

Club Materiality: Defining material impact with consumers

Research report
2nd 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



Contents

1. Background, objectives & method
2. Key findings
3. Wider water sector context
4. Views on the Consumer Involvement Rule
5. Key learnings on materiality
6. Assessing materiality
7. Worked examples of assessments

Background, objectives & method



Research background

Ofwat has established the **Consumer Involvement Rule** to ensure that water companies **actively incorporate consumer perspectives into decision-making processes that affect them.**

- Central to this rule is the evaluation of issues and proposals that have a **"material impact"** on consumers.
- Understanding **what consumers perceive as materially impactful** – whether in relation to pricing, service interruptions, water quality, environmental initiatives, or long-term infrastructure investments – is crucial for **aligning corporate decisions with public expectations and regulatory compliance.**

This research project seeks to systematically investigate **how consumers interpret "material impact"** and how these perceptions could be used to **inform company decision-making and Ofwat's regulatory assessments.**



Research objectives

Overall aim

To provide a **robust, consumer-informed framework for defining and assessing "material impact"**, enabling water companies to make decisions that are both regulatory-compliant and aligned with consumer expectations.

1

To explore how consumers interpret "material impact" and identify the dimensions they consider most critical (e.g., financial burden, service reliability, environmental sustainability).

2

To gauge which types of impacts are most significant to consumers; and to what extent consumers want to be involved in related decision making.

3

To establish how consumers wish to engage meaningfully to inform policy and operational decisions.

4

To indicate any differences in perception across consumer demographics, socioeconomic groups, water company regions, and levels of engagement with water services.

5

To 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.

Sample and methodology



Method:

An online community of consumers participating in a 5-7 day process, with 20-minute tasks to complete each day

- Ongoing moderation throughout the fieldwork period, to draw out the insight



Main sample: 126 participants completed all activities, broadly representative of demographics and circumstances within each region.

Quotas allowing for analysis by:

- Future Customers/young vs. all
- Rural vs. urban
- Coastal vs. inland
- SEG

Full sample split in appendix.


Additional audiences: Other relevant audiences covered by the Consumer Involvement Rule were included via 45-60 minute individual telephone/Zoom interviews.

- Non household x5
- Developers x5
- Digitally Disadvantaged x5



Content design

Online qualitative panel with survey questions embedded, depth interviews with additional audiences

Day 1	Day 2, 3 and 4	Day 5	Additional audiences
<p>Perceptions of everyday services (inc. water)</p> <p>Views on the water sector, and their own water company (inc. any interactions)</p> <p>Response to information sharing: what water companies do, regulation and customer research</p> <p>Response to information sharing: Consumer Involvement rule</p> <p>Explain which company decisions matter to respondent and why</p>	<p>Exploration of two scenarios from list per day</p> <p>For each scenario identifying:</p> <ul style="list-style-type: none"> • How much respondents care about decision • How impacted they are by decision • Who they think should be consulted • How should consultation work in practice • How involved they would personally like to be <p>And exploring the reasons behind each answer</p>	<p>Who companies should consult on decisions with different types of impact</p> <p>How company decisions have impacted respondents previously</p> <p>Disadvantages of, and best practice re getting customers more involved in decision-making</p> <p>Best practice re communicating with customers about decisions made</p> <p>Final views on Consumer Involvement Rule</p> <p>Research feedback</p>	 <p>Personal/business circumstances, and impacts on any liaison with water companies</p> <p>Abridged version of days 1-5 questions</p> <p>Two scenarios covered per interview, consistent within audience type</p>

Scenario choice

We worked with the core project team (four companies) to develop scenarios showing a broad range of hypothetical company decisions

Scenario choice

Scenarios covered a wide variety of potential decisions with different types of impacts including:

- Financial – Service – Community/Social
- Environmental – Reputational - Operational



These included decisions directly and indirectly impacting consumers, and a range of impact severity.

Stimulus design

15 scenarios were developed as stimulus material, which showed each decision's:

- Context
- Outcomes (positive/intended impacts)
- Consumer impacts (framed as harms/detrimental impacts)

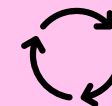


Drafts were reviewed by the full club of water companies and amendments made based on their feedback.

Rotation

In total, 13 scenarios were explored with household Participants in the online community.

Each online community participant considered a total of 6 scenarios, shown on a rotation basis.

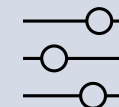


Audience-specific scenarios

The stimulus and rotation choices were adapted to specific audiences.

Two additional scenarios were designed to have Specific relevance – and only shown to:

- Developers
- Non-household customers



Non-household customers also evaluated one scenario from the wider set (moving company headquarters) with its specific relevance to business impacts.

Key findings



Key findings

This is the first systematic conversation with consumers about 'materiality'

- There is high level of support for the new rule
- However, consumers need reassurance that implementing consumer involvement will be meaningful (not a tick box exercise)

There is a relatively contained set of factors that are universally material/consumers expect involvement

The factors mainly relate to decisions directly impacting consumers

- High or uncertain bill impacts
- Negative impacts on environment or vulnerable audiences
- Health or financial harms
- Risk to the core service
- Major social/community level impacts (both large, long-term)

An additional list of considerations that companies need to explore to determine materiality in certain circumstances

This list relates to decisions of lower concern/indirect impacts – which can be material in some cases

- Reputational, or where outcome not guaranteed
- Neutral/positive impacts on environment or vulnerable audiences
- Not about core service
- Major community/social impact (either/or large, long-term)

Low trust in the sector leads to a lower threshold of materiality

- Consumers signal areas of perceived poor performance as 'material' – even when the outcomes/impacts are stated as positive
- Environmental impacts and any change affecting vulnerable audiences (perceived positive or negative) are material
- Strong support for experts, stakeholders and other independent oversight

The assessment flows provide the consumer view of materiality to support industry thinking

- The assessment flows illustrate consumer perceptions of materiality for 15 scenarios tested
- There are elements that are subjective, and further research or regulator input may be useful to tighten definitions
- The flows can be used to assess both positive and negative consumer impacts – with very low incidence of materiality relating to positives

01

Wider water sector context

Consumer perceptions

Water is generally not top of mind for consumers

With relatively lower bills and few negative personal experiences, water services feature less prominently than energy in the consumer mindset

Compared to other services, energy is front-of-mind; considered expensive, with fluctuating bills that attract frequent media attention

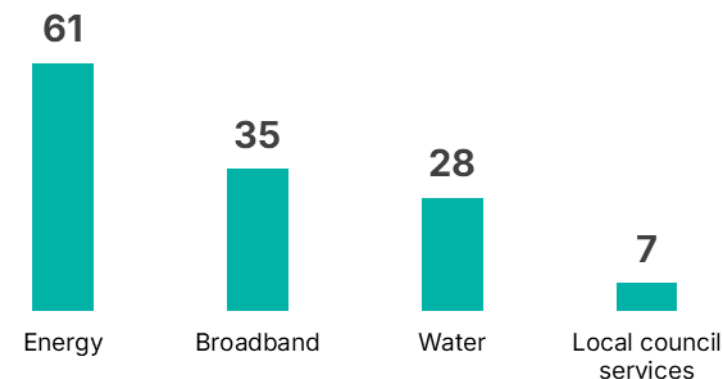
- Consumers actively look for ways to reduce their energy usage, able to switch providers to seek cheaper rates and a better quality of service if they are dissatisfied
- Competition also means energy providers proactively engage customers through rewards, flexible tariffs, and switching incentives (marketing).

Water bills are considered less expensive than other services, and bills are generally seen as predictable

- Whilst some are motivated to reduce water usage to save money, this has lower financial benefit than for energy (although environmental drivers exist for some)
- Most experience a reliable, safe supply of water with minimal issues
- Monopoly context means limited interaction between customers and providers unless something goes wrong.
 - Developers are the exception; they coordinate closely with water companies e.g. for site connections
- When problems do occur, customers generally report receiving good customer service from their provider, with minimal friction

Services thought about most in daily life

Base: 131 (All online community participants)



Participants are largely unaware of the types of decisions water companies are making - which might have a direct or indirect impact on their household

Consumer perceptions of the water sector are mixed

While generally seen as a reliable for day-to-day service, image perceptions reveal concerns about a sector that is profit-driven and environmentally careless

Trust in water companies is muted: participants give an average score of 5 out of 10 when prompted

Perception that profit comes before people. This appears to be evidenced by:

- Rising bills, shareholder returns, and executive pay
- Perceptions of limited investment / under investment
- Perceived lack of transparency and accountability
- Having no choice of provider

Environmental performance is a key driver of low trust

- Sewage pollution, river and sea contamination and leaks frequently referenced

Despite criticism, reliability remains a key strength

- Consumers acknowledge that water services are dependable and consistent day-to-day
- This is particularly valued by non-household customers, for whom a reliable water supply is vital to their operations



Trust is being eroded by broader concerns about the sector - rather than service delivery

Media coverage plays a significant role in shaping views

Consumer trust in water companies is shaped by negative perceptions of the wider industry

Personal experience contrasts with wider perceptions of the sector

- Media coverage and wider sector reputation influences views even among customers who have not had problems (notably even the most critical acknowledge positive personal experiences)
- The wider narrative is about lack of transparency around pricing, environmental performance, and how money is being spent

Reflecting this context, there is a heightened desire for direct consumer involvement in the more controversial areas i.e. those that are driving lower trust

"I feel sad giving them such a low number as I think our water service is good and whenever I've contacted them, they've been helpful. But I've seen the stats about the sewage discharge by them which is horrifying." – HH customer

"I have had no reason personally not to trust my local water company, but the reports you see and hear nationally are not encouraging." – HH customer

"It doesn't feel like they think about their customers. I don't trust them not to be charging too much and taking profits as dividends." – HH customer

"Water companies have proved that they don't like transparency on things they'd rather not be challenged on." – HH customer

02

Views on the Consumer Involvement Rule

Consumer perceptions

Consumers are not confident that enough is being done to represent their views

Existing regulation is considered insufficient to ensure water companies act in customers' best interests

Regulation provides some reassurance, but consumers question whether this is effective enough

- The presence of Ofwat and other regulators gives some confidence that water companies are being monitored and held accountable
- However, ongoing concerns around sewage pollution, infrastructure, and rising bills leads to questions about whether regulation is working in practice

Monopoly concerns undermine confidence

- Inability to choose their providers reduces accountability and weakens incentives to improve service
- Do fines and regulation have enough impact on company behaviour in the absence of competitive pressure?

Consumers want stronger evidence that customer needs influence decision-making

- Some welcome references to customer research and input, but others remain sceptical that customer feedback genuinely shapes decisions
- Communication and transparency are seen as important in building confidence

Who regulates what water companies can/cannot do? Navigator

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 take this customer research into account.

4



"These regulations appear to be ineffective in holding water companies to account. It appears that water companies have underinvested in vital infrastructure and have failed to control sewage spillage. Regulation has failed to influence water companies' behaviour." – HH customer

The new Consumer Involvement Rule welcomed

Consumers support greater involvement in decisions around pricing, investment, and environmental performance

Consumer involvement is seen as essential in a monopoly service

- This change may ensure greater accountability for an essential service where consumers cannot choose their provider

Consumers want more involvement in major decisions

- Unprompted, they want this for decisions around bills, infrastructure investment and environmental performance
- Consumers believe water companies should be required to listen to and reflect customer priorities when making these decisions

This rule fits with the desire for greater transparency

- Customers expect to have greater visibility over where money is spent and how priorities are set - which may increase trust in the sector
- Additionally, many perceive this new rule will enable customers to understand the drivers behind decisions

Once explained, the principle of greater consumer involvement has broad, cross-cutting appeal

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!

5



"The kinds of decisions that would matter most to me are changes to water bills, handling of leaks and outages, water quality standards, and investment in infrastructure. These decisions directly affect everyday life, household costs, and reliability of service." – HH customer

However, support is conditional: will involving consumers be meaningful?

Participants think the Consumer Involvement Rule will only work if engagement is truly meaningful

Meaningful translates as:

- Clear explanations of available options, costs and timescales to consider
- Different opportunities to influence decisions through consultations, surveys, and forums – ways that consider audience needs (e.g. time-poor businesses)
- Early consultation before major decisions: important for building trust, demonstrating that consumers have sufficient time to influence decisions

However:

They question whether consumer feedback will genuinely drive change

- Will companies act on feedback, or treat engagement as a tick-box exercise?
- Will consumer feedback be misinterpreted to justify unpopular decisions?
- Will profits and shareholder interests take priority over customer views?

Consumers want to see proof of action and outcomes – and how feedback has shaped company decisions

"I think information should be provided before any decisions are made, allowing the public to make informed decisions about any work to go ahead." – HH customer

"I think this is a good first step. I would like to see further measures taken to ensure water companies can't 'cherry pick' customers views that align with their own plans and investment decisions." – HH customer

03

Key learnings on materiality

Considerations for understanding 'material impact'

What have we learned about materiality – and implications for assessment flows?

Headline observations on how consumers determine what matters most to them / where they want to see proper consultation

Trust is a factor in the materiality of certain types of decision

- Consumers are generally most sensitive about controversial / high profile topics e.g. environmental harm, financial decision-making
- Less inclined to think that companies will make good decisions, these are areas where they want greatest involvement



As trust increases over time, the materiality of all topics may change – and the consumer assessment flows may need to change accordingly

Consumers may want to scrutinise even positive actions

- Where trust is very low – even where outcomes of the decision are stated as positive – consumers want involvement around the implementation (the 'how'), to reassure themselves that actions are genuine



Ofwat's definition suggests that material matters may be positive or negative, therefore the assessment flows are capable of assessing both

Materiality varies across consumers

- Decisions often have a material impact on some consumers but not others: water companies will need to ensure that the right people are consulted



These variations are highlighted in the assessment flows

Some dimensions of materiality are subjective

- Guidance/definitions will be needed e.g. what is a significant vs. small bill increase; or a large vs. small number of people affected?

Customers do not automatically want personal involvement in material matters

Regardless of how much they care about an issue, there are multiple drivers why consumers often do not want to be directly involved in decision making

<p>No personal impact: the decision doesn't directly affect them. For example:</p> <ul style="list-style-type: none"> • They don't live in an affected area • It doesn't affect their bill • It doesn't affect the quality of service they receive 	<p>Perception that other stakeholders better placed:</p> <ul style="list-style-type: none"> • Where decision directly affects them • Where have more relevant expertise e.g. vulnerable, farmers, consumer representatives 	<p>Lack the expertise: too complex for their input.</p> <ul style="list-style-type: none"> • Belief that they lack the technical knowledge to give meaningful input 	<p>No expectation to input: Internal decisions:</p> <ul style="list-style-type: none"> • The water company should be making good decisions • Expect input on 'downstream' impacts of decisions e.g. impact on bills, environment 	<p>Scepticism or mistrust of water companies:</p> <ul style="list-style-type: none"> • Expectation that customers will not be able to influence outcomes, as these are pre-determined (e.g. bill increases) • Their views will not be listened to
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Not salient to me

More salient for others

Not appropriate for me

Your business, not mine

No point

Representative bodies or other customers (who are relevant and/or representative) to have involvement instead

Relevant experts, expert stakeholders and/or other oversight bodies expected to provide assurance to consumers

Customers want to be engaged on material decisions

This may take the form of direct consumer research, or other engagement methods e.g. company communications, consultations and canvassing stakeholders

Where decisions are material there is a general expectation consumers will be engaged

- However, consumers do not necessarily expect direct consumer research on all material issues – directly/indirectly disseminating information about decision-making can also be appropriate.
- They may also be satisfied with representation through other means e.g. consumer representative groups or those with technical expertise
- While some participants could see drawbacks from the process of engaging customers – for example slowed decisions, additional expense, and potential lack of expert knowledge/objectivity – many were unaware.

When given the option to be directly involved, to receive information after a decision is made, or not to be informed:

- For material decisions, most participants want to receive information only after the decision has been made – fewer want direct involvement in decision-making, and fewest do not want to receive information at all.
- For decisions that are not material, participants prefer being able to find out information themselves if they want it, or not to be involved at all.

Customers were unable to give meaningful feedback about the best consultation method:

- Briefing customers on full details of current industry consumer representation mechanisms e.g. CCGs was out of scope for this research.
- Best practice in consumer engagement for different industry related topics is explored in greater detail in our project for CCW on [Meaningful Engagement and Better Outcomes](#).

"I believe this [investment decision impacting water quality] is quite a big announcement. Local people would need to be aware of beach/water closures and why." – HH customer

"I would find out one way or another when the website changes. I just hope its better for everyone." – HH customer

"This [seasonal tariff] would impact me directly financially so I would want to feel that I had an opportunity to voice my opinion.." – HH customer

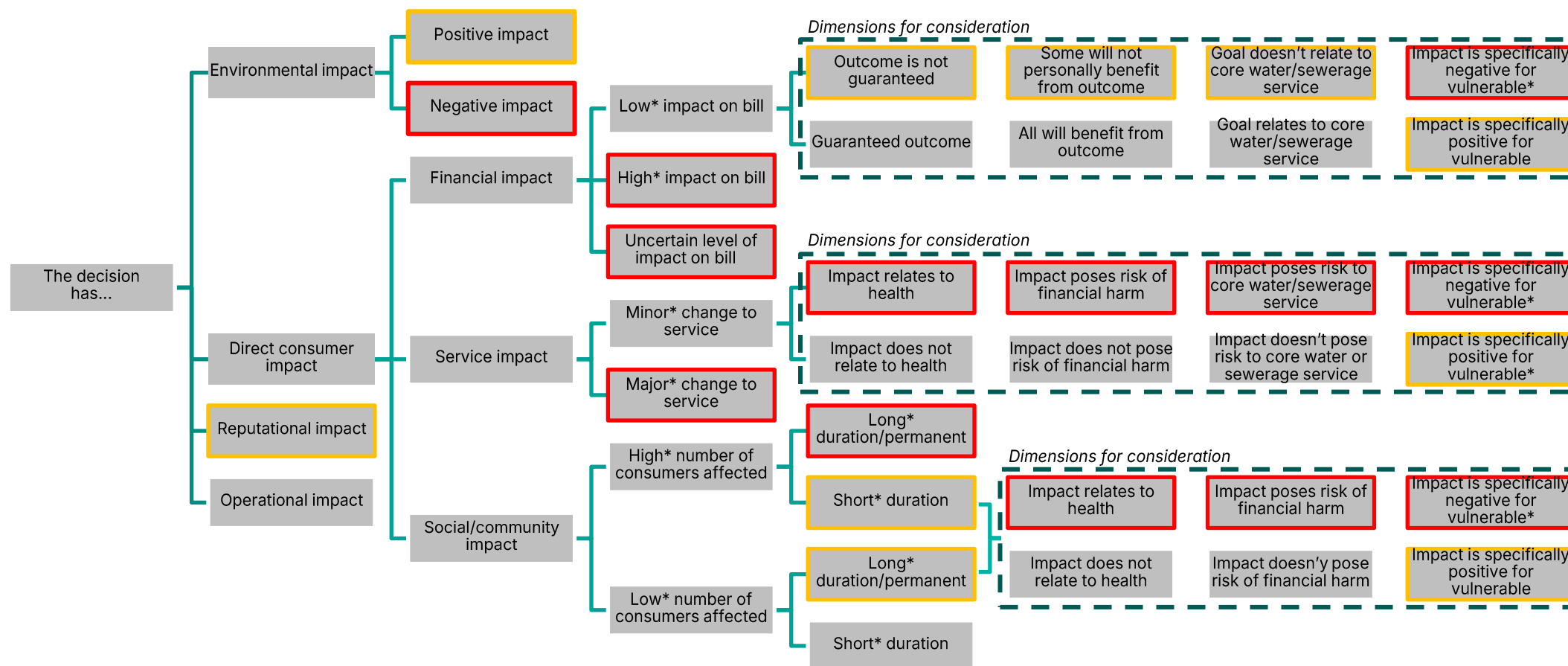
04

Assessing materiality

The elements considered by consumers to determine whether an impact of a decision is material or not

Consumer materiality assessment flowchart

This flow charts illustrates the elements considered by consumers to determine whether an impact of a decision is material or not – further details on how to interpret it are given on the following slides.



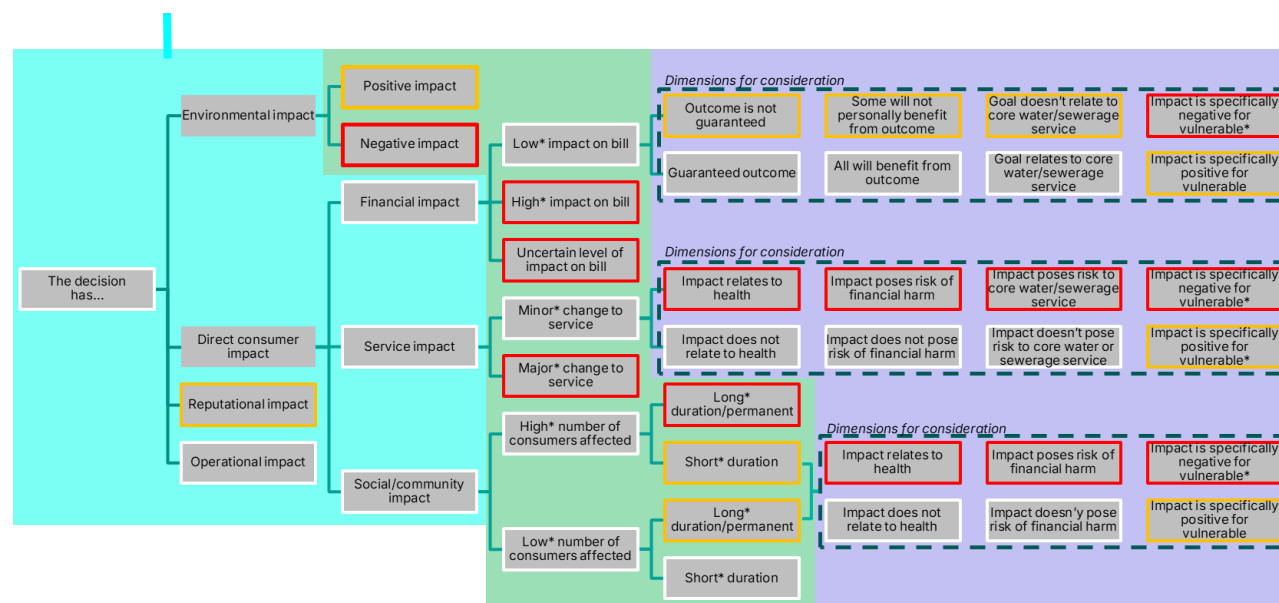
KEY: Elements that are ALWAYS MATERIAL Elements that are SOMETIMES MATERIAL * Subjective: definition to be determined

Using flowcharts to understand materiality

Scenarios detail the potential positive and negative impacts of the decision, which may be categorised as follows:

- **Direct consumer financial impact:** *Direct financial impact on consumers e.g. increase/reduction in bills*
- **Direct consumer service impact:** *Direct impact on service received by consumers e.g. change to core water/sewerage service provision, incident response, comms channels etc*
- **Direct consumer community/social:** *Direct impact on regional communities from company activity e.g. noise/disruption, employment opportunities, trade*
- **Environmental impact:** *Direct impact on the environment e.g. increase/reduction in sewage pollution*
- **Reputational impact:** *Likely effect on company reputation – for example a decision which touches on a high profile or particularly sensitive topic*
- **Operational impact:** *Impact on the operational effectiveness of the business e.g. changes to operating costs*

Each impact can be plotted through the flow, following the appropriate pathway for the type of impact.



Other details about the impact can then be plotted, again following the relevant pathway until it comes to an end.

Where an impact follows the pathway and reaches the 'dimensions for consideration' box, all elements within the box should be considered in turn.

What the assessment flow outcomes mean

Where an impact follows the pathway and passes through a box with a coloured outline or an asterisk, further consideration is required

Material element

- High levels of care around this element
- Identifies a material decision which will likely require consumer involvement – often (but not always) from the entire consumer base
- Likely requires consumer involvement around *whether* a decision goes ahead or not, as well as *how* it is implemented

Potentially material element

- Potentially high levels of care around this element
- A flag for a potentially material element which will may require consumer involvement – often from specific consumer segments - depending on the nature of the decision
- More likely to require consumer involvement around *how* a decision is implemented

* Definition required

- Elements that require further definition to remove ambiguity
- For example – what does 'high' or 'low' mean within the context of customer bill increases? How is 'vulnerable' defined in practice?
- This could be achieved through further consumer research, or with a decision from Ofwat

Material elements

These elements are always material, requiring consumer involvement

High * impact on bill

- Strong desire to be consulted directly on decisions resulting in 'high' bill increases; definition will need guidance.
- Heightened sensitivity given perceived high living costs and reflecting low trust in water industry; higher bills raise value for money questions and suspicions of company profiteering.
- Those on social tariffs, those struggling to pay but ineligible for support, vulnerable audiences and high usage customers feel heightened **loss sensitivity**, with a perceived financial loss reflecting an existential threat e.g. unable to pay rent/afford food.
- Concern for those struggling pay, even if not directly impacted.

Uncertain level of impact on bill

- Uncertainty has similar response to 'high' bill impact. See above.
- Reflects human instinct for '**ambiguity aversion**' - dislike of uncertainty, and importance placed on predictability and known probabilities during decision-making processes.

Negative impact on environment

- Environmental protection important to consumers, with perception that urgent improvement is needed.
- Heightened sensitivity relating to sewage pollution given extensive media coverage.
- But often secondary where there is also a financial impact to consider.

Major* change to service

- Wariness and sense of perceived loss when a significant change to the status quo is proposed – even where the likelihood of experiencing this service is very low.
- While consumers articulated a perceived 'major' change to service, further research or regulator input may be useful to remove ambiguity around how major (and minor) are defined.

Material elements

These elements are always material, requiring consumer involvement

Negative impact on vulnerable *

- Strong desire to protect vulnerable/highest risk, even when not vulnerable personally. Driven by **altruism and empathy-driven bias**, which motivates protective behaviour towards those perceived as weakest or most at risk.
- Definition of vulnerability will need guidance.

Risk of harm to health

- Any actual or perceived potential risk to health (e.g. E.coli, children walking through contaminated water, sewage in bathing waters) is highly emotive, more so than other risks e.g. financial or environmental impacts.
- Driven by **visceral risk perception**, where emotional reactions can override analytical reasoning and intensify the perception of risk.

Risk of financial harm

- Relevant to activities/decisions from a water company that might indirectly impact consumer financial wellbeing e.g. decisions that affect local economy/business profitability.
- Similarities with materiality of high/uncertain bill increases.

Risk to provision of core water/sewerage service

- Water is an essential service; provision of a reliable water supply and safe removal of wastewater (without polluting rivers and seas) is seen as the core function and expectation of water companies; in the current climate of low trust, any risk to this core service is seen as material.
- Scepticism that companies will reach the best decisions around service investment hence consumers see a necessary role for independent specialists to be involved on their behalf

Largescale*+long* social impacts

- These impacts would be material (and customers told us this directly during fieldwork), but did not come up in the scenarios tested
- Definitions for scale and duration require guidance.

Potentially material elements

These considerations are potentially material and may require consumer involvement

Has reputational impact

- Heightened customer concern when decision relates to perceived area of concern/underperformance (e.g. financial transparency, CSOs).
- Those who are most concerned may require involvement, especially relating to the communications used to manage reputational risks - plus the involvement of independent experts to provide assurance.

Outcome isn't guaranteed

- Potential for materiality when increases in bills neither guarantee nor are seen as proportionate to stated benefit, or where bills may keep on rising over the time it takes to achieve the aim e.g. for investment in water catchment management there is significant resistance to idea that outcome is not guaranteed.
- Taps into **loss aversion** – consumer concern for achieving optimal value.

Will not personally benefit from outcome

- Related to financial impacts, reluctance to 'subsidise' others, e.g. resistance to paying for meter installation when already metered, unless **empathy-altruism** bias is in play and they perceive a vulnerable party to protect
- Consideration for segments who feel this reluctance more acutely – or for wider customer involvement to shape how decisions are implemented (e.g. communications)

Goal does not relate to core water/sewerage service

- Investment for activity perceived as a 'nice to have' may be regarded as unjustifiable, particularly within context of low trust in effectiveness of water companies to deliver core services responsibly.
- Consideration dependent on scale of decision e.g. high levels of consumer interest if 'warm voice' call centre removed altogether vs more minor system changes.

Potentially material elements

These considerations are potentially material and may require consumer involvement

Neutral/positive impact on environment

- Environmental protection is important to consumers; many perceive underperformance by companies in this area and want to ensure investments will achieve positive outcomes, even if not directly involved in consultation.

Neutral/positive impact on vulnerable *

- Consideration for vulnerable audiences remains even where they will be positively impacted.
- Most often, the consideration relates to how changes are implemented, with both vulnerable and non-vulnerable audiences potentially requiring direct involvement e.g. deciding how vulnerability is defined and addressed by companies.

Largescale*+short* social impact

Small-scale*+long* social impact

- Materiality increases with the scale and duration of social impacts.
- Local impacts e.g. from construction or on local employment, are typically only engaged with by customers living nearby, and many feel these are worthwhile if the decision they are related to is acceptable.

Has operational impact

- Operational impacts typically do not interest consumers and do not feature as a consideration for materiality; instead, consumers care about the 'downstream' impacts that affect them more directly.
- They expect companies to make the right technical and/or cost-efficient operational decisions – or, if less trusting, want independent experts to get involved e.g. in deciding how to rollout meters or relocate HQ.

05

Worked examples of assessments

Using hypothetical scenarios to determine what impacts consumers consider material

Scenario A

WATER COMPANY DECISION: Whether or not to invest in a major programme of upgrades to water treatment plants (over and above the usual maintenance programme).

CONTEXT: Upgrading water treatment works is important to meet water quality standards and protect the environment. Modern systems are designed to treat larger volumes of water and have better processes for treating contaminants such as bacteria, viruses and chemicals – reducing the risk of pollution and helping to ensure the supply of clean and safe drinking water. Your company had previously earmarked funding to upgrade water treatment works in its business plan, which was signed off by customers. This funding was based on new water filtration technology becoming available, but this has been developed faster than planned. Your company is considering bringing the upgrade forward; investments (which are funded through customer bills) would be made earlier than planned.

OUTCOME: All customers in the region will benefit sooner than initially planned from a more resilient and safer water supply. Improved processes will also protect water environments. Upgrading will lead to longer term cost savings by reducing maintenance costs.

CONSUMER IMPACTS:

- Bills will increase sooner than initially planned to fund the upgrade.
- Upgrading the water treatment plant will involve several months of construction, which may cause noise and traffic disruption for those living or working nearby.

"I care about the decision as I want to see water quality improve and be happy that it is always safe." – HH customer

"It affects me if my bills rise and I would want to make sure this is for a good reason and not for the profit of the company." – HH customer

"A normal functioning company would have set aside funds for such an undertaking as described, without seeing it as their fundamental right to squeeze their (monopoly) customers whenever they feel like it." – HH customer

Whether to invest in a major programme of upgrades to water treatment plants (over and above the usual maintenance programme)

Bringing forward a planned upgrade to water treatment works set out in the business plan, as new technology has been developed faster than expected.

+ impacts

- Long-term cost savings
- Protection of water environments
- Safer and more resilient water supply

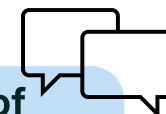
- impacts

- Bill increase for all
- Construction disruption



Amount consumers care about decision: **HIGH**

- **Bill increases** for all customers is the primary factor:
 - Consumers want to understand the proposal which involves a trade-off between higher bills in the short-term for a safer water supply, environmental protection and operational cost savings in the long-term – which they perceive may result in lower bills.
- Widespread support for **infrastructure upgrades** relating to core function - to provide a safe, reliable and high-quality water supply.
- **Lack of trust** in water companies, which are considered profit-motivated – increases relevance of this decision to customers, who want to see evidence of transparency and accountability.
- Noise and traffic **disruption** would be of concern only if consumers lived near the planned works and lasted 'a long time'.
- **Protection of water environments** seen as positive, but considered a secondary impact.



Potential engagement: Representative group of customers and specialist organisations

- Consumers who can represent the views of the wider base, to inform decisions that will **impact bills**.
- Specialist organisations perceived to have the **technical expertise** (which customers felt they lacked) to ensure correct decision is reached.
 - They may also explain the decision to customers from an **independent standpoint** (helping to overcome low trust - a voice to accurately and fairly inform customers).

Treatment plant upgrades

SCENARIO: Whether to invest in a major programme of upgrades to water treatment plants (over and above the usual maintenance programme)
 Bringing forward a planned upgrade to water treatment works set out in the business plan, as new technology has been developed faster than expected.

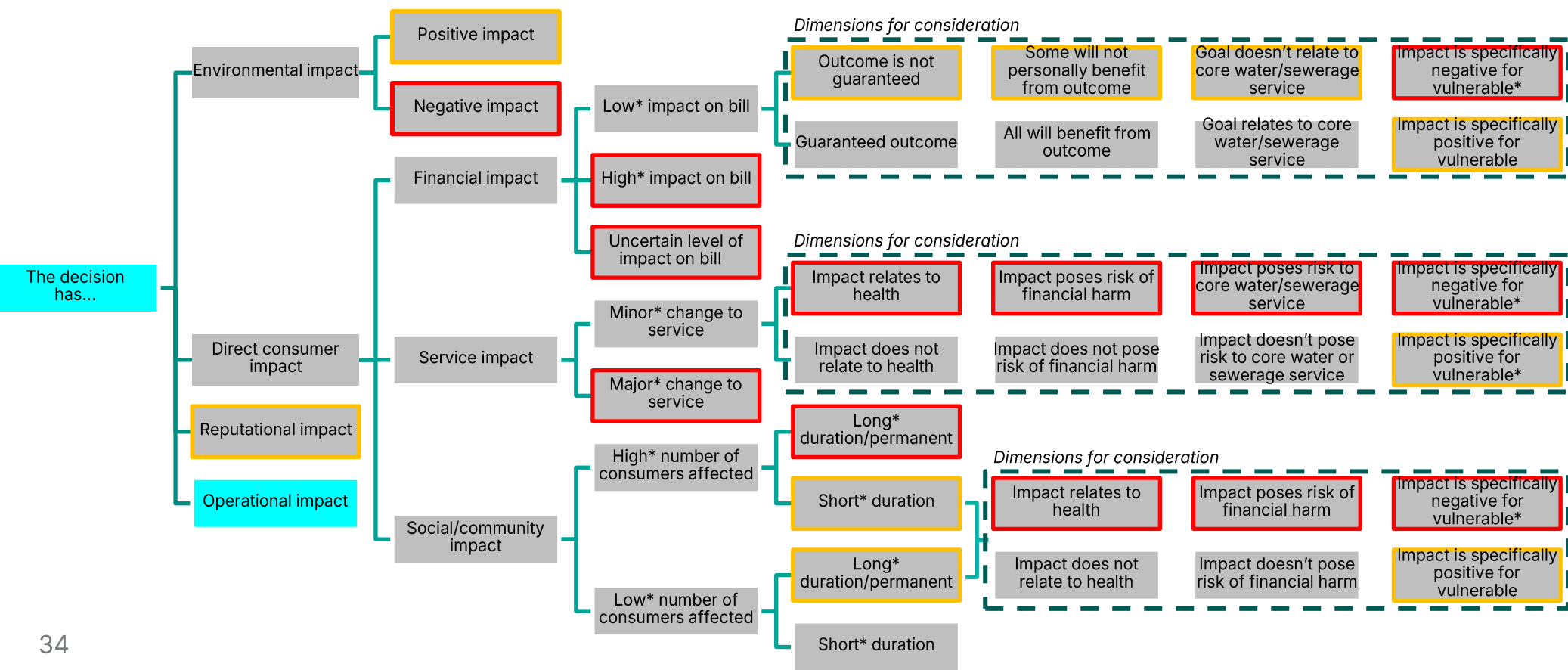
- + impacts**
- Long-term cost savings
 - Protection of water environments
 - Safer and more resilient water supply

- impacts**
- Bill increase for all
 - Construction disruption

KEY:

- Decision steps for worked example
- Elements that are ALWAYS MATERIAL
- Elements that are SOMETIMES MATERIAL
- M Impact IS material for worked example

* Subjective: definition to be determined



- **Longer term cost savings by reducing maintenance costs** are considered an operational improvement; this impact is not material.
- If the scenario had articulated a resulting decrease in customer bills, this would have been considered an additional direct financial impact and assessed through that branch of the flowchart.

Treatment plant upgrades

SCENARIO: Whether to invest in a major programme of upgrades to water treatment plants (over and above the usual maintenance programme)
 Bringing forward a planned upgrade to water treatment works set out in the business plan, as new technology has been developed faster than expected.

- + impacts**
- Long-term cost savings
 - **Protection of water environments**
 - Safer and more resilient water supply

- impacts**
- Bill increase for all
 - Construction disruption

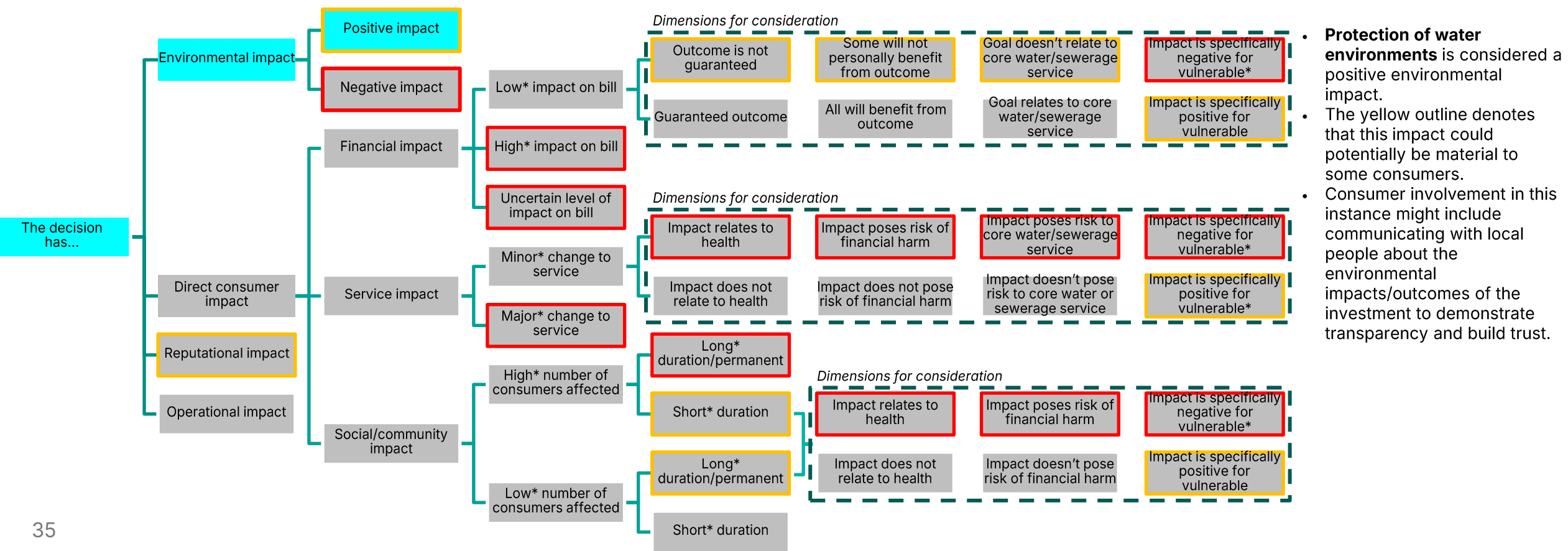
Navigator

* Subjective elements: Definition determined either by consumer or regulator

KEY:

Decision steps for worked example
Elements that are ALWAYS MATERIAL
Elements that are SOMETIMES MATERIAL
M Impact IS material for worked example

* Subjective: definition to be determined



Treatment plant upgrades

SCENARIO: Whether to invest in a major programme of upgrades to water treatment plants (over and above the usual maintenance programme)
 Bringing forward a planned upgrade to water treatment works set out in the business plan, as new technology has been developed faster than expected.

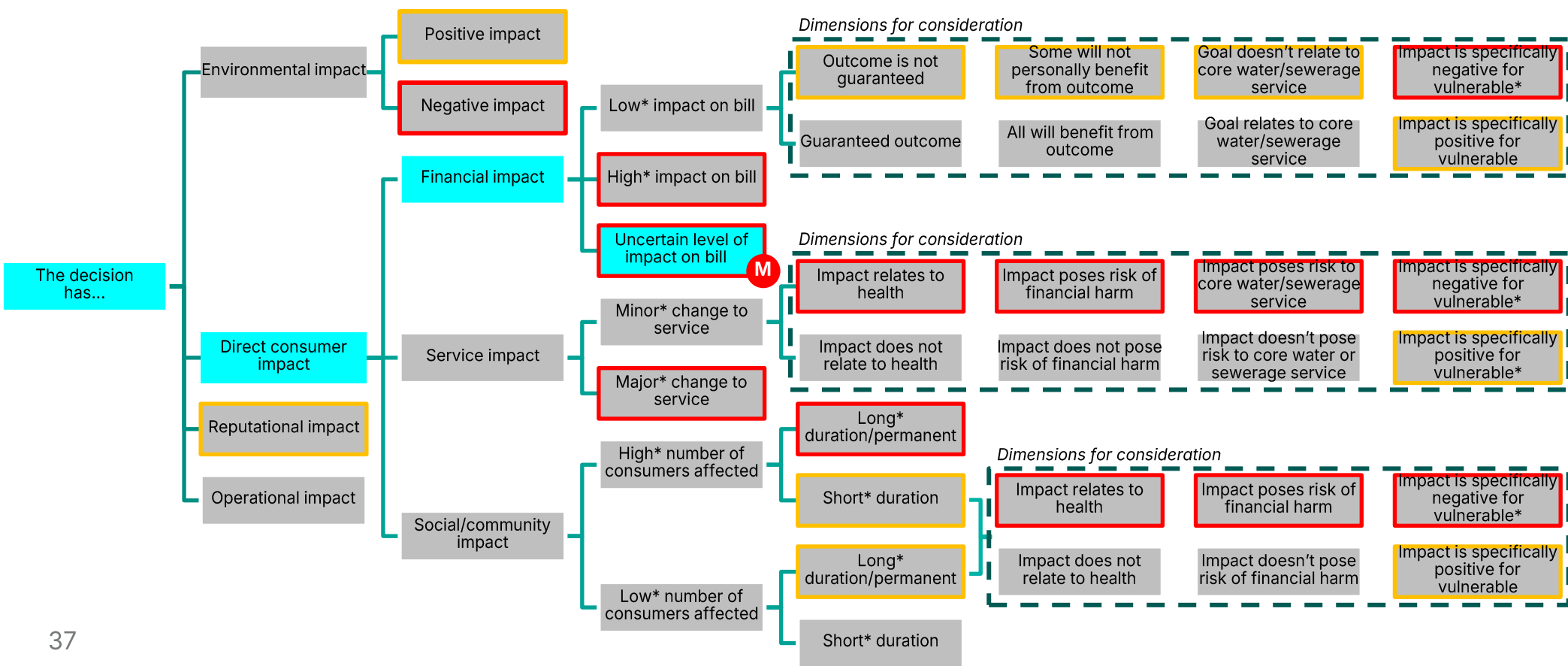
- + impacts**
- Long-term cost savings
 - Protection of water environments
 - Safer and more resilient water supply

- impacts**
- **Bill increase for all**
 - Construction disruption

KEY:

- Decision steps for worked example
- Elements that are ALWAYS MATERIAL
- Elements that are SOMETIMES MATERIAL
- M Impact IS material for worked example

* Subjective: definition to be determined



- **A bill increase for all** is considered a direct financial impact on the consumer.
- In this scenario the bill increase was not specified to be high or low, therefore 'uncertain level of impact on bill' was selected.
- The red outline denotes that this impact is material to consumers.
- For this scenario, consumers wanted involvement from a representative group of customers, as well specialist organisations who have the technical expertise to assess the trade-off.

Treatment plant upgrades

SCENARIO: Whether to invest in a major programme of upgrades to water treatment plants (over and above the usual maintenance programme)
 Bringing forward a planned upgrade to water treatment works set out in the business plan, as new technology has been developed faster than expected.

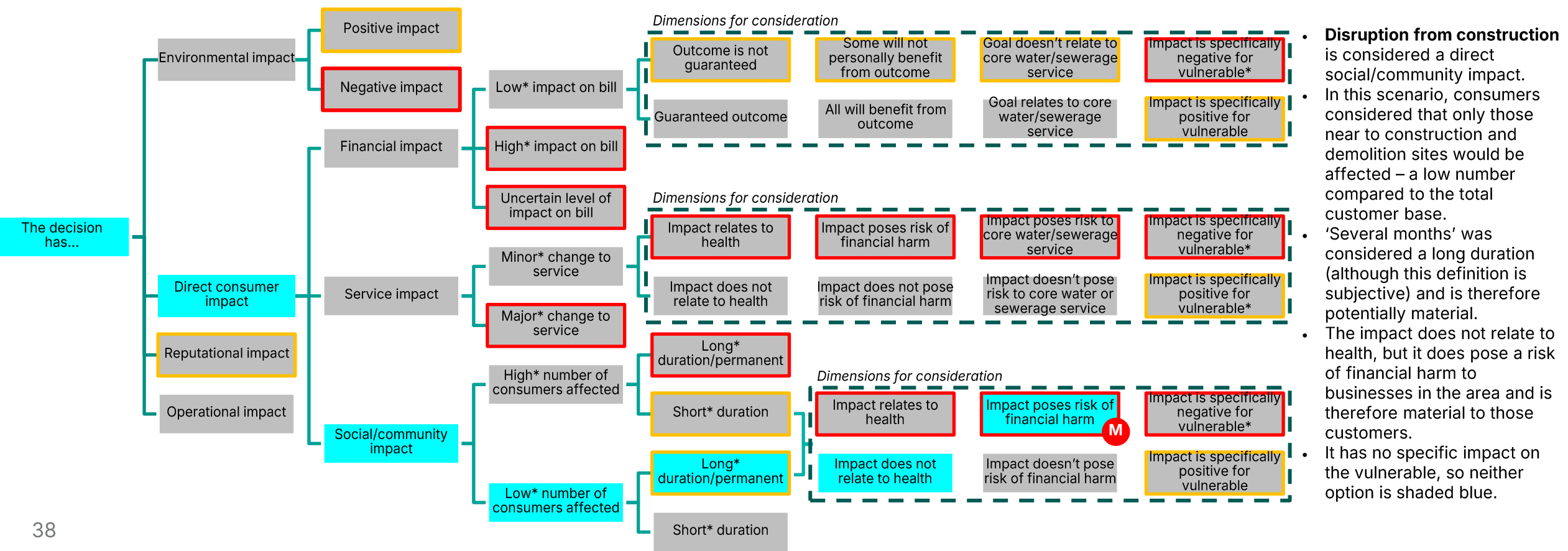
- + impacts**
- Long-term cost savings
 - Protection of water environments
 - Safer and more resilient water supply

- impacts**
- Bill increase for all
 - **Construction disruption**

KEY:

- Decision steps for worked example
- Elements that are ALWAYS MATERIAL
- Elements that are SOMETIMES MATERIAL
- M Impact IS material for worked example

* Subjective: definition to be determined



- **Disruption from construction** is considered a direct social/community impact.
- In this scenario, consumers considered that only those near to construction and demolition sites would be affected – a low number compared to the total customer base.
- 'Several months' was considered a long duration (although this definition is subjective) and is therefore potentially material.
- The impact does not relate to health, but it does pose a risk of financial harm to businesses in the area and is therefore material to those customers.
- It has no specific impact on the vulnerable, so neither option is shaded blue.

Scenario B

WATER COMPANY DECISION: Whether to invest in significant infrastructure works to improve coastal bathing water quality at a local site popular with families, dog walkers and swimmers.

CONTEXT: A popular local beach has recently become a designated bathing site. This means the Environment Agency tests the water during the bathing season for faecal bacteria, which can harm wildlife and make bathers ill if ingested. Each designated site is then given an annual water quality ranking based on these tests. Water quality at this beach has recently been rated 'sufficient', the second lowest ranking of four, and meets the minimum legal standard for swimming. Local swimmers have been campaigning for the company to invest in minimising sewage spills from storm overflows near the beach. They hope this will improve the site's rating and make it safer to swim in. Their campaign has gained significant media attention. The company has assessed the situation and found that significant infrastructure work would be required to reduce the spills. This would involve closing the beach for a year while a new pipe is built to carry spills from overflows away from the sea to a treatment works.

OUTCOME: Improved water quality will benefit families and swimmers by reducing the risk of becoming ill from going in the water – and indirectly, the businesses such as cafes and shops that benefit from operating near a popular bathing destination. It will also benefit aquatic life. However, water quality improvements are not guaranteed. While this investment reduces pollution from the water company's storm overflow, it does not stop other pollutants such as farming 'run off' and industrial spills affecting the water quality.

CONSUMER IMPACTS:

- This investment was not originally planned because the water company did not know the area would become a designated bathing site. As a result, this coastal improvement project will result in bill increases for all customers, on top of the recent bill increases agreed with Ofwat.
- The work will involve several months of construction which may cause noise and traffic disruption for those living or working nearby.
- The work will also require the beach to be closed for a year, meaning that locals and visitors cannot use it.
- Businesses who may ultimately benefit will also be inconvenienced by the beach closures

"I think it is extremely important for our water to be safe to swim in while also benefiting marine life. Families should be able to enjoy clean water to swim in at the beach." – HH customer

"it is a major decision - one that weighs off water company profits v local environment and leisure for local communities.." – HH customer

B Improving coastal bathing water quality

Whether to invest in a significant infrastructure works to improve coastal bathing water quality at a recently designated coastal bathing site

Closing the beach for a year to build a pipe to carry away sewage spills, following pressure from local swimmers to invest. Quality is currently ranked as sufficient.

+ impacts

- Reduced illness risk for water users
- Increased business footfall
- Benefits aquatic life

- impacts

- Bill increase for all
- Disruption from construction and beach closure

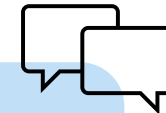
Navigator

Amount consumers care about decision: **HIGH**



- Poor water quality may **impact customer health**, with particular concern about children getting ill after using water.
- Consumers sensitive to **poor performance**:
 - Poor water quality seen as evidence that companies are not delivering a core part of their service (i.e. ensuring clean, safe rivers and seas).
- Greater strength of feeling due to **high profile nature** of sewage pollution – some have experienced it directly when using water bodies or heard about it in the media.
- **Bill rises** impact everyone, even though the investment will have very local benefits, so consumers want to input on this trade-off (and say they will care more if the increase is large).
- Positive impacts on aquatic life seen as a secondary benefit of the investment, rather than the core reason to care.
- Enabling safe swimming and protecting aquatic life is highly emotive for wild swimmers, and cuts through more to those in coastal areas, regardless of site location.
- Construction and beach closure would be of concern if living nearby.

Potential engagement: All customers, and particularly those in local area. Specialist orgs.



- Local voices perceived as most important due to **localised impacts** (both during site closure and afterwards).
- **Bill rises** impact everyone, so consumers want input on trade-off
- Also involving specialists:
 - To provide technical knowledge around water quality.
 - **Lack of trust in companies** to address coastal pollution, but customers feel unable to assess trade-offs effectively. Experts provide **an independent perspective** on whether to go ahead (including assessing potential alternatives).

B Improving coastal bathing water quality

Whether to invest in a significant infrastructure works to improve coastal bathing water quality at a recently designated coastal bathing site

Closing the beach for a year to build a pipe to carry away sewage spills, following pressure from local swimmers to invest. Quality is currently ranked as sufficient.

- + impacts**
- Reduced illness risk for water users
 - Increased business footfall
 - Benefits aquatic life

- impacts**
- Bill increase for all
 - Disruption from construction and beach closure

KEY:

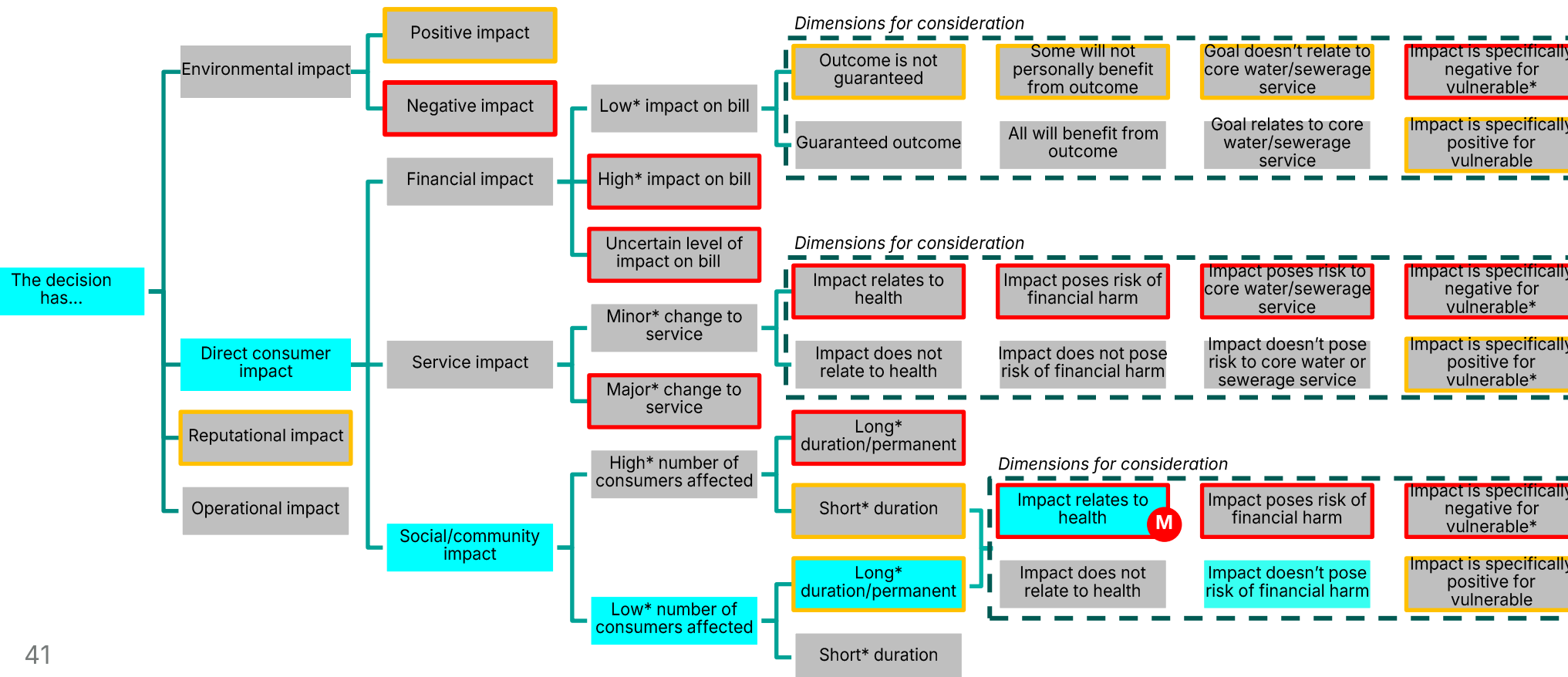
 Decision steps for worked example

 Elements that are ALWAYS MATERIAL

 Elements that are SOMETIMES MATERIAL

M Impact IS material for worked example

* Subjective: definition to be determined



- Reduced illness risk for water users is considered a direct social/community impact.
- While low numbers of consumers would be affected by this improvement, the impact relates to health and is likely to be an emotive topic for water-users, who will likely want to input on whether the initiative goes ahead or not.
- This element is therefore material.

B Improving coastal bathing water quality

Whether to invest in a significant infrastructure works to improve coastal bathing water quality at a recently designated coastal bathing site

Closing the beach for a year to build a pipe to carry away sewage spills, following pressure from local swimmers to invest. Quality is currently ranked as sufficient.

- + impacts**
- Reduced illness risk for water users
 - Increased business footfall
 - Benefits aquatic life

- impacts**
- Bill increase for all
 - Disruption from construction and beach closure

KEY:

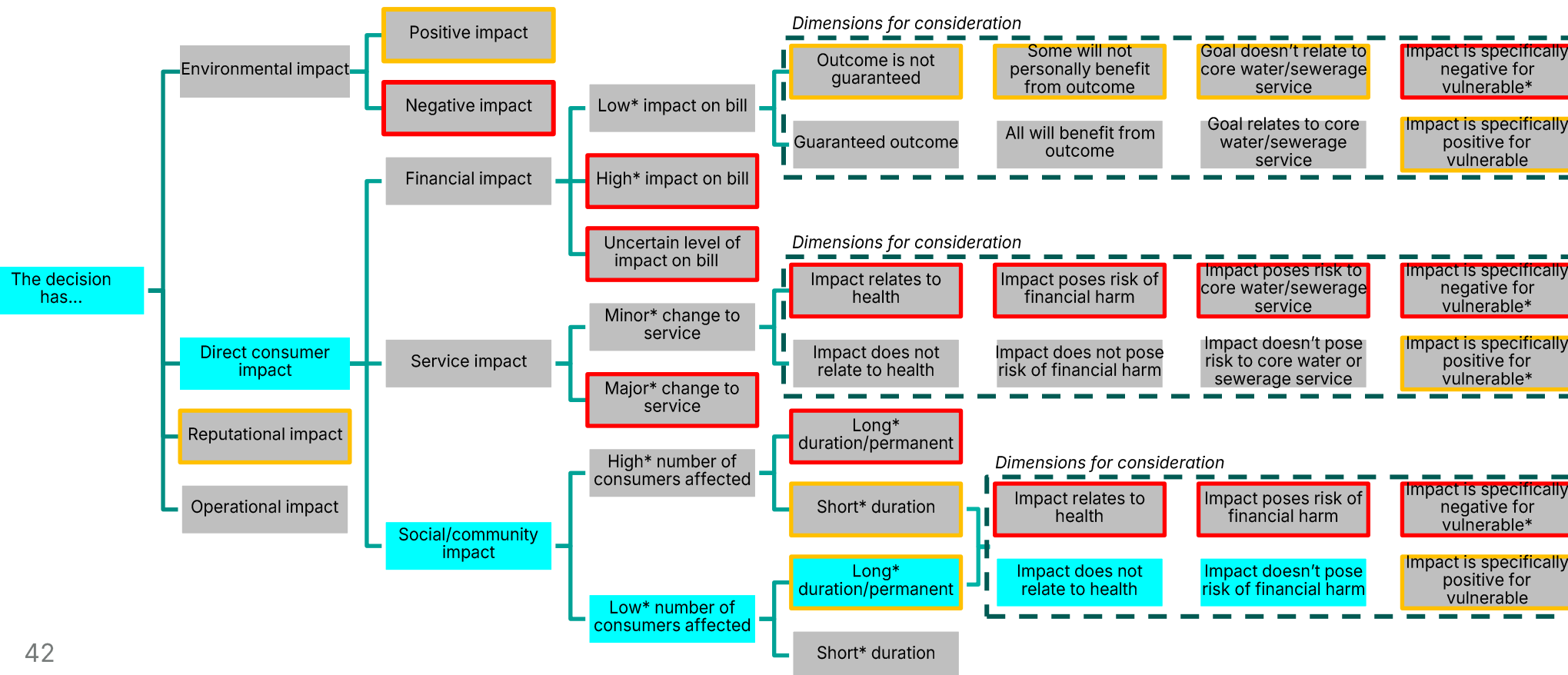
Decision steps for worked example

Elements that are ALWAYS MATERIAL

Elements that are SOMETIMES MATERIAL

M Impact IS material for worked example

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- Increased business footfall** is considered a direct social/community impact.
- This positive impact is potentially material because it would be permanent – businesses may want involvement in terms of understanding project timelines so that they can plan their own business activities. Given engagement with businesses would be likely due to the risk of financial harm from beach closures during construction, this topic would likely be covered in the overall discussion.

B Improving coastal bathing water quality

Whether to invest in a significant infrastructure works to improve coastal bathing water quality at a recently designated coastal bathing site

Closing the beach for a year to build a pipe to carry away sewage spills, following pressure from local swimmers to invest. Quality is currently ranked as sufficient.

- + impacts**
- Reduced illness risk for water users
 - Increased business footfall
 - **Benefits aquatic life**

- impacts**
- Bill increase for all
 - Disruption from construction and beach closure

KEY:

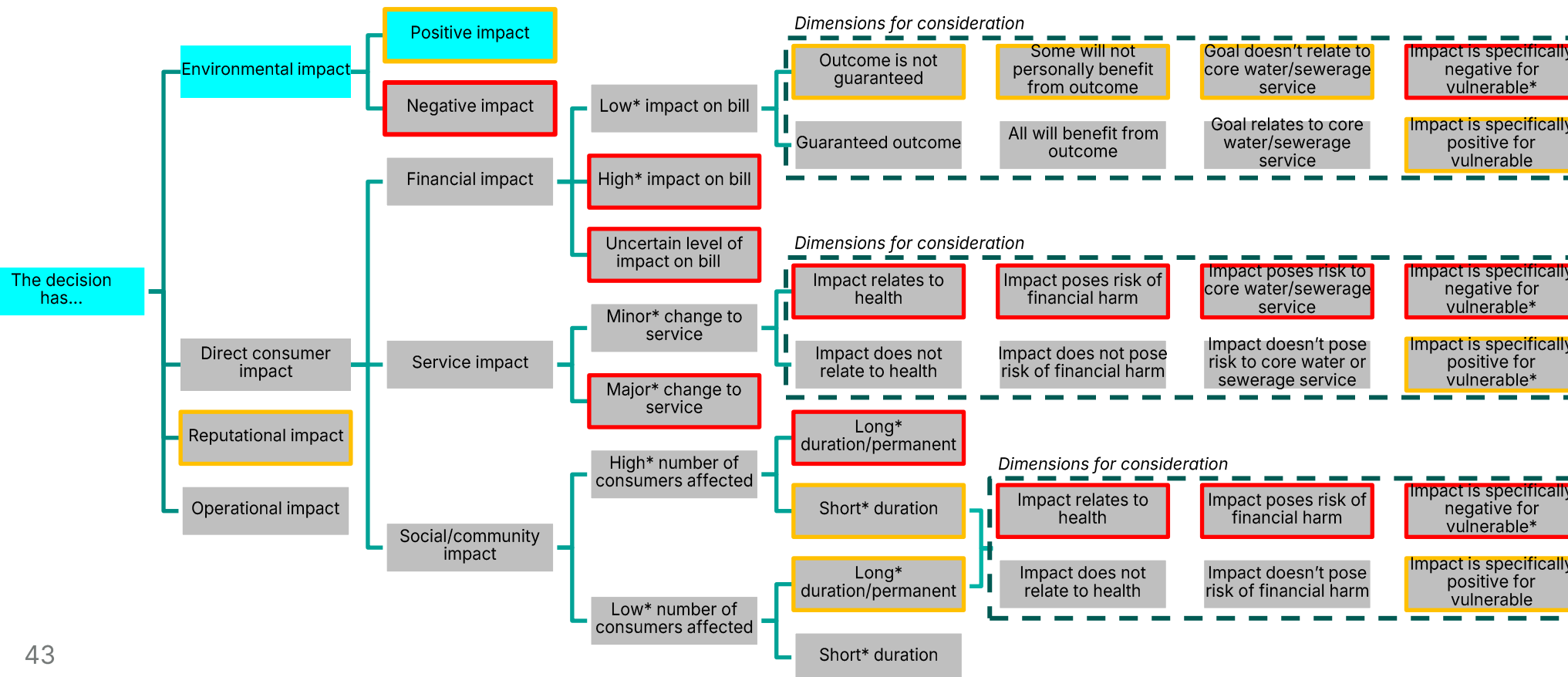
Decision steps for worked example

Elements that are ALWAYS MATERIAL

Elements that are SOMETIMES MATERIAL

M Impact IS material for worked example

* Subjective: definition to be determined



- **Benefits aquatic life** is considered a positive environmental impact.
- The yellow outline denotes that this impact could potentially be material to some consumers.
- Consumer involvement in this instance might include communicating with local residents, businesses and water-users about the likely environmental impacts/outcomes of the investment to demonstrate transparency and build trust.

B Improving coastal bathing water quality

Whether to invest in a significant infrastructure works to improve coastal bathing water quality at a recently designated coastal bathing site

Closing the beach for a year to build a pipe to carry away sewage spills, following pressure from local swimmers to invest. Quality is currently ranked as sufficient.

- + impacts**
- Reduced illness risk for water users
 - Increased business footfall
 - Benefits aquatic life

- impacts**
- **Bill increase for all**
 - Disruption from construction and beach closure

KEY:

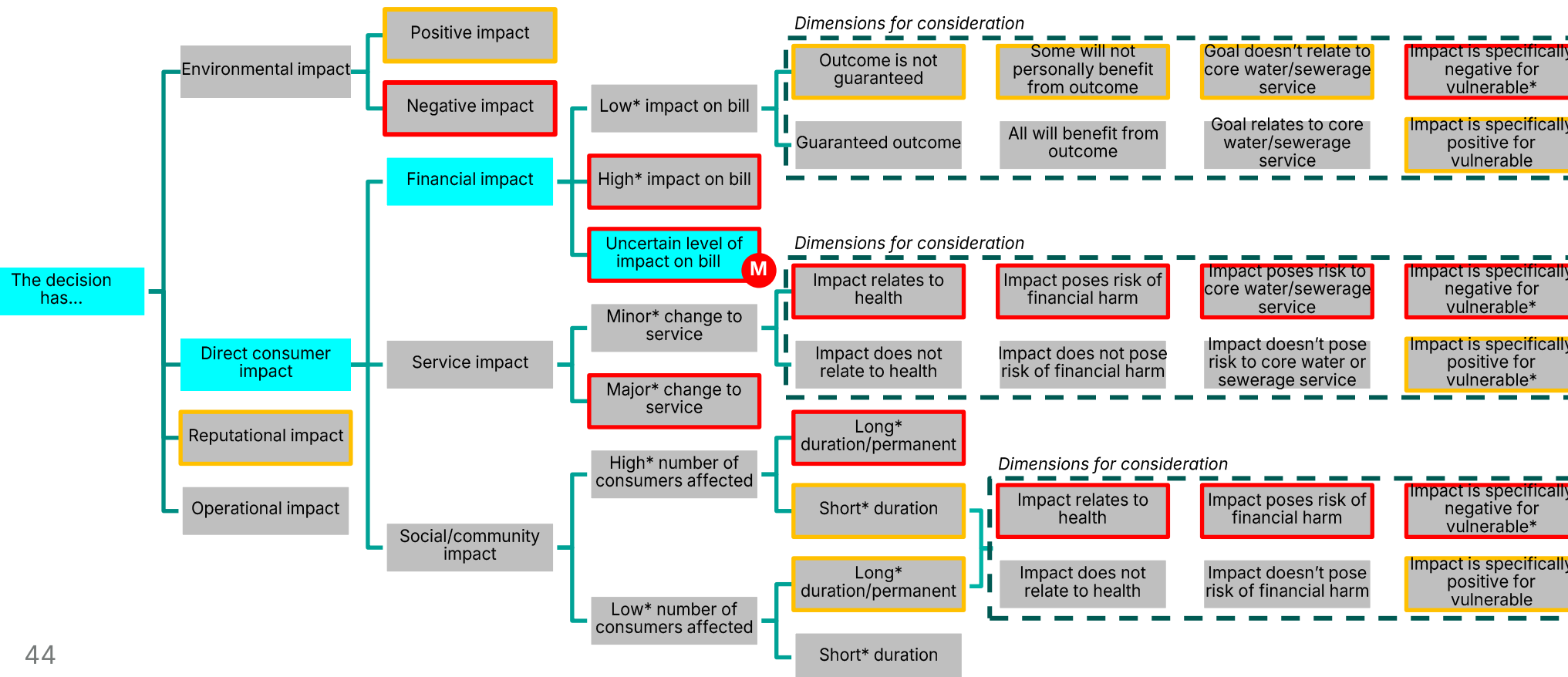
Decision steps for worked example

Elements that are ALWAYS MATERIAL

Elements that are SOMETIMES MATERIAL

M Impact IS material for worked example

* Subjective: definition to be determined



- **A bill increase for all** is considered a direct financial impact on the consumer
- In this scenario the bill increase was not specified to be high or low, therefore 'uncertain level of impact on bill' was selected.
- The red outline denotes that this impact is material to consumers.
- Customers feel unable to assess the trade-off effectively in this scenario, and want experts to provide an independent perspective on whether to go ahead with it, including assessing potential alternatives.

B Improving coastal bathing water quality

Whether to invest in a significant infrastructure works to improve coastal bathing water quality at a recently designated coastal bathing site

Closing the beach for a year to build a pipe to carry away sewage spills, following pressure from local swimmers to invest. Quality is currently ranked as sufficient.

- + impacts**
- Reduced illness risk for water users
 - Increased business footfall
 - Benefits aquatic life

- impacts**
- Bill increase for all
 - **Disruption from construction and beach closure**

KEY:

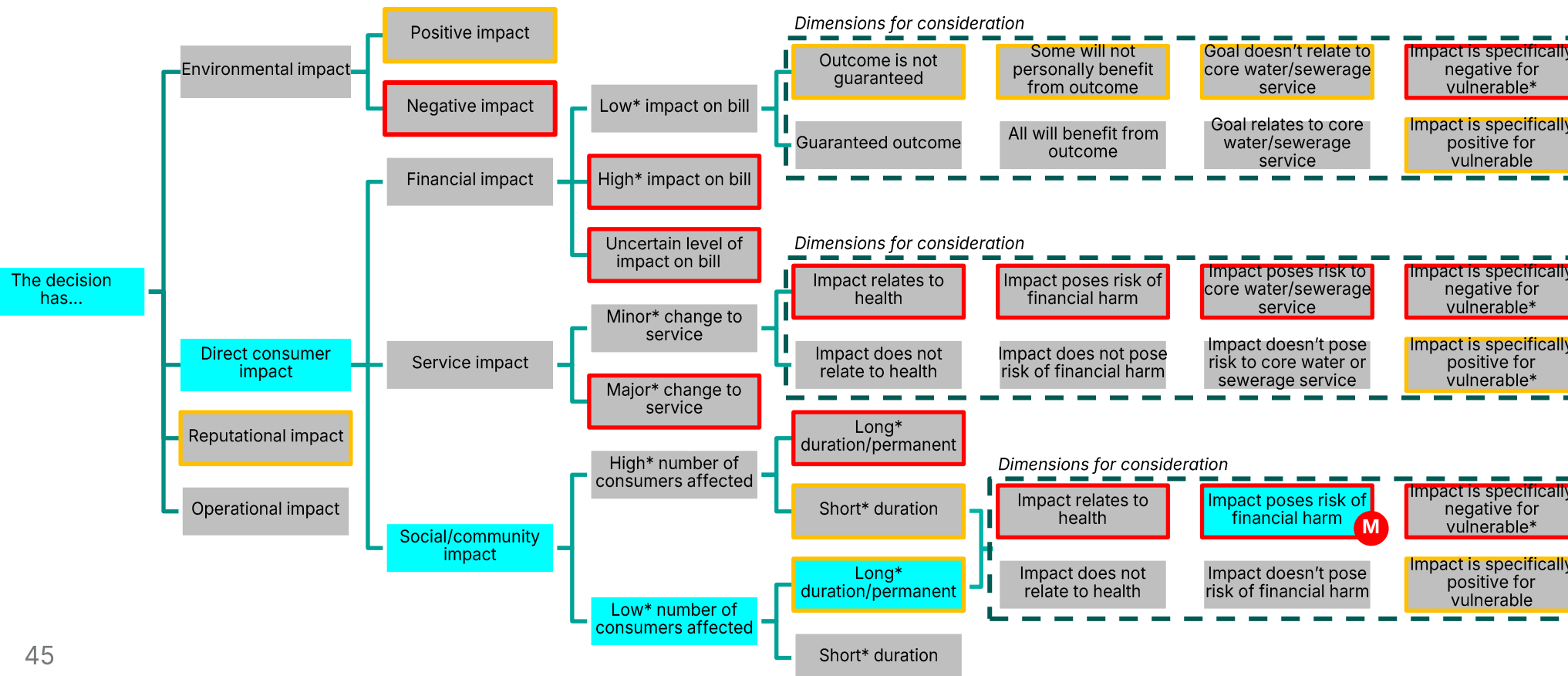
Decision steps for worked example

Elements that are ALWAYS MATERIAL

Elements that are SOMETIMES MATERIAL

Impact IS material for worked example

* Subjective: definition to be determined



- **Disruption from construction and beach closure** is considered a direct social/community impact.
- In this scenario, consumers considered those living or working near to the site, as well as those visiting the beach would be affected – a low number compared to the total customer base.
- Closure of the beach for a year was considered a long duration (although this definition is subjective) and potentially material.
- It also poses a risk of financial harm to businesses in the area and is therefore material to those customers.
- It has no specific impact on the vulnerable, so neither option is shaded blue.

WATER COMPANY DECISION: How to manage water restrictions during periods of drought

CONTEXT: Water companies are required to maintain drought plans to ensure there is a secure public water supply and minimal environmental damage, such as taking too much water from rivers during dry periods. These plans are developed with the Environment Agency and reviewed every 5 years. They set out a series of actions to manage water resources, including restricting certain types of water usage as drought conditions become more severe. The first step is for water companies to ask customers to use less water. If this is not sufficient, restrictions are applied to households through Temporary Use Bans (previously called hosepipe bans), such as bans on watering gardens, filling ponds, or washing cars and windows. If conditions worsen, restrictions are extended to some businesses. For example, some garden centres, leisure park and, golf courses may have to close temporarily. If the drought continues and water supplies become very low, households would experience planned water restrictions for a few hours a day – and in extreme (and very unlikely) circumstances, water would only be available from standpipes in the street. These plans are made to prepare for very unlikely events – a drought requiring standpipes in the street is predicted to happen about once in 100 years.

With increasingly dry summers and growing pressure on water resources, your water company is considering changing the trigger points for introducing restrictions. Options include imposing water restrictions sooner; restricting business use before household use; or introducing more exemptions – for example exempting businesses that rely on water to function.

OUTCOME: Changes to the trigger points for introducing different restrictions could improve how water supplies are managed, help protect the environment, and spread impacts more fairly across different types of customers. This is particularly important as droughts are expected to become more common.

CONSUMER IMPACTS:

- Changes to the timing or severity of water restrictions could affect the daily lives of businesses and the general public during drought conditions.

“I care because water is a basic necessity and affects everyone. So I agree with this approach to ensure we are managing the amount of water available to people.” – HH customer

“Putting bans on people becomes hard to manage and record, although the impact would be beneficial. I cannot see this not causing argument.” – HH customer

C Change to water restriction trigger points

Changing the trigger points for introducing water restrictions during periods of drought, in context of water shortages becoming more common.

Options include imposing water restrictions sooner, restricting business use before household use, or introducing more exemptions e.g. for water-reliant businesses.

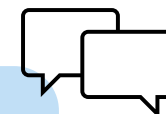
- + impacts**
- Improves how water supplies are managed
 - Spreads impact of restrictions fairly
 - Benefits aquatic life (reduce abstraction)

- impacts**
- Households/ businesses affected by restrictions



Amount consumers care about decision: **HIGH**

- Water is **essential to survival**, and providing a reliable supply is seen as companies' number one responsibility – particularly strong feelings amongst those who assume that increasing droughts are a result of **company mismanagement**.
- Strong support for companies taking action, particularly as perception that droughts are becoming more common.
- Conscious that more severe restrictions could temporarily **impact daily routines**
- Household customers feel strongly that **domestic customer needs should be prioritised** over businesses, and worry that this is currently not the case. We did not test this scenario with non-household customers.
- Some feel **particularly** sensitive to having freedoms curtailed, e.g. keen gardeners



Potential engagement: **Specialist orgs. Impacted customers. Representative customer groups.**

- Conserving water resources is perceived to be technical issue where companies are underperforming: **experts** can use their knowledge to hold companies to account.
 - An independent perspective will also ensure restrictions are fair and alternative options assessed.
- **Specifically impacted customers:** e.g. businesses (with commercial ramifications) and vulnerable customers (who may find restrictions harder to cope with).
- The essential nature of water, and the potential for widespread impact of any change to restrictions leads some to want **representative groups** consulted.

C Change to water restriction trigger points

Changing the trigger points for introducing water restrictions during periods of drought, in context of water shortages becoming more common.

Options include imposing water restrictions sooner, restricting business use before household use, or introducing more exemptions e.g. for water-reliant businesses.

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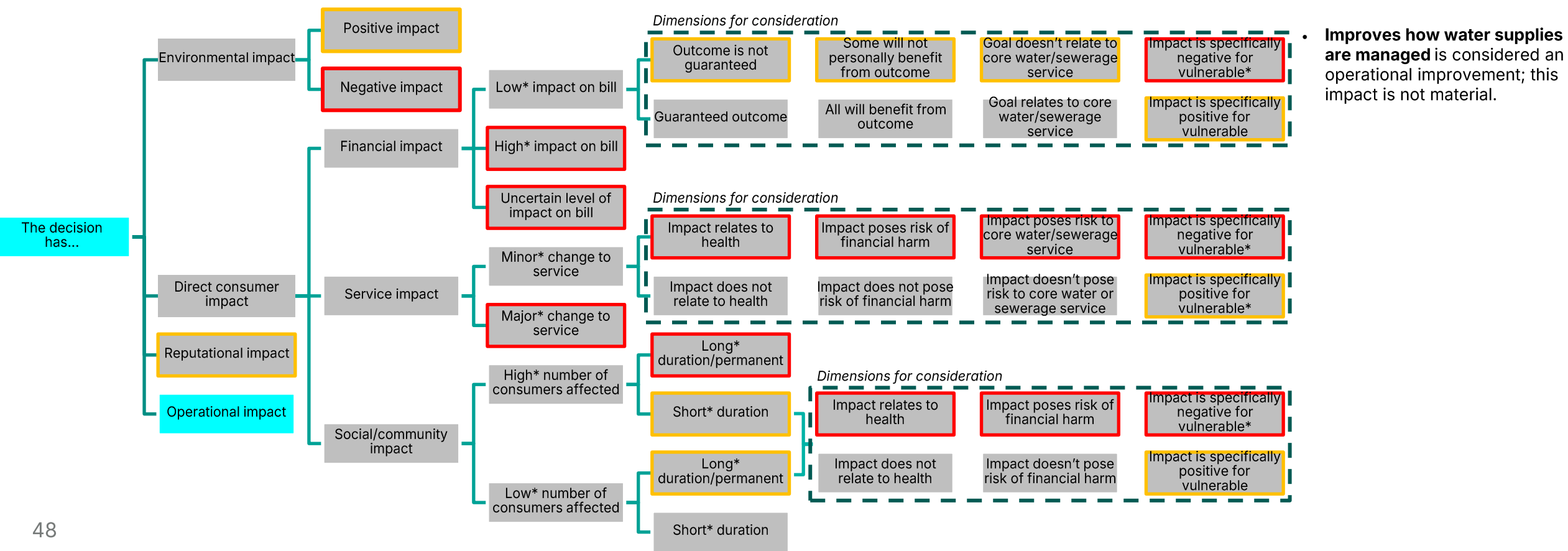
Decision steps for worked example

Elements that are ALWAYS MATERIAL

Elements that are SOMETIMES MATERIAL

Impact IS material for worked example

* Subjective: definition to be determined



C Change to water restriction trigger points

Changing the trigger points for introducing water restrictions during periods of drought, in context of water shortages becoming more common.

Options include imposing water restrictions sooner, restricting business use before household use, or introducing more exemptions e.g. for water-reliant businesses.

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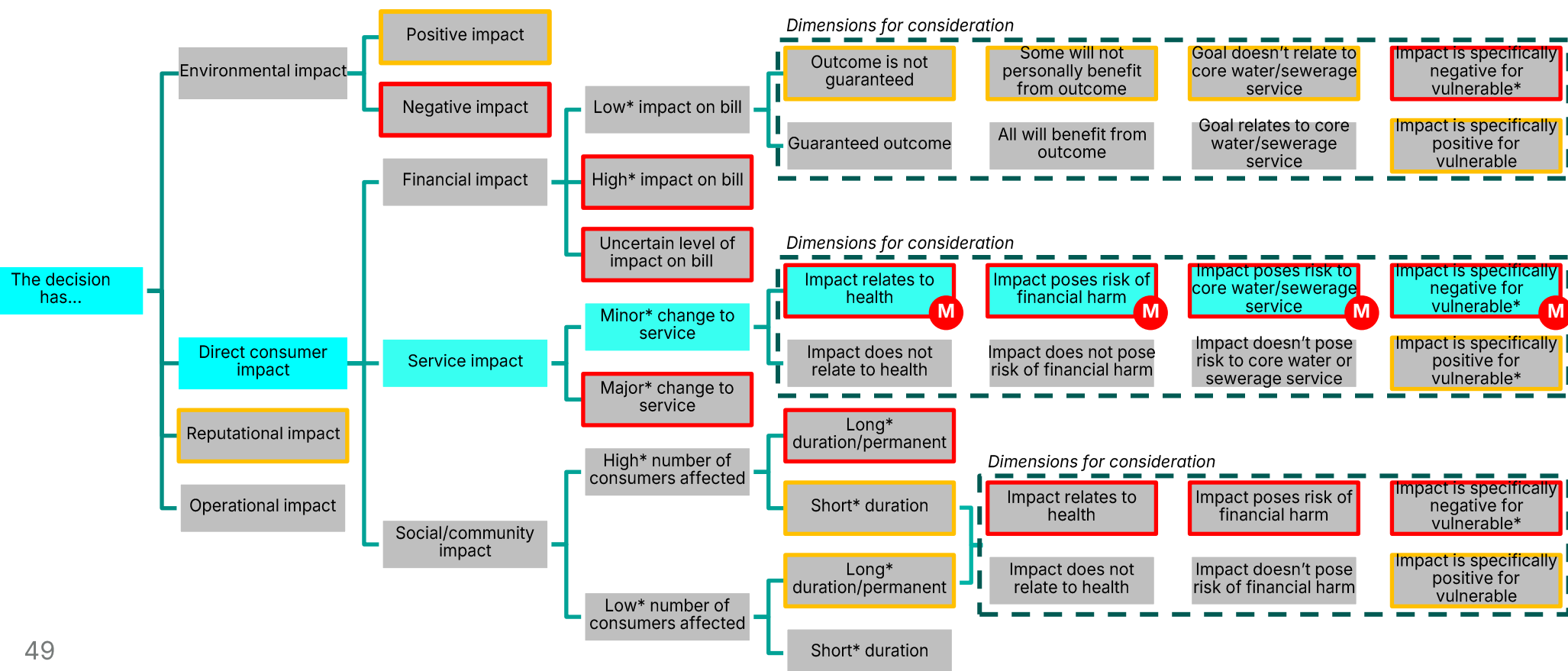
Decision steps for worked example

Elements that are ALWAYS MATERIAL

Elements that are SOMETIMES MATERIAL

Impact IS material for worked example

* Subjective: definition to be determined



- Spreads impact of restrictions fairly** is considered a direct service impact.
- Although restrictions are unlikely to be implemented – and this therefore constitutes a ‘minor’ change in service – given water is essential to survival, this impact relates to health and is therefore material to consumers. In addition, it may pose risk of financial harm to businesses who cannot operate without water, poses a risk to the core water service and have a specific negative impact on vulnerable households, who may struggle to access other supplies.

C Change to water restriction trigger points

Changing the trigger points for introducing water restrictions during periods of drought, in context of water shortages becoming more common.

Options include imposing water restrictions sooner, restricting business use before household use, or introducing more exemptions e.g. for water-reliant businesses.

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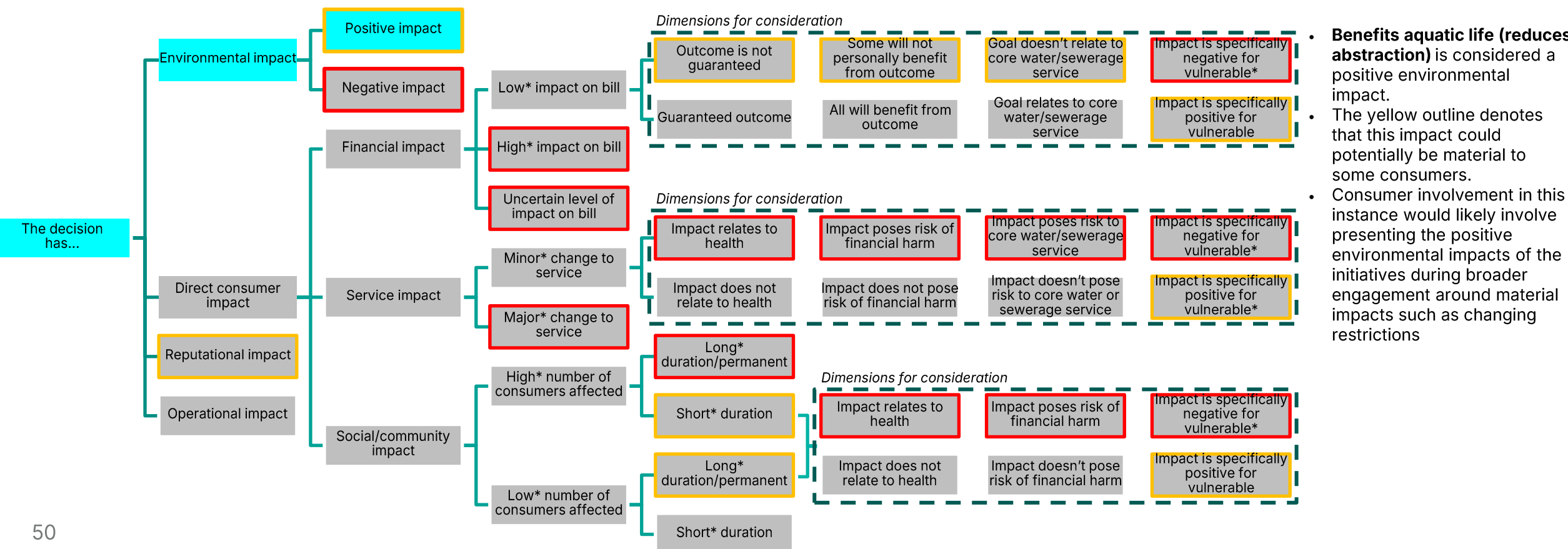
 Decision steps for worked example

 Elements that are ALWAYS MATERIAL

 Elements that are SOMETIMES MATERIAL

M Impact IS material for worked example

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C Change to water restriction trigger points

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Options include imposing water restrictions sooner, restricting business use before household use, or introducing more exemptions e.g. for water-reliant businesses.

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- Households/ businesses affected by restrictions

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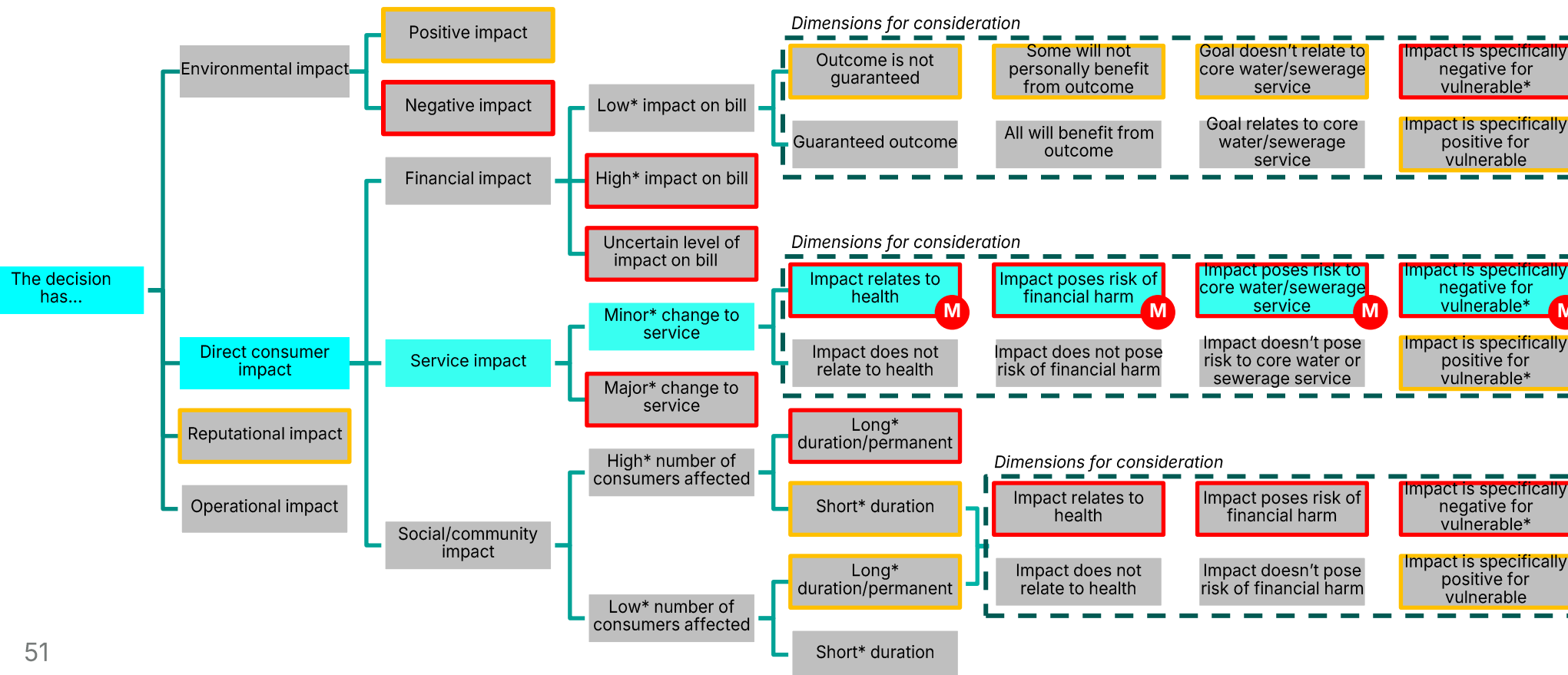
 Decision steps for worked example

 Elements that are ALWAYS MATERIAL

 Elements that are SOMETIMES MATERIAL

M Impact IS material for worked example

* Subjective: definition to be determined



- Households/ businesses affected by restrictions** is considered a direct service impact.
- Although restrictions are unlikely to be implemented – and this therefore constitutes a ‘minor’ change in service – given water is essential to survival, this impact relates to health and is therefore material to consumers. In addition, it may pose risk of financial harm to businesses who cannot operate without water, poses a risk to the core water service and have a specific negative impact on vulnerable households, who may struggle to access other supplies.

Navigator

View things differently

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



Contents

1. Discussion guide: online community
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

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

Online Community Discussion Guide
Club project – Materiality
Household customers

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

Online Community Discussion Guide
Club project – Materiality
Household customers

<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>

Online Community Discussion Guide
Club project – Materiality
Household customers

<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>	

Online Community Discussion Guide
Club project – Materiality
Household customers



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

Online Community Discussion Guide
Club project – Materiality
Household customers

- 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

Online Community Discussion Guide
Club project – Materiality
Household customers

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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Club project – Materiality
Household customers

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's 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!

Online Community Discussion Guide
Club project – Materiality
Household customers

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			

Online Community Discussion Guide
Club project – Materiality
Household customers

<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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Online Community Discussion Guide
Club project – Materiality
Household customers

<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		

Online Community Discussion Guide
Club project – Materiality
Household customers

<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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Online Community Discussion Guide
 Club project – Materiality
 Household customers

<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>

Online Community Discussion Guide
 Club project – Materiality
 Household customers

<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?

Online Community Discussion Guide
Club project – Materiality

Non-household customers

- 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 and a bit of price of control.

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?

Online Community Discussion Guide
Club project – Materiality

Non-household customers

- 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.

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.

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

- 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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Navigator



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

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

Online Community Discussion Guide
Club project – Materiality

Non-household customers

- 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

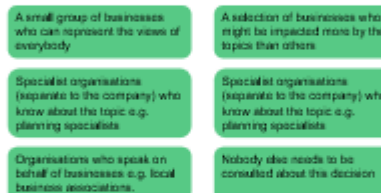
Non-household customers

- *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

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 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!

“Material impact?”

- 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?
 - o How important is it for you to be able to influence decisions which impact your life?
 - o *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?
 - o What previous experiences have you had with automated comms, either positive or negative?

Digitally Disengaged Discussion Guide
 Club project – Materiality
 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:*
 - 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

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
Club project – Materiality
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?
 - Used by employees e.g. in office spaces
 - Used in consumer setting e.g. washing dishes, in hair salons
 - 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 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 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?

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

- 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 topics 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?

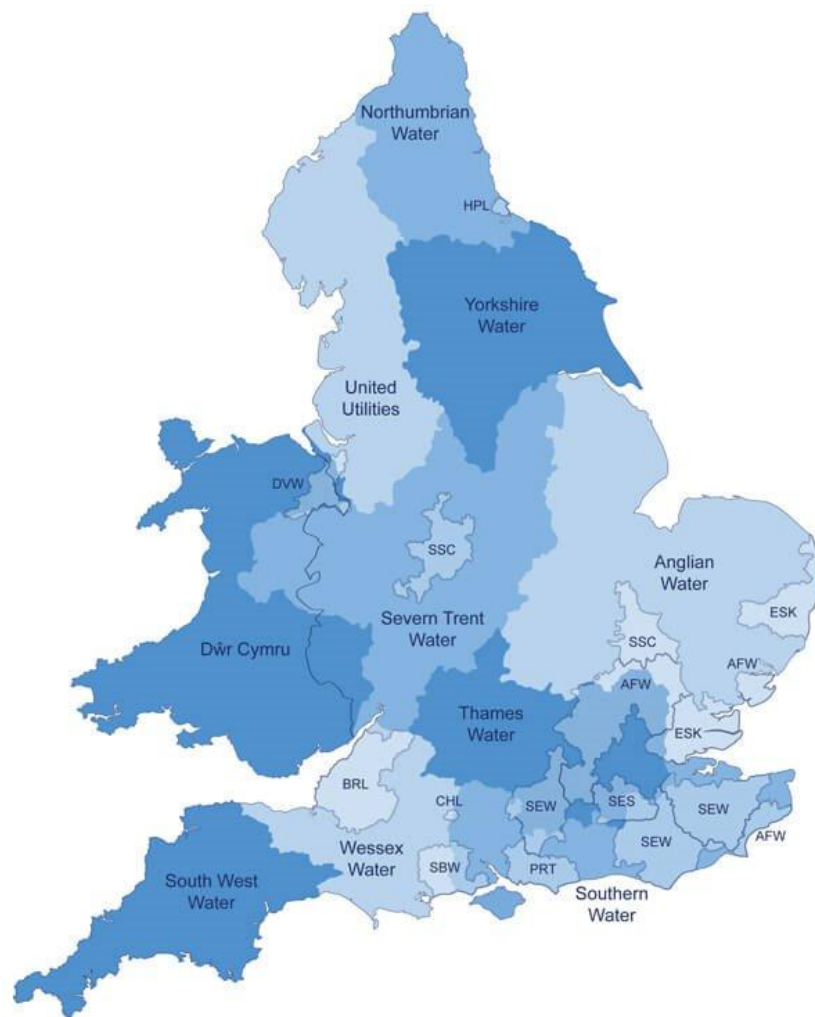
Thank and close.

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 take this customer research into account.

What is the Consumer Involvement Rule?



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.

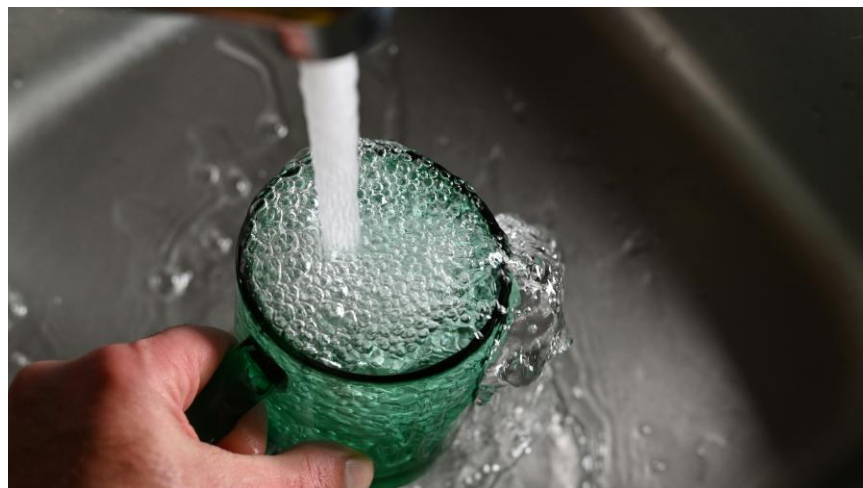
CONSUMER IMPACTS:

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

06

Research stimulus

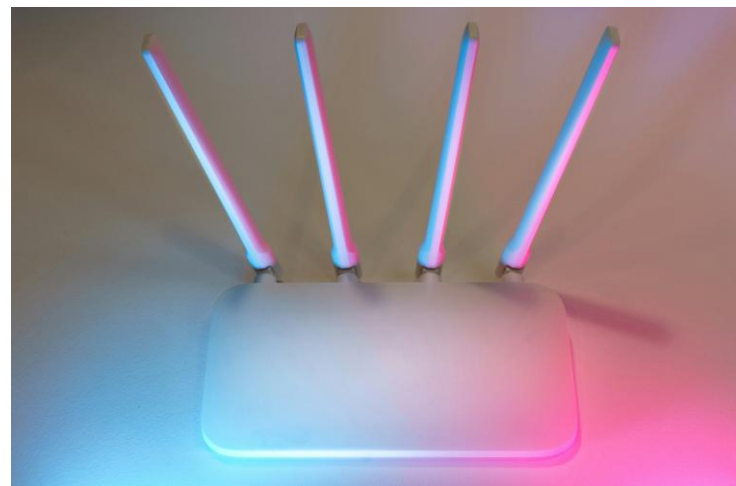
Shown during the online community only



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