



# Consumer Involvement Rule Our Forward Plan

Thames Water  
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## Preface: The Customer Involvement Rule

- Ofwat has issued the new Consumer Involvement Rule (the “Rule”), requiring all water and wastewater companies to involve consumers directly and systematically in decisions that may have a material impact on consumer matters<sup>1</sup>. This rule, part of the Water (Special Measures) Act 2025, aims to enhance consumer representation and accountability and came into effect on 1 April 2026.
- The rule requires water companies to have appropriate arrangements in place for involving consumers in decisions of the undertaker that are likely to have a material impact on consumer matters. To deliver this rule, companies must deliver as a minimum the following components:
  - (i) **Component 1.** Put in place, and follow, effective arrangements to appropriately understand the views and preferences of their consumers in relation to matters relevant to this rule
  - (ii) **Component 2.** Have arrangements in place at the appropriate levels of decision-making within the undertaker to deliver the core requirement. This means that water companies must ensure that the views, experiences and preferences of consumers, including those understood as a result of component 1, are appropriately fed into, and considered, in the decision-making process for decisions that are likely to have a material impact on consumer matters
  - (iii) **Component 3.** Seek feedback from consumers on their experiences relevant to this rule, so that the impact on consumers of past decisions can be used to improve future decision-making.
- Water companies must also have regard to the following guiding considerations when designing and operating their arrangements to achieve the core requirement:
  - Accessibility – making involvement as easy as possible for a range of audiences.
  - Independence – ensuring that views are not unduly influenced by the undertaker and reflect the genuine views of consumers.
  - Timeliness – considering consumers' views at a frequency and time that makes sense for the subject matter and allows for meaningful involvement.
  - Representativeness – involving a broad range of consumers or independent consumer experts that appropriately reflects the range of consumers the undertaker serves
  - Transparency – being open and honest with consumers who are being involved in decisions and being open about how consumers have been involved in decisions.
- Water companies must set out on their website on at least an annual basis, in a manner that is up-to-date, effective, accessible and clear the steps being taken to meet this rule. This must include reports on:
  - Forward looking plan: the overall approach for compliance with this rule, including which arrangements water companies will adopt to deliver components 1, 2 and 3 above over the coming financial year. Companies have until the 30 June 2026 to publish forward-looking plans.
  - Delivery of the rule in prior year: the specific steps water companies have taken to comply with the rule during the previous financial year

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<sup>1</sup> Consumer Involvement Rule. Ofwat, November 2025. Available [here](#)

## 1 Foreword

- 1.1 As a Board, we recognise that restoring confidence in the water sector depends on being able to demonstrate the customer voices which shape the decisions we take as we deliver on our commitments. This forward plan sets out how we will comply with the Consumer Involvement Rule in a way that is focused on outcomes for customers, proportionate to risk and impact, and embedded within our governance arrangements. It builds on established engagement and assurance mechanisms and strengthens how customer insight is brought into our decision making.
- 1.2 We will involve consumers where it matters most, making insight available early enough to shape options and trade-offs. The Board retains collective accountability for decisions and outcomes, including how customer perspectives are reflected in the choices we make. Independent challenge, including through the Thames Water Independent Challenge Group, will be integral: we expect it to challenge the quality of our insight and robustness of our decision making. This plan explains how we will maintain Board level visibility of consumer insight, how challenge will be escalated through our governance, and how we will evidence the influence our customer perspectives have on material decisions.
- 1.3 Transparency is central to our approach. We are committed to clear, accessible reporting that explains how consumers have been involved, what we have heard, and how this has influenced decisions over time. We will continue to review and strengthen our arrangements, taking account of feedback from customers, independent experts and regulators, and we will be open about where we have more to do.
- 1.4 Through this approach, we aim not only to meet the requirements of the Consumer Involvement Rule, but to reinforce an existing culture in which customer perspectives are integral to decision making and delivery. I'm happy to sponsor this plan on behalf of our consumers.

Catherine Lynn, Independent Non-Executive Director at Thames Water and Chair of the Customer Service Committee



### How to use this Forward Plan

- 1.5 This Forward Plan sets out how we will comply with the Consumer Involvement Rule over the coming year. It explains the measures and actions we currently undertake, alongside the arrangements we will deliver to strengthen how customer insight is gathered, considered, and embedded in decision-making over the coming financial year.
- 1.6 The plan should be read as both a statement of intent and a practical guide to our approach. It provides an overview of our approach, including our key priorities for the year. The plan outlines some examples of how we currently comply, within the blue pop-out boxes, these are not exhaustive.
- 1.7 We have developed this plan within the context of an evolving regulatory framework. As expectations become clearer and best practice continues to develop, we will adapt and refine our approach so that it remains effective, proportionate, and aligned with regulatory intent.
- 1.8 Our approach has been shaped directly by our customers. Dedicated research on materiality has informed how we define and prioritise decisions within scope, meaning that our focus remains on what matters most to those we serve. The plan has also been independently reviewed by the Independent Challenge Group.
- 1.9 Governance and accountability are central to delivery. Our CEO, Board and Executive have been briefed on the new rule and will continue to oversee how consumer insight informs decision-making.
- 1.10 This plan will be published on our website in a clear, accessible, and consumer-friendly format. We will also proactively communicate its contents to stakeholders through targeted engagement, so that consumers, partners, and representative bodies understand both our commitments and how they can engage with us.



## 2 What we do today

We believe it is vital that our business activities are shaped by our customers and communities and delivered in partnership with them.

- 2.1 We are committed to continually strengthening how we involve customers in our decision-making, recognising that meaningful engagement is essential to building trust and delivering outcomes that reflect the needs and priorities of the communities we serve.
- 2.2 Our current approach is already well aligned to the new Consumer Involvement Rule, and we will build on this through specific, committed actions to strengthen a small number of areas.
- 2.3 We gather insights into our customers' needs and behaviors, and our extensive ongoing research complements the Ofwat/CCW-led collaborative customer research and works to examine locally important priorities.
- 2.4 Our Board oversees our customer engagement. Third-party assurance provides assurance on its quality, while the Independent Challenge Group (ICG) provides challenge on the extent to which customer priorities are reflected in what we do, and our delivery against those priorities.
- 2.5 To promote transparency and share best practice, we often publish our customer research findings on our website for others in the industry to access.

Here are some of the ways we understand the views and preferences of our customers. Further detail on our current activity is outlined later in this plan. We undertake:

- 2.6 Quantitative and qualitative research with our consumer base as business as usual
- 2.7 Regular surveys on brand perception and service satisfaction, analysing complaints and listening to social media, with analysis into the reasons that customers contact us
- 2.8 Respond to routine constructive challenge and scrutiny from the ICG - an independent body who reflects the needs and interests of current and future customers
- 2.9 Use of independent experts and engagement with third-party advocacy stakeholders to bring us closer to consumer experiences
- 2.10 Active participation in Consumer Council for Water (CCW) Water Voice consumer panels, gathering insights on the service improvements customers seek
- 2.11 Demand reduction activities such as Smarter Home and Business Visits
- 2.12 Use of our user research platform to test our website and services helping us validate design decisions, identify friction in customer journeys such as self-service and billing, and gather evidence before investing in these changes
- 2.13 Run both statutory and non-statutory public consultations and use stakeholder engagement including surveys, focus groups, workshops and webinars in the development of our long-term plans and major projects, including Drainage and Wastewater Management Plan ('DWMP') and Water Resources Management Plan ('WRMP') prior to defined statutory consultation periods

## Listening to our customers

We've researched the needs of

**1.5 million customers**

over the last five years, and over **288,000** across the last financial year

The views of

**12,089 household**

**751 non-household**

customers have informed the development of our major projects, White Horse Reservoir and Teddington DRA so far, with

**Over 21,000 responses to non-statutory and statutory consultations**

**72 hours** of ICG challenge embraced over the last year

**4,600 consumers** gave their view in our Brand Survey over 25/26 to help improve our performance

Our long-term strategic plans collected

**5,300+** of consumer views and preferences

seeking the views of **2,000+** stakeholders, through over **900+** hours of activity across DMWP cycle 1 and WRMP24

We engaged

**18,709**

customers in the design, build and challenge of our PR24 business plan

Our user experience research platform ran **49 studies** with **264 participants** over the course of a year

Source: Thames Water

### 3 Our approach to the Consumer Involvement Rule

#### 3.1 Regulatory Context

3.1.1 This Consumer Involvement Rule (the ‘Rule’) requires us to involve consumers directly and consistently in decisions that could materially impact consumer matters. To do so, we must have arrangements in place to cover the rule’s three core components:

<b>Component 1</b>	Understand consumers’ views through surveys, qualitative research, independent consumer experts, or alternative methods
<b>Component 2</b>	Confirm that the views and preferences of consumers are appropriately fed into, and considered, in the decision-making process for decisions that are likely to have a material impact on consumer matters
<b>Component 3</b>	Demonstrate that we seek feedback on the impact of past decisions and use this to improve future decision making

3.1.2 Much of our day-to-day activity already supports compliance with the rule and reflects how we operate. We gather insight, act on it, and communicate changes to customers.

3.1.3 However, the rule adds a new requirement to assess material impact and increases the expectation that we clearly explain to customers how their views have shaped those decisions.

3.1.4 Appendix A provides a summary overview of the actions we currently undertake, alongside the arrangements we will deliver to strengthen compliance with the Rule over the coming financial year.

3.1.5 We believe this will improve outcomes for Thames Water customers. Some of those benefits are outlined below:

- (i) **Decisions focus on what matters most to customers.** While we will continue to actively understand and use customers views in decisions, our adoption of material impact will ensure effort is directed towards decisions with the greatest impact on customers’ everyday lives
- (ii) **Greater transparency.** Our customers will be able to see how their feedback has influenced decisions, with our commitment to reporting improving openness about why and how choices are made
- (iii) **Better outcomes over time.** Our additional actions we intend to take including learning from past decisions will help us continually improve services and avoid repeating issues that matter to customers
- (iv) **Building trust.** Our hope is that our transparent approach will help build confidence that material impact decisions are fair and reflect customer priorities

#### 3.2 Scope

3.2.1 This Rule applies to the involvement of household consumers, non-household consumers, and developer services consumers, but not to business retail companies in the water sector. This includes;

- (i) Household – those who use or pay for our services
- (ii) Non-household – businesses and other organisations who use our service and fund it indirectly
- (iii) Developer – people and organisations connecting properties to our networks

3.2.2 We will continue to take a broad view of our customers, extending beyond direct bill payers and the Rule’s scope, to include service users and people affected by our activities in their communities.

#### 3.3 Our alignment to external standards

3.3.1 In line with our internal governance, all our consumer research follows the key standards and principles as issued by Ofwat in ‘PR24 and beyond: Customer engagement policy’<sup>2</sup>.

3.3.2 We also consider other guidance from Ofwat and CCW regarding best practice including ‘framework for water company research’ in our approach. Our insight triangulation approach also aligns to the Magenta Book guidance from HM Treasury. These standards are embedded in our Research Framework, which includes several market research agencies.

#### 3.4 Design principles aligning to the five Guiding Considerations

3.4.1 The Rule requires us to regard the five Guiding Considerations when designing and operating our approach to Components 1 to 3. We are confident our approach aligns with the Rule’s five Guiding Considerations. Table 3.1 sets out how we align with them.

3.4.2 We have strengthened our arrangement following the release of the Rule. We have:

- (i) Included the requirement to align to the Guiding Considerations of the Rule in every brief which we issue for research to our framework providers.
- (ii) Introduced the requirement for our research supply chain to assure their alignment to the five Guiding Considerations and issue a declaration as part of their deliverables on how the research observes the Considerations.
- (iii) Formalised process ‘check points’ at the research authorisation gateway to ensure controls which align to the Guiding Considerations. Every piece of research will go through this process.

<sup>2</sup> PR24 and beyond: Customer engagement policy – a position paper – Ofwat (2022)

3.5 Alongside the mandated five Guiding Considerations, we will also consider two further principles:

- (i) Our approach should have practical relevance. We will avoid asking customers for detail it would be unreasonable to expect them to provide. This aligns with our club materiality research where customers told us that they do not feel it is appropriate for them to be directly involved in decision-making for those decisions where they lack the expertise.
- (ii) Our approach should be proportionate. We will also consider whether customer input can genuinely influence the outcome, recognising that some decisions are determined by regulation.

For example. If direct legislation required us to perform an explicit, technical action, as an example upsizing an operational bund to comply, it would not be appropriate to ask our customers whether this should happen or which technical approach to take, as these are regulatory and specialist decisions.

Table 3.1 Guiding Considerations and how we align

Consideration	Our approach	Evidence
<b>Accessibility</b> Making involvement as easy as possible for a range of audiences	<ul style="list-style-type: none"> <li>• We gather views through multiple channels, including online, in person and by phone.</li> <li>• We offer options so customers can choose the approach that best suits their circumstances.</li> </ul>	During our Vulnerability deep-dive research in 2023 Participants could choose face-to-face, online or telephone interviews to help them feel comfortable. Of the 75 interviews, 32 were face to face, held in participants' homes or neutral venues such as quiet cafes or community leaders' homes.  Ethnic Opinions researchers interviewed South Asian and Black African participants to draw on their understanding of these communities. Where possible, interviews were conducted in participants' first language, including Bengali, Urdu, Punjabi and Sylheti, with interpreters provided where needed, for example for Somali and Arabic speakers.
<b>Independence</b> Ensuring that views are not unduly influenced by the undertaker and reflect the genuine views of consumers.	<ul style="list-style-type: none"> <li>• We have a framework of independent research agencies who are utilised to collect the genuine views of our customers.</li> </ul>	Our market research agencies are all members of and follow the Code of Conduct of the Market Research Society.
<b>Timeliness</b> Considering consumers' views at a frequency and time that makes sense for the subject matter and	<ul style="list-style-type: none"> <li>• We commission research in advance of change so that consumer views can influence design.</li> </ul>	Since 2022 our White Horse Reservoir has been undertaking quantitative and qualitative research to determine design considerations from customers.

allows for meaningful involvement.		
<b>Representativeness</b> Involving a broad range of consumers or independent consumer experts that appropriately reflects the range of consumers the undertaker serves.	<ul style="list-style-type: none"> <li>• We maintain and regularly review a view of our customer base, aligned to census data.</li> <li>• This was last updated in 2025 to reflect research from Ofcom on digitally excluded customers.</li> </ul>	During public consultation on the draft WRMP24, we also commissioned research to capture the views of customers representative of Thames Water's wider customer base and consider them alongside stakeholder feedback. This matters because public consultations often attract people who are highly engaged or directly affected by proposed developments, so responses may not fully reflect the wider population.
<b>Transparency</b> Being open and honest with consumers who are being involved in decisions, and being open about how consumers have been involved in decisions	We clearly show customers how their views have informed decisions, including in: <ul style="list-style-type: none"> <li>• PR24</li> <li>• WRMP and DWMP</li> <li>• Major projects</li> </ul>	Within our PR24 plan, we included transparent chapters on: <ul style="list-style-type: none"> <li>• Customer engagement</li> <li>• Customer engagement assurance</li> <li>• What customers, communities and stakeholders want</li> </ul> These are hosted on our website for customer, alongside our WRMP statement of response and DWMP 'you said, we did' publication.

Source: Thames Water

### 3.6 Our commitment to continual improvement

- 3.6.1 In line with the expectations of the consumer involvement rule, we will regularly review and enhance our approaches to gathering insight, embedding customer perspectives into decisions, and transparently reporting how those views shape outcomes.
- 3.6.2 This includes learning systematically from customer feedback, independent challenge, and the impact of our past decisions.
- 3.6.3 We will adopt a flexible and proportionate approach that evolves over time so that our engagement methods remain aligned to the Guiding Considerations. We will also research innovative methods to test and explore customer views, allowing us to do more and go further, whilst maintaining a commitment to primary research with real customers.
- 3.6.4 Transparency will be central to this process. We will be open about our progress, clearly communicate the actions we will take, and seek independent feedback on the effectiveness of our arrangements.

## 4 Our approach to ‘Material Impact’ decisions

### 4.1 Definitions

4.1.1 To comply with the Rule, we will assess which decisions are likely to have a probable material impact on consumer matters. As the Rule does not define material impact, the company will make this assessment using the two Ofwat definitions<sup>3</sup> set out below.

- (i) Decisions that are likely to have material impact ‘include any decision that is likely to have a non-negligible material impact on consumer matters; likely means probably (not merely possible)’
- (ii) Matters connected to the interests of consumers in relation to the supply of water to consumer premises and the provision of sewerage services as defined in the Act are defined as consumer matters

4.1.2 Decisions likely to have probable material impact may be taken by the Board or decision-making bodies across Thames Water.

### 4.2 Our approach to determining material impact

4.2.1 Our customers have helped shape our understanding of what constitutes a material impact. Working with the industry, we commissioned research through the club materiality project<sup>4</sup> to inform our definition of material impact.

#### Collaborative research to define ‘Material Impact’ through customer voice; club materiality project

To support Ofwat’s Consumer Involvement Rule, we and other water companies jointly researched what ‘material impact’ means to customers and how it should inform decisions.

Customers were placed at the centre of the process through a structured and interactive online community. A total of 126 participants, broadly representative of demographics and regions, took part in a five-to-seven-day programme, completing daily tasks designed to explore their views on water services and decision-making. Customers were given a series of scenarios representing real-world company decisions. Additional interviews with non-household customers, developers and digitally disadvantaged groups ensured a more inclusive evidence base.

The research identified a consistent set of factors that customers consider ‘material’, including impacts on bills, vulnerable groups and community outcomes, and emphasised early involvement, transparency and clear evidence that their views influence outcomes.

The research has enabled us to incorporate customer views into the materiality assessment in section 4.3

4.2.2 A single, fixed definition of material impact cannot reflect the different ways customer groups may experience materiality. We are therefore proposing an adaptive tool to help colleagues identify which decisions are likely to have a material impact on consumers.

4.2.3 We have adopted an agile but structured approach to provide a clear audit trail for consumers in future reporting. It will also support the consistent introduction of the new threshold across the organisation over the coming year.

4.2.4 The club materiality project is a key evidence source that has informed the design of this approach by identifying:

- (i) Universal factors that customers believe are always material including increases to bills or health risks.
- (ii) The considerations customers want us to consider when assessing materiality including reputational impact or social impact.

4.2.5 We intend to show that decisions affecting consumer matters are made transparently and based on a reasonable assessment of material impact.

4.2.6 As part of our forward plan, we have set out an initial approach that we will refine and improve over the next year.

### 4.3 Framework for determining materiality

4.3.1 To determine whether a decision is likely to have a material impact on consumer matters, we will assess it in two stages.

- (i) Determine whether there is a probable impact on a consumer matter
- (ii) Assess materiality, including severity and scale

4.3.2 In the first stage, we will confirm whether the decision relates to a consumer matter. A series of questions will help users decide whether the change is likely to have a consumer impact.

4.3.3 Through the club materiality project, customers identified some factors, such as those affecting bills, as universally material. These will always be assessed using the severity and scale framework. We expect these factors to change alongside customer preferences, and we will revisit and evolve these over time.

4.3.4 If an impact is likely, we will then assess its severity and scale to determine whether it is material. Decision-makers will also identify all potential impacts of the decision as part of this assessment.

4.3.5 The criteria for both severity and scale will be informed by dedicated customer research and customer preferences. Through the club materiality project, customers identified a range of considerations we should explore when assessing materiality, including

<sup>3</sup> Decision on Ofwat’s consumer involvement rule, Ofwat. November 2025

<sup>4</sup> Involving consumers in defining material impact, Navigator. June 2026.

community and social impacts. These considerations will be built into the severity and scale assessment.

4.3.6 In undertaking the assessment, we will consider:

- (i) Which customer segments are affected
- (ii) The frequency and duration of the impact
- (iii) The severity of the impact
- (iv) The number of people affected
- (v) Level of uncertainty

4.3.7 We will apply proportionality so that effort is focused where customer impact is greatest. A material impact will be any change or decision rated high or very high, with override rules for specific consumer groups, including vulnerable customers.

4.3.8 Where a decision is assessed as having a material impact (that is, rated high or very high), consumer views and preferences must be sought, fed into, and considered as part of the decision-making process. This may involve commissioning new research to fill gaps in our understanding or drawing on existing insight where appropriate.

4.3.9 We will remain mindful of the cost of this work, recognising that it is ultimately funded by our customers.

Plate 1. High-level overview of our severity and scale framework

Severity	4. Severe	Medium	High	Very high	Very high
	3. Significant	Medium	High	Very high	Very high
	2. Noticeable	Low	Medium	Medium	High
	1. Minimal	Low	Low	Medium	Medium
		1. Very small number of customers	1. Small but identifiable group	3. Large customer segment	4. Most or all consumers / region wide
	Scale				

Source: Thames Water

4.3.10 To support adoption of this process, we have put central oversight and dedicated resources in place to co-ordinate delivery, maintain standards and drive continuous improvement. Section 8 sets out our approach to monitoring and assurance.

## 5 Meeting the requirements of the new Rule – Component 1

This component of the rule sets a requirement that undertakers must put in place arrangements to understand the views and preferences of their consumers.

### 5.1 Our current activities and how we comply

5.1.1 Within our standard practice, we operate a combination of the arrangements listed in the Rule including:

- (i) Quantitative surveys of consumers
- (ii) Qualitative research of consumers
- (iii) Engagement of consumer experts

5.1.2 Over the last financial year, we gathered the individual views of 288,000<sup>5</sup> customers through our qualitative and quantitative research. This insight influences a range and scale of decisions we make – from testing our long-term vision and strategy to the implementation of frontline investments. We also commission research ahead of specific improvement measures, to ensure the preferences of our customers are considered.

#### Testing our long-term vision with customers

We tested the ambitions in our Vision for 2055 with customers so that they reflected long-term expectations and priorities for our services. We used a range of qualitative methods to gather views from 140 customers, including an online community, in-depth interviews with digitally excluded and vulnerable customers, and online and in-person focus groups covering household, non-household and future customers.

5.1.3 Alongside qualitative and quantitative research, we use interaction, behavioural and data insights to understand customer preferences. This includes a dedicated Brand Survey, CSAT and Rant and Rave surveys, MeX performance data, social media listening, contact heat mapping and behavioural analytics with live monitoring. We also routinely use industry-wide insights including intelligence from UKCSI, CCW Water Matters survey and WaterUK.

#### Using Brand Survey Insight to Improve Customer Experience

Each quarter, 1,150 customers take part in our Brand Survey, which tracks CSAT (customer satisfaction) and NPS (customer advocacy) to help us improve performance. From this survey we understand satisfaction trends, their drivers and our customers' top priorities.

5.1.4 We take part in CCW WaterVoice panels and Accountability Sessions and use the insight gathered to inform reports shared with our Executive team. Findings from these panels are triangulated with other insight sources and shared quarterly with senior leadership and members of the Executive team. The Independent Non-Executive Board member with responsibility for consumers attended the most recent CCW Accountability Session as an observer to hear directly from our customers.

5.1.5 Regular engagement with CCW brings us closer to consumer experiences. This engagement includes reporting requirements, a regular meeting cadence, research and attendance at relevant seminars.

5.1.6 We run statutory and non-statutory public consultations for our long-term plans and key projects including WRMP, DWMP and the White Horse Reservoir.

#### Helping shape the design of the White Horse reservoir

Customer research recently explored how people want to use the White Horse reservoir, including preferred facilities, site design, and how local culture and history should be reflected.

We worked with local communities to shape how the reservoir site should be used, its look and feel, and how local culture and history should be reflected.

Workshops, focus groups and interviews with more than 70 local customers, financially vulnerable participants and accessibility experts provided insights that will directly shape the site's facilities and amenities.

5.1.7 Alongside early research and consultation, we continue to seek customer views as we deliver investments. We carry out local research as delivery plans are mobilised so customer voices inform project design and construction planning. This includes:

- (i) Hosting drop-in sessions for customers in areas affected by schemes and amending the approach we take based on their feedback. This has included, for example, changing the working hours of a site adjacent to a secondary school in Southwark to avoid disturbing pupils sitting exams
- (ii) Visiting businesses in areas where work is taking place so that their needs are considered. In a recent mains replacement project in Brent, north London, we worked with businesses so that site deliveries could continue to be made smoothly while our work was ongoing.

#### How we present this insight for decision-makers

5.1.8 Insights from the different sources outlined, including surveys, CCW panel outputs, qualitative research and independent experts, are combined and triangulated. This acts to provide a balanced evidence base for decisions.

<sup>5</sup> Thames Water, 2026

- 5.1.9 Drawing on over 320 insight sources, we have consolidated this insight into our What Customers Want ('WCW') document<sup>6</sup>, using a best practice insight triangulation approach<sup>7</sup> which aligns to the Magenta Book guidance from HM Treasury. Any new insight is added into our triangulation of WCW.
- 5.1.10 Insight reaches our decision-makers in several forms including updates and sharing of the WCW document, specific research requests from our framework agencies as well as our quarterly Brand Survey reporting, all available via our dedicated internal insight hub. Insight is shared with key decision-makers, our Executive and, as and when required, our Board.
- 5.1.11 Our colleagues (from business unit to department to team to agent or engineer level) can also self-serve their insights from our CSAT and C-MeX/D-MeX/BR-MeX<sup>8</sup> dashboards and regular reports to monitor service performance and determine actions for improvement.

## 5.2 Additional actions we intend to undertake

- 5.2.1 In response to the Rule, we plan to:
- (i) Update our WCW source at least annually as a central evidence base. Each update will be made available to decision-makers, including the Board and Executive.
  - (ii) Review access arrangements for our research and aim to make our library of quality, triangulated consumer insight routinely available and visible across our organisation.

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<sup>6</sup> Also referred to as 'What customers, communities and stakeholders want'

<sup>7</sup> Thames Water PR24 Customer Engagement Assurance Phase D Report, Savanta 2023

<sup>8</sup> Further detail on MeXes can be found [Measures of experience 2025-2030 - Ofwat](#)

## 6 Meeting the requirements of the new Rule - Component 2

This component of the rule requires that the preferences and views of customers collected in Component 1 are appropriately fed into, and considered, in the decision-making process for decisions that are likely to have material impact.

### 6.1 Our current activities and how we comply

- 6.1.1 Decisions affecting consumers are made across the organisation at operational, Executive and Board levels and therefore our arrangements for considering customer views in our decision-making are company wide.
- 6.1.2 We apply customer insight across a range of decisions, ranging from strategic long-term planning decisions (25 years+) to changes that could occur across the next year.

### Board-level arrangements

- 6.1.3 We currently operate several of the arrangements listed in the rule:
  - (i) We have a dedicated Independent Non-Executive Board member with specific responsibilities for consumers
  - (ii) We arrange regular attendance of independent consumer experts at meetings of the Board, including the ICG Chair<sup>9</sup>
  - (iii) There is dedicated agenda time for the Board on consumer matters
  - (iv) Our Customer Service Committee (CSC) is a standing committee of the Board which meets quarterly.
- 6.1.4 In addition to the standing customer agenda, the Board paper template is being amended so that every Board decision paper is then expected to include a section explaining how customer insight has shaped the decision in question. This is intended to give the Board a clear view of customer preferences, how the customer insight has been used and means it is considered as part of broader Board decision-making.

- 6.1.5 Customer preferences and views are also discussed with the Board outside the standard agenda, including during business planning and annual Board Strategy days. For example, at our 2025 Board Strategy Day, key customer expectations were presented and discussed alongside our customer strategy.

### Customer Service Committee

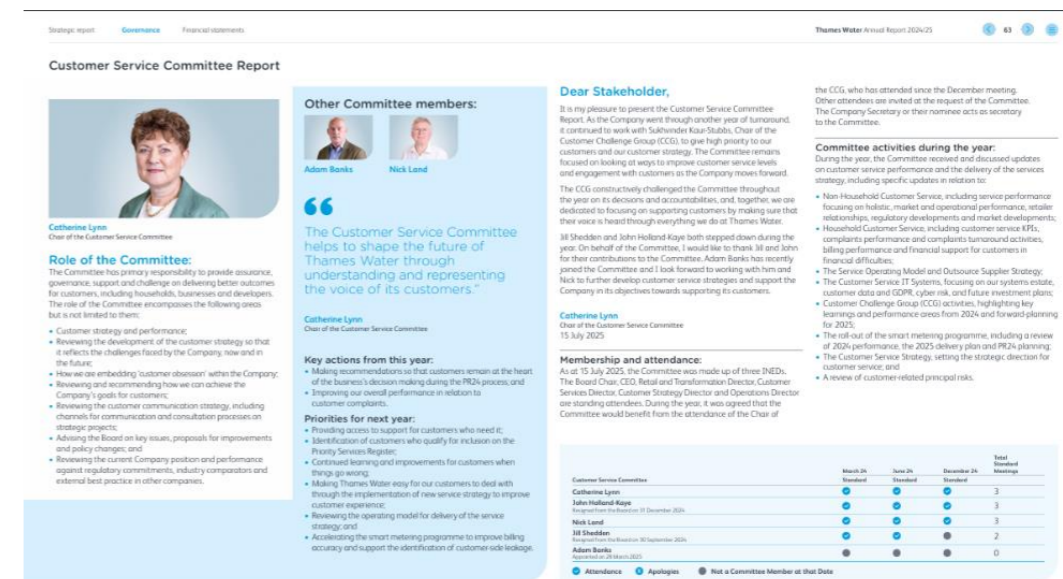
- 6.1.6 The CSC supports the Board in its oversight of customer experience, service delivery, service performance, affordability, and customer engagement. Through its work, the Committee keeps customers’ needs, expectations and concerns central to decision-making.

- 6.1.7 The committee includes three Independent Non-Executive Directors, and our CEO, Executive members and various Directors are standing attendees. It is chaired by Our Independent Non-Executive Board member with responsibility for consumers, Catherine Lynn.

- 6.1.8 During its operation the CSC has maintained structured and meaningful engagement with customers, particularly through its ongoing relationship with the ICG. This engagement enables the CSC to deepen its understanding of customers’ immediate concerns, longer term expectations and priorities, and ensured that customer insight continued to inform the CSC’s oversight and challenge during the year.

- 6.1.9 Our CSC publishes a Customer Service Committee Report as part of the Annual Report and Accounts, making it available publicly and transparently for customers.

Plate 2 – Extract of the 2025 CSC report within the Annual Report and Accounts 2025<sup>10</sup>



- 6.1.10 The Chairman of our Board attended two CSC meetings during the year, with discussions focused on protecting customers’ long-term interests in a challenging regulatory and operational environment.

- 6.1.11 Our Independent Non-Executive Director for consumers attended the CCW-convened consumer accountability session and will provide the Board with a feedback summary in June.

- 6.1.12 This financial year, CSC has formally committed to overseeing compliance with the Rule to assure itself that our arrangements are robust, proportionate and effective.

<sup>9</sup> ICG was formerly known as the Customer Challenge Group

<sup>10</sup> Thames Water Annual Performance Report 2025



## Our five-year business plan

6.1.24 During the development of our PR24 business plan, we built a strong understanding of the varied needs, priorities and concerns of customers and communities, including current and future customers, household and business customers, customers in vulnerable circumstances, developers and retailers.

6.1.25 Our PR24 engagement focused on areas of the plan where customer views could meaningfully shape decisions. We prioritised quality over quantity, engaging 18,709<sup>12</sup> customers in in-depth research, alongside acceptability and affordability testing and a ‘Your Water, Your Say’ open challenge session.

### Testing support for extending financial help

Our WaterHelp scheme reduces bills for low-income households whose water bill is at least 5% of net household income. In 2024, we commissioned research to test customer support for increasing the cross-subsidy that funds this scheme and extending support to more customers through to 2030.

Using 1,000 online surveys and 124 face-to-face interviews with digitally excluded customers, the research provided robust evidence on the level of additional cross-subsidy customers would support, based on a broad and representative sample of our customers.

6.1.26 So that customer views informed decision-making, we introduced a ‘Line of Sight’ process that explicitly considers customer feedback in our decisions. This met our regulators standards in PR24.

6.1.27 The PR24 engagement complements our extensive ongoing engagement, which includes over 200,000 customers each year and seeks to ensure day-to-day decision making and delivery is constantly improving.

## Day-to-day operations

6.1.28 As we deliver our core service, we regularly identify where change may impact our consumers, and we commission work to help collect their views. For example:

- (i) We are currently looking to improve our digital services to better support deaf and hard-of-hearing customers, including over 45,000 customers on our Priority Services Register.
- (ii) To do so, we are undertaking structured user-experience research to understand where those customers face barriers in completing key journeys such as billing, incident management, and accessing support. Together with customers we will test different communication needs, using usability testing across a range of users including BSL-first and digitally excluded customers.

6.1.29 We regularly use a user research platform that allows us to test our website and services with users and we’ve run 49 studies, with 264<sup>13</sup> participants.

6.1.30 We apply this customer-centric design approach across our web journey changes, testing new designs and content with real customers through research, interviews and testing tools, alongside heat mapping and behavioural analytics, to understand customer preference, validate decisions and continuously improve outcomes. A key strength of this approach is accessibility testing, which helps ensure our touchpoints work for customers with visual, cognitive or motor impairments.

### Improving the bereavement journey through customer insight

We have used online usability testing to understand how customers experience our bereavement journey and identify areas for improvement at an early stage. Customers told us they wanted clearer guidance on what information they needed and a simpler, more compassionate experience during a difficult time.

In response, we redesigned the bereavement landing page, simplifying content, improving structure, and making key information and support easier to find. Following the launch, customer behaviour showed the changes were effective, with increased engagement with guidance content and clearer progression through the journey, helping more customers complete the process confidently online.

6.1.31 We also run statutory and non-statutory consultation programmes for major projects, including the White Horse Reservoir in Oxfordshire and the Teddington Direct River Abstraction (TDRA) project. These consultations help us use feedback from local communities and stakeholders to shape our proposals, including design principles. More than 1,200 customers shared views on the proposed design, delivery plan and impact management for the White Horse Reservoir.

6.1.32 Senior representatives attend our CCW Accountability Sessions to listen to our customers views. We address this insight from customers by authoring a public action plan to address areas where they request improvement, for example in communication. Customer views from these panels are also triangulated with other insight sources and shared quarterly with senior leadership and members of the Executive team.

### Responding to Customer Feedback on Water Quality Data

Customers told us through WaterVoice that the water quality data on our website appeared outdated, which risked reducing confidence. In fact, the page reports data retrospectively in line with regulatory requirements, so 2024 data was published in 2025 and 2025 data is now available in 2026.

In response, we updated the website to better explain the reporting cycle, including how often data is uploaded and why it is published a year in arrears.

<sup>12</sup> TMS03 Customer Engagement, Thames Water 2023

<sup>13</sup> Thames Water, between May 2025-2026

## 6.2 Additional actions we intend to undertake

- 6.2.1 To robustly evidence that consumer views and preferences are part of decisions where there is a probable material impact, we plan to:
- (i) Introduce the materiality framework to determine those decisions that will have a probable material impact. The process outlined in Section 4 will be used. Our arrangements for determining materiality will be company-wide and for any decision which represents a material impact (i.e. scoring high or very high in the materiality assessment), the views and preferences of consumers must be sought, fed into and considered in the decision-making process.
  - (ii) Continue to build robust governance and accountability arrangements, so that customer insight is consistently considered for those decisions with probable material impact. This includes governance arrangements required at our operational level including a review of our capital allocation processes, including our capital prioritisation methodology and value framework. As we further develop our Public Value Framework, we will continue to consider customer preferences and priorities and how we evolve to support decision-making.
  - (iii) Brief the organisation on the new Rule to facilitate compliance and train our decision-makers on how to comply with the Rule. This will build on our customer-centric culture and strengthen the consideration of customer impact throughout the business.
  - (iv) Share a forward view of decisions likely to have a material future impact with the ICG, to inform the development of their annual areas of focus. This includes formalising the requirement to escalate any non-conformance with this process, as set out in Section 4, and provide an overview of those decisions deemed not to have a material impact. We will also strengthen how we track changes and decisions made in response to ICG challenge.
  - (v) Report our compliance position, with evidence, against the Rule to our CSC on a regular basis, and provide updates to our ICG as requested.

## 7 Meeting the requirements of the new Rule - Component 3

This component of the rule requires us to seek customer feedback on their experiences to ensure the impacts of past decisions are understood, inform decisions and guide future planning.

### 7.1 Our current activities and how we comply

7.1.1 By understanding how past decisions have affected customers, we can take this into account in our future service offering. As part of our standard practice, we operate several of the example arrangements listed in the rule including:

- (i) Qualitative research among customers.
- (ii) Open sessions involving consumers to gain feedback, including following incidents.

7.1.2 Our aftercare team seek feedback from customers for any incident involving 500 or more customers, beyond of a period of 12 hours. Customers receive a letter with an apology, compensation and PSR support, as well as a request for feedback with a dedicated reference number.

#### Listening and responding after incidents

Following the burst of a 30-inch trunk main on Caledonian Road on 24 February 2026, we put a visible, in-person response in place to understand the impact on customers and act quickly on their concerns. In addition to customer representatives being deployed on site, we:

Held a community meeting on 6 March 2026, with separate sessions for residents and businesses to reflect their different needs and questions. A total of 46 residents and businesses attended.

During the session customers told us they wanted clear confirmation of liability, practical help with compensation, and a simpler way to provide information after the event.

In response, we hand-delivered a letter confirming liability on 20 March and introduced dedicated QR codes to gather customer information, to submit bank details, and set up a bank transfer to give customers more flexibility in how they received payments.

These changes were designed to reduce delays, improve the customer experience and help us respond more effectively in future incidents.

7.1.3 Customer representatives also attend incidents in person to support customers and gather insight and feedback, which is used to inform our continuous incident learning and improvement processes. During incidents, we may hand-deliver letters—such as notifications relating to noise, flooding, or road closures—providing customers with an additional opportunity to share feedback.

7.1.4 Where appropriate, we also hold public forums following incidents to hear directly from affected customers and incorporate their feedback into service improvements.

7.1.5 Additionally, we:

- (i) Seek regular engagement with CCW and our stakeholder partner relationships, including participation in Ofwat or CCW event research. We also proactively seek CCW feedback on key changes or introductions, such as their feedback on the bill insert included with this year's annual billing process.
- (ii) Undertake quarterly surveys on brand perception and service satisfaction, analysing complaints and listening to social media, with analysis into customer behaviour.
- (iii) Embrace feedback from ICG, consumer advisory groups and insights from independent experts (i.e. UKCSI). We sought feedback from the ICG on this Forward Plan and how we plan to deliver the core requirement of the Rule.
- (iv) Host webinars to engage those organisations which represent our Household consumer views including advisory groups, interested stakeholders and charities who represent the voices of consumers across our region.
- (v) Host our Thames Water Developer Day for our developer service consumers, an event bringing together over 150 industry professionals to discuss opportunities and share best practice.
- (vi) Seek feedback from the CCW-convened customer panels. On April 21 2026, we had our Accountability Session, where we listened to the views of these customers and produced an action plan to deliver against the actions raised in the feedback.

7.1.6 Some examples of how these feedback loops inform future decisions, service improvements and decisions are set out below:

- (i) During our annual webinar, where over 200 local or national charitable and advisory third sector organisations were invited to reflect consumer voices, stakeholders told us we could do more to proactively promote financial support to customers on the Priority Services Register, reflecting the close link between financial difficulty and vulnerability.

In response, we reviewed and updated all Priority Services Register literature include a link, reference or QR code directing consumers to affordability support, making it easier for customers to quickly find the help they need in one place.

- (ii) As part of Ofwat and Thinks' 'Billing journeys: water customer experiences' research, we reviewed insight from 250 customers<sup>14</sup> on their billing journey. After understanding the impact of this service, we devised a plan with fifteen actions to improve customer experience in the future.

## 7.2 Additional actions we intend to undertake

- 7.2.1 To further demonstrate how consumer impact is taken account of and informs our future planning, we plan to:
  - (i) Expand the opportunities our customers have to provide feedback on their experiences. While we will continue to host dedicated research, we will look to explore options for pop-up forums, focus groups or open sessions.
  - (ii) Review arrangements for seeking customer feedback following incidents, including potential in-person opportunities, taking into account the scale of customers affected, the severity of impact, and any historical patterns of failure.
  - (iii) Expand the circulation of our quarterly Brand Report, which monitors awareness and satisfaction with various elements of our service to ensure that our CSC has sight of customer feedback.

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<sup>14</sup> Billing journeys: Water customer experiences. Company report, Thames Water. May 2025.

## 8 Monitoring and Assurance

- 8.1.1 Robust monitoring and assurance are central to securing our effective and consistent compliance with the Rule. We have established strong central oversight, supported by dedicated resources responsible for co-ordinating delivery, maintaining standards, and driving continuous improvement.
- 8.1.2 We will maintain an auditable evidence repository, capturing customer insight, decision-making processes, actions taken, and resulting outcomes. This will provide a clear audit trail, enabling us to demonstrate how consumer views have informed material decisions and to support both internal assurance and external reporting requirements.
- 8.1.3 The CSC will oversee compliance with the Rule this financial year. Our Independent Non-Executive Director, Catherine Lynn, sponsors the delivery of this Forward Plan and provides independent challenge. The CSC will receive regular updates, report quarterly to the Board, and escalate key issues, risks and insights as needed. A year-end review will also be provided to the Executive to assess overall effectiveness and identify priorities for the following year.
- 8.1.4 Our approach will be subject to independent internal audit, providing additional assurance over the design and effectiveness of our arrangements. Findings from internal audit will be used to strengthen our approach and will be reported through appropriate governance channels to ensure transparency, accountability, and continuous improvement.

### 8.2 Reporting

- 8.2.1 We will report on our compliance with the rule on a bi-annual basis. Once at mid-year results and secondly by integrating annual Rule delivery reporting into the Annual Report and Accounts from FY27 onwards. The Annual Report and Accounts will include details on how consumer views have informed material decisions over the last year.
- 8.2.2 We will meet publication requirements outlined by Ofwat and provide traceability for our regulators and consumers.
- 8.2.3 These updates will be hosted on our website in a manner that is up-to-date, effective, accessible and clear, and with reference to the Guiding Considerations.

## 9 Appendix A

Appendix A provides an overview of all the actions we currently undertake, which will continue, alongside the arrangements we will deliver to comply with the Rule over the coming financial year.

Consumer involvement Rule requirement	Actions we currently undertake	Deliverables for FY26
Component 1: Insight on views and preferences	<ul style="list-style-type: none"> <li>✓ We undertake quantitative and qualitative research, including surveys, focus groups and interviews, alongside use of independent research agencies and consumer experts</li> <li>✓ We triangulate multiple insight sources (e.g. brand surveys, CCW panels, behavioural data) to provide a balanced understanding of customer views</li> <li>✓ We engage regularly with independent consumer experts such as CCW and ICG and conduct statutory and non-statutory consultations for major plans (WRMP, DWMP) and projects</li> </ul>	<ol style="list-style-type: none"> <li>1. Update our WCW source at least annually as a central evidence base. Each update will be made available to decision-makers, including the Board and Executive</li> <li>2. Review access arrangements for our research and aim to make our library of quality, triangulated consumer insight routinely available and visible across our organisation</li> </ol>
Component 2: Decision-making mechanisms	<ul style="list-style-type: none"> <li>✓ Customer insight is embedded across decision-making at operational, executive and Board level, including Board papers which explicitly reference customer impact</li> <li>✓ We have a dedicated Independent Non-Executive Board member with specific responsibilities for consumers</li> <li>✓ We arrange regular attendance of independent consumer experts at meetings of the Board, including the Independent Challenge Group (ICG) Chair</li> <li>✓ There is dedicated agenda time for the Board on consumer matters, and our Customer Service Committee (CSC) is a standing committee of the Board which meets quarterly</li> <li>✓ We ensure senior representatives attend the CCW-convened sessions. Our Independent Non-Executive Director for consumers attended the CCW-convened consumer accountability session in Spring and will provide the Board with a feedback summary in June</li> <li>✓ Customer views inform long-term plans (WRMP/DWMP), 5-year business planning and day-to-day operational decisions through structured engagement and consultation</li> </ul>	<ol style="list-style-type: none"> <li>3. Embed the materiality framework to identify decisions with probable material impact and ensure customer insight is systematically considered</li> <li>4. Strengthen governance and accountability arrangements, including that the materiality framework is integrated into capital allocation and value frameworks</li> <li>5. Train decision-makers and brief the organisation to support compliance with the Rule</li> <li>6. Provide forward visibility of material decisions to ICG and strengthen tracking and escalation of challenge</li> <li>7. Report our compliance position, with evidence, against the Rule to our CSC on a regular basis, and provide updates to our ICG as requested</li> </ol>
Component 3: Reporting and accountability	<ul style="list-style-type: none"> <li>✓ We seek feedback on customer experience through qualitative surveys, incident follow-ups, public forums and CCW engagement, including open sessions following incidents</li> <li>✓ We monitor customer satisfaction through ongoing surveys, complaints data and behavioural analytics</li> </ul>	<ol style="list-style-type: none"> <li>8. Expand the opportunities our customers have to provide feedback on their experiences. While we will continue to host dedicated research, we will look to explore options for pop-up forums, focus groups or open sessions</li> <li>9. Review arrangements for seeking customer feedback following incidents, including potential in-person opportunities, taking into account the scale of customers</li> </ol>

Consumer involvement Rule requirement	Actions we currently undertake	Deliverables for FY26
	<ul style="list-style-type: none"> <li>✓ We engagement with, and seek feedback from, our CCW-convened consumer panels</li> <li>✓ We sought feedback from the ICG on this Forward Plan and our approach on how we deliver the core requirement of the Rule</li> </ul>	<p>affected, the severity of impact, and any historical patterns of failure</p> <p>10. Expand the circulation of our quarterly Brand Report, which monitors awareness and satisfaction with various elements of our service to ensure that our CSC has sight of customer feedback</p>

