer it? Why/why not?</li> <li>- What does this [INSERT WORD/PHRASE FROM QUESTION] mean to you?</li> <li>- Do you think the pictures/images helped you to form an answer to the question? Why/why not?</li> </ul> </li> <li>3. Moderator to select answer and move on to next question</li> </ol> <p>Key areas of focus and probing on relevant screens within 'Impact of service issues' section:</p> <ul style="list-style-type: none"> <li>• Are they thinking about themselves/their household/wider society in terms of the impact, or someone they know who experienced this.</li> <li>• Are they conflating, or linking pollution incidents and storm overflows, or even thinking about river pollution in general, regardless of cause.</li> <li>• What is the influence of the title vs. the picture vs. the full text on their thinking/response.</li> <li>• What does it mean to be impacted? Does it mean there is an impact on them personally or that it is important to them to limit/prevent these things because there is an impact of some other kind (or both)?</li> <li>• The impact of 'geography' (do respondents take onboard references to 'within 5 miles of your household' etc. when</li> </ul>



	<p>answering) and do they think everyone within 5 miles would be equally impacted?</p> <ul style="list-style-type: none"> <li>• What did they think of the term ‘elsewhere’? Did they take onboard the description of it ‘somewhere in your region but not nearby’? Did they think it was different from ‘within 5 miles of your household’?</li> <li>• Whether respondents are thinking about a single storm overflow spill or of the phenomenon of storm overflows in general.</li> </ul> <p>Key area of focus and probing on relevant screens within ‘Compensation for later service issues’ section:</p> <ul style="list-style-type: none"> <li>• After they’ve been through it – How might they have answered this about the storm overflow options or other environmental options?</li> </ul> <p>At info screens, respondents will be asked:</p> <ol style="list-style-type: none"> <li>1. To read through the info on screen</li> <li>2. What do you think the info screen is telling you?</li> <li>3. Is there anything that you would like to clarify in greater detail before moving on?</li> <li>4. When you answered the questions in the pre-task, did you find yourself using this information? Why/why not?</li> </ol> <p>Group <b>A</b> will spend most time on questions/info screens with an environmental focus/that might have in impact on the framing of the ‘Impact of service issues’ or ‘Compensation for service issues’ questions. Within the ‘Impact of service issues’ section, most focus should be on combinations that include one of the storm overflow options.</p> <p>Group <b>B</b> will focus on the ‘Impact of service issues’ or ‘Compensation for service issues’ questions. Within the ‘Impact of service issues’ section, most focus should be on combinations that include one of the storm overflow options.</p> <p>Group <b>C</b> will focus on the ‘Impact of service issues’ or ‘Compensation for service issues’ questions. Within the ‘Impact of service issues’ section, most focus should be on combinations that include one of the environmental options that do not relate to storm overflows.</p>
--	--

### Section 3: Topic discussion (20-25 mins)

**Objective: Probing into specific topics and entering a more deliberative mode to understand how/if this influences participant responses**

**Note:** For this section, respondents will have been pre-allocated into the A, B or C groups.

Topic	Discussion points/questions
<p>General views and experiences of storm overflows</p> <p>Groups A and B only</p>	<p>Now that we have been through the survey, we are going to focus on storm overflows.</p> <ol style="list-style-type: none"> <li>1. Before taking part in this research, had you heard the term 'storm overflows' before? Did you know what storm overflows are?</li> <li>2. How would you describe them now to a friend who hadn't taken part in the research?</li> </ol> <p><b>If knowledge seems lacking or incorrect, moderator can use definition if required:</b> Storm Overflows are designed to act as relief valves when the sewage system is at risk of being overwhelmed, for example during heavy downpours when a lot of rainwater runs into drains and the sewerage system in a short space of time</p> <ol style="list-style-type: none"> <li>3. Have you ever seen or experienced anything related to storm overflows? What happened?</li> <li>4. What do you think a pollution incident is? Have you heard of this term before taking part in the research? <b>(probe for additional perceptions of pollution incident)</b></li> <li>5. Do you think there are differences between a storm overflow and a pollution incident? What might the differences be?</li> </ol> <p>Moderator to show both storm overflows and pollution incidents on screen.</p> <ol style="list-style-type: none"> <li>6. What do you see as the differences between these two incidents? When answering the survey, did you notice that they were different? IF YES: What differences did you notice then?</li> </ol> <p>Moderator to take the incidents off screen.</p> <ol style="list-style-type: none"> <li>7. How big of a problem do you think pollution incidence are in England /Wales? And nearby to you (within 5 miles of where you live)? And somewhere in your region but not nearby?</li> <li>8. How big of a problem do you think storm overflows are in England/Wales? And nearby to you (within 5 miles of</li> </ol>

	<p>where you live)? And somewhere in your region by not nearby?</p> <p>9. How did you define region? Is it your local town, borough, county, or regional area?</p> <p>10. We're now going to focus on storm overflows. Do you think they affect the environment? How so?</p> <p>Moderator to remind respondent that in the survey they were told that there was no environmental impact of a typical storm overflow.</p> <p>11. How does that impact, if at all, on your view on storm overflows? Did you believe that and use that information when answering the survey?</p> <p>12. How often do you think these storm overflows happen anywhere across England and Wales over a year? How many, if any, storm overflows do you think are likely to take place within 5 miles of where you live in a typical year?</p> <p>Moderator to introduce that tens of thousands of storm overflows have occurred in England and Wales recent years.</p> <p>13. How does that impact, if at all, on your view on storm overflows?</p> <p>14. Do you think storm overflows have an impact on human health? E.g. for swimmers, anglers, people that live directly by the river.</p> <p>Moderator to remind the respondent that the survey stimulus made no mention of the human health impacts of storm overflows.</p> <p>15. When answering the survey, were you thinking at all about human health? IF YES: How so?</p>
<p>Impact on storm overflow survey answers</p> <p>Groups <b>A</b> and <b>B</b> only</p>	<p>16. Given the information you now know, how do you think this would affect your answers if you were to do the survey again?</p> <p>Moderator to cover these two questions here only if not clear from cognitive testing section:</p> <p>17. When you answered the survey, were you thinking about tackling this as an issue overall or as a single event? (e.g., storm overflow vs a single spill)</p> <p>18. Whilst you were doing the survey were you thinking about the effects on your household only or more households/wider society? IF THE LATTER: do you think you'd have selected the option more or less if you'd just focused on your household?</p> <p>Moderator to show hierarchy on screen.</p>

	<p>19. The survey that we have just been through was filled out by thousands of people across England and Wales. By looking at their results altogether and the choices they made when presented with the different options, Ofwat have been able to calculate a priority order of those impacts. This shows which events have a bigger impact on people and which have less of an impact. I'm now showing that on screen – what do you think of it? Do the things at the top of the list seem about right to you? And what about the things at the bottom of the list? Is there anything that surprises you or you would have thought would be higher/lower?</p> <p>Moderator to take hierarchy off screen.</p>
<p>Financial impact of storm overflows</p> <p>Groups <b>A</b> and <b>B</b> only</p>	<p>20. The survey asked about theoretical levels of compensation for certain events occurring in or around people's homes. What are your views on water companies giving compensation to customers for these sorts of issues?</p> <p>21. If a storm overflow were to happen within five miles of your home, would you expect to receive compensation? Why/why not? IF YES: How much would you expect?</p> <p>Moderator to show storm overflow information on screen again.</p> <p>22. By combining the ranking that we discussed earlier this with the financial questions which followed, Ofwat are able to put figures to what compensation levels people would be willing to accept from water companies for each event. The survey modelling suggested that an average household would want a financial payment of £42 every time a storm overflow happens within 5 miles of their household. How does that figure sound to you? Why?</p> <p>Moderator to take storm overflow information off screen.</p> <p>23. Let's now look at this another way. Would you be prepared to pay an extra £42, added to your bill (it would also be added to everyone else's) for one less storm overflow spill to happen within 5 miles of your home? Does this sound like too much, too little or about right? IF TOO MUCH/LITTLE: What sort of amount do you think you would be prepared to pay?</p>
<p><b>GROUP C ONLY</b></p> <p><b>MODERATOR TO FOCUS ON THE SITUATION THAT CAME UP IN THE SURVEY AND IF TIME TALK THROUGH TWO SITUATIONS</b></p>	
<p>General views and experiences of <b>River Water quality</b></p>	<p>Now that we have been through the survey, we are going to focus on River Water quality.</p>

<p>Group C only</p>	<ol style="list-style-type: none"> <li>1. Before taking part in this research, had you heard the term 'river water quality' before? Did you know what river water quality is referring to?</li> <li>2. How would you describe river water quality to a friend who hadn't taken part in the research?</li> </ol> <p><b>If knowledge seems lacking or incorrect, moderator to use definition if required:</b> River water quality standards are defined by the government. In rivers assessed as meeting a 'medium' but not 'good' standard:</p> <ul style="list-style-type: none"> <li>▪ There will be plants, insects, fish, birds and other animals, but there will be some fish and other wildlife missing.</li> <li>▪ Water will be slightly murky or discoloured in parts, and there will sometimes be visible pollution in some places, and some algal blooms.</li> <li>▪ Water may be suitable for contact activities e.g., swimming or water sports, in some areas but not others.</li> </ul> <ol style="list-style-type: none"> <li>3. Have you experienced anything related to the river water quality? What happened? How did it affect you?</li> <li>4. Was it a positive or negative experience? What made it negative? What made it a positive experience?</li> <li>5. Does river water quality affect your household? Does it affect your local area? Does it affect your region?</li> </ol> <p>About 1 in 7 of rivers in England and nearly half in Wales meet the standard for good ecological status.</p>
<p>Impact on <b>River Water quality</b> survey answers</p> <p>Group C only</p>	<ol style="list-style-type: none"> <li>6. Given the information you now know, how do you think this would affect your answers if you were to do the survey again?</li> <li>7. When you answered the survey, how did you interpret what River Water quality was? Did you read the information provided? Did you click on the additional information button?</li> <li>8. While you were doing the survey were you thinking about the effects on your household only or more households/wider society? <b>IF THE LATTER:</b> Do you think you'd have selected the option more or less if you'd just focused on your household?</li> </ol>
<p>Financial impact of <b>River Water Quality</b></p> <p>Group C only</p>	<p>Moderator to show river water information on screen again.</p> <ol style="list-style-type: none"> <li>9. By combining the ranking that we discussed earlier this with the financial questions which followed, Ofwat are able to put figures to what compensation levels people would be willing to accept from water companies for each event. The survey modelling suggested that an average household would want a financial payment of £44 every time a poor river water quality happens within 5 miles of their household. How does that figure sound to you? Why?</li> </ol>

	<p>Moderator to take river water information off screen.</p> <p>Let's now look at this another way. Would you be prepared to pay an extra £44, added to your bill (it would also be added to everyone else's) for one less instance of poor river water quality to happen within 5 miles of your home? Does this sound like too much, too little or about right? IF TOO MUCH/LITTLE: What sort of amount do you think you would be prepared to pay?</p>
<p>General views and experiences of <b>Low flows in rivers</b></p> <p>Group C only</p>	<p>Now that we have been through the survey, we are going to focus on low flows in rivers.</p> <ol style="list-style-type: none"> <li>1. Before taking part in the research, had you heard the term 'low flows in rivers' before? Did you know what it is referring to?</li> <li>2. How would you describe this to a friend who hadn't taken part in the research?</li> </ol> <p>A low flow in a river is defined in this research as when the level of water in a river is lower than the minimum it should be naturally, due to a combination of dry weather and water being taken from the river for public water supply.</p> <ol style="list-style-type: none"> <li>3. Have you experienced anything related to the low flows in rivers? How did it affect you?</li> <li>4. Was it a positive or negative experience? What made it negative? What made it a positive experience?</li> <li>5. Do the low flows in the rivers affect your household? Does it affect your local area? Does it affect your region?</li> </ol>
<p>Impact on <b>low flows in rivers</b></p> <p>Group C only</p>	<ol style="list-style-type: none"> <li>6. Given the information you now know, how do you think this would affect your answers if you were to do the survey again?</li> <li>7. When you answered the survey, how did you interpret what low flows in rivers was? Did you read the information provided? Did you click on the additional information button?</li> <li>8. While you were doing the survey were you thinking about the effects on your household only or more households/wider society? IF THE LATTER: Do you think you'd have selected the option more or less if you'd just focused on your household?</li> </ol>
<p>Financial impact of <b>Low flows in rivers</b></p> <p>Group C only</p>	<p>Moderator to show low flows in rivers information on screen again.</p> <ol style="list-style-type: none"> <li>9. By combining the ranking that we discussed earlier this with the financial questions which followed, Ofwat are able to put figures to what compensation levels people would be willing to accept from water companies for each event. The survey modelling suggested that an average household would want a financial payment of £54 every time there are low flows in the rivers within 5 miles of their household. How does that figure sound to you? Why?</li> </ol>

	<p>Moderator to take low flows in rivers information off screen.</p> <p>10. Let's now look at this another way. Would you be prepared to pay an extra £54 added to your bill (it would also be added to everyone else's) for one less instance of low flows in rivers to happen within 5 miles of your home? Does this sound like too much, too little or about right? IF TOO MUCH/LITTLE: What sort of amount do you think you would be prepared to pay?</p>
<p>Views on willingness to pay</p> <p>Group C only</p>	<ol style="list-style-type: none"> <li>1. Has any of the discussion we have had to today changed your view of the importance of any of the things we have discussed? If so, which ones? Do you think they are more important or less important than when you did the research?</li> <li>2. You have said how much more you would be willing to pay in your water bill for each of a number of things that would result in better outcomes for the environment. Would you be willing to pay for all of them added together on your bill? If not, what do you think is the most you would be willing to pay?</li> </ol>