

Club Materiality: Defining material impact with consumers

Research materials
10th June 2026

Affinity Water
Anglian Water
Dŵr Cymru Welsh Water
NWL
Pennon Group

Portsmouth Water
Severn Trent
South East Water
South Staffs Water
Southern Water

Thames Water
United Utilities
Wessex Water
Yorkshire Water



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2. Discussion guide: developers
3. Discussion guide: digitally disadvantaged customers
4. Discussion guide: NHHs
5. Research stimulus: all customers
6. Research stimulus: online community only
7. Research stimulus: additional audience interviews only

01

Navigator

Online community guide

Household customers (5 days of activities, c. 20 mins per day)

Online Community Discussion Guide
Club project – Materiality
Household customers

Objectives

- Explore how consumers interpret "material impact" and identify the dimensions they consider most critical (e.g., financial burden, service reliability, environmental sustainability)
- Gauge which types of impacts are most significant to consumers; and to what extent consumers want to be involved in related decision making.
- Establish how consumers wish to engage meaningfully to inform policy and operational decisions.
- Indicate any differences in perception across consumer demographics, socioeconomic groups, water company regions, and levels of engagement with water services.
- Develop a framework or decision tree to determine how consumer perceptions of material impact can be integrated into company strategies to enhance compliance with the Consumer Involvement Rule.

Moderator notes:

You will be each assigned c.24 participants to follow them over a week (with five days worth of activities). You will need to probe participants and ask them follow up questions, as well as remind them to complete their tasks if they fall behind.

- Link to online community: **XXX**
- Live community: 6th – 12th May

Overview: 5 day online community	
Day 1	Type of task
Ground rules, introductions and onboarding	Landing page
Activity 1: Meet the other participants	Public discussion
Activity 2: Everyday services	Survey
Activity 3: Your views on the water industry	Survey
Activity 4: Water industry information sharing	Private discussion
Activity 5: How should customers be involved in water company business decisions?	Noticeboard
Day 2	
Activity 1: Scenario [TBC]	Private discussion

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Activity 2: Scenario [TBC]	Private discussion
Day 3	
Activity 1: Scenario [TBC]	Private discussion
Activity 2: Scenario [TBC]	Private discussion
Day 4	
Activity 1: Scenario [TBC]	Private discussion
Activity 2: Scenario [TBC]	Private discussion
Day 5	
Activity 1: Who should get involved in water company decision making?	Private discussion and noticeboard
Activity 2: How should customers be communicated with about water company decision making?	Private survey
Activity 3: Research feedback	Private survey

Task guide		
Task description	Task type/sharing	Moderator notes
Day 1		
Ground rules, introductions and onboarding Welcome! Thank you for taking part in this research project. Who are we? We are independent researchers from Navigator Insight. You will each be interacting with one of us (Evie, Sam, Julia, Kathryn or Yong) through the Incling platform over the next week.	Landing page	N/A

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<p>We are conducting this work on behalf of water companies across England and Wales, and don't have a say in the outcome of this research; we are only interested in your views.</p> <p>What does taking part involve?</p> <p>You will complete a task every day this week as new tasks launch. All tasks must be completed by the 12th May in order for you to receive the full incentive payment.</p> <p>There are no right or wrong answers to any of the questions.</p> <p>Your responses will be viewed by us, and also client observers from the research team. They're genuinely interested in hearing your thoughts, and while they won't be able to interact directly during the session, your contributions are highly valued and appreciated.</p> <p>Who do I contact if I'm having issues taking part ?</p> <p>If you need to get in touch, please email mailto:georgina@bluemarbleresearch.co.uk or water.consumer.involvement@navigator-insight.co.uk or call 01904 732237</p> <p>Here are some 'ground rules' for taking part in the research.</p> <ol style="list-style-type: none"> 1. Feel free to agree or disagree with each other in discussions, but please be respectful of peoples' views. 2. Please don't share anything which could reveal your identity. 3. Please be as honest as you can - we want to understand your experiences and views and won't be offended. <p>Reminder of confidentiality information</p> <p>As a reminder, your name won't appear in any reports and won't be shared with the water companies or more widely. Any opinions and comments you make will be anonymised during reporting.</p> <p>We will process/store/use the data we collect, in line with what you have consented to during recruitment. Please also see our privacy policy here: [INSERT NAVIGATOR POLICY HERE]</p>		
<p>Activity 1: Meet the other participants</p> <p>First, it's time to meet the other community members!</p> <p>Please introduce yourself:</p> <ul style="list-style-type: none"> • What's your nearest town/city and who do you live with? • Describe yourself in no more than 10 words/phrases e.g., 'I'm a dad, plumber, brilliant baker, dog-lover'. <p>These answers will be seen by other participants.</p>	<p>Public - discussion</p>	<p>Like or comment on each post</p>

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<p>I'd then like you to reply to three other community members. This can be as simple as saying hello or pointing out something you have in common.</p> <p><i>If you're an early bird and there's not yet other respondents to reply to, please come back to do this tomorrow.</i></p>		
<p>Activity 2: Everyday services</p> <p>We're going to start off by thinking about the services we rely on in daily life.</p> <p>[SHOW STIM WITH IMAGES OF DIFFERENT SERVICES]</p> <ol style="list-style-type: none"> 1. Which is the service you think about the most day-to-day? [SINGLECODE] <ul style="list-style-type: none"> • Water • Energy • Broadband • Local council services 2. And what makes this service more front of mind? Please write your answer in the box below [OPEN END] 3. Which of the following services do you associate most with putting consumers first? [SINGLECODE] <ul style="list-style-type: none"> • Water • Energy • Broadband • Local council services 4. Why do you say this? Please write your answer in the box below [OPEN END] 	<p>Survey - private</p>	<p>Probe where flagged</p>
<p>Activity 3: Your views on the water sector</p> <p>Now we are going to talk about your views on the water sector as a whole</p>	<p>Moodboard/survey (private)</p>	

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1. What three adjectives represent how you feel when you think about the water sector in England and Wales? [SHOW IMAGES]
2. Why did you choose these? Please write your answer in the box below [OPEN END]

Now we are going to talk about your views on your water company specifically.

3. To what extent do you agree or disagree with the following statement? [SINGLECODE]

I am very satisfied with my water company

- Strongly agree
 - Somewhat agree
 - Neither agree nor disagree
 - Somewhat disagree
 - Strongly disagree
4. And how much do you trust your water company?
Please answer on a scale of 0 to 10, where 0 is 'don't trust them at all' at all and 10 is 'trust them completely'
 5. Why do you say this? Please write your answer in the box below [OPEN END]
 6. Which of the following have you done or experienced in the last 3 years?
 - Read a water bill
 - Paid a water bill
 - Received general communications from my water company
 - Visited their website
 - Called/ emailed their contact centre
 - Seen or heard news about them on the news, social media or other publications
 - Experienced a disruption to my water supply

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- Experienced environmental issues (e.g. leaks, flooding, sewage incidents)
- Visited a local river
- Visited a nearby reservoir
- Attended an event / session run by my water company

Activity 4: Water industry information sharing

SHOW STIM

Here's some information about what water companies do

1. To what extent, if at all, do you agree with the following statement: "I understand what water companies need to do (in the long term and short term) to deliver these services"
 - Completely agree
 - Somewhat agree
 - Neutral
 - Somewhat disagree
 - Completely disagree

1a. [SHOW IF 'Somewhat disagree' or 'completely disagree'] Which information do you find difficult to understand and why? Please write your answer in the box below [OPEN END]

SHOW STIM

Here's some information about water company regulation and customer research

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Who regulates what water companies can/cannot do? Navigator



Regional monopolies: each water supplier acts as a monopoly in their regions. You can't choose your water supplier the way you choose an energy provider (unlike household customers, business customers can choose their water retailer, who provides billing services and is the first point of contact).

- Regulation:** due to the monopoly structure, water suppliers are tightly regulated by organisations like Ofwat, and the Environment Agency.
- Customer research:** it is also mandatory for companies to prove that their five year business plans are informed by customer research, so investments are funded through customer bills. Ofwat do not always take customer research into account.

2. To what extent, if at all, do you agree with the following statement: "this information makes me feel confident about the way my water company acts to meet customer needs"

- Completely agree
- Somewhat agree
- Neutral
- Somewhat disagree
- Completely disagree

3. Why do you think this? Please write your answer in the box below [OPEN END]

4. What kinds of water company related topics matter the most to you personally and why? Please write your answer in the box below [OPEN END]

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Activity 5: How should customers be involved in water company business decisions?

Semi-private noticeboard

Here's some information about a new Consumer Involvement Rule in the water industry

What is the Consumer Involvement Rule? Navigator



All water companies engage their customers when developing their plans on a range of decisions. However, up until recently, they have not been required to engage customers for every decision they make.

The government has now given Ofwat (the water industry regulator) the power to enforce a new Consumer Involvement Rule.

This means it mandatory for companies to prove customers' views genuinely influence decisions which have a 'material impact' on them.

"Material impact" could mean lots of different things.



That's where we need your help! The views you express in this research will help shape how the rule is applied in practice.

Noticeboard visible once response has been posted (semi-private)

1. Please write a short paragraph describing how you feel about it being mandatory for companies to prove customer views genuinely influence decisions which have a material impact on them.
 - I'd then like you to **reply to three other community members**.

Probe for more detail as needed

2. Please write a short paragraph explaining the kinds of decisions that your company could make that would matter to you, and explain why this is.
 - I'd then like you to **reply to three other community members**.

Probe for more detail as needed

Thanks so much for your contributions today – we look forward to speaking to you further on day 2!

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Day 2						
<p>Activity 1: Example scenario</p> <p>For today's activity, we'd like you to contribute to our discussion board.</p> <p>Water companies want to understand when and how consumers should be involved in the decisions they make. We'll show you a hypothetical decision a water company may need to make, along with some context about why the decision matters and how it could affect customers.</p> <p>Please read the text below carefully and then answer the questions that follow.</p> <p>Scenarios: 13 in total; set up as 4 blocks and all see 6/7 in total</p> <table border="1" style="width: 100%; text-align: center;"> <tr> <td>AFBCDG</td> <td>EILHIMJK</td> <td>CHKFMAI</td> <td>LGDEBJ</td> </tr> </table> <p>[SCENARIO]</p> <p>Now, we'd like you to answer the following questions based on what you've read.</p> <p>Survey</p> <ol style="list-style-type: none"> To what extent, if at all, do you agree with the following statement: "I care a lot about the decision the company is making here". <ol style="list-style-type: none"> Completely agree Somewhat agree Neutral Somewhat disagree Completely disagree Why do you think this? Please write your answer in the box below [OPEN END] How much do you feel you would be impacted by this decision, in comparison to other customers? <ul style="list-style-type: none"> More than other customers Less than other customers The same as other customers Why do you think this? Please write your answer in the box below [OPEN END] Outside of the water company's own team of experts and decision-makers, who do you think it is most important for water companies to consult about this decision? 	AFBCDG	EILHIMJK	CHKFMAI	LGDEBJ	<p>Noticeboard – private until responses published</p>	<p>Probe each response</p>
AFBCDG	EILHIMJK	CHKFMAI	LGDEBJ			

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<ul style="list-style-type: none"> A small group of customers who can represent the views of everybody A selection of customers who might be impacted more than others by these issues Specialist organisations (separate to the company) who know about the topic e.g. planning or engineering specialists Organisations who speak on behalf of customers e.g. Citizens Advice Nobody else needs to be consulted about this decision <ol style="list-style-type: none"> Why do you think this? Please write your answer in the box below [OPEN END] Outside of its own team of experts and decision-makers, who would you say are the next most important people for water companies to consult about this decision? <ul style="list-style-type: none"> A small group of customers who can represent the views of everybody A selection of customers who might be impacted more by the topics than others Specialist organisations (separate to the company) who know about the topic e.g. planning or engineering specialists Organisations who speak on behalf of customers e.g. Citizens Advice Nobody else needs to be consulted about this decision Why do you think this? Please write your answer in the box below [OPEN END] If your company were to consult consumers on this topic, how involved would you like to be? <ul style="list-style-type: none"> I would want to be personally involved in the decision-making I would want to be directly informed once the decision has been made, even if I have requested 'no marketing emails' I would want to be directly informed once the decision has been made, but only if I have requested to receive marketing emails I would want to be able to find out about the decision if I were to look for the information myself, e.g. on the company website I do not need to influence or know about this decision Why do you think this? Please write your answer in the box below [OPEN END] 		
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<p>11. Putting aside your own level of interest in being involved, which method would you like companies to use to consult customers about this decision?</p> <p>Answer codes [MULTI-CODE]</p> <ul style="list-style-type: none"> Public consultation: communications from companies about decisions being made, and the reasoning behind them, and the opportunity for customers to comment on this. Open meetings for members of the public to attend Customer research (focus groups, online communities, surveys etc) with groups of customers, chosen to reflect the local population Customer panels: small groups of customers who are consulted regularly, and become more informed over time Customers should not be involved in this decision Something else [WRITE IN] <p>12. Why do you think this? Please write your answer in the box below [OPEN END]</p> <p>Private discussion</p> <p>Moderator to probe for more information about answers as needed (including probing for specific detail about how the decision affects customers)</p> <p>Repeat format for an additional scenario</p>		
Day 3		
<p>Repeat format as day 2 (2x scenarios)</p>		
Day 4		
<p>Repeat format as day 2 (2x scenarios)</p>		
Day 5		

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<p>Activity 1: who should get involved in water company decision making?</p> <p>1. Who, if anyone, other than water company decision makers and experts need to have a say in decisions that could result in the following impacts?</p> <p>Impacts of decisions on customers:</p> <ul style="list-style-type: none"> An increase in bills for all customers for an investment that will impact you directly (e.g. improved treatment works in your area) An increase in bills for all customers for an investment that will not impact you directly Disruption in a local area (e.g. construction, traffic) Change in the level of service provided (e.g. wait times for support/getting an issue with your water supply sorted) Change in which types of customers are prioritised during an incident (e.g. for water restrictions during a drought) Change in channels for customers to get in touch with the company Change in a company operational matter e.g. upgrading company vans Change in the level of support for vulnerable and at-risk customers Reduction in local employment opportunities (e.g. call centre closure) Change in the health of the natural environment (e.g. number of pollution incidents in bodies of water) Change in how some customers pay for their water (e.g. compulsory metering) Change to customer facing information (e.g. presentation and wording of website, letters, bills) <p>Answer codes [SINGLE CODE]</p> <ul style="list-style-type: none"> Only people who are directly impacted need to have a say People need a say, even if the issue does not impact them directly People need a say, but only if the impact affects the majority of customers People need a say, but only in conjunction with independent experts Independent experts need to be involved: this decision is not suitable for customers to influence Water company experts and decision makers do not need additional input from water consumers to make this decision Somebody else [WRITE IN] <p>2. Please write a paragraph explaining how your water company's activities have impacted you or your household in the past. For example, you may have found it useful to have free home visits from water company staff where they shared water saving tips which led to you saving money on your bill. Or you might have experienced roadworks or other disruption from infrastructure upgrades in your area. Please give as much detail as possible. [WRITE IN]</p>	<p>Private discussion and noticeboard</p>	
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<p>Noticeboard visible once response has been posted (semi-private)</p> <p>3. Please write a paragraph explaining what advice you would give to companies about when to involve customers like you in decision-making</p> <p>a. I'd then like you to reply to three other community members.</p> <p>4. Can you think of any disadvantages of getting customers more involved in company decision-making? If so, please write a short paragraph to explain this.</p> <p>a. I'd then like you to reply to three other community members</p>	
<p>Activity 2: how should customers be communicated with about water company decision making?</p> <p>1. How, if at all should companies communicate with customers about individual decisions they make?</p> <ul style="list-style-type: none"> • Make the information available for interested customers to find (e.g on the website, send it with water bills) • Directly update all customers that have influenced the decision (e.g. by taking part in research) • Only update customers that have influenced the decision if they specifically request it • Customers do not need to be informed about individual company decisions <p>2. Why do you say this [WRITE IN]</p> <p>[SHOW STIM ON CONSUMER INVOLVEMENT RULE FROM DAY 1]</p> <p>3. Based on everything you have seen and discussed during this week's activities, to what extent, if at all, do you agree or disagree with the following statements about the water company Consumer Involvement Rule?</p> <p>f. Completely agree g. Somewhat agree h. Neutral i. Somewhat disagree j. Completely disagree</p> <p>Statements</p> <ul style="list-style-type: none"> • I am satisfied that the Consumer Involvement Rule will lead to better outcomes for customers • I do not trust water companies to listen to what customers say • I think it is a waste of money to consult customers, and companies need to take action instead 	<p>Survey - private</p>

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<p>Activity 3: Research feedback</p> <p>Finally, we would like your feedback on your experience of taking part in this online community.</p> <p>1. To what extent, if at all, do you agree with the following statements:</p> <ul style="list-style-type: none"> • Strongly agree • Agree • Neither agree nor disagree • Disagree • Strongly disagree <p>Statements</p> <ul style="list-style-type: none"> • I understood the information that was presented to me • I found it easy to complete the activities <p>2. Do you have any additional feedback you would like to share about your experiences of taking part, and what we could do to improve the experience? Please write your answer in the box below [OPEN END]</p> <p>Noticeboard activity</p> <p>3. Please write a short paragraph to describe your top three take aways/reflections on everything you have learned/discussed this week</p> <p>5. I'd then like you to reply to three other community members.</p>	<p>Survey - private</p>
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02

Discussion guide

Developer depths (online, 60 mins)

Objectives

- Explore how consumers interpret "material impact" and identify the dimensions they consider most critical (e.g., financial burden, service reliability, environmental sustainability)
- Gauge which types of impacts are most significant to consumers; and to what extent consumers want to be involved in related decision making.
- Establish how consumers wish to engage meaningfully to inform policy and operational decisions.
- Indicate any differences in perception across consumer demographics, socioeconomic groups, water company regions, and levels of engagement with water services.
- Develop a framework or decision tree to determine how consumer perceptions of material impact can be integrated into company strategies to enhance compliance with the Consumer Involvement Rule.

Moderator notes

- 5 x 45-minute Zoom interviews

Discussion outline (45 minutes)

1. Introductions, warm up and getting to know respondent	10 mins
2. Water industry context	10 mins
3. Scenario testing	15 mins
4. Wrap-up	10 mins

1. Intro, warm up and getting to know respondent (10 mins)

Introduction to the research:

START RECORDING

- **Thanks for participating**
- **Introduction to Navigator:** independent research agency who run research on behalf of different companies and organisations.
- **Purpose of session:** We're conducting this session on behalf of water companies across England and Wales. They want to understand when and how water consumers (including developers) should be involved in the decisions that water companies have to make. As we talk, please try to answer from the perspective of your organisation – not your views of how you use water at home.
- **Encouragement:** There are no right or wrong answers today – we just want to hear your honest feedback. There's no such thing as a silly question – if there's anything you don't understand, please let me know.
- **Data protection:** The conversations we have will be audio and video recorded for analysis purposes. Researchers from Navigator may listen to these recordings as part of the analysis, but these will not be shared beyond the research teams and won't be made public.

Introduction to the business:

- To start with, please tell me a little bit about your organisation, the work you do and what your role is.
- What stages of the development process are you most involved in (land acquisition, planning, design, delivery etc)?
- What types of development projects does your company typically work on (residential, commercial etc)?
- Roughly how many projects do you have?
- What are the current challenges for your organisation? And what has been going well?

Water usage

- Do you have any specific planning barriers linked to water infrastructure or drainage?
 - E.g. Do water-related constraints influence where you choose to acquire land?
- How does water consumption on sites work – how do you organise this?
- What is your relationship like with the water companies you work with?

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- When, if at all, do you have to work together?
- What words or phrases comes to mind when you think about any interactions you as a business have had with your water company?
 - Why did you pick these words?
- Can you think if any examples where your water company's activities or business decisions have had a [significant] impact on your business, either positively or negatively? *Mod note: Ideally we are getting at broad company decisions (e.g. they built a reservoir and the works shut down my business for months) rather than customer specific annoyances (e.g. they messed up my bill)*

2. Water industry context (10 mins)

Here's some information about what water companies do:

What do water companies do? Navigator



Responsible for journey of water: from the environment to your home, and back again.

- Water treatment:** take water from rivers, streams, lakes and oceans and treat it, so it is safe to drink.
- Water supply:** pump water through pipes to homes and businesses.
- Infrastructure:** maintain the network of water pipes.
- Wastewater:** some water companies are also responsible for removing and treating sewage.

Who regulates what water companies can/cannot do? Navigator




- **Regional water utilities:** each water supplier acts as a monopoly in their region, with customers thinking long-term, in order to deliver the best service. Under the water industry, businesses and others can choose their water retailer, and providers offering services are in the market of choice.
- **Regulators:** due to the monopoly structure, water suppliers are tightly regulated by larger bodies like Ofwat, and the Environment Agency.
- **Customer research:** it is also a duty for companies to provide that their non-price decisions are informed by customer research (including research with businesses), as businesses are funded through water bills. Ofwat do not always take this customer research into account.

- How do you feel about this information? What, if anything is new/surprising about it?

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- Based on this information, how confident do you feel your water company will act to meet the needs of your business? **Reminder – by 'water company', we mean the company/companies which supplies water to your sites, NOT your business water retailer.**

Here's some information about a new rule that Ofwat is introducing in the water industry called the 'Consumer Involvement Rule'.

What is the Consumer Involvement Rule?

Navigator



All water companies engage their customers when developing their plans on a range of decisions. However, up until recently, they have **not been required** to engage customers for every decision they make.

The government has now given Ofwat (the water industry regulator) the power to enforce a **new Consumer Involvement Rule**.

This makes it **mandatory for companies to prove customers' views genuinely influence decisions which have a 'material impact' (i.e. a significant impact) on customers lives**.

"Material impact?"

We need your help to define what these decisions are!

- What kinds of decisions do you think your company could make that would have a big impact on your business? Why do you think this?
 - *Prompt:* anything that impacts bills/trade/local area in which business operates
- This new rule makes it mandatory for companies to prove that customers genuinely influence decisions which have a 'material impact' on them. Thinking from the perspective of your business, how do you feel about this rule being introduced? How important is it to your business to be able to influence those decisions which have a big impact on your operations?
 - *Mod note:* topline responses only (no need to explore this in detail)

3. Scenario testing (15 mins)

Water companies want to understand when and how consumers (including developers) should be involved in the decisions they make. We are going to show you two hypothetical decisions a water company may need to make, along with some context about how the decision could affect businesses.

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- Based on this information, how confident do you feel your water company will act to meet the needs of your business? **Reminder – by 'water company', we mean the company/companies which supplies water to your sites, NOT your business water retailer.**

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We need your help to define what these decisions are!

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 - Prompt:* anything that impacts bills/trade/local area in which business operates
- This new rule makes it mandatory for companies to prove that customers genuinely influence decisions which have a 'material impact' on them. Thinking from the perspective of your business, how do you feel about this rule being introduced? How important is it to your business to be able to influence those decisions which have a big impact on your operations?
 - Mod note:* topline responses only (no need to explore this in detail)

3. Scenario testing (15 mins)

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SHOW STIM

1. Online portal for new connections

WATER COMPANY DECISION: *Whether to invest in a new online portal to make it easier for developers to organise new water connections.*

CONTEXT: Water companies work with developers whenever new homes, business units or other properties need to be connected to the water network. This process involves managing plans for works, quotes and payments. At the moment, the application process for water connections can be difficult to track and may be unclear and inconsistent.

OUTCOME: Investing in this new online portal would allow developers to track the progress of their application at any time, without needing to contact the company. This could lead to faster and more time-efficient processes for developers, more consistent information and communication, and reduced administrative workload for the water company in the long-term.

CONSUMER IMPACTS:

- This investment would be funded through customer bills, meaning all customers would see an increase, not developers.

- To what extent, if at all, does this issue matter to your business? Why/why not?
 - Prompt on* experiences of making new connections currently, what are the barriers to doing this and to what extent would a portal address this?
- Thinking from the perspective of your business, outside of the water company's own team of experts and decision-makers, who, if anyone, do you think it is most important for water companies to consult about this decision? Why do you think this? *Prompt after gathering spontaneous response:*
 - A small group of developers who can represent the views of everybody
 - A selection of developers who might be impacted more by the topics than others e.g. those that need to make large numbers of connections
 - Specialist organisations (separate to the company) who know about the topic e.g. web design specialists
 - Organisations who speak on behalf of developers
 - Nobody else needs to be consulted about this decision

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- If your company were to consult developers on this topic, how involved would you like to be (thinking from the perspective of your business)?
 Why? *Prompt after gathering spontaneous response:*
 - Want to be personally involved
 - directly informed (either if opted in for notifications or regardless)
 - be able to find out about decision if I look for it
 - don't need to know about this

2. Site-area-based charging

WATER COMPANY DECISION: *Whether to charge businesses for surface water drainage by placing businesses into "bands" based on their total surface area*

CONTEXT: For businesses, surface water drainage charges cover the cost of removing rainwater that falls on property and enters public sewers. Unlike domestic bills, these can vary significantly based on an organisation's location and property size. The new 'site-area-based charging' would link charges to the size of an organisation's impermeable land areas, for example buildings or car parks that don't allow water to penetrate, forcing it to run off. This water typically runs back into sewers where it is then treated along with other wastewater. Businesses currently pay for surface water drainage through a flat-rate charge linked to water meter size, but the water company is planning to replace these with charges based on the total surface area of the business site.

OUTCOME:

- Fairer distribution of costs - the current flat-rate system means smaller businesses and households are often subsidising the costs associated with larger properties.
- Environmental benefits - the new approach may encourage the adoption of sustainable drainage systems, such as permeable paving or green roofs, which reduce the amount of surface water entering sewers, keep water in the environment and help reduce localised flooding.
- Lower household bills - redistributing costs is expected to reduce household wastewater bills over time.

CUSTOMER IMPACTS:

- Business properties with larger impermeable surfaces would pay more, reflecting their greater contribution to surface water entering the sewer network.

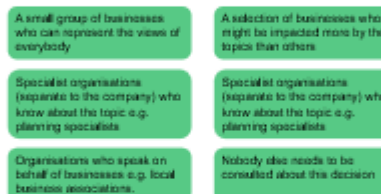
- To what extent, if at all, does this issue matter to your business? Why/why not?

Online Community Discussion Guide
 Club project – Materiality
 Non-household customers

- *Prompt:* do they think they would pay less/more under the new way of charging
 - *Prompt:* what, if any improvements could they carry out to reduce costs?
- Thinking from the perspective of your business, outside of the water company's own team of experts and decision-makers, who, if anyone, do you think it is most important for water companies to consult about this decision? Why do you think this? *Prompt after gathering spontaneous response:*

[SHOW STIM]

Who is it most important for the company to consult? Navigator



- If your company were to consult developers on this topic, how involved would you like to be (thinking from the perspective of your business)?
 Why? *Prompt after gathering spontaneous response:*
 - Want to be personally involved
 - directly informed (either if opted in for notifications or regardless)
 - Be able to find out about decision if I look for it
 - don't need to know about this

4. Wrap up (10 mins)

Now we're going to go through different types of impacts that can come from water company decision-making.

Online Community Discussion Guide
Club project – Materiality
Non-household customers

Thinking from the perspective of your business, who, if anyone, other than water company decision makers and experts need to have a say in decisions that could result in the following impacts?

SHOW STIM

- A change to your bills
- Disruption in your local area (e.g. construction, traffic)
- Change in the level of service provided (e.g. wait times/channels used to communicate when there's an issue with your water supply)
- Change in the health of the natural environment (e.g. number of pollution incidents in bodies of water)

After spontaneous response, prompt for each:

- Should only impacted developers have a say, or all types of developers?
- Should independent experts be involved?

- What advice you would give to water companies about when to involve developers like yours in decision-making?

- What about communicating with developers about decisions they have made?
 - Prompt: ideal channel, opt in vs opt out communications

- Can you think of any disadvantages of getting developers more involved in company decision-making?

Thank and close.

03

Discussion guide

Digitally disadvantaged depths (telephone, 90 mins)

Digitally Disengaged Discussion Guide
Club project – Materiality
Household customers

Objectives

- Explore how consumers interpret "material impact" and identify the dimensions they consider most critical (e.g., financial burden, service reliability, environmental sustainability)
- Gauge which types of impacts are most significant to consumers; and to what extent consumers want to be involved in related decision making.
- Establish how consumers wish to engage meaningfully to inform policy and operational decisions.
- Indicate any differences in perception across consumer demographics, socioeconomic groups, water company regions, and levels of engagement with water services.
- Develop a framework or decision tree to determine how consumer perceptions of material impact can be integrated into company strategies to enhance compliance with the Consumer Involvement Rule.

Moderator notes

- 5 x 1 hour telephone interviews
- Spread of experiences of digital exclusion

Discussion outline (1 hour)

1. Introductions	15 mins
2. Water industry context	10 mins
3. Scenarios	20 mins
4. Wrap up	15 mins

Digitally Disengaged Discussion Guide
Club project – Materiality
Household customers

1. Introductions (15 mins)

Introduction to the research:

START RECORDING

- **Thanks for participating**
- **Introduction to Navigator:** independent research agency who run research on behalf of different companies and organisations.
- **Purpose of session:** We're conducting this session on behalf of water companies across England and Wales. They want to understand when and how water consumers should be involved in the decisions that water companies have to make.
- **Encouragement:** There are no right or wrong answers today – we just want to hear your honest feedback. There's no such thing as a silly question – if there's anything you don't understand, please let me know.
- **Data protection:** The conversations we have will be audio recorded for analysis purposes. Researchers from Navigator may listen to these recordings as part of the analysis, but these will not be shared beyond the research teams and won't be made public.

Introduction to the participant:

- To start us off, I would like to know a bit more about you and what keeps you busy at the moment.
 - Where do you live? Who lives at home with you?
 - What does life look like currently?
- I can see from the information given to us by the recruiter that you [insert description of online use]. Could you tell me a bit about that please?
 - *Prompt:* why they go online the way they do/do not go online
 - *Prompt:* impact on day to day life, and typical workarounds e.g. help from family members, printing forms off etc.
- How, if at all, does this impact your experiences getting in touch with companies you are a customer of? E.g. if you had an issue with your energy provider and needed to contact them about this.
 - *Prompt:* preferred channels, and impact if these are not available

Now let's talk a bit about your water usage.

- What things do you use water for at home?
 - E.g. washing cars, watering garden, having baths, medical usage etc.

Digitally Disengaged Discussion Guide
 Club project – Materiality
 Household customers

- Do you try to save water at all? How? Why?
 - Prompt for details of what they do e.g. shorter showers/showers over baths, garden watering behaviours etc.
 - Where did you find out how/why to save water?
- Would you consider yourself/your family to be high, medium or low water users compared to other customers? Why?
 - Prompt: has anyone learnt about this from their bill
- What words or phrases comes to mind when you think about any interactions you have had with your water company?
 - Why did you pick these words?
- Can you think if any examples where your water company's activities or business decisions have had a [significant] impact on you or your household, either positively or negatively?

Mod note: Ideally we are getting at broad company decisions (e.g. they built a reservoir and the works cause traffic headaches for months) rather than customer specific annoyances (e.g. they messed up my bill)


2. Water industry context (10 mins)

Here's some information about what water companies do:

READ STIMULUS SLIDES

Slide 1 – What do water companies do?

What do water companies do? Navigator



Responsible for journey of water: from the environment to your home, and back again.

Water treatment: take water from rivers, reservoirs, lakes and estuaries and treat it, so it's safe to drink.

Water supply: pump water through pipes to homes and businesses.

Infrastructure: maintain the network of water pipes.

Wastewater: some water companies are also responsible for removing and treating sewage.

Slide 2 – Who regulates what water companies can/cannot do?

Digitally Disengaged Discussion Guide
 Club project – Materiality
 Household customers

Who regulates what water companies can/cannot do? Navigator

Ofwat



- **Regional monopolies:** each water supplier acts as a monopoly in their regions, with customers (including businesses) unable to choose their supplier. Unlike household customers, business customers can choose their water supplier, who provides billing services and is the first point of contact.
- **Regulation:** due to the monopoly structure, water suppliers are tightly regulated by organisations like Ofwat, and the Environment Agency.
- **Customer research:** it is also mandatory for companies to prove that their five year business plans are informed by customer research (including research with businesses, as investments are funded through customer bills). Ofwat do not always take this customer research into account.

- How do you feel about this information? What, if anything is new/surprising about it?
- Based on this information, how confident do you feel that your water company acts to meet the needs of customers like you?

Here's some information about a new rule that Ofwat is introducing in the water industry called the 'Consumer Involvement Rule'.

Slide 3 – What is the Consumer Involvement Rule?

What is the Consumer Involvement Rule? Navigator



All water companies engage their customers when developing their plans on a range of decisions. However, up until recently, they have **not been required** to engage customers for every decision they make.

The government has now given Ofwat (the water industry regulator) the power to enforce a **new Consumer Involvement Rule**.

This makes it **mandatory for companies to prove customers' views genuinely influence decisions which have a 'material impact'** (i.e. a significant impact) on customers lives

"Material impact?"

We need your help to define what these decisions are!

- What kinds of decisions do you think your company could make that would matter to you? Why do you think this?
 - *Prompt:* anything that impacts bills/level of service/communications/customer support
 - *Prompt:* anything to do with their provision of offline services/support to use online services

Digitally Disengaged Discussion Guide
Club project – Materiality
Household customers

- Do you try to save water at all? How? Why?
 - Prompt for details of what they do e.g. shorter showers/showers over baths, garden watering behaviours etc.
 - Where did you find out how/why to save water?
- Would you consider yourself/your family to be high, medium or low water users compared to other customers? Why?
 - Prompt: has anyone learnt about this from their bill
- What words or phrases comes to mind when you think about any interactions you have had with your water company?
 - Why did you pick these words?
- Can you think if any examples where your water company’s activities or business decisions have had a [significant] impact on you or your household, either positively or negatively?

Mod note: Ideally we are getting at broad company decisions (e.g. they built a reservoir and the works cause traffic headaches for months) rather than customer specific annoyances (e.g. they messed up my bill)

2. Water industry context (10 mins)

Here’s some information about what water companies do:

READ STIMULUS SLIDES

Slide 1 – What do water companies do?

What do water companies do?

- Responsible for journey of water: from the environment to your home, and back again
- Water treatment: take water from rivers, reservoirs, lakes and aquifers and treat it, so it's safe to drink
- Water supply: pump water through pipes to homes and businesses
- Infrastructure: maintain the network of water pipes
- Wastewater: some water companies are also responsible for removing and treating sewage

Slide 2 – Who regulates what water companies can/cannot do?

Digitally Disengaged Discussion Guide
Club project – Materiality
Household customers

Who regulates what water companies can/cannot do? Navigator

Ofwat

- Regional monopolies:** each water supplier acts as a monopoly in their region, with customers (including businesses) unable to choose their supplier. Unlike household customers, business customers can choose their water retailer, who provides billing services and is the first point of contact.
- Regulation:** due to the monopoly structure, water suppliers are tightly regulated by organisations like Ofwat, and the Environment Agency
- Customer research:** it is also mandatory for companies to prove that their five year business plans are informed by customer research (including research with businesses), as investments are funded through customer bills. Ofwat do not always take this customer research into account.

- How do you feel about this information? What, if anything is new/surprising about it?
- Based on this information, how confident do you feel that your water company acts to meet the needs of customers like you?

Here’s some information about a new rule that Ofwat is introducing in the water industry called the ‘Consumer Involvement Rule’.

Slide 3 – What is the Consumer Involvement Rule?

What is the Consumer Involvement Rule? Navigator

All water companies engage their customers when developing their plans on a range of decisions. However, up until recently, they have **not been required** to engage customers for every decision they make.

The government has now given Ofwat (the water industry regulator) the power to enforce a **new Consumer Involvement Rule**.

This makes it **mandatory** for companies to prove customers’ views genuinely influence decisions which have a ‘material impact’ (i.e. a significant impact) on customers lives

We need your help to define what these decisions are!

- What kinds of decisions do you think your company could make that would matter to you? Why do you think this?
 - Prompt: anything that impacts bills/level of service/communications/customer support
 - Prompt: anything to do with their provision of offline services/support to use online services

Digitally Disengaged Discussion Guide
 Club project – Materiality
 Household customers

This new rule makes it mandatory for companies to prove that customers genuinely influence decisions which have a material impact on them. I.e. decisions that have a significant impact on customers lives.

- How do you feel about this rule being introduced?
 - How important is it for you to be able to influence decisions which impact your life?
 - *Mod note: top line responses only (no need to explore this in detail)*

3. Scenarios (20 mins)

Water companies want to understand when and how consumers should be involved in the decisions they make. We are going to discuss two hypothetical decisions a water company may need to make, along with some context about how the decision could affect consumers.

READ OUT STIM IN YOUR OWN WORDS

Scenario 1

Navigator

WATER COMPANY DECISION: Whether to move from a traditional call centre staffed by humans to using a more automated approach to customer service

CONTEXT: The water company has a call centre as the main point of contact for customers to contact them (for example, about issues with their billing, water supply or metering). This means that customers currently speak to human customer service operatives. However, the costs of running this call centre (which handles all customer contacts) have increased significantly and the water company is spending more than planned on maintaining this service.

Many routine customer service tasks could be automated through the use of chatbots, Artificial Intelligence and self-service portals, which would reduce the need for more staff, decrease costs and mean that customer support would be available 24/7. The call centre would still be available for those who needed a human point of contact.

OUTCOME: This decision would prevent the water company from overspending on the call centre, keeping the costs of their services stable. It would also offer customers several different ways to contact their water company.

CONSUMER IMPACTS:

- Automated customer support means that customers are less likely to interact with a human customer service operative. Some customers may find it harder to communicate this way.
- With the call centre currently located in the water company's region, making it smaller may reduce local employment opportunities.

- To what extent, if at all, does this issue matter to you? Why/why not?
- How do you feel about automated communication channels (such as chatbots, AI, and self-service portals) in general?
 - What previous experiences have you had with automated comms, either positive or negative?

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 Household customers

- *Prompt:* experiences with water company and with other sectors (e.g. broadband, electricity, gas etc.). Explore how these experiences compare if possible.

- Outside of the water company's own team of experts and decision-makers, who, if anyone, do you think it is most important for water companies to consult about this decision? Why do you think this? *Prompt after gathering spontaneous response:*
 - A small group of customers who can represent the views of everybody
 - A selection of customers who might be impacted more by these issues e.g. those who find it hard to communicate via chatbots
 - Specialist organisations (separate to the company) who know about the topic e.g. specialists in developing communication channels for companies to use
 - Organisations who speak on behalf of customers e.g. Citizens Advice
 - Nobody else needs to be consulted about this decision
- If your company were to consult consumers on this topic, how involved would you like to be? Why? *Prompt after gathering spontaneous response:*
 - Want to be personally involved
 - directly informed (either if opted in for notifications or regardless)
 - be able to find out about decision if I look for it
 - don't need to know about this

Digitally Disengaged Discussion Guide
Club project – Materiality
Household customers

Scenario 2

Navigator

WATER COMPANY DECISION: Whether to redesign the company website and online account service to improve the user experience.

CONTEXT: One way customers can interact with their water company is through its website, for example to pay bills, submit meter readings, access water saving tips, and manage their contact and payment details. The company is considering making changes to its website, as they know from call centre colleagues that some customers find it difficult to navigate and may contact the call centre for support when they would prefer not to.

OUTCOME: A redesigned website which makes it easier for customers to manage water services online.

CONSUMER IMPACTS:
• Website changes will not benefit customers who can't use or don't have access to online services.

- To what extent, if at all, does this issue matter to you? Why/why not?
- Do you ever use your water company's website at all?
 - If no, why not?
 - If yes, how does it compare to other websites you typically use? Better/worse and why? What about to websites for other sectors (e.g. broadband, electricity, gas etc.)
 - Would any changes make it easier for you to use? E.g. accessibility tools,
- Outside of the water company's own team of experts and decision-makers, who, if anyone, do you think it is most important for water companies to consult about this decision? Why do you think this? *Prompt after gathering spontaneous response:*
 - A small group of customers who can represent the views of everybody
 - A selection of customers who might be impacted more by these issues e.g. those who use the website
 - Specialist organisations (separate to the company) who know about the topic e.g. website accessibility specialists.
 - Organisations who speak on behalf of customers e.g. Citizens Advice
 - Nobody else needs to be consulted about this decision
- If your company were to consult consumers on this topic, how involved would you like to be? Why? *Prompt after gathering spontaneous response:*

Digitally Disengaged Discussion Guide
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Household customers

- *Prompt:* experiences with water company and with other sectors (e.g. broadband, electricity, gas etc.). Explore how these experiences compare if possible.
- Outside of the water company's own team of experts and decision-makers, who, if anyone, do you think it is most important for water companies to consult about this decision? Why do you think this? *Prompt after gathering spontaneous response:*
 - A small group of customers who can represent the views of everybody
 - A selection of customers who might be impacted more by these issues e.g. those who find it hard to communicate via chatbots
 - Specialist organisations (separate to the company) who know about the topic e.g. specialists in developing communication channels for companies to use
 - Organisations who speak on behalf of customers e.g. Citizens Advice
 - Nobody else needs to be consulted about this decision
- If your company were to consult consumers on this topic, how involved would you like to be? Why? *Prompt after gathering spontaneous response:*
 - Want to be personally involved
 - directly informed (either if opted in for notifications or regardless)
 - be able to find out about decision if I look for it
 - don't need to know about this

Digitally Disengaged Discussion Guide**Club project – Materiality****Household customers**

- o Want to be personally involved
- o Directly informed (either if opted in for notifications or regardless)
- o Be able to find out about decision if I look for it
- o Don't need to know about this

4. Wrap up (15 mins)

Now we're going to go through a list of different types of impacts that can come from water company decision-making. For each one, I want to know who, if anyone, other than water company decision makers and experts you think need to have a say.

READ STIM

Impacts on customers:

- A change to your bills
- Change in channels for customers to get in touch with the company
- Reduction in local employment opportunities (e.g. call centre closure)
- Change to customer facing information (e.g. presentation and wording of website, letters, bills)

After spontaneous response, prompt for each:

- Should only impacted customers have a say, or should all customers have a say even if the issue does not impact them directly?
- Should independent experts be involved?
- What advice you would give to water companies about when to involve customers like you in decision-making?
 - o *Prompt:* specific advice re involving customers that may struggle to access or use online services/prefer offline alternatives
- What advice would you give to companies about communicating with customers about decisions they have made?
 - o What is the best channel for them to use?
 - o Would you rather choose to opt in/opt out of communications?
- Can you think of any disadvantages of getting customers more involved in company decision-making?

Thank and close.

04

Discussion guide

Non-household customer depths (online, 60 mins)

Objectives

- Explore how consumers interpret "material impact" and identify the dimensions they consider most critical (e.g., financial burden, service reliability, environmental sustainability)
- Gauge which types of impacts are most significant to consumers; and to what extent consumers want to be involved in related decision making.
- Establish how consumers wish to engage meaningfully to inform policy and operational decisions.
- Indicate any differences in perception across consumer demographics, socioeconomic groups, water company regions, and levels of engagement with water services.
- Develop a framework or decision tree to determine how consumer perceptions of material impact can be integrated into company strategies to enhance compliance with the Consumer Involvement Rule.

Moderator notes

- 5 x 45-minute Zoom interviews

Discussion outline (45 minutes)

1. Introductions, warm up and getting to know respondent	10 mins
2. Water industry context	10 mins
3. Scenario testing	15 mins
4. Wrap-up	10 mins

1. Intro, warm up and getting to know respondent (10 mins)

Introduction to the research:

START RECORDING

- **Thanks for participating**
- **Introduction to Navigator:** independent research agency who run research on behalf of different companies and organisations.
- **Purpose of session:** We're conducting this session on behalf of water companies across England and Wales. They want to understand when and how water consumers (including businesses) should be involved in the decisions that water companies have to make. As we talk, please try to answer from the perspective of the organisation / business – not your views of how you use water at home.
- **Encouragement:** There are no right or wrong answers today – we just want to hear your honest feedback. There's no such thing as a silly question – if there's anything you don't understand, please let me know.
- **Data protection:** The conversations we have will be audio and video recorded for analysis purposes. Researchers from Navigator may listen to these recordings as part of the analysis, but these will not be shared beyond the research teams and won't be made public.

Introduction to the business:

- To start with, please tell me a little bit about your business / the organisation you work for, what it does and what your role is
- What are the current challenges for your business? And what has been going well?

Business water usage

- I can see that your water company is xx, is that right? **By water company, we mean the company which supplies the water, rather than the business retailer which handles the billing.**
- What do you use water for in your business?
 - o Used by employees e.g. in office spaces
 - o Used in consumer setting e.g. washing dishes, in hair salons
 - o Industrial use e.g. in the making of a product or as part of your service

[if time]

- Would you consider the business a high, medium or low water user? Why?

Online Community Discussion Guide
 Club project – Materiality
 Non-household customers

- Does it try to save water at all? How? Why?
- What words or phrases comes to mind when you think about any interactions you as a business have had with your water company?
 - Why did you pick these words?
- Can you think if any examples where your water company’s activities or business decisions have had a [significant] impact on your business, either positively or negatively? *Mod note: Ideally we are getting at broad company decisions (e.g. they built a reservoir and the works shut down my business for months) rather than customer specific annoyances (e.g. they messed up my bill)*

2. Water industry context (10 mins)

Here’s some information about what water companies do:

What do water companies do? Navigator



- Responsible for journey of water:** from the environment to your home, and back again.
- Water treatment:** take water from rivers, reservoirs, lakes and sewers and treat it, so it is safe to drink.
- Water supply:** pump water through pipes to homes and businesses.
- Infrastructure:** maintain the network of water pipes.
- Wastewater:** some water companies are also responsible for removing and treating sewage.

Who regulates what water companies can/cannot do? Navigator



- Regional monopolies:** each water supplier acts as a monopoly in their region, with customers (including household customers, business customers and charities) that water supplier, unlike most other utilities, who provides billing services, has a fixed price of control.
- Regulation:** due to the monopoly structure, water suppliers are tightly regulated by organisations like Ofwat, and the Environment Agency.
- Customer research:** it is also mandatory for companies to prove that the way their business plans are validated by customer research (including research with businesses), or otherwise validated through customer bills. Ofwat do not always take the customer research too seriously.


- How do you feel about this information? What, if anything is new/surprising about it?

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- Based on this information, how confident do you feel your water company will act to meet the needs of your business? **Reminder – by ‘water company’, we mean the company which supplies your water, NOT your business water retailer.**

Here’s some information about a new rule that Ofwat is introducing in the water industry called the ‘Consumer Involvement Rule’.

What is the Consumer Involvement Rule? Navigator



All water companies engage their customers when developing their plans on a range of decisions. However, up until recently, they have **not been required** to engage customers for every decision they make.

The government has now given Ofwat (the water industry regulator) the power to enforce a **new Consumer Involvement Rule**.

This makes it **mandatory** for companies to prove customers’ views genuinely influence decisions which have a ‘material impact’ (i.e. a significant impact) on customers lives.

“Material impact?”

We need your help to define what these decisions are!

- What kinds of decisions do you think your company could make that would have a big impact on your business? Why do you think this?
 - *Prompt:* anything that impacts bills/trade/local area in which business operates
- This new rule makes it mandatory for companies to prove that customers genuinely influence decisions which have a ‘material impact’ on them. Thinking from the perspective of your business, how do you feel about this rule being introduced? How important is it to your business to be able to influence those decisions which have a big impact on your operations?
 - *Mod note: topline responses only (no need to explore this in detail)*

3. Scenario testing (15 mins)

Water companies want to understand when and how consumers (including businesses) should be involved in the decisions they make. We are going to show you two hypothetical decisions a water company may need to make, along with some context about how the decision could affect businesses.

SHOW STIM

1. Company headquarters location

WATER COMPANY DECISION: Whether to move the company headquarters to another location.

CONTEXT: Water company headquarters are where office-based teams manage the business, plan for its future, and ensure the company follows government rules. Field workers are not based there, but instead operate from a network of local hubs, to allow them to travel to sites and customer properties quickly.

Your water company has been based at its purpose-built headquarters since the 1960s, and has found out that the roof needs significant repairs. Operating costs for the headquarters (such as energy) have been increasing, and the building is now larger than needed due to more employees working from home. The company is considering building a smaller and more energy efficient new premises on land they already own, and have calculated that this will be more cost-effective in the long-term than repairing the current building.

OUTCOME: A new company headquarters with lower operational costs in the long term.

CONSUMER IMPACTS:

- Disruption for people living and working near the old and new headquarters due to demolition and building works
- Local businesses near the existing office may lose trade from the large workforce currently based there

- To what extent, if at all, does this issue matter to your business? Why/why not?
 - Prompt on any differences if headquarters was close/far away from business
- Thinking from the perspective of your business, outside of the water company's own team of experts and decision-makers, who, if anyone, do you think it is most important for water companies to consult about this decision? Why do you think this? *Prompt after gathering spontaneous response:*
 - A small group of businesses who can represent the views of everybody
 - A selection of businesses who might be impacted more by the topics than others e.g. those nearby to the new/old headquarters

- Specialist organisations (separate to the company) who know about the topic e.g. planning specialists
- Organisations who speak on behalf of businesses e.g. local business associations
- Nobody else needs to be consulted about this decision

- If your company were to consult businesses on this topic, how involved would you like to be (thinking from the perspective of your business)? Why? *Prompt after gathering spontaneous response:*
 - Want to be personally involved
 - directly informed (either if opted in for notifications or regardless)
 - be able to find out about decision if I look for it
 - don't need to know about this

2. Site-area-based charging

WATER COMPANY DECISION: Whether to charge businesses for surface water drainage by placing businesses into "bands" based on their total surface area

CONTEXT: For businesses, surface water drainage charges cover the cost of removing rainwater that falls on property and enters public sewers. Unlike domestic bills, these can vary significantly based on an organisation's location and property size. The new 'site-area-based charging' would link charges to the size of an organisation's impermeable land areas, for example buildings or car parks that don't allow water to penetrate, forcing it to run off. This water typically runs back into sewers where it is then treated along with other wastewater. Businesses currently pay for surface water drainage through a flat-rate charge linked to water meter size, but the water company is planning to replace these with charges based on the total surface area of the business site.

OUTCOME:

- Fairer distribution of costs - the current flat-rate system means smaller businesses and households are often subsidising the costs associated with larger properties.
- Environmental benefits - the new approach may encourage the adoption of sustainable drainage systems, such as permeable paving or green roofs, which reduce the amount of surface water entering sewers, keep water in the environment and help reduce localised flooding.
- Lower household bills - redistributing costs is expected to reduce household wastewater bills over time.

CUSTOMER IMPACTS:

- Business properties with larger impermeable surfaces would pay more, reflecting their greater contribution to surface water entering the sewer network.

- To what extent, if at all, does this issue matter to your business?
 Why/why not?
 - Prompt:* do they think they would pay less/more under the new way of charging
 - Prompt:* what, if any improvements could they carry out to reduce costs?
- Thinking from the perspective of your business, outside of the water company's own team of experts and decision-makers, who, if anyone, do you think it is most important for water companies to consult about this decision? Why do you think this? *Prompt after gathering spontaneous response:*

[SHOW STIM]

Who is it most important for the company to consult? Navigator

A small group of businesses who can represent the views of everybody	A selection of businesses who might be impacted more by the topic than others
Specialist organisations (separate to the company) who know about the topic e.g. planning specialists	Specialist organisations (separate to the company) who know about the topic e.g. planning specialists
Organisations who speak on behalf of businesses e.g. local business associations.	Nobody else needs to be consulted about this decision

- If your company were to consult businesses on this topic, how involved would you like to be (thinking from the perspective of your business)?
 Why? *Prompt after gathering spontaneous response:*
 - Want to be personally involved
 - directly informed (either if opted in for notifications or regardless)
 - Be able to find out about decision if I look for it
 - don't need to know about this

4. Wrap up (10 mins)

Now we're going to go through different types of impacts that can come from water company decision-making.

Thinking from the perspective of your business, who, if anyone, other than water company decision makers and experts need to have a say in decisions that could result in the following impacts?

SHOW STIM

- A change to your bills
- Disruption in your local area (e.g. construction, traffic)
- Change in the level of service provided (e.g. wait times/channels used to communicate when there's an issue with your water supply)
- Change in the health of the natural environment (e.g. number of pollution incidents in bodies of water)

After spontaneous response, prompt for each:

- Should only impacted businesses have a say, or all types of businesses?
- Should independent experts be involved?
- What advice you would give to water companies about when to involve businesses like yours in decision-making?
- What about communicating with businesses about decisions they have made?
 - Prompt:* ideal channel, opt in vs opt out communications
- Can you think of any disadvantages of getting businesses more involved in company decision-making?

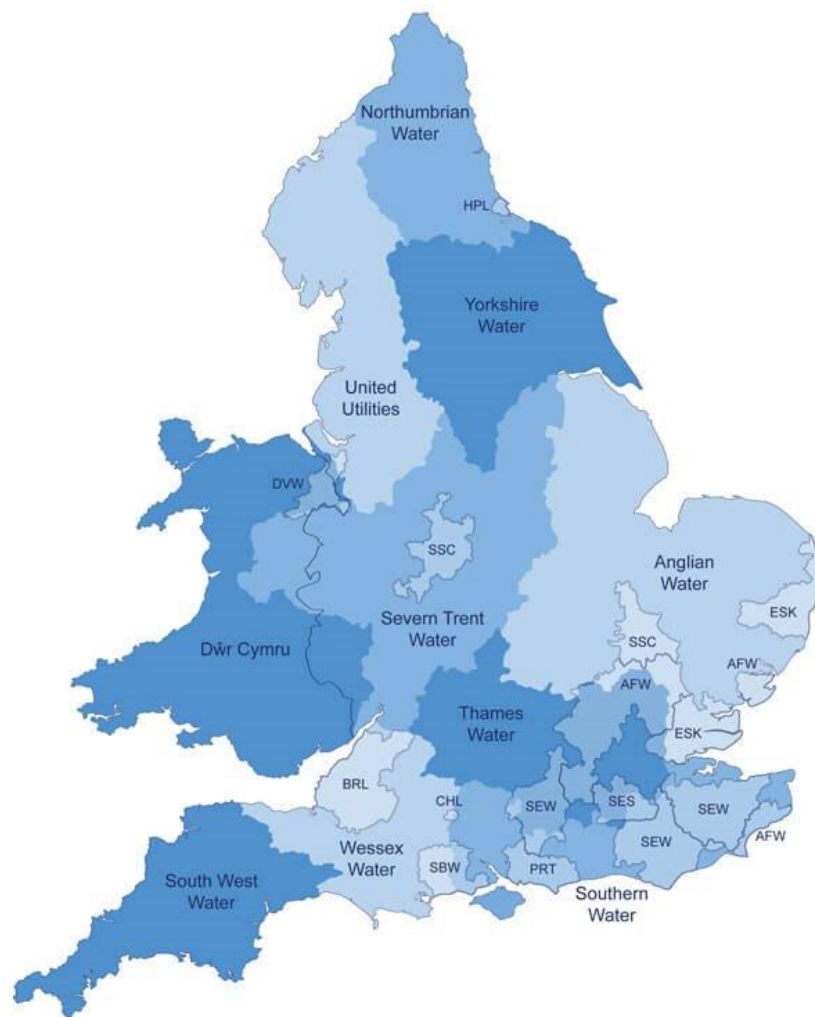
Thank and close.

05

Research stimulus

Shown to all customers

What do water companies do?



Responsible for journey of water: from the environment to your home, and back again

Water treatment: take water from rivers, reservoirs, lakes and aquifers and treat it, so it is safe to drink

Water supply: pump water through pipes to homes and businesses

Infrastructure: maintain the network of water pipes

Wastewater: some water companies are also responsible for removing and treating sewerage

Who regulates what water companies can/cannot do?

Ofwat



- **Regional monopolies:** each water supplier acts as a monopoly in their regions. You can't choose your water supplier the way you choose an energy provider (unlike household customers, business customers can choose their water retailer, who provides billing services and is the first point of contact).
- **Regulation:** due to the monopoly structure, water suppliers are tightly regulated by organisations like Ofwat, and the Environment Agency
- **Customer research:** it is also mandatory for companies to prove that their five year business plans are informed by customer research, as investments are funded through customer bills. Ofwat do not always this customer research into account.

What is the Consumer Involvement Rule?



"Material impact?"

All water companies engage their customers when developing their plans on a range of decisions. However, up until recently, they have **not been required** to engage customers for every decision they make.

The government has now given Ofwat (the water industry regulator) the power to enforce a **new Consumer Involvement Rule**.

This makes it **mandatory for companies to prove customers' views genuinely influence decisions which have a 'material impact' (i.e. a significant impact) on customers lives**

We need your help to define what these decisions are!

For scenarios tested, see report appendices

Scenarios were presented in the format shown below

Scenario K

Navigator

WATER COMPANY DECISION: Whether to redesign the company website and online account service to improve the user experience.

CONTEXT: One way customers can interact with their water company is through its website, for example to pay bills, submit meter readings, access water saving tips, and manage their contact and payment details. The company is considering making changes to its website, as they know from call centre colleagues that some customers find it difficult to navigate and may contact the call centre for support when they would prefer not to.

OUTCOME: A redesigned website which makes it easier for customers to manage water services online.

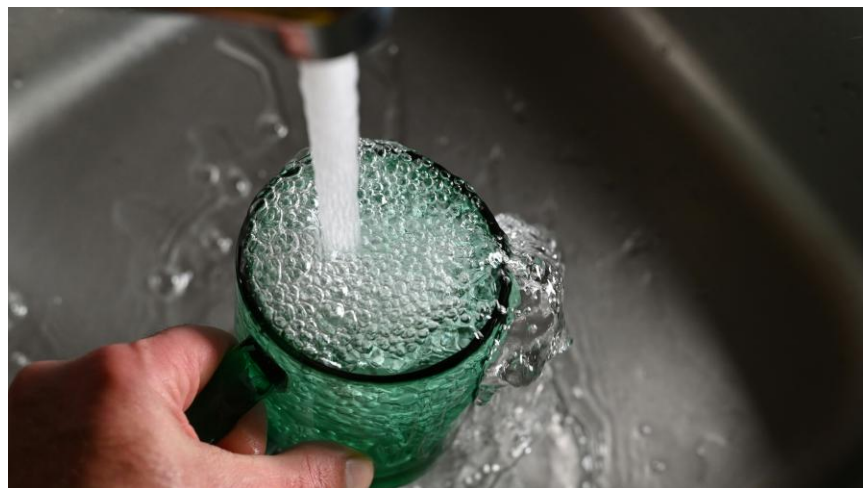
CONSUMER IMPACTS:

- Website changes will not benefit customers who can't use or don't have access to online services.

06

Research stimulus

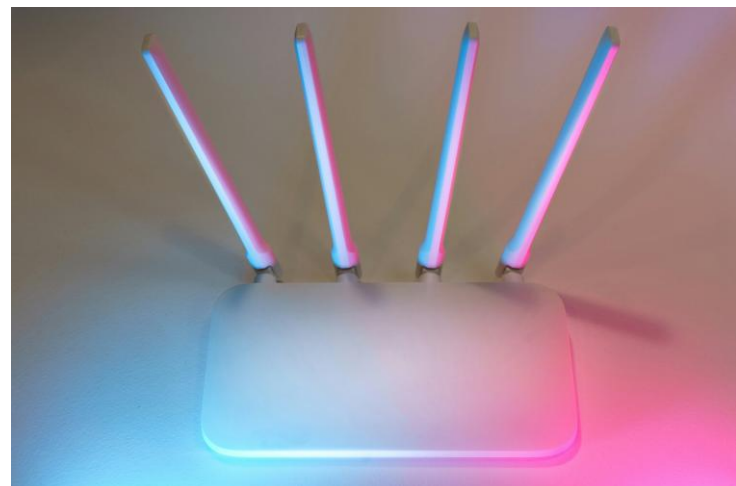
Shown during the online community only



Water



Energy



Broadband



Local council services

Reliable

Unreliable



Customer first

Ethical

Unethical

Profit first

Efficient

Future focus

Traditional

Inefficient

Responsible

Adaptable

Inflexible

Irresponsible

Resilient

Helpful

Indifferent

Fragile

Good communicator

Affordable

Expensive

Poor
communicator

Rule follower

Cares about the
environment

Careless about the
environment

Rule breaker



07

Research stimulus

Shown during additional audience interviews only

Who is it most important for the company to consult?

Tested with developers

A small group of developers who can represent the views of everybody

A selection of developers who might be impacted more by the topics than others

Specialist organisations (separate to the company) who know about the topic e.g. web design specialists

Organisations who speak on behalf of developers

Nobody else needs to be consulted about this decision

Who is it most important for the company to consult?

Tested with NHHs

A small group of businesses who can represent the views of everybody

A selection of businesses who might be impacted more by the topics than others

Specialist organisations (separate to the company) who know about the topic e.g. planning specialists

Nobody else needs to be consulted about this decision

Organisations who speak on behalf of businesses e.g. local business associations.

Who is it most important for the company to consult?

Tested with digitally disadvantaged customers

A small group of customers who can represent the views of everybody

A selection of customers who might be impacted more by the topics than others

Specialist organisations (separate to the company) who know about the topic e.g. technology specialists

Organisations who speak on behalf of customers e.g. Citizens Advice

Nobody else needs to be consulted about this decision

Who needs to have a say for decisions with the following impacts?

Tested with developers and NHHs

A change to your bills

Disruption in your local area
(e.g. construction, traffic)

Change in the level of service
provided

Change in the health of the
natural environment

Who needs to have a say for decisions with the following impacts?

Tested with digitally disadvantaged customers

A change to your bills

Change in channels for customers to get in touch with the company

Reduction in local employment opportunities (e.g. call centre closure)

Change to customer facing information (e.g. presentation and wording of website, letters, bills)

Navigator

View things differently