



FROM INSIGHT TO INFLUENCE

South Staffs and Cambridge Water Demographic Profile of the Region

Final Report

Prepared for South Staffs and Cambridge Water

Prepared by Guto Hunkin & Tom Chisholm

26 September 2023

Project No. 1409



All projects are carried out in compliance with the ISO 20252
international standard for market, opinion and social research and GDPR.

Table of contents

1. Notes about the data used in this report:	4
2. Executive summary: key demographic differences between the regions.....	5
3. Age and Gender	7
Age	7
Gender.....	9
4. Working Status and Socio-Economic Classification.....	10
Economic activity	10
State pensions vs. private pensions	12
Working patterns	13
Occupations	15
Industry worked in	16
Socio-Economic Classification.....	17
Employment	20
5. Income.....	21
Household income	21
Gross annual income for employees.....	24
6. Languages Spoken.....	26
Main language spoken	26
English spoken in household	27
7. Ethnicity.....	28
8. Deprivation Levels.....	29
Index of Multiple Deprivation deciles	29
Income Deprivation deciles	33
Water poverty.....	36
9. Digital Deprivation	39
10. Benefits.....	40
11. Personal Circumstances.....	42
12. Where and How the Population Lives	44
Rural vs Urban.....	44
Housing tenure	45
Number of people in household	47
13. Emotional Outlook / Quality of Life Perceptions	48
14. Segmentation - Attitudinal	51
15. Segmentation – Transactional	53

16.	Non-Household Demographics	55
	Sector of operation	55
	Company size	58
17.	Appendix: deprivation based on percentage of postcodes	60

1. Notes about the data used in this report:

This report pulls together some key information from across various sources to create a demographic profile of the South Staffs and Cambridge (SSC) water regions. The data looks at the two regions separately (as well as the local authorities which form most of the two regions) as well as combining the two regions. It also compares the two SSC water regions with England as a whole.

In most instances, unless otherwise specified, local authorities have been used to define both water regions (as well as South Staffs & Cambridge combined region):

- The local authorities used to define the South Staffs region are Cannock Chase, Dudley, East Staffordshire, Lichfield, Sandwell, South Staffordshire and Walsall.
- The local authorities used to define the Cambridge region are Cambridge City and South Cambridgeshire.
- These are the local authorities which are primarily within the two water regions. There are some local authorities which are only partially within the two water regions and these have been excluded. For example, the City of Birmingham and South Derbyshire have been excluded from South Staffs, and Huntingdonshire has been excluded from the Cambridge water region. As the number of customer properties in these local authority areas that are served by SSC is so small as a proportion of the total population of people living in that local authority area, it was felt important to exclude them to avoid skewing the SSC demographics analysis.

The data used to paint these profiles have been sourced from several sources. Each section of this report will specify from where the data has been sourced, as well as what the data refers to (for example, whether it is looking at percentages of all residents, or residents of a certain age, or employees, or businesses, etc.). In general, most of the data has been sourced from the Office of National Statistics, ONS (primarily from the Census data), from SSC research surveys, or from the CCW's Water Matters survey.

Health warning: when drawing conclusions from the insight in this report, it is important for readers to note that when the data source is taken from non-research survey data (such as the ONS) that it represents the SSC consumer demographic profile and not that of domestic or business customers who pay water bills, i.e. account holders.

Accompanying this report is an Excel file with the full data included, as well as a note about the source of the data and a link to the original source of the data. Where we have had to condense a large data set, we have included the original data set on the right hand side of each worksheet while the condensed data will appear on the left-hand side of each worksheet. Having the information clearly laid out in Excel in this way, along with a link to the original source, will help to track these results in future years, and thus ensure comparability in future trends.

2. Executive summary: key demographic differences between the regions

Overall, when we combine the South Staffs and Cambridge water regions (SSC) we often see that the combined demographic profiles are in line with England as a whole. However, the combined picture masks some significant differences between the South Staffs (SSW) and Cambridge (CAM) water regions. The differences between the two regions will often balance each other out when combined into a single region, which is often why the SSC combined profile is in line with the national profile. Furthermore, there are some significant and important variations between individual local authorities within each of the water regions, especially between the various local authorities in the SSW water region.

In this executive summary, we highlight some of the key variations between the two water regions and where there are significant differences between individual local authorities. For a more detailed breakdown and analysis, please refer to the sections in this full report.

Specific differences of note are detailed below:

- Compared with the SSW region and the rest of England, residents in the CAM region are significantly more likely to be 16-44 years old and less likely to be aged 55+. This difference is driven by Cambridge City as the age profile in South Cambridgeshire is more in line with the rest of England. There are also notable differences within the South Staffs region; for example, Sandwell has a much younger age profile than South Staffordshire. *(See section 3 of this report.)*
- As well as a younger than average population in Cambridge City, there are also fewer main language English speakers here, with more than one in ten of the Cambridge City population who speak any European (non-UK) language as their main language. Indeed, one in ten households in the CAM region don't have any adults whose main language is English – a similar picture occurs in Sandwell, though the rest of the SSW region is more in line with the national average in this respect. *(See section 6 of this report.)*
- On housing tenure, while CAM is overall aligned with the rest of England, SSW has a significantly lower proportion of dwellings which are privately rented; instead, SSW has a greater proportion of dwellings which are either owned outright or socially rented. But there are variations by local authorities within both water regions, with the rented sector (private or social) being relatively prominent in Cambridge City and Sandwell. *(See section 12 of this report.)*
- Digital deprivation in the Cambridgeshire area¹ is in line with the national average. However, there are variations within the SSW region: while the latest results in the Dudley area is in line with the rest of England (showing a marked improvement between 2017-2020), the Sandwell area has notably higher levels of digital deprivation that are twice as high as the national average. *(See section 9 of this report.)*
- Both the SSC Customer Priorities Tracker and the Annual Survey of Hours & Earnings (ASHE) point to SSW having a significantly lower income profile than CAM. In fact, over the past twenty years, gross annual incomes in the CAM region have seen a far greater increase than in the SSW region (up by 90% in the former and 62% in the latter), with similar increases recorded in both Cambridge City and South Cambridgeshire. In

¹ Data on digital deprivation is sourced from the Labour Force Survey (2020); however, the data is not available at a local authority level, but instead at a Eurostat's NUTS code level. The NUTS which most closely align with the SSC water regions, and which have been analysed in this report, are Cambridgeshire CC, Dudley, Sandwell, Staffordshire CC and Walsall. Digital deprivation has been defined as those who have not used the Internet in the last three months or have never used the Internet.

fact, gross annual incomes in CAM are far higher than the overall figure for the rest of England, while SSW is only marginally below the national average. Within SSW, there are some significant differences in incomes between the local authorities – a gap which has widened over the past two decades, so that incomes in Tamworth and Walsall are now significantly below East Staffordshire. (See section 5 of this report.)

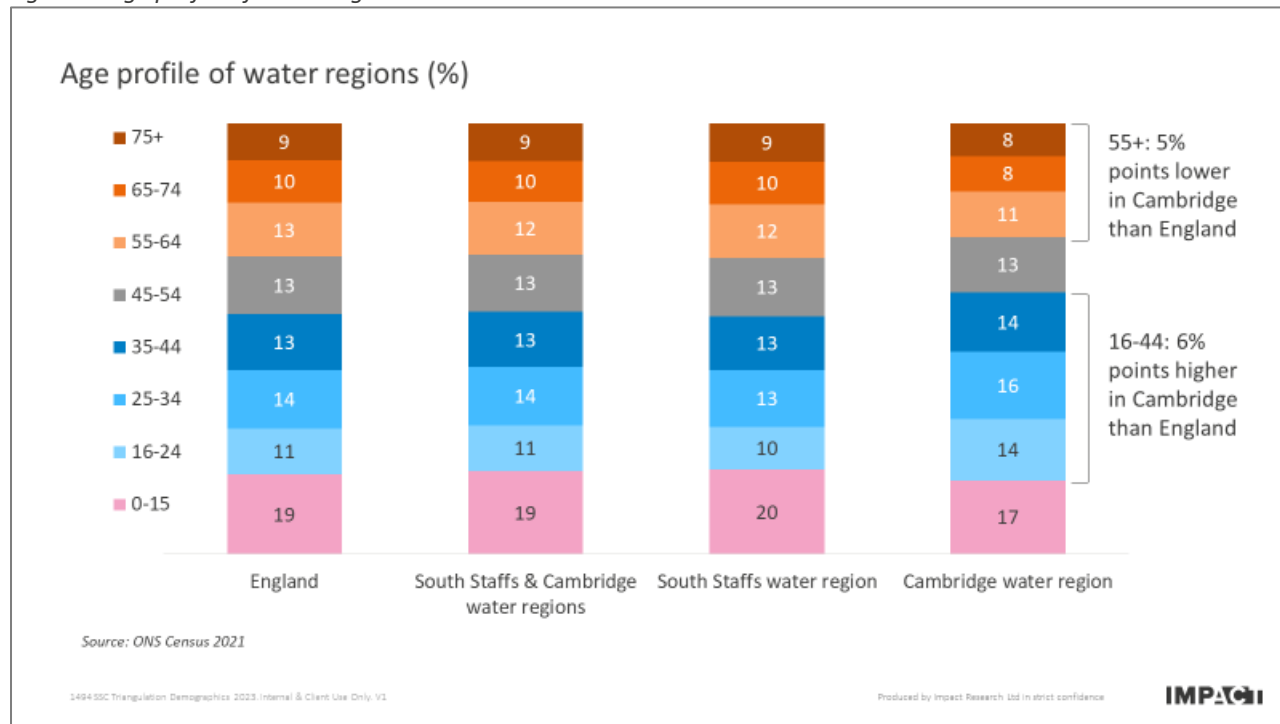
- The difference in incomes is also apparent when we analyse the Index of Multiple Deprivation deciles. More than three in ten households in SSW fall into neighbourhoods which are in the top two *most deprived* deciles – this is higher than both the national average and particularly CAM (where just 1% are in the top two most deprived deciles, with the vast majority of households in CAM falling into the top four *most affluent* deciles). However, there is a great amount of variation within SSW: at one end, Sandwell, Walsall and Dudley are far more deprived than South Derbyshire, Lichfield and Birmingham at the other end. (See section 8 of this report.)
- A partial explanation for the lower-than-average incomes and higher-than-average deprivation in SSW than in CAM may be the occupation profiles in the two regions. While there is a relatively high degree of employees in *professional occupations* in CAM (twice as high as SSW), employees in SSW are more likely than the national average to be working in *manual or elementary occupations*, especially in Sandwell and Walsall. There are also notable variations when looking at the industry sectors that employees work in. *Education* and *professional, scientific & technical activities* are more prominent in CAM than SSW and the rest of England, while *manufacturing* is relatively more prominent in SSW, especially in East Staffordshire, Sandwell and Tamworth. (See section 4 of this report.)
- There are also differences in working patterns between the two regions. In CAM, there is a fairly even split between those who work *away from home* most of the time and those who *work from home* most of the time. In contrast, most employees in SSW work *away from home* most of the time. (See section 4 of this report.)
- Finally, there are also variations in the profiles of non-households in the two regions. The *professional, scientific & technical sector* and *information sector* are more evident in CAM than they are in SSW and England as a whole, while the *transport sector* is more evident in SSW than in CAM and England as a whole. However, there are also differences by local authorities within SSW, with *agricultural businesses* being more prominent in East Staffordshire than some other parts of SSW, and *construction businesses* being more prominent in Cannock Chase than some other parts of SSW. (See section 16 of this report.)

3. Age and Gender

Age

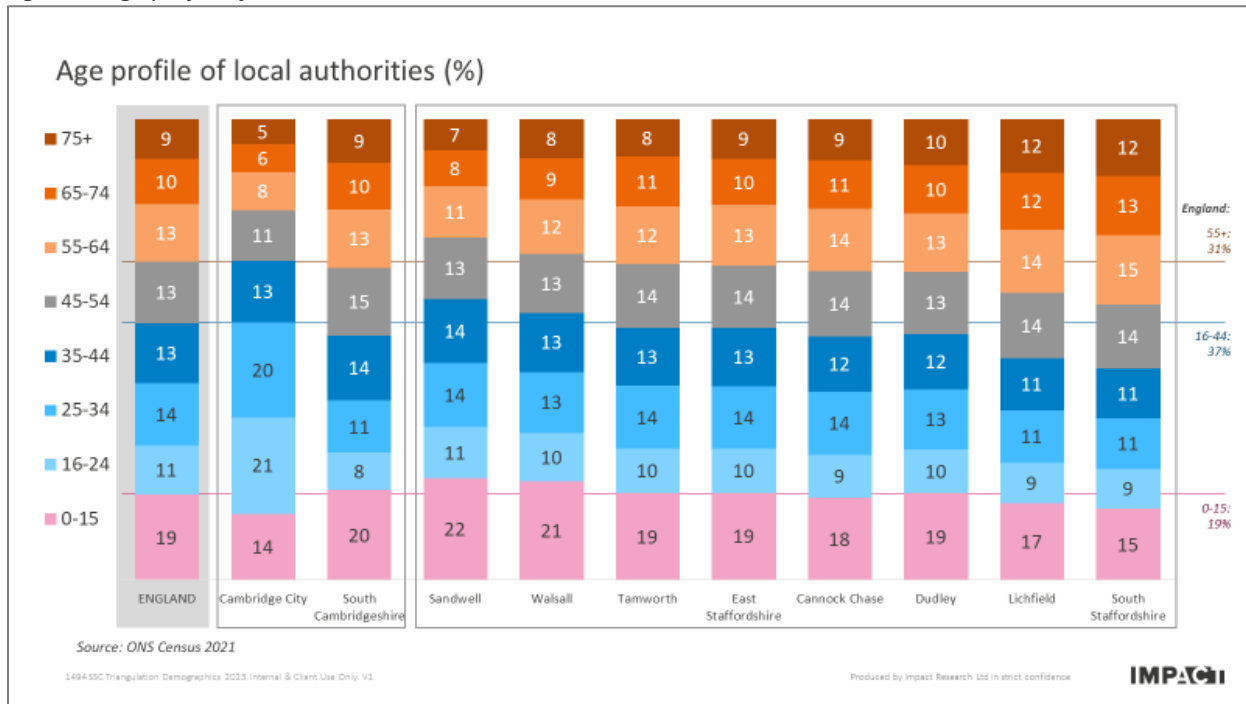
Overall, the age profile of the South Staffs water region is almost identical to the rest of England. However, there are notable variations in the Cambridge water region, where residents are more likely to be aged 16-44 (and less likely to be aged 55+) compared with South Staffs and the rest of England.

Figure 1. Age profile of water regions:



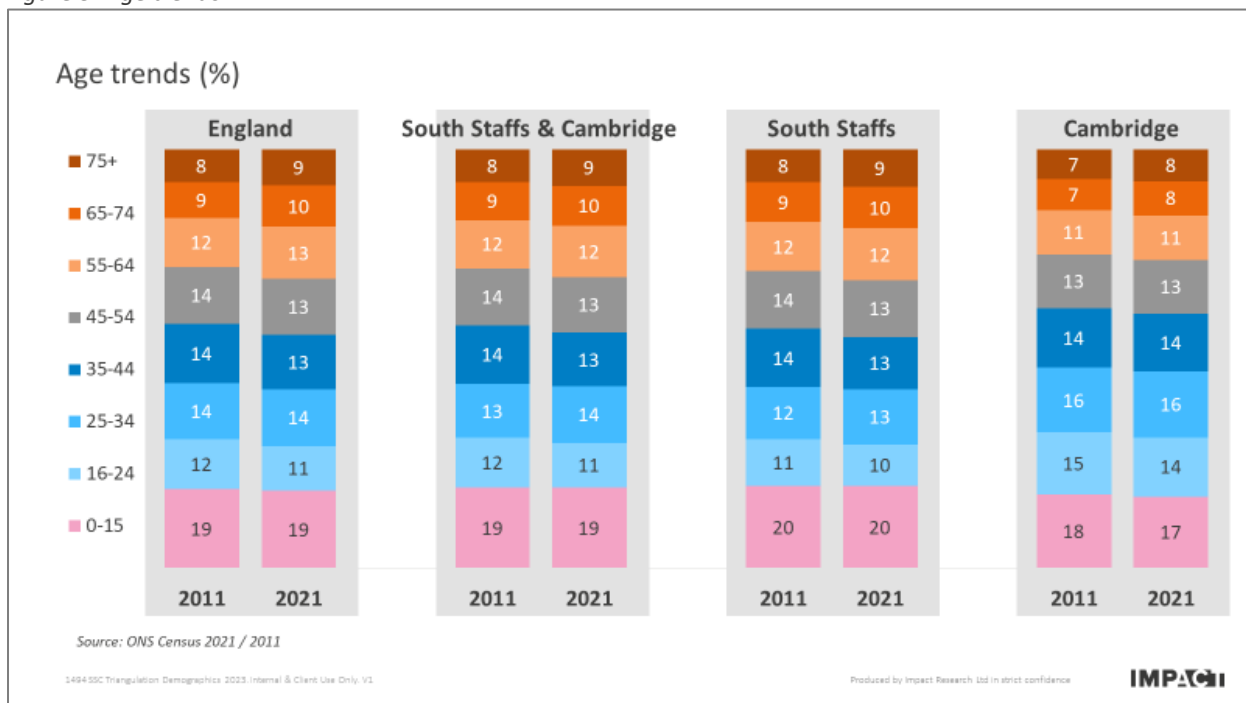
The differing age profile in the Cambridge water region is primarily driven by Cambridge City, while South Cambridgeshire is more in line with the all-England profile. There are also notable differences within the South Staffs region: Sandwell has a much younger age profile than South Staffordshire (61% of residents in Sandwell are under 45 years old compared with 46% in South Staffordshire) – see figure 2 overleaf.

Figure 2. Age profile of local authorities:



In terms of trends, the overall age profile of the water regions since 2011 is stable, as is the case across England. In both water regions, there has been a slight increase in the 65+ population (up 2 percentage points) – similar to England as a whole); in the South Staffs water region this is mainly due to a slight decline in the 35-54 year old population (down 2 percentage points) while in the Cambridge water region it is mainly down to a slight decline in the 0-24 year old population (down 2 percentage points).

Figure 3. Age trends:



Notes on data used in this section:

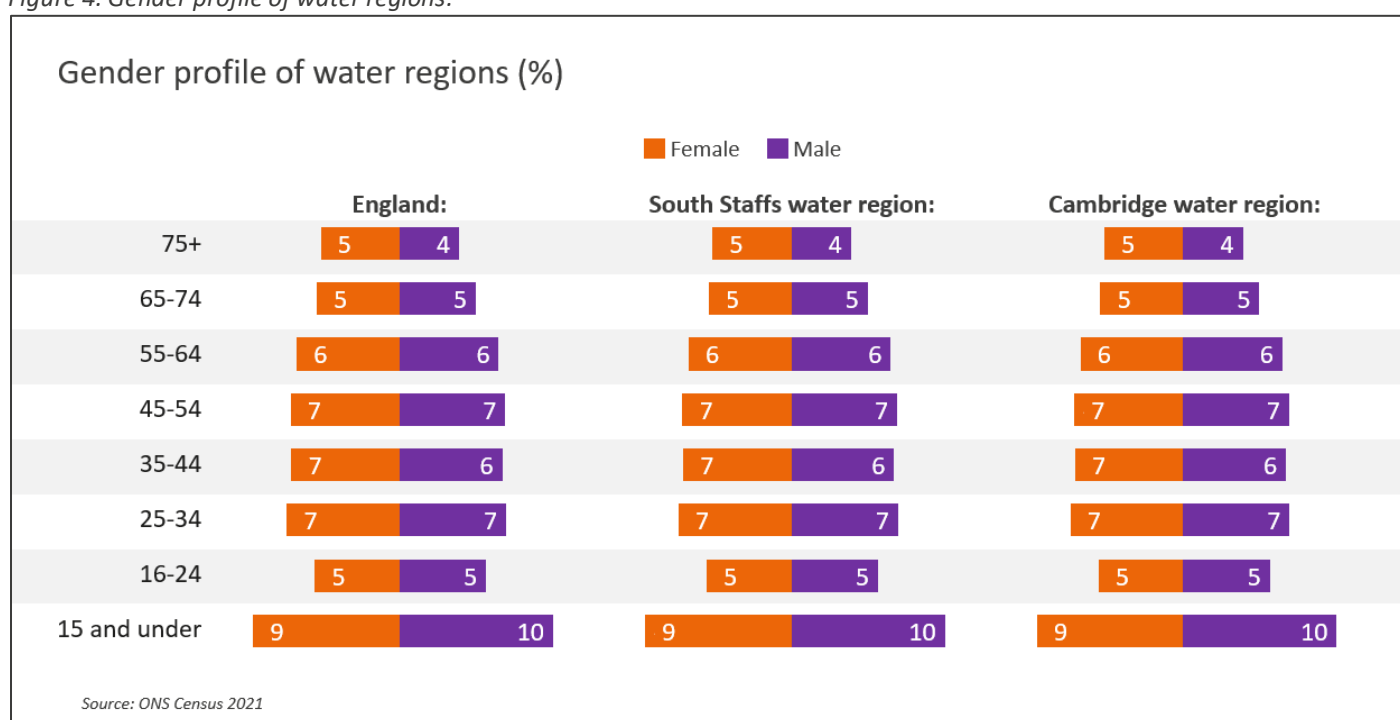
- Data is sourced from the ONS Census.
- Shown are the percentages of all residents (of all ages) as of 21 March 2021.
- As specified in section 1 of this report, local authorities have been used to define both water regions.

Gender

There is hardly any variation in gender profile, with 51% of the South Staffs & Cambridge water regions being female (51% in South Staffs and 50% in Cambridge) and 49% male – which is exactly the same profile as the rest of England. Similarly, both regions are in line with the rest of England when it comes to the gender-within-age profile.

While there are age differences between the local authorities (as shown on the previous page), there are hardly any gender differences between the local authorities – the percentage of females in each local authority does not range more than 50-51%.

Figure 4. Gender profile of water regions:



Notes on data used in this section:

- Data is sourced from the ONS Census.
- Shown are the percentages of all residents (of all ages) as of 21 March 2021.
- As specified in section 1 of this report, local authorities have been used to define both water regions.

4. Working Status and Socio-Economic Classification

Economic activity

Overall, the economic activity profile of the South Staffs & Cambridge water regions (combined) is similar to the profile across England, though the Cambridge water region has a slightly higher percentage of the adult population which are employed or full-time students. As one might expect, the student population in Cambridge City is particularly high (21%, compared with 4% in South Cambridgeshire), while the retired population in South Cambridgeshire is far greater than in Cambridge City (23% vs 12%)².

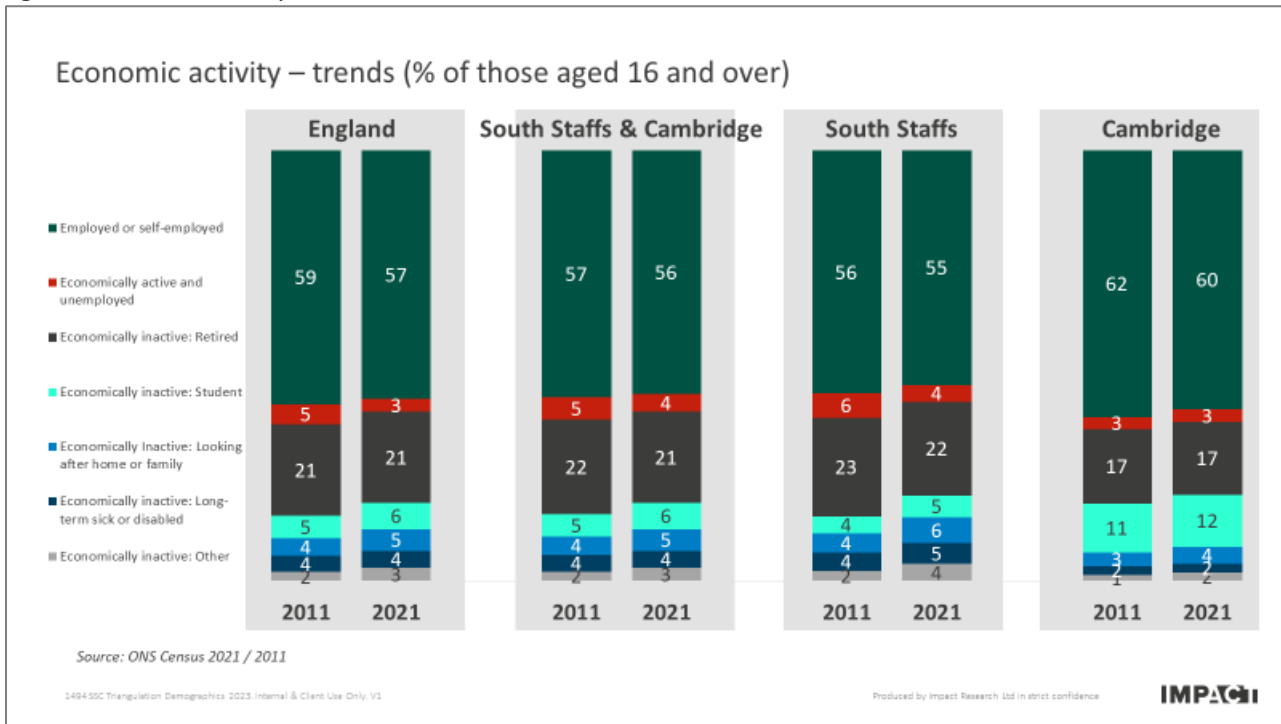
Figure 5. Economic activity:

Economic activity (% of all residents aged 16+)	All England	South Staffs & Cambridge water regions	South Staffs water region	Cambridge water region
Full time employed or self-employed	40	40	39	44
Part time employed or self-employed	17	16	16	16
Economically active and unemployed	3	4	4	3
Economically inactive: Retired	21	21	22	17 <i>(Cambridge City = 12% South Cam = 23%)</i>
Economically inactive: Student	6	6	5	12 <i>(Cambridge City = 21% South Cam = 4%)</i>
Economically Inactive: Looking after home or family	5	5	6	4
Economically inactive: Long-term sick or disabled	4	4	5	2
Economically inactive: Other	3	3	4	2

As is the case across England, there has been a small shift in the South Staffs & Cambridge water regions from being economically active (SSW 2011 = 62% vs. SSW 2021 = 59% / CW 2011 = 65% vs. CW 2021 = 63%) to being economically inactive). This shift in both regions (and indeed England as a whole) is driven by small increases in the populations being students or looking after home/family – see figure 6 overleaf.

² Please refer to the accompanying Excel file for detailed breakdown of all local authorities and for fuller detailed results

Figure 6. Economic activity trends:



Notes on data used in this section:

- Data is sourced from the ONS Census.
- Shown are the percentages of residents aged 16 and over as of 21 March 2021.
- As specified in section 1 of this report, local authorities have been used to define both water regions.

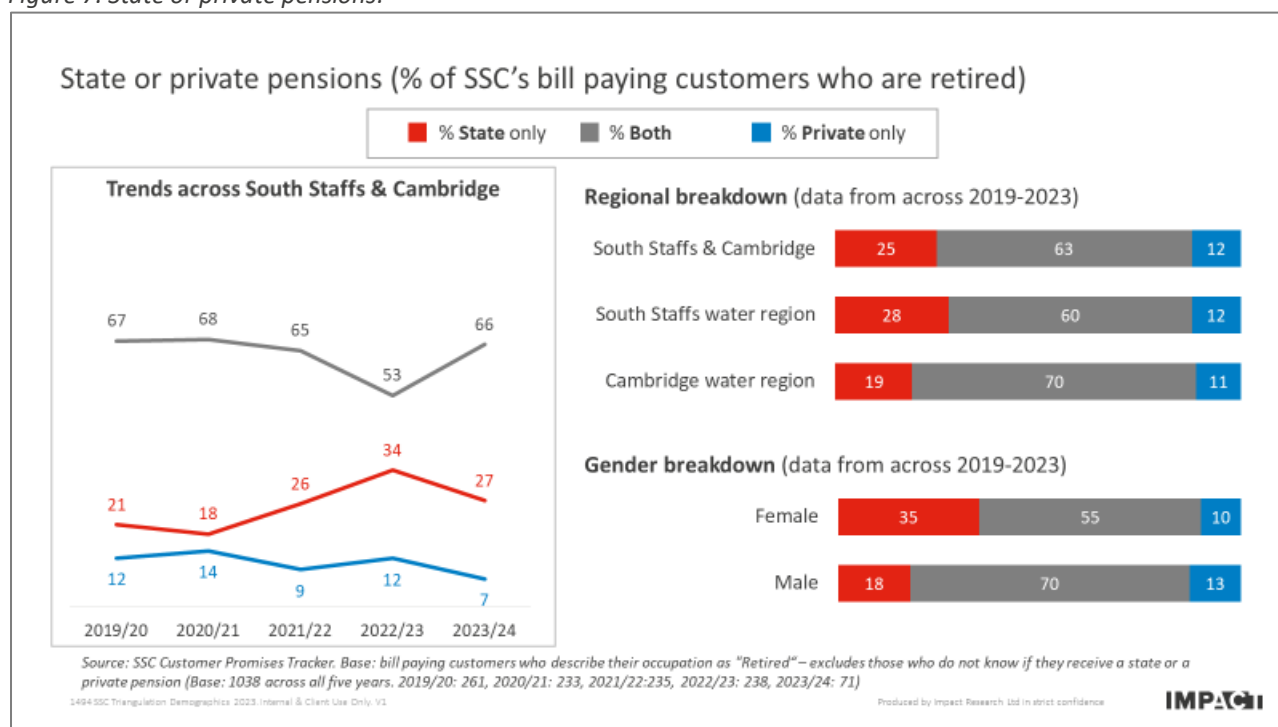
State pensions vs. private pensions

Across the South Staffs and Cambridge water regions, over the past five or so years (2019-present) those who are retired are about twice as likely to receive a state only pension (25%) than a private only pension (12%) – the remainder (63%) receive both types of pensions. Those living in the South Staffs water region are significantly more likely to report that they receive a state only pension (28%) than those living in the Cambridge water region (19%).

Looking at trends, apart from a short-lived blip in 2022/23, the proportion stating that they receive both state and private pension has remained fairly stable, hovering between 65% to 68%. This may have been down to the make-up of the Promises Tracker sample that year (2022/23) for those who were retired.

Finally, females in the South Staffs and Cambridge water regions are significantly more likely to report that they only receive a state pension (35%) than males (18%) – the shortfall is made up by a higher percentage of males receiving both a state and private pension (55% of females vs. 70% of males).

Figure 7. State or private pensions:



Notes on data used in this section:

- Data is sourced from the SSC Customer Promises Tracker.
- Shown are the percentages of bill paying customers who describe their occupation as "retired" – it excludes those who do not know if their pension is state or private.

Working patterns

The Annual Population Survey shows that in 2021, 95% of employees in the West Midlands were in permanent employment, with the remainder being in temporary employment (unfortunately, we do not have this broken down by local authorities to define the water regions, nor is the data broken down by whether this is zero hours contract). This result is consistent across both genders, and in line with the national average – furthermore, there are hardly any variations in the results each year going back to 2004.

Employment status from the SSC Promises Tracker (see table below) shows that for the most part there is little to differentiate the South Staffs and Cambridge water regions in terms of their employment status. For example, around two-thirds in each region described their employment as being full-time. The only significant exception is a greater proportion of participants from the South Staffs water region to say they work part-time (25%) than in the Cambridge water region (14%). Please note this is data from surveys as so may not fully reflect the wider population.

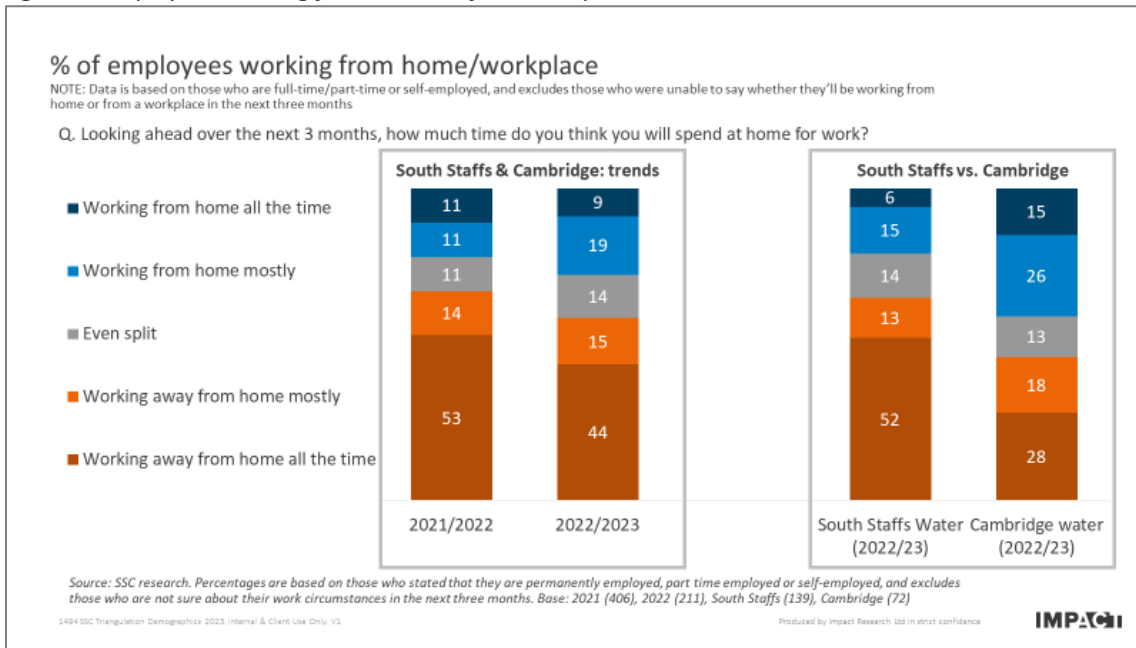
Figure 8. Employment status:

Employment status from 2022/2023 SSC Promises Tracker			
BASE: Data from 2022/23 wave, percents are based on those who gave a response to the question "Which of the following is most true for you regarding your current employment?" (339 gave a response. The 498 without a response have been excluded from these %s)			
(%)	South Staffs & Cambridge water regions Base: 339	South Staffs water region Base: 218	Cambridge water region Base: 121
Permanent full-time employee (35+ hours per week)	66	65	67
Permanent part-time employee (less than 35 hours per week)	21	25	14
Self-employed	8	7	8
Work done under contract for a fixed period or for a fixed task	2	1	3
Casual work	1	0	3
Homemaker	0	0	1
Long-term sickness	0	0	0
Student	0	0	1
Other	1	1	2

As shown in figure 9 overleaf, most employees in the South Staffs water region work away from home at least most of the time (65%). However, in the Cambridge region, there is a fairly even split between those who work away from home at least most of the time (46%) and those who work from home at least most of the time (42%). Across the South Staffs & Cambridge water regions, between 2021/22 and 2022/23 there has been a shift in the likelihood of employees working from home rather than away from home (all/mostly away from home in 2021/22 was 67% and in 2022/23 it is 58%).³ Please note this is data from surveys as so may not fully reflect the wider population.

³ Those working part-time are marginally more likely to say mostly away from home (66%) than those who are full-time (58%), though the base size for part-time is small and should therefore be treated as indicative (56).

Figure 9. Employees working from home or from workplace:



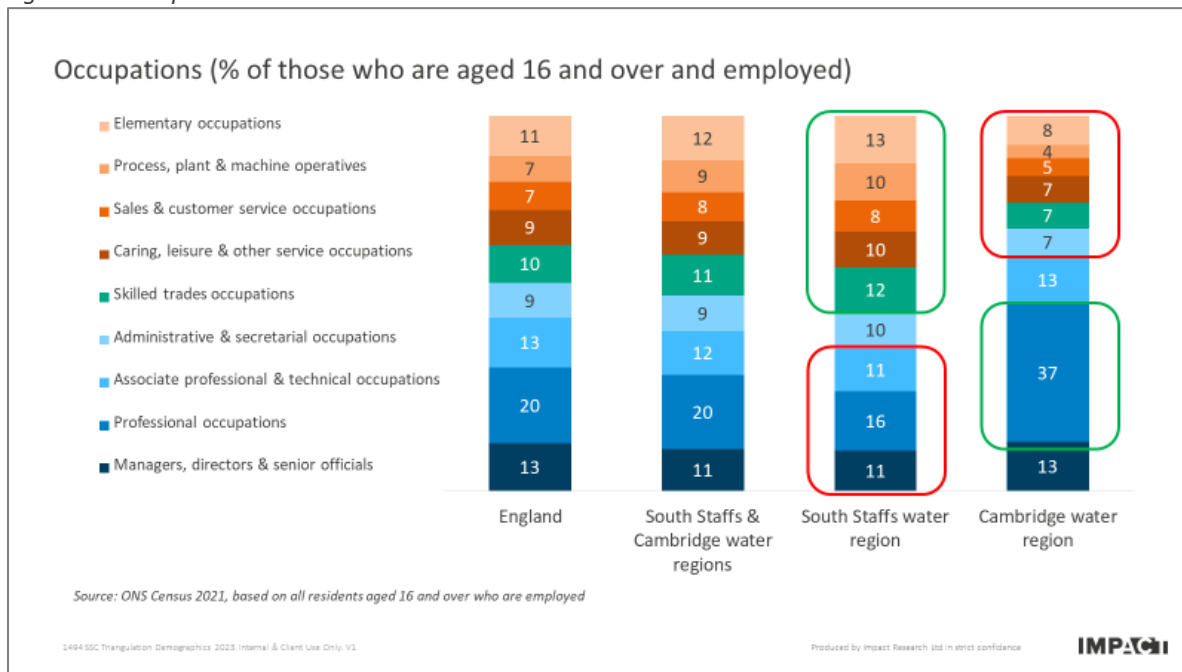
Notes on data used in this section:

- Data for the working from home data is sourced from SSC research data.
- Shown are the percentages of employees (permanent/part-time/self-employed) who gave a response to the question “Looking ahead over the next three months, how much time do you think you will spend from home for work”.

Occupations

There are clear differences between the two water regions in terms of their occupational profiles. Employees in the Cambridge water region are especially likely to be working in professional occupations (37%, which is more than twice the proportion in the South Staffs water region, 16%). In contrast, those in the South Staffs water region are more likely than the national average to be working in more manual or elementary occupations, especially in Sandwell and Walsall.

Figure 10. Occupations:



Notes on data used in this section:

- Data is sourced from the ONS Census.
- Shown are the percentages of residents aged 16 and over who are employed as of 21 March 2021.
- As specified in section 1 of this report, local authorities have been used to define both water regions.

Industry worked in

There are several notable variations between the Cambridge water region and the rest of England when it comes to the type of industries worked in. Almost a fifth (18%) of employees in the Cambridge water region work in the *education* sector, significantly higher than the national average and making it the most common sector in the region. Similarly, residents in the Cambridge water region are notably more likely than the rest of England to work in *professional, scientific & technical activities* (13%) – and three times more likely to work in these sectors than employees in the South Staffs water region (where just 4% of employees work).

The South Staffs water region is more in line with the rest of England in terms of industry sectors worked in; the main exception is *manufacturing* (11% of employees in the South Staffs water region) which is the third most worked in sector in the region – a sector which is particularly prevalent in East Staffordshire (14%), Sandwell (12%) and Tamworth (12%).

Figure 11. Industries worked in:

Industries that residents (who are 16+ and employed) work in.
 Showing the most common industries in the South Staffs & Cambridge water regions (with at least 2% of the population involved in) – see accompanying Excel file for less mentioned industries.
 Highlighted (in red/green) are industries which are notably lower/higher than the national average.

(% of all residents aged 16+ who are employed)	All England	South Staffs & Cambridge water regions	South Staffs water region	Cambridge water region
Wholesale/retail trade / Repair motor vehicles	15	16	18	9
Human Health / Social Work Activities	15	15	15	15
Education	10	11	9	18
Manufacturing	7	10	11	7
Construction	9	9	10	5
Professional, scientific & technical activities	7	6	4	13
Transport & storage	5	6	7	2
Public Admin & Defence / Compulsory Social Security	6	5	5	3
Admin & Support Service Activities	5	5	5	4
Accommodation / Food service activities	5	4	4	4
Information & communication	5	4	3	9
Financial & insurance activities	4	2	2	2
Other Service Activities	2	2	2	2
Arts, Entertainment & Recreation	2	2	2	2

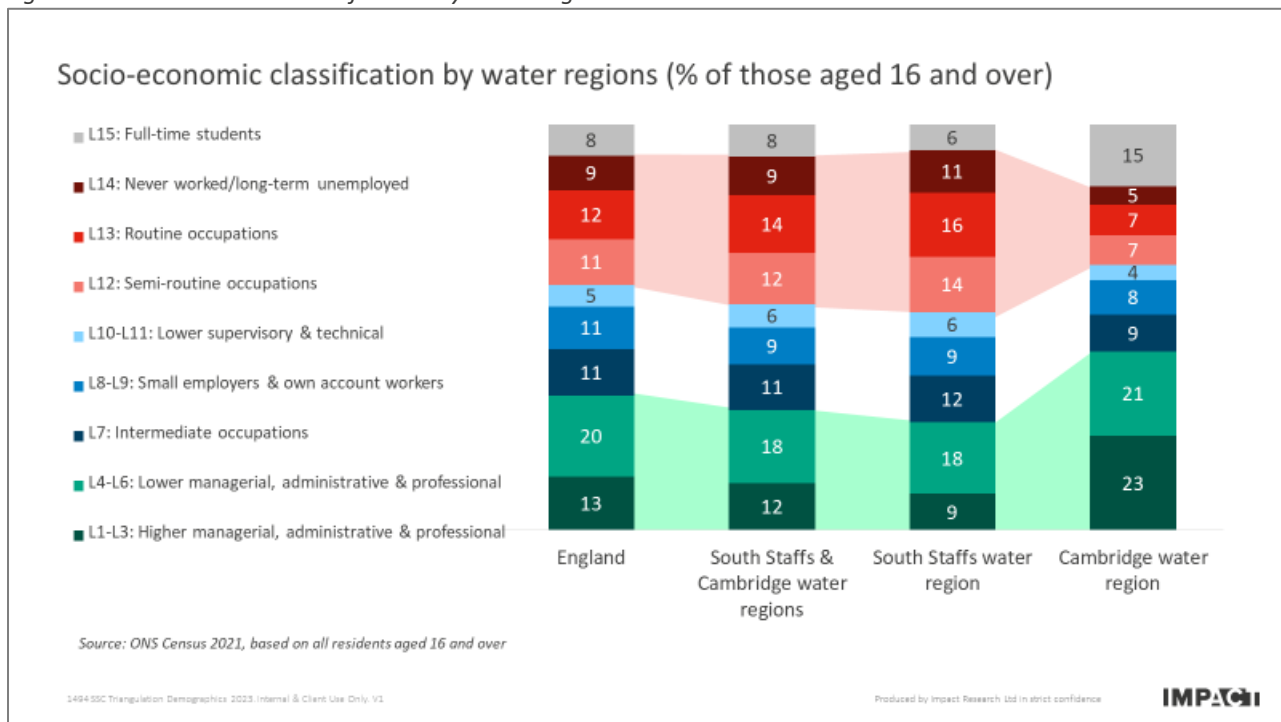
Notes on data used in this section:

- Data is sourced from the ONS Census.
- Shown are the percentages of residents aged 16 and over who are employed as of 21 March 2021.
- As specified in section 1 of this report, local authorities have been used to define both water regions.

Socio-Economic Classification

When combining the South Staffs and Cambridge water regions, the socio-economic classification profile is similar to the rest of England⁴. However, there are significant differences between the two individual water regions. The South Staffs region has twice as many adults who work in routine/semi-routine occupations or who are long-term unemployed (41%) than the Cambridge water region (19%). In contrast, 44% of adults in the Cambridge water region have a managerial, administrative or professional occupation, compared with 27% in South Staffs. In fact, the socio-economic profile in Cambridge is significantly different from the rest of England, while South Staffs water region is more in line with the rest of England.

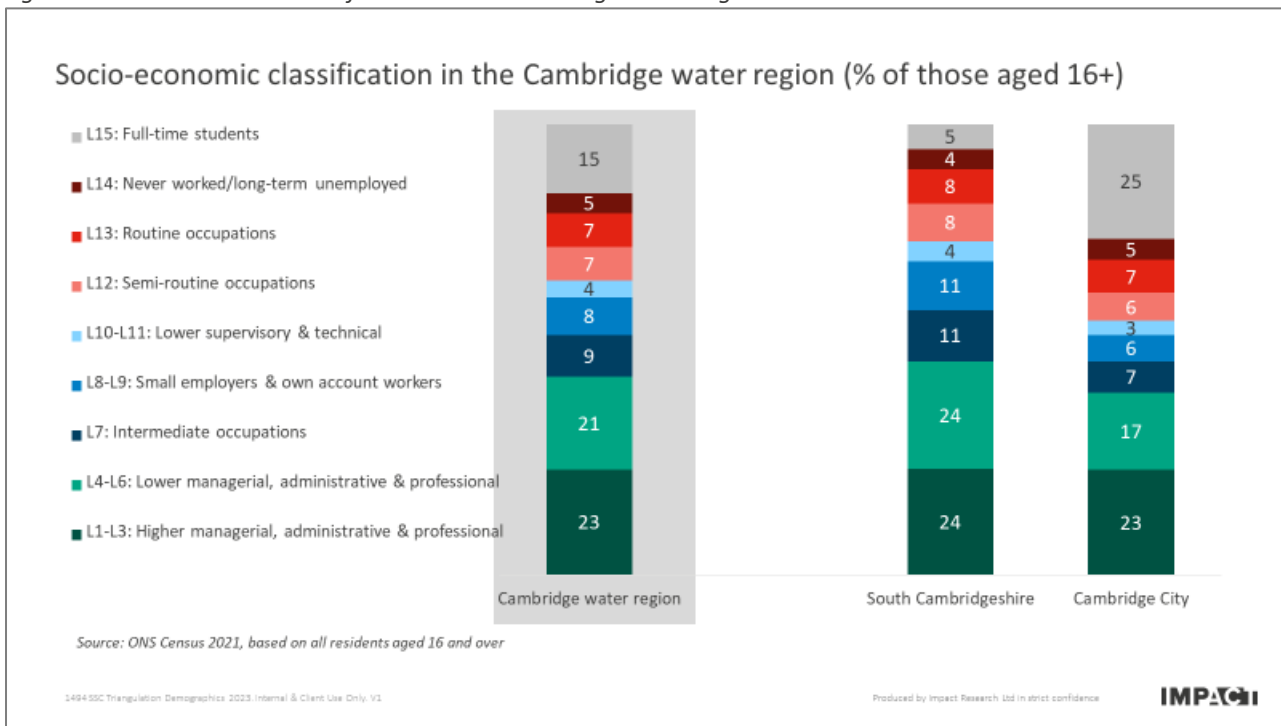
Figure 12. Socio-economic classification by water regions:



⁴ Percentages are based on all residents aged 16 and over. For those who are retired: if they were in employment in the last 12 months then they would be classified according to their most recent employment – otherwise they would be coded as L14 (Never worked / Long term unemployed).

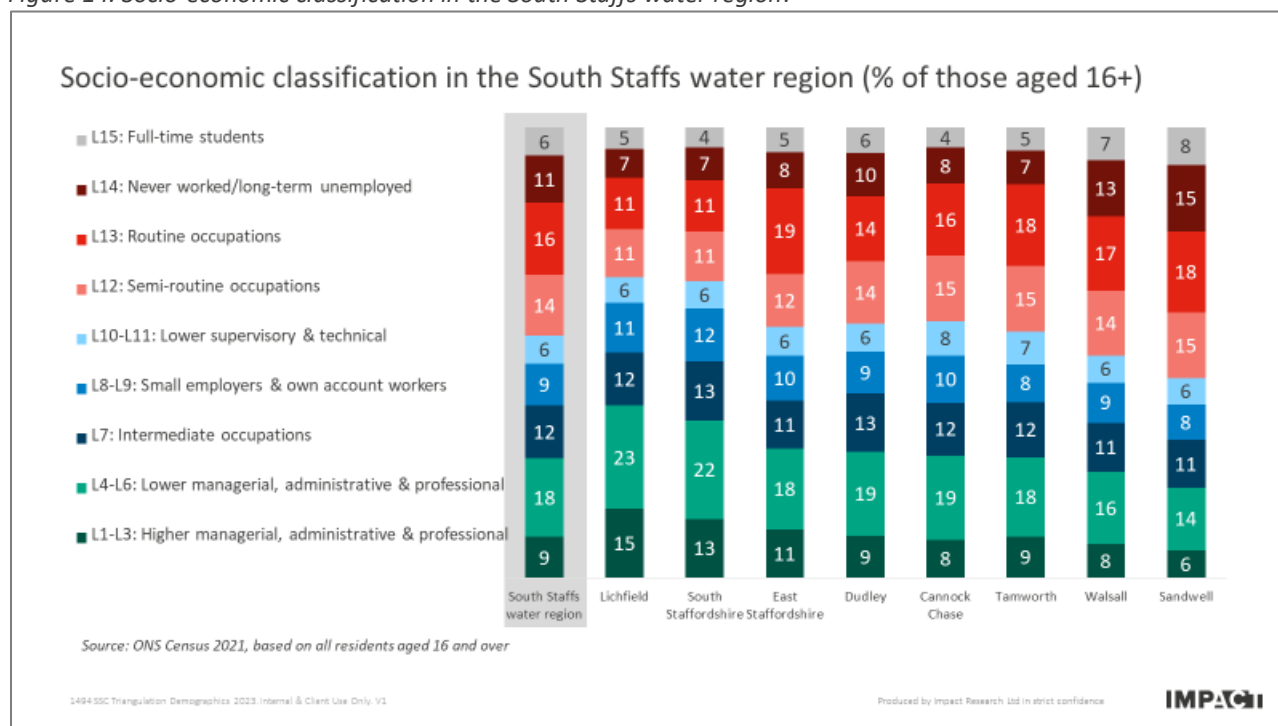
The two main local authorities within the Cambridge water region have equally high levels of managerial/administrative/professional occupations. However, as may be expected, there are far more full-time students in Cambridge City (25%) and fewer mid-level occupations (levels 8-11), as shown in figure 13 below:

Figure 13. Socio-economic classification in the Cambridge water region:



Meanwhile, while the South Staffs water region is roughly in line with the rest of England, there are clear variations between local authorities within the region. Lichfield and South Staffordshire have high levels of managerial/administrative/professional occupations (higher than the national average) while Sandwell (47%), Walsall (43%) and Tamworth (40%) have high levels of adults who work in routine/semi-routine occupations or who are long-term unemployed (higher than the national average), as shown in figure 14 below:

Figure 14. Socio-economic classification in the South Staffs water region:



Notes on data used in this section:

- Data is sourced from the ONS Census.
- Shown are the percentages of residents aged 16 and over as of 21 March 2021. Those who are retired are either classified according to their most recent employment (if retired in the last 12 months) or classified as level 14 (if retired more than 12 months ago)
- As specified in section 1 of this report, local authorities have been used to define both water regions.

Employment

Figure 14 below shows the employment rates in the West Midlands compared with the North & East Midlands over the period of January 2021 to December 2022. The North & East Midlands show a greater percentage of employment as well as a small upwards trend in employment over the period, while the West Midlands shows a more variable, decrease over the same period.

Figure 15. Employment rates trends:

Employment Rates (%)			
	Jan 21 to Dec 21	Oct 21 to Sep 22	Jan 22 to Dec 22
West Midlands	72.8	72.3	72.6
North & East Midlands	75.6	76.8	76.8

Notes on data used in this section:

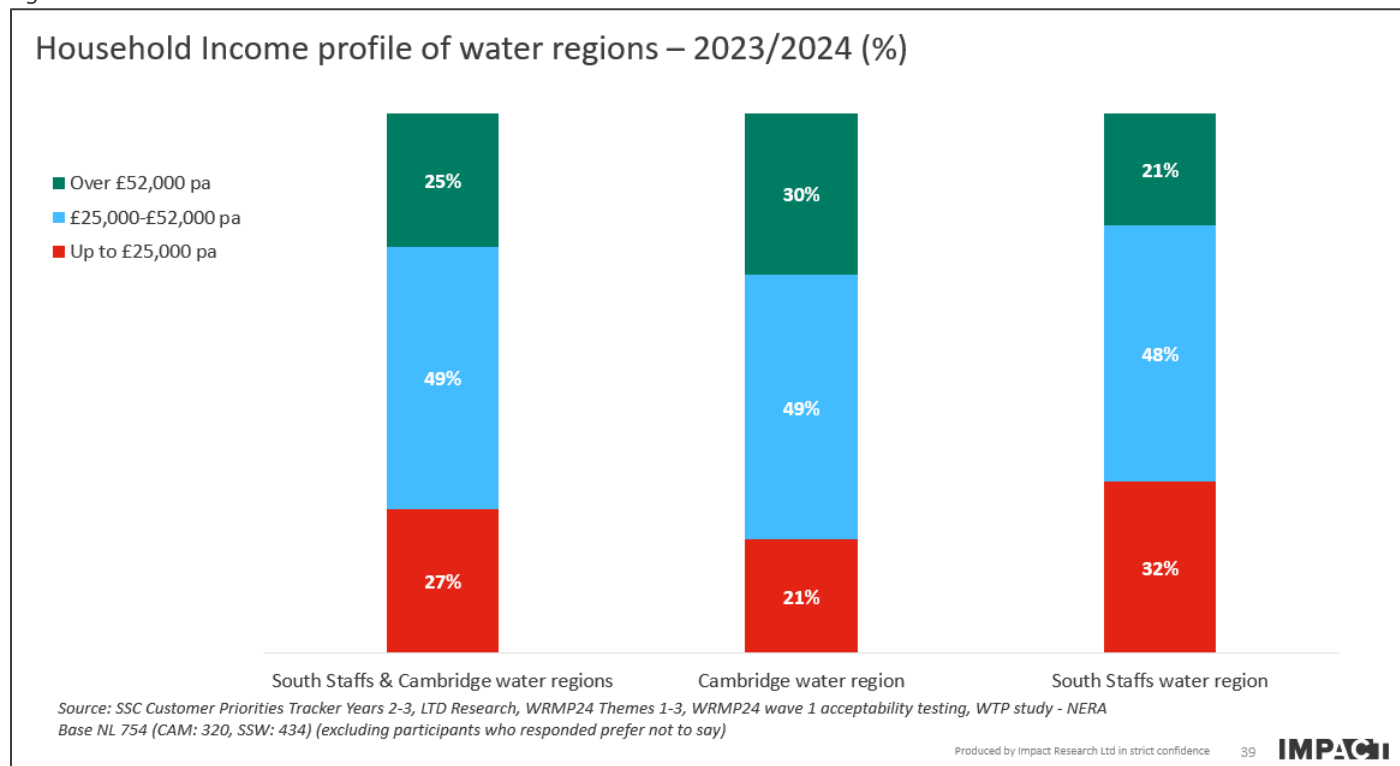
- Data is sourced from West Midlands State of the Group Report. Published July 2023. North and East Midlands State of the Group Report, Published July 2023.
- **IMPORTANT NOTE ABOUT THIS DATA:** the South Staffs Water and Cambridge Water regions do not fit neatly into the two regions here (West Midlands and North & East Midlands):
 - Dudley, Sandwell and Walsall are included in the West Midlands report.
 - Cannock Chase, East Staffs, Lichfield, South Staffs and Tamworth are included in the North & East Midlands report.
 - Cambridge and South Cambridgeshire are also included in the North & East Midlands report.
 - Therefore:
 - South Staffs water region is divided between the two regions (West Midlands and North & East Midlands).
 - The North & East Midlands figures include the Cambridge water region plus around half of the South Staffs water region.
 - The two regions (West Midlands and North & East Midlands) also include large areas which are not served by SSC.

5. Income

Household income

There are significant differences between the South Staffs and Cambridge water regions when comparing household incomes (using data from SCC Customer Tracking). The South Staffs region has a higher number of residents with an income of up to £25,000 per year (32%) in comparison to the Cambridge region (21%). Conversely, Cambridge has significantly more residents earning over £52,000 per year (30%) compared with the South Staffs region (21%).

Figure 16. Household income:



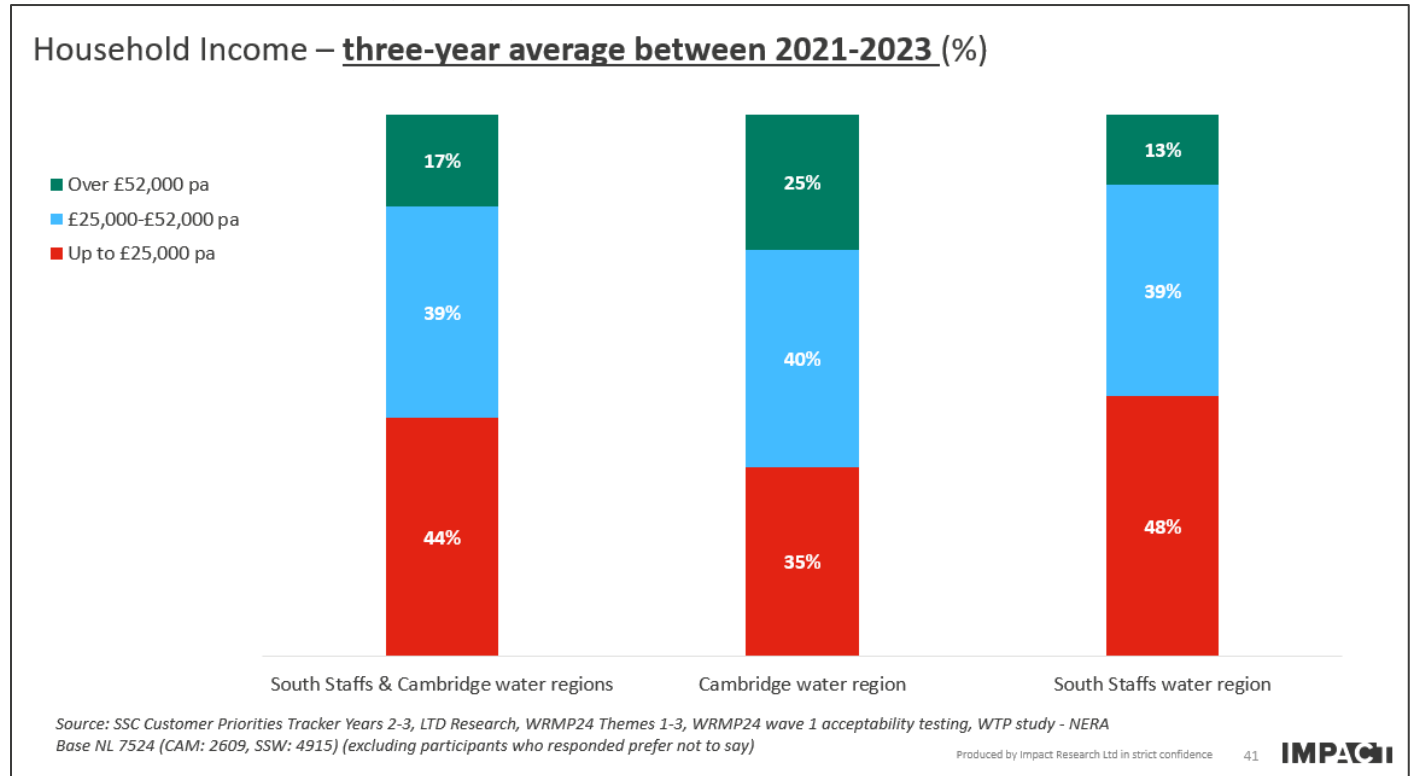
However, as shown in figure 17 below (NOTE: this only includes data from the SSC Promises Tracker, which explains why the results in the table below differs from the chart above), results have varied across the past four years of the study, which may be explained by variations in the survey methodology and sample size over the years. Year on year trends across both regions show a general increase in incomes between £23,001-£52,000 per year (22% in 2019/2020 to 36% in 2022/23 in South Staffs & Cambridge water regions), and a decrease in incomes of under £23,000 and over £52,001 per year. Notably, in 2020/2021 there was a short-term spike in incomes of between £23,001-£52,000 per year – while we don't have data to definitely explain this shift, one theory may be due to the COVID furlough payments during this period. When split by area, both the South Staffs and Cambridge water regions show similar patterns to each other (Note that this data is exclusively from the SSC Promises Tracker).

Figure 17. Household income trends:

Household income over the period 2019-2023 – showing top results in South Staffs & Cambridge (%)					
		2019/2020	2020/21	2021/22	2022/23
South Staffs & Cambridge water regions	Under £23k per year	55%	38%	53%	53%
	£23,001 - £52,000 per year	22%	47%	32%	36%
	£52,001+ per year	23%	15%	15%	11%
South Staffs water region	Under £23k per year	64%	41%	58%	60%
	£23,001 - £52,000 per year	19%	47%	32%	35%
	£52,001+ per year	17%	12%	11%	5%
Cambridge water region	Under £23k per year	37%	32%	40%	39%
	£23,001 - £52,000 per year	28%	47%	34%	38%
	£52,001+ per year	35%	22%	26%	23%

When data from across the past three years is combined from across multiple SSC data sources to create an average household income for the period 2021-2023, we see that just under half (44%) of the South Staffs & Cambridge water regions have a household income below £25,000 (see chart below). Again, across those three years, we see that households in the Cambridge water region have on average recorded significantly higher incomes than in the South Staffs water region:

Figure 18. Household income three-year average:



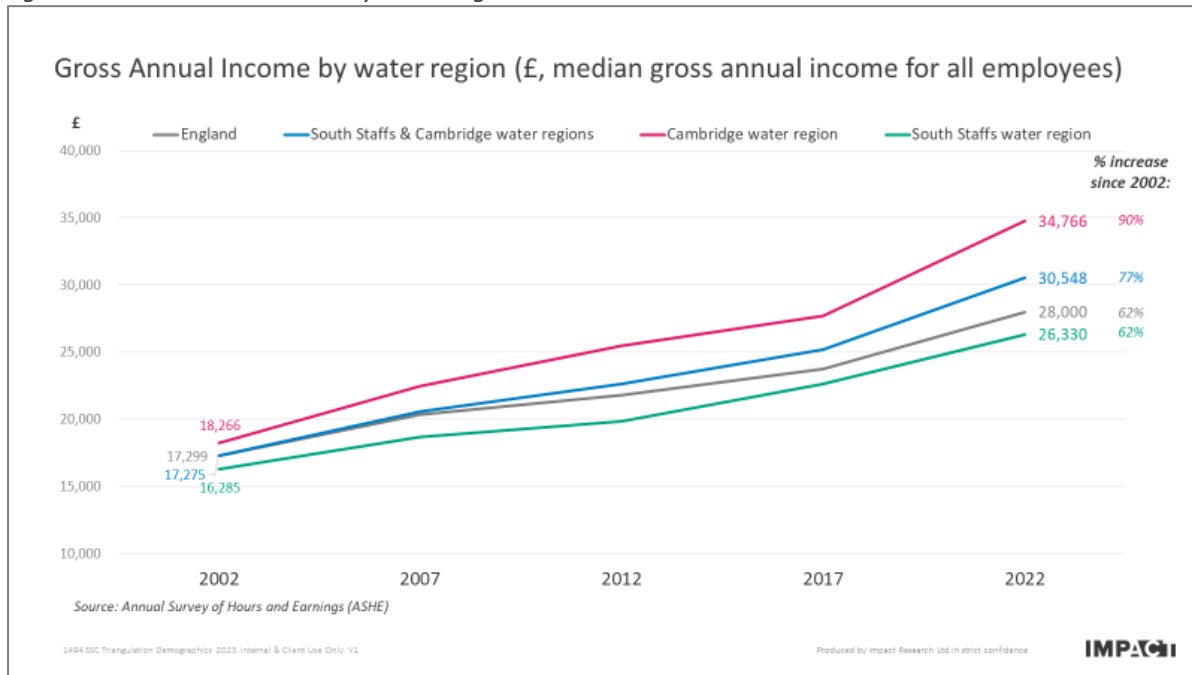
Notes on data used in this section:

- Data is sourced from SSC Customer Priorities Tracker Years 2-3, LTD Research, WRMP24 Themes 1-3, WRMP24 wave 1 acceptability testing, WTP study - NERA, bill payers only
- Shown are the percentages of customers in each income bracket in the time periods 2021/22, 2022/23, 2023/24
- 2023/24 N=1225, 2021-24 N= 9353

Gross annual income for employees

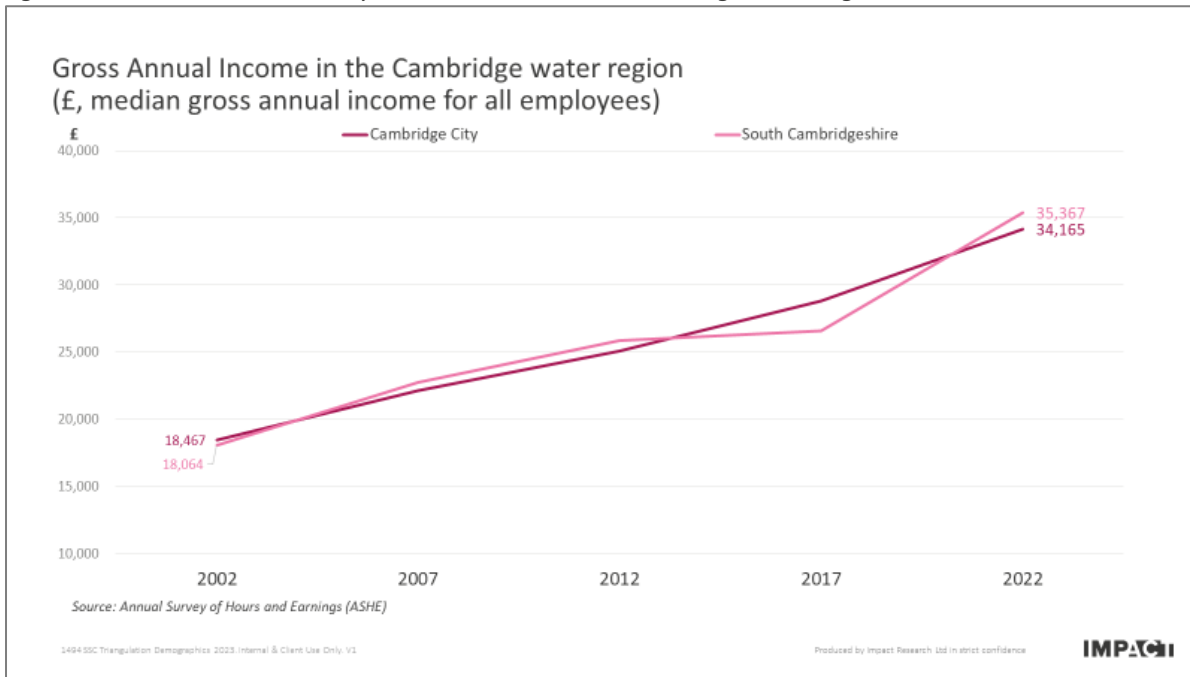
Gross annual incomes for employees in the Cambridge water region has seen a significant uplift since 2002, far greater than in South Staffs water region (increasing by 90% during the past two decades compared with a 62% increase in the South Staffs water region). In fact, the pace of income increases in the Cambridge water region is outpacing the rest of England. The average annual income of employees in the Cambridge water region is now just under £35k – well above the annual income in the South Staffs water region (just over £26k).

Figure 19. Gross annual income by water region:



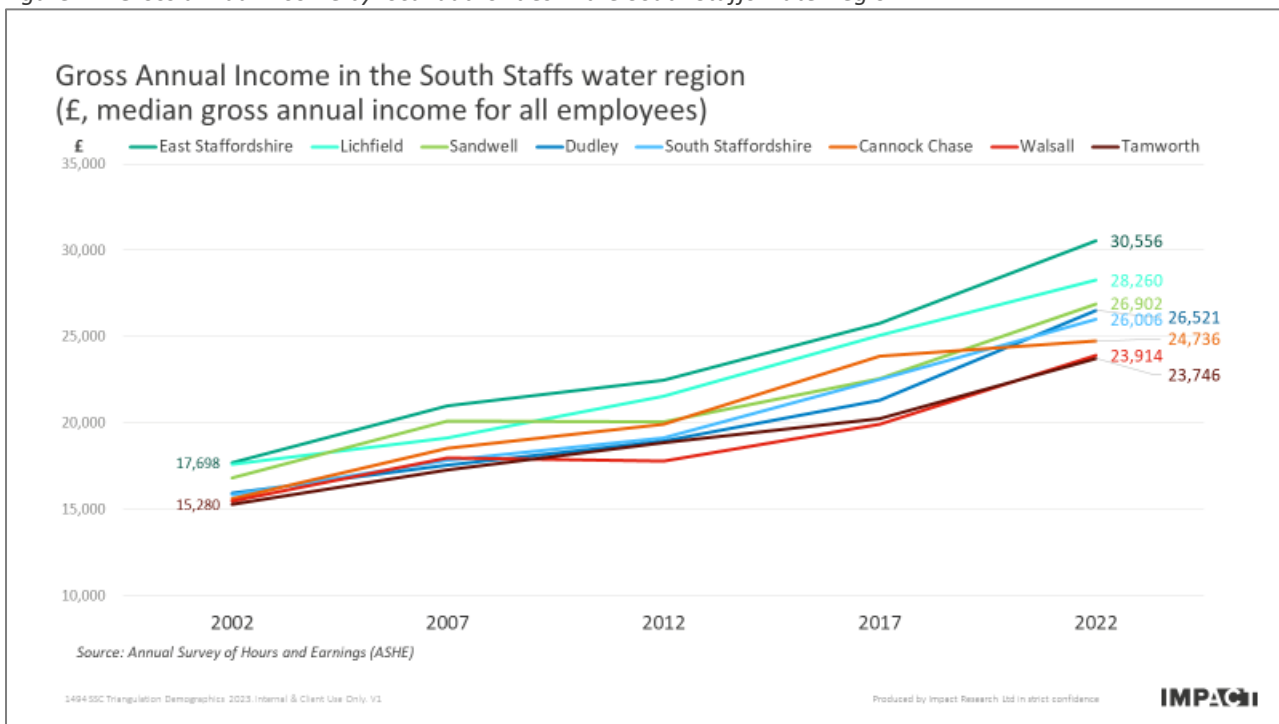
The two main local authorities in the Cambridge water region closely track each other in terms of the pace of increasing incomes, with little to differentiate median annual incomes in Cambridge City from those in South Cambridgeshire – see figure 20 overleaf:

Figure 20. Gross annual income by local authorities in the Cambridge water region:



Within the South Staffs water region, there are some significant differences in incomes between the local authorities – indeed, the gap in incomes between the local authorities has widened over the past two decades. While there were very little separating incomes in 2002, the gap has since widened so that the median annual income for employees in East Staffordshire is now over £6k higher than in Tamworth and Walsall.

Figure 21. Gross annual income by local authorities in the South Staffs water region:



Notes on data used in this section:

- Data is sourced from the Annual Survey of Hours and Earnings (ASHE) through the ONS.
- Shown are the median gross annual incomes for all employees.
- As specified in section 1 of this report, local authorities have been used to define both water regions.

6. Languages Spoken

Main language spoken

Nine in ten (89%) of the South Staffs water region speak English as their *main* language, a proportion which is in line with England as a whole. One in 25 (4%) of the population speak a South Asian language as their main language, especially in Sandwell (where 9% mainly speak a South Asian language).

Compared with South Staffs and England in general, there are fewer main language English speakers in the Cambridge water region (84%), with almost one in ten speaking any European (non-UK) language as their main language – especially in Cambridge City (13% compared with 4% in South Cambridgeshire).⁵

Figure 22. Main language spoken:

Main language spoken by residents aged 3 and over – showing top results in South Staffs & Cambridge				
(% of all residents aged 3 and over)	All England	South Staffs & Cambridge water regions	South Staffs water region	Cambridge water region
English	88	88	89	84
Any European language	5	4	3	8
<i>Primarily within SSC:</i>				
• Polish	1	1	1	1
• Romanian	1	1	1	1
• Spanish	0	0	0	1
• Italian	0	0	0	1
• Portuguese	0	0	0	1
Any South Asian language	2	3	4	2
<i>Primarily within SSC:</i>				
• Panjabi	1	2	2	0
• Urdu	0	1	1	0
Any East Asian language	1	1	0	2
<i>Primarily within SSC:</i>				
• Cantonese/Mandarin/other Chinese	0	0	0	1

Notes on data used in this section:

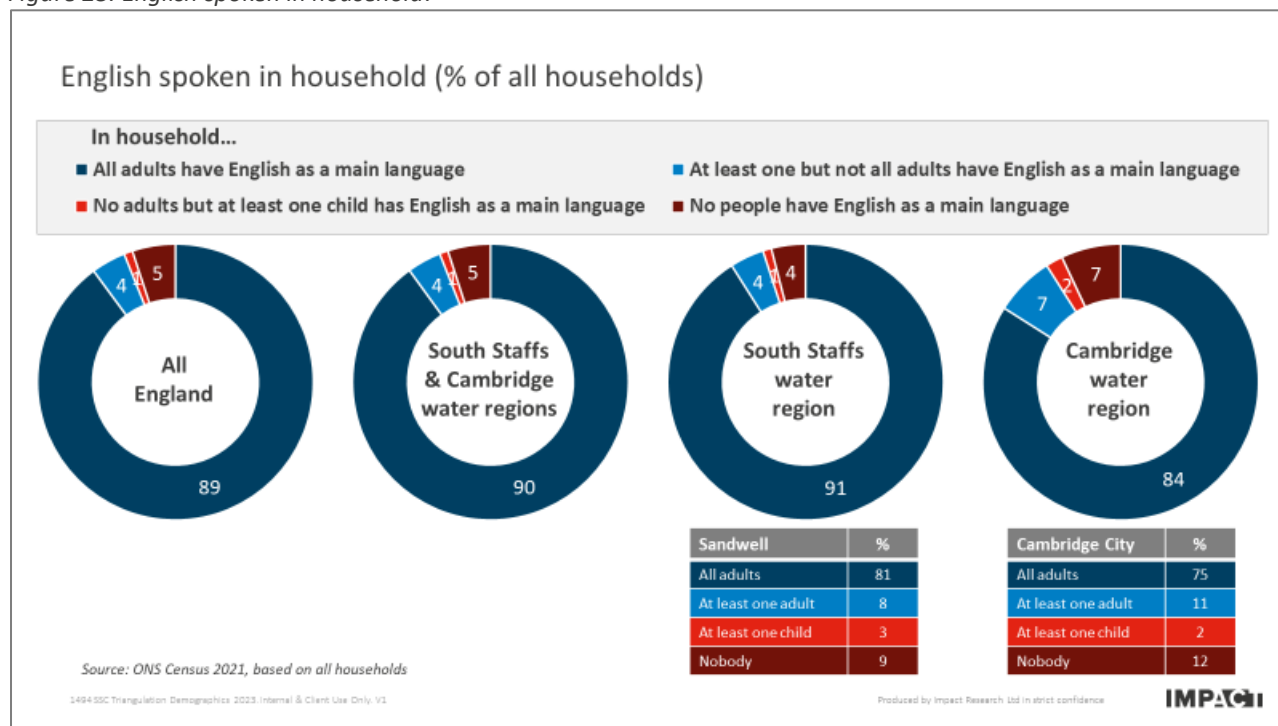
- Data is sourced from the ONS Census.
- Shown are the percentages of residents aged 3 and over as of 21 March 2021.
- As specified in section 1 of this report, local authorities have been used to define both water regions.

⁵ Please refer to the accompanying Excel file for detailed breakdown of all local authorities and for fuller detailed results

English spoken in household

94% of households in the combined South Staffordshire & Cambridge water region have at least one adult whose main language is English – a proportion which is in line with the rest of England. However, there are marginally fewer households in the Cambridge water region with at least one adult whose main language is English (91%). Households without any adults whose main language is English is especially evident in Sandwell (12%) and Cambridge City (14%).

Figure 23. English spoken in household:



While the data doesn't specify which language is spoken by those who responded "No people have English as a main language in the household", we can refer to figure 22 (on the previous page, under the "Main language spoken" subsection) to work out which are the languages which are most likely to be spoken in these households (and for more granular detail at a local authority level, please refer to the "Main language" worksheet in the Excel data file which accompanies this report).

Notes on data used in this section:

- Data is sourced from the ONS Census.
- Shown are the percentages of all households as of 21 March 2021.
- As specified in section 1 of this report, local authorities have been used to define both water regions.

7. Ethnicity

Eight in ten residents in both the South Staffs and Cambridge water regions identify themselves as white, while around one in ten identify themselves as Asian; a profile which is roughly in line with all England.

Figure 24. Ethnicity:

Ethnic group of all residents				
(% of all residents)	All England	South Staffs & Cambridge water regions	South Staffs water region	Cambridge water region
White <i>Primarily within SSC:</i>	81	79	79	82
<ul style="list-style-type: none"> English, Welsh, Scottish, Northern Irish or British 	74	73	75	67
Asian / Asian British <i>Primarily within SSC:</i>	10	12	13	10
<ul style="list-style-type: none"> Indian Pakistani Chinese 	3 3 1	5 4 1	5 5 0	3 1 3
Black / Black British / Caribbean / African	4	3	4	2
Mixed / Multiple ethnic groups	3	3	3	4
Other ethnic group	2	2	2	2

While the two water regions are somewhat similar in terms of their ethnic profile, there are some notable variations between local authorities within the regions:

- In the **South Staffs water region**, more than eight in ten of residents describe themselves as white (mainly White British), ranging between 85% and 96%. However, the proportion of residents describing themselves as white is significantly lower in...
 - Sandwell**: 57% White, with a greater than average population who are Asian (26%, especially Indian (13%) and Pakistani (6%)) and 9% Black.
 - Walsall**: 71% White, with a greater than average population who are Asian (19%, especially Indian (8%) and Pakistani (7%)).
- In the **Cambridge water region**...
 - South Cambridgeshire** residents predominantly describe themselves as White (89%) – and most of those are White British (80%).
 - In **Cambridge City**, just 75% describe themselves as White (with a mix of White British – 53% - and Other White – 20%), while 15% describe themselves as Asian.

Notes on data used in this section:

- Data is sourced from the ONS Census.
- Shown are the percentages of all residents (of all ages) as of 21 March 2021.
- As specified in section 1 of this report, local authorities have been used to define both water regions.

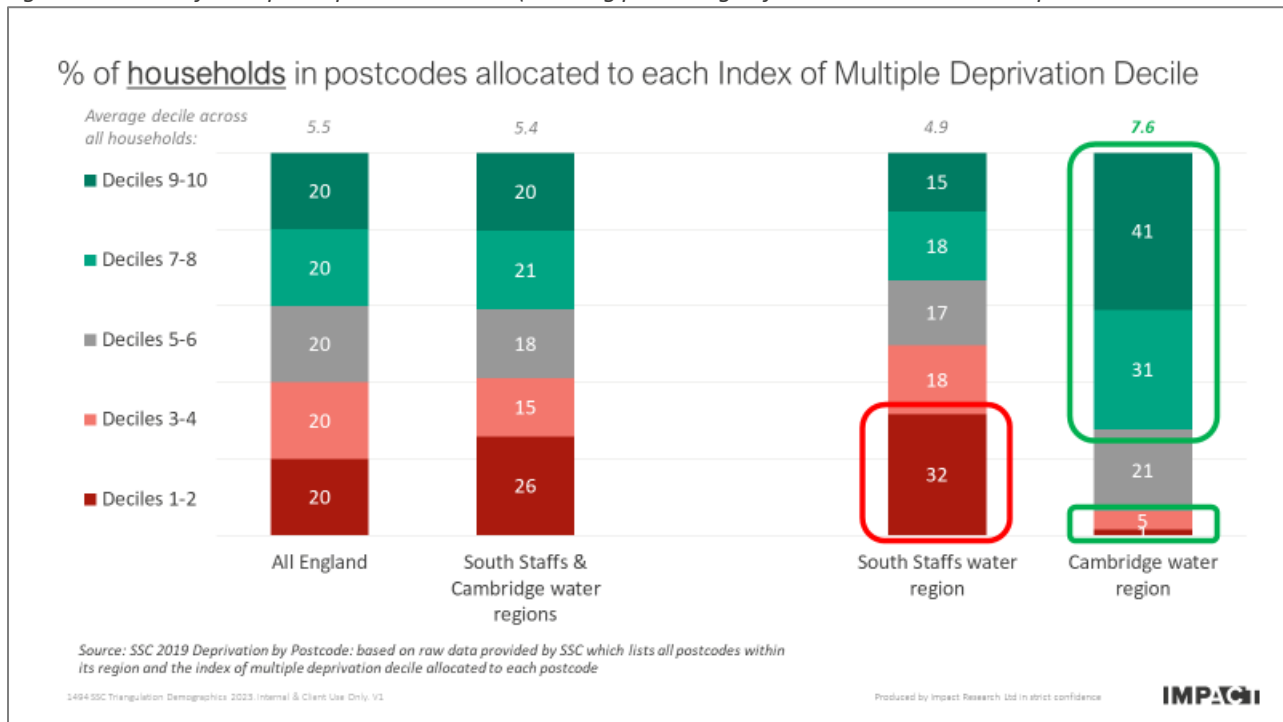
8. Deprivation Levels

Index of Multiple Deprivation deciles

Overall, the deprivation level of households within postcodes in the combined South Staffs & Cambridge Water regions is similar to the national average: 41% of all households within postcodes fall into the more affluent deciles (7-10) while 41% of all households within postcodes fall into the more deprived deciles (1-4).

However, this masks some significant variations between the two water regions. Almost a third (32%) of all households within postcodes in the South Staffs water region are in the most deprived deciles (deciles 1 and 2). This is in sharp contrast to the Cambridge water region where just 1% fall into the same deciles, while almost three-quarters (72%) of households within postcodes in the Cambridge water region fall into the more affluent deciles (deciles 7-10) – and many of those (41%) are in the very most affluent deciles (9-10).

Figure 25. Index of Multiple Deprivation deciles (showing percentage of households within each postcode within each decile):

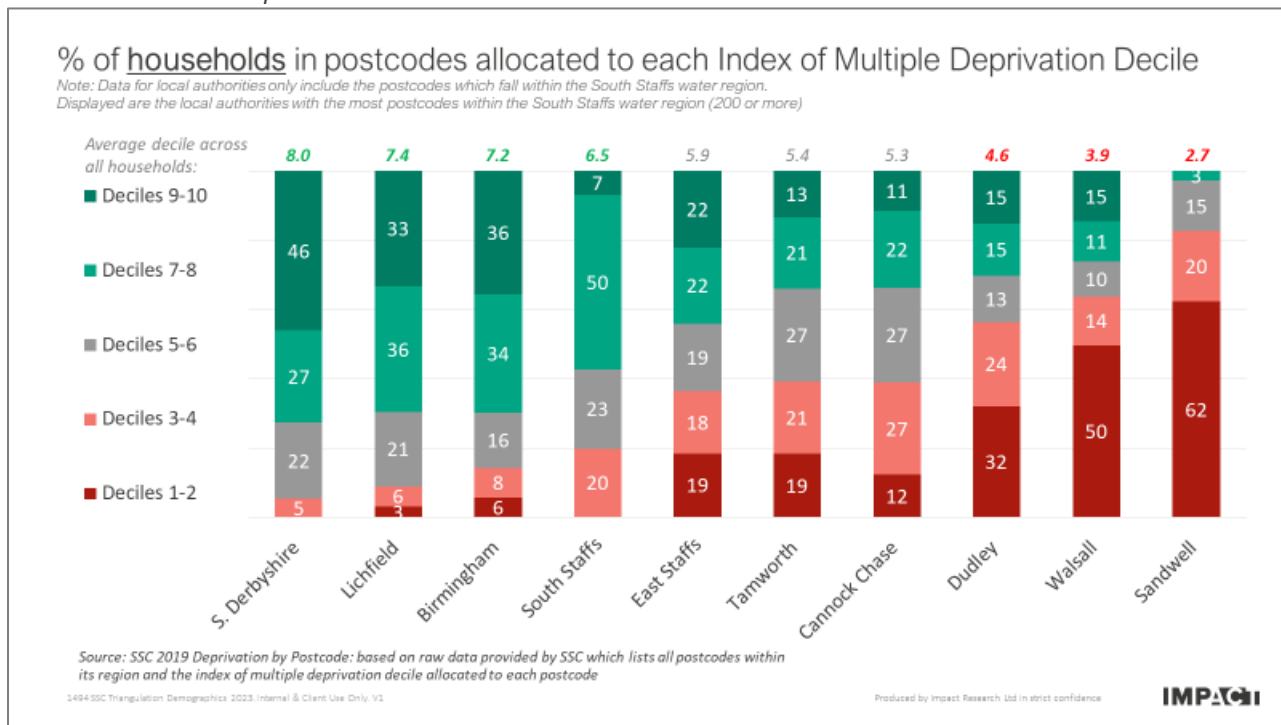


There is also a great amount of variation in deprivation within each of the two water regions.

In the South Staffs Water region (see figure 26 below)...

- Most household within postcodes in the **South Derbyshire⁶, Lichfield and Birmingham** local authorities (looking at just the postcodes which fall within the South Staffs water region) are **relatively affluent**.
- In contrast, most household within postcodes in the **Sandwell, Walsall and Dudley** local authorities (the postcodes which fall within the South Staffs water region) are **relatively deprived**.

Figure 26. Index of Multiple Deprivation deciles – by local authorities in the South Staffs water region (showing percentage of households within each postcode within each decile):

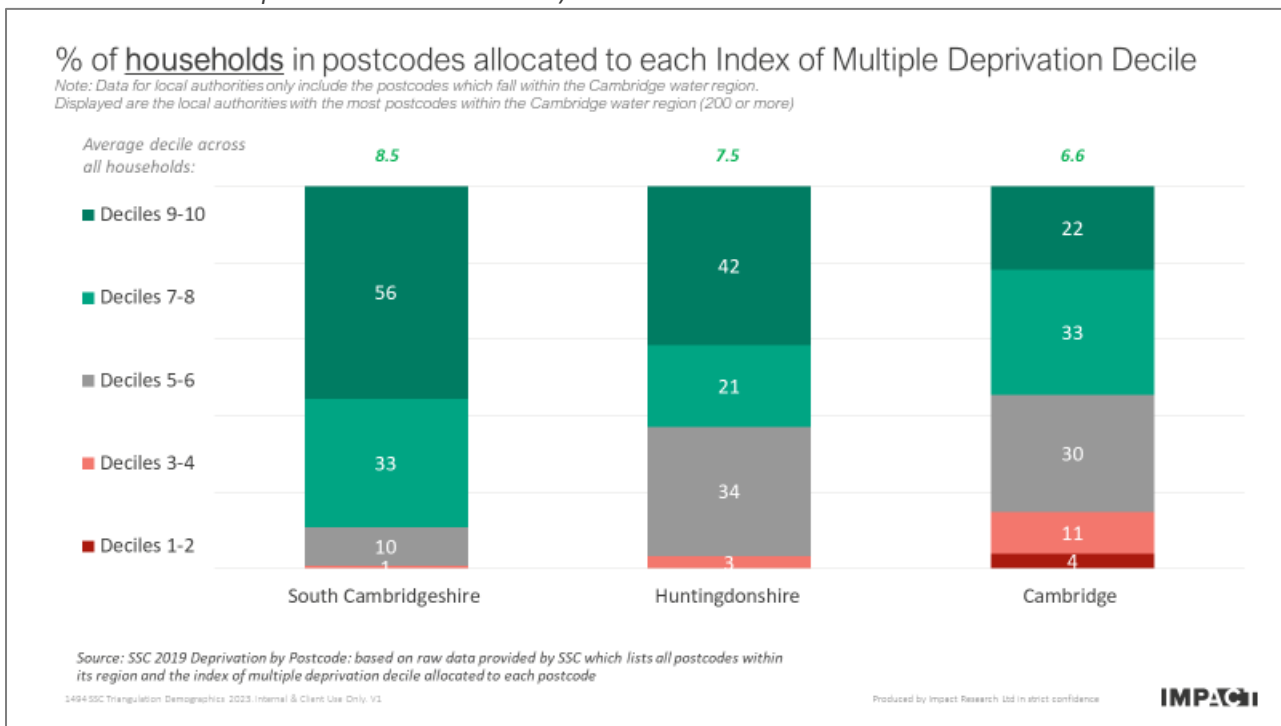


⁶ The data for deprivation identifies which local authority each individual postcode lies in, hence we are able to analyse more local authorities in this section than in other sections (which are usually sourced from the ONS). Please note – where we refer to a local authority, we are only referring to the postcodes within that local authority which are within the South Staffs & Cambridge water regions.

In the Cambridge Water region (see figure 27 below)...

- The vast majority of households within postcodes in the **South Cambridgeshire** local authority (the postcodes which fall within the Cambridge Water region) are affluent with many in the top deciles, 9-10.
- **Other local authorities in the Cambridge Water region are also relatively affluent**, with very few households within postcodes anywhere in the region falling into the more deprived deciles.

Figure 27. Index of Multiple Deprivation deciles – by local authorities in the Cambridge water region (showing percentage of households within each postcode within each decile):



Hotspots, in terms of deprivation, in the two water regions, are shown in figure 28 below. These are the postcode sectors with the lowest ranked postcodes in each water region in terms of the Index of Multiple Deprivation Rank.

Figure 28. Index of Multiple Deprivation deciles – most deprived postcode sectors in each water region:

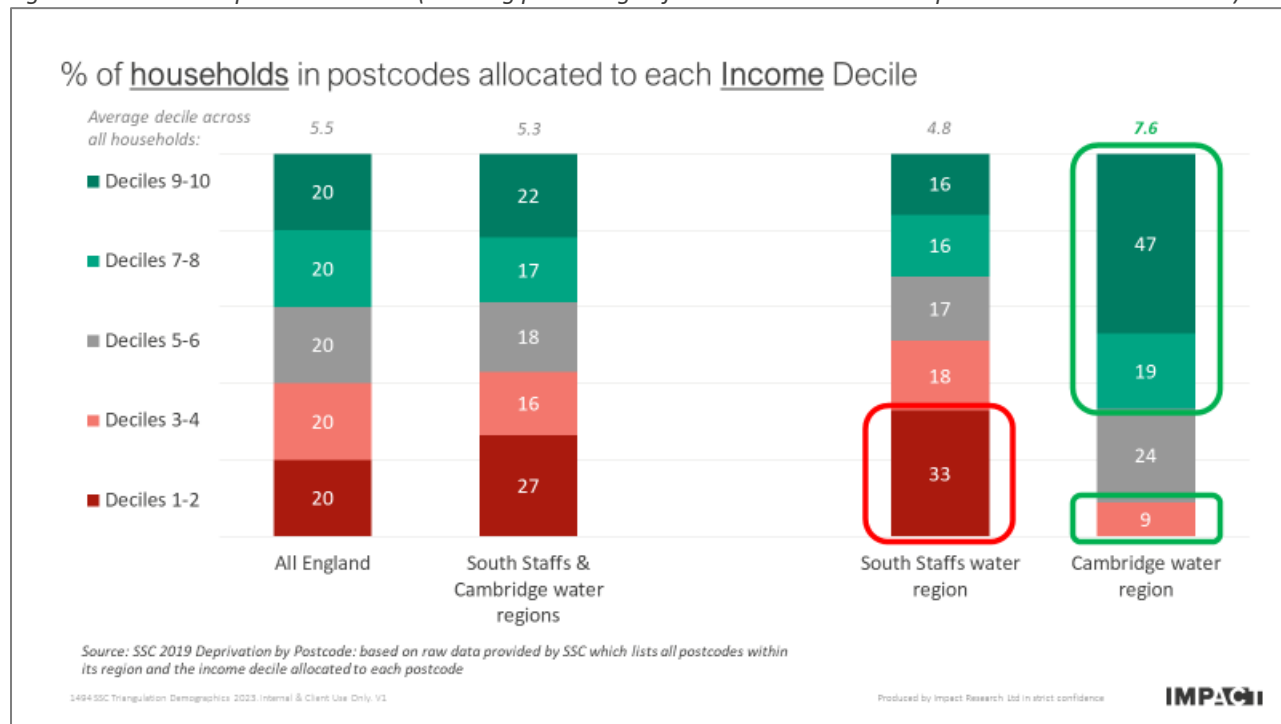
South Staffs water region: most deprived postcode sectors			
Postcode sectors with the most deprived postcodes:	In which local authority is the postcode sector:	Index of Multiple Deprivation Rank⁷	Relative to the rest of South Staffs water region, postcode is esp. deprived in terms of...
DY4 9	Sandwell	146	Income, Education, Health
DY4 0	Sandwell	268	Income, Employment
WS3 1	Walsall	352	Income, Education
B70 6	Sandwell	366	Employment, Health
B70 7	Sandwell	366	Employment, Health
B6 4	Birmingham	378	Income, Employment, Health
Cambridge water region: most deprived postcode sectors			
Postcode sectors with the most deprived postcodes:	In which local authority is the postcode sector:	Index of Multiple Deprivation Rank	Relative to the rest of Cambridge water region, postcode is esp. deprived in terms of...
CB5 8	Cambridge	4183	Income, Employment, Education, Health
CB4 1	Cambridge	6022	Income, Employment, Education, Health
CB4 2	Cambridge	Varies by postcode, between 6022 and 7961	Varies by precise postcode, includes: Income, Employment, Education, Health, Crime
CB4 3	Cambridge	7687	Employment, Crime

⁷ Shown in this column (“Index of Multiple Deprivation Rank”) is the rank order of the particular postcode relative to other postcodes in England: the lower the number in this column, the higher the deprivation

Income Deprivation deciles

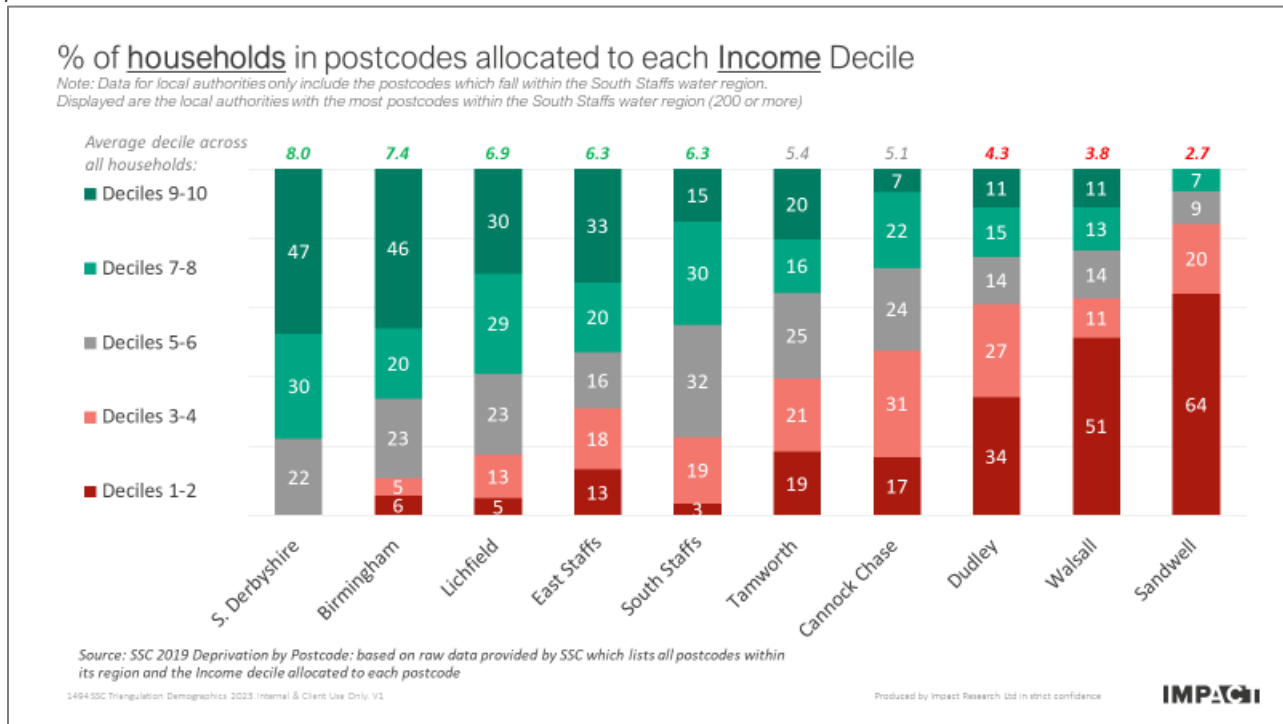
Overall, the results for the Income Deprivation deciles tell a similar story to that of the Index of Multiple Deprivation deciles. 39% of all households within postcodes in the combined South Staffs & Cambridge Water regions are in the more affluent income deciles (7-10) while 43% are in the more deprived income deciles (1-4). And, as seen on the Index of Multiple Deprivation deciles, households in the Cambridge Water region are far more likely to be within postcodes classified as affluent than in the South Staffs Water region:

Figure 29. Income Deprivation deciles (showing percentage of households within each postcode within each decile):



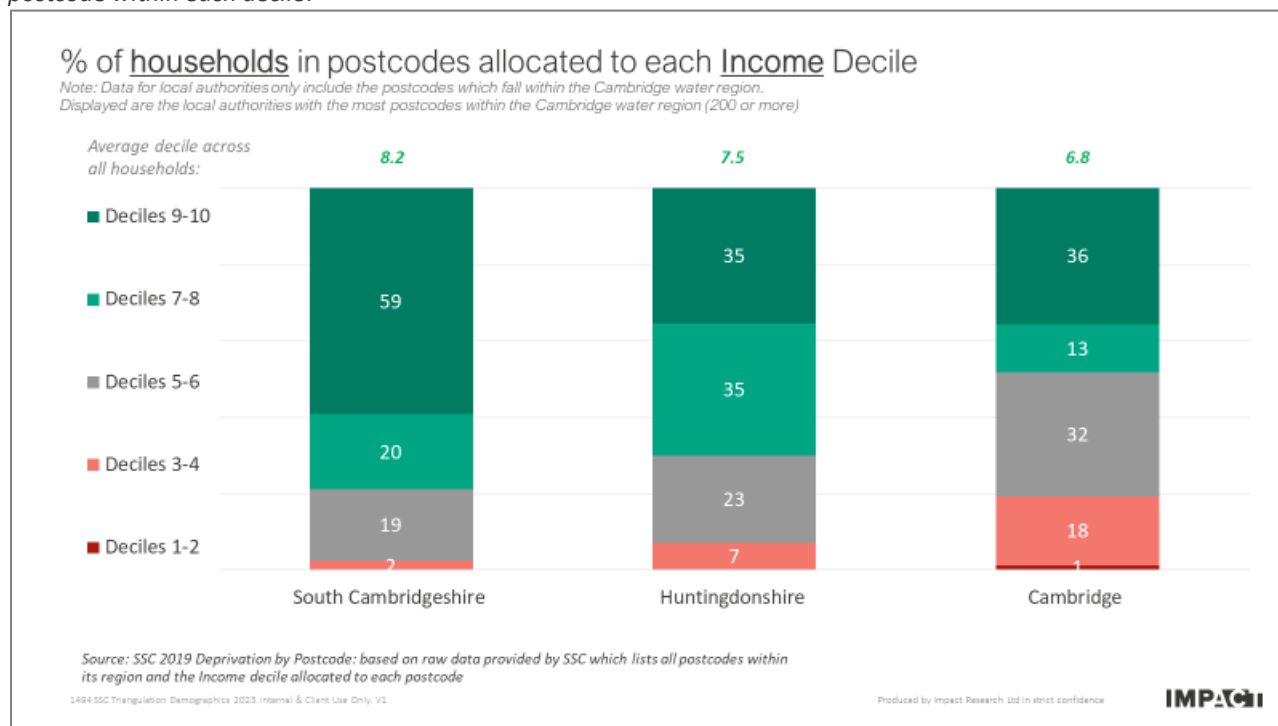
When we look at income deciles at a local authority level, we also see a similar story to that seen for the Index of Multiple Deprivation deciles. The key variation between IMD deciles and Income deciles in the South Staffs region is that East Staffs does better than South Staffs when it comes to Income Deciles – for IMD Deciles it’s the other way round. See figure 30 below for the income deciles, and see figure 26 previously for a like-for-like comparison with the IMD deciles.

Figure 30. Income deciles – by local authorities in the South Staffs water region (showing percentage of households within each postcode within each decile):



When it comes to income deciles in the Cambridge Water region, it is notable that 36% of households within postcodes in the Cambridge City local authority are within the top two income deciles – this is far greater than the proportion in Cambridge City who are within the top two Index of Multiple Deprivation deciles (22%). This highlights the high incomes within the Cambridge water region, including in Cambridge City, links up well with the results recorded in figure 20 (gross annual income) earlier in this report.

Figure 31. Income deciles – by local authorities in the Cambridge water region (showing percentage of households within each postcode within each decile):



Notes on data used in this section:

- Data is sourced from raw data provided by SSC, taken from open source data in May 2023.
- The raw data lists all postcodes which fall within the South Staffs and Cambridge water regions and displays the index of multiple deprivation decile allocated to each postcode (provided from SSC)
- The index of multiple deprivation is calculated by looking at scores provided for seven aspects: income, employment, education & skills, health & disability, crime, barriers to housing & services, and living environment.
- When looking at local authorities, the percentages are based on only the postcodes within that local authority which fall within the specified water region.
- When looking at individual local authorities, we have only displayed the local authorities with at least 200 postcodes within the specified water region (though the postcodes from the smaller local authorities have been included in the total counts for the whole water regions).

Water poverty

CEPA was commissioned by SSC to run a water poverty modelling to estimate water poverty rates in both water regions. Figures 32-34 are taken directly from their recent draft report for 2022/23. A similar exercise was conducted in 2019/20 using the same modelling suite and methodology, but with some updated assumptions and inputs – the recent set of estimates are consistent with those recorded for the 2019/20 period.

Figure 32 shows the estimate water poverty rates under a 3% bill-income threshold definition of water poverty and also a 5% bill-income threshold definition of water poverty. Current estimates for both water regions (at both the 3% and 5% definitions) are in line with estimates from 2019/20; however, it is predicted that water poverty will increase by around 45% in the next five years, with a similar percentage increase in both SSW and CAM. If this prediction is fulfilled, this will widen the gap in water poverty levels between CAM and SSW – the latter reaching 19% water poverty (compared with 13% in CAM) based on a 3% bill-income threshold definition.

Figure 32. Estimates of water poverty based on existing social tariff interventions:

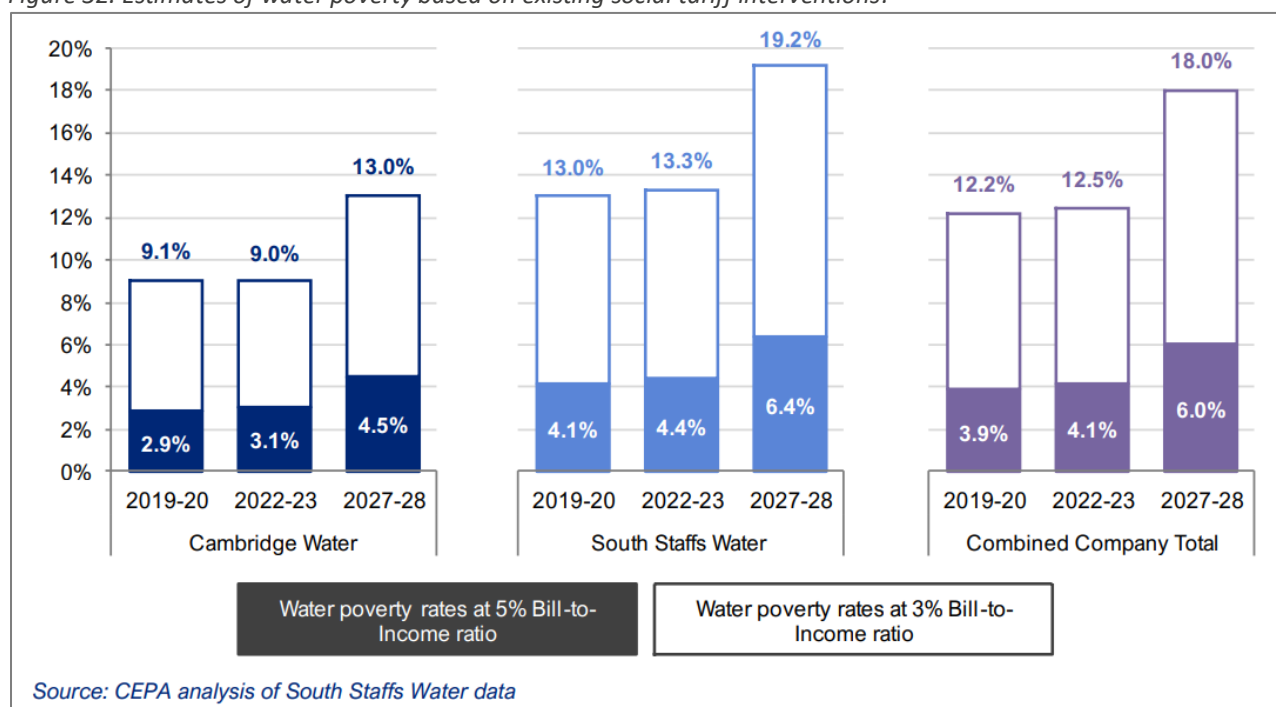


Figure 33 overleaf translates the above percentages into estimates for the number of households in water poverty.

Figure 33. Estimates of number of households in water poverty within the South Staffs water supply areas based on existing social tariff interventions:

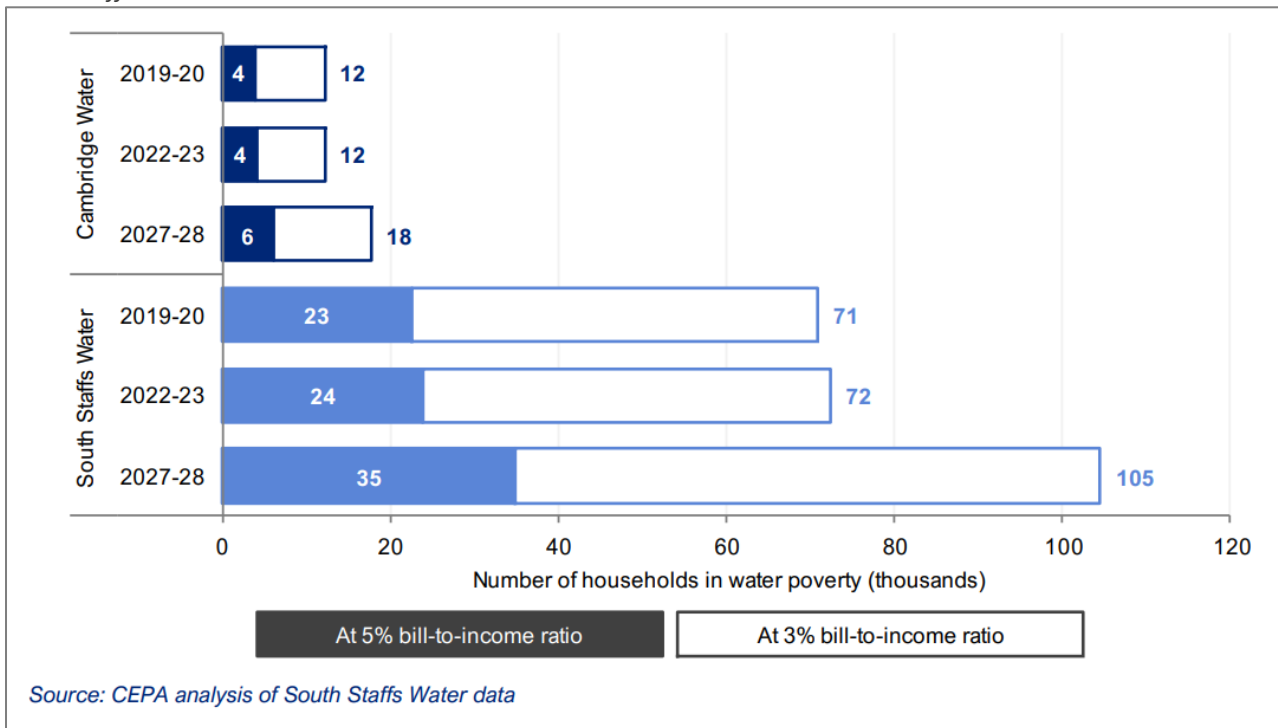
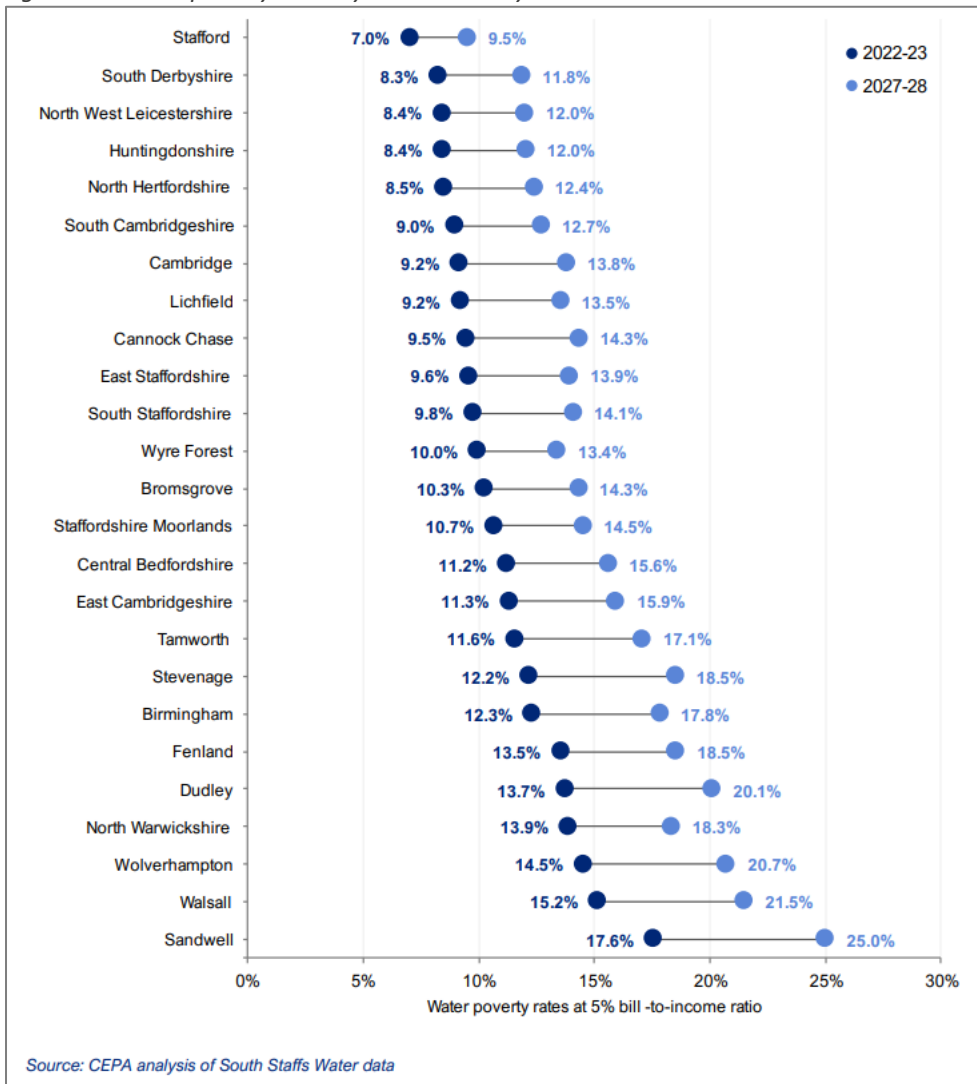


Figure 34 overleaf shows the estimated water poverty rates by local authorities in the two water regions, with the estimates based on a 5% bill-income ratio. Stafford clearly has the lowest estimated rates of water poverty (7%) which is likely to continue over the next five years. In contrast, water poverty estimates are currently significantly higher in Walsall (15%) and Sandwell (18%), and it is estimated that these two local authorities will continue to have the greatest proportion of households in water poverty in five years' time (rising to 22% and 25% respectively in five years' time).

Figure 34. Water poverty rates by local authority at 5% bill-to-income ratio:

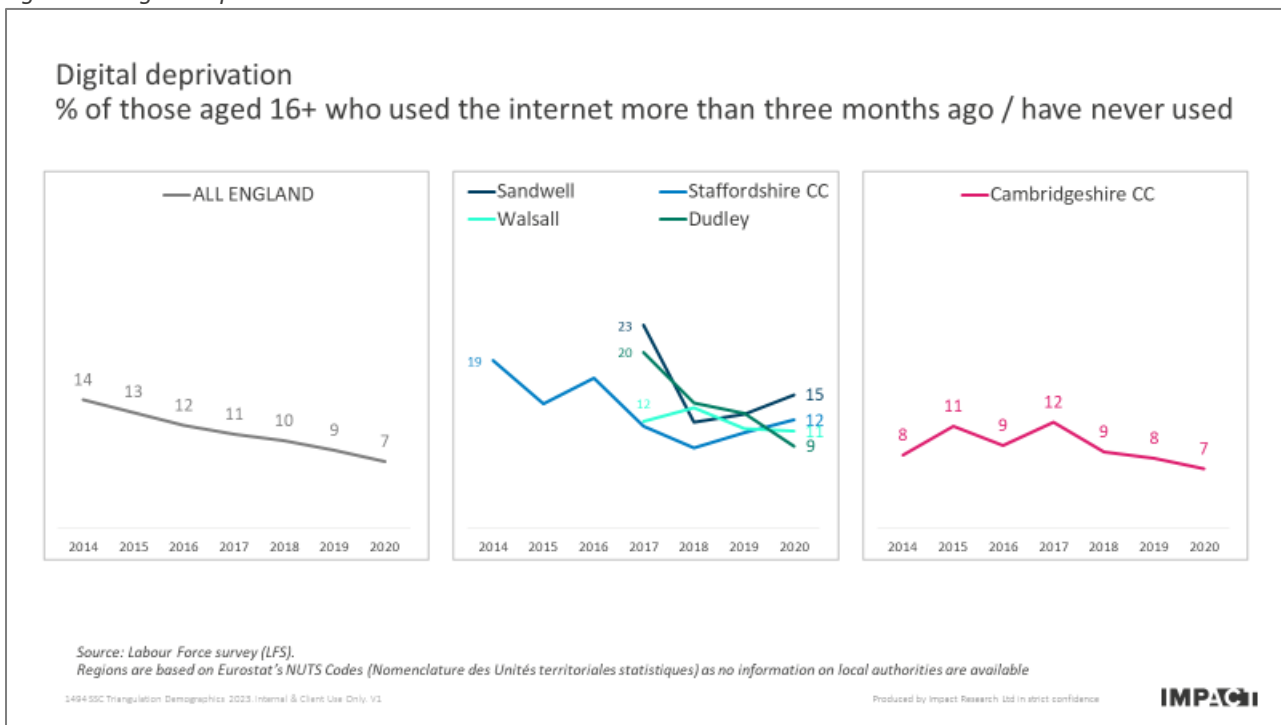


9. Digital Deprivation

While data on digital deprivation is generally hard to come by, the Labour Force Survey did measure the percentage of the adult (16+) population who have not used the internet recently (more than three months ago) or have never done so. Unfortunately, the data is not available at a local authority level, but instead at a Eurostat’s NUTS code level. While these geographies may not precisely match the South Staffs and Cambridge water regions, they are good indicators of roughly what proportion of the population could be considered as digitally deprived (i.e. rarely/never use the internet).

While digital deprivation in the Cambridge water region is at around the same level as the rest of England (7% in the “Cambridgeshire CC” NUTS area), it is higher in many parts of the South Staffs water region, reaching 15% in the “Sandwell” NUTS area.

Figure 35. Digital deprivation:



Notes on data used in this section:

- Data is sourced from the Labour Force Survey (LFS) – the 2020 interviews took place between January to March 2020.
- Shown are the percentages of all adults aged 16 and over who last used the internet more than three months ago or who have never used the internet..
- The geographies shown do not match the local authorities quoted in other parts of this report. Shown are Eurostat’s NUTS (Nomenclature des Unités territoriales statistiques) area codes.

10. Benefits

In CCW Household Matters July 2023, around a fifth to a sixth of participants reported that they are currently receiving benefits payments, with a slightly higher proportion in the South Staffs region (21%) than the Cambridge region (16%). The number of people reporting receiving benefits has risen slightly in 2022/23 in comparison with the previous year, with a rise of 3pp points in South Staffs and 7pp in Cambridge, with Cambridge now returning to a similar level to 2020.

Figure 36. Receiving benefits trends:

TRENDS IN SSW AND CAM RECEIVING BENEFIT OVER 2019/20 – 2022/23 (%)

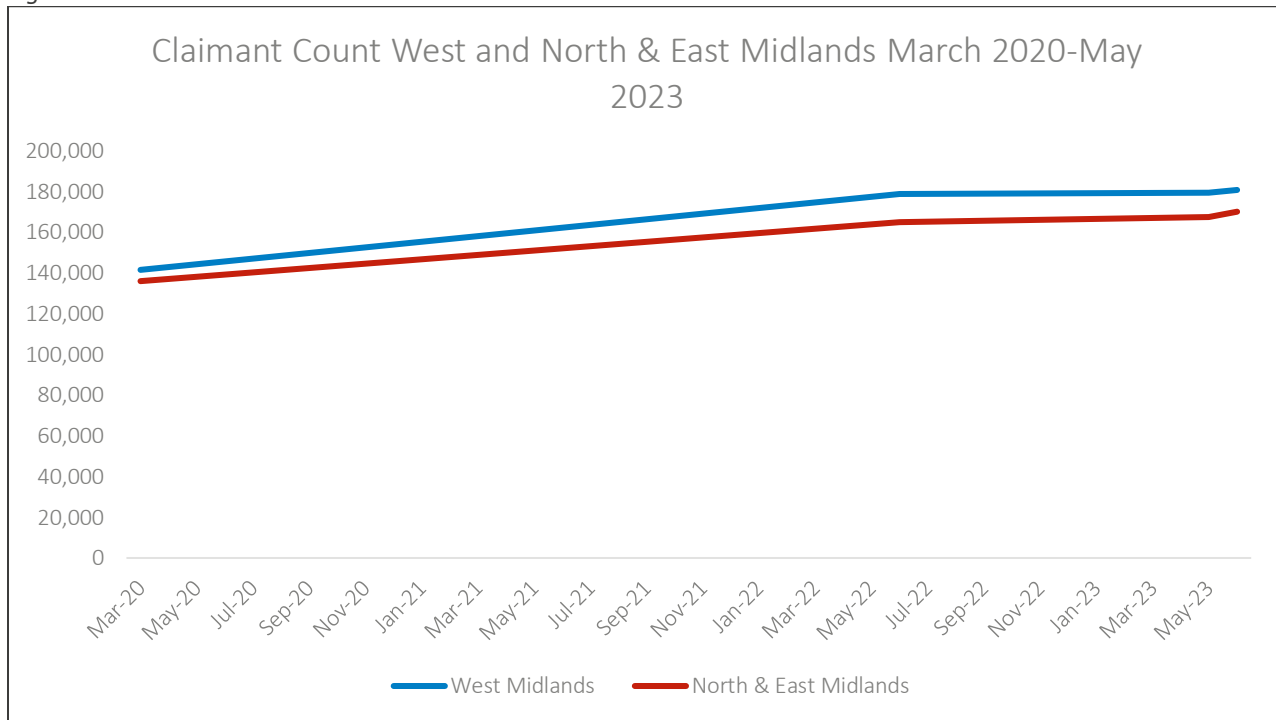
	2019/20	2020/21	2021/22	2022/23
SSW	25%	19%	19%	21%
CAM	16%	10%	9%	16%

Notes on data used in figure 36:

- Data is sourced from CCW Household Matters. Published July 2023. West Midlands State of the Group Report. Published July 2023. North and East Midlands State of the Group Report, Published July 2023.
- Shown are the percentages of customers who responded that they or a household member had experienced any of these personal circumstances in the last 12 months
- Sample base: 2022/23 N=293, 2021/22 N=292, 2020/21 N=290, 2019/20 N=288

Figure 37 overleaf includes data on claimant counts between the West Midlands as well as the North and East Midlands. Both areas follow relatively similar graphs.

Figure 37. Claimant count trends:



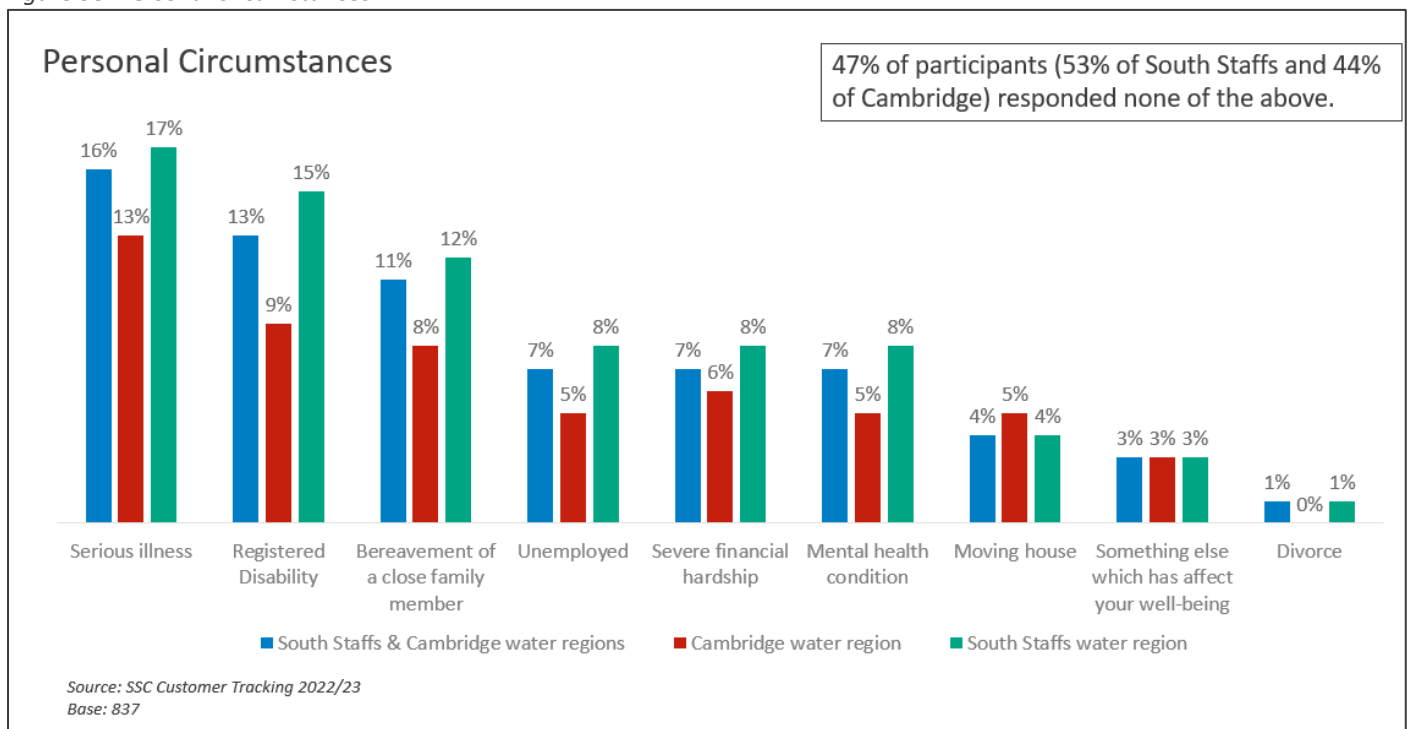
- **IMPORTANT NOTE ABOUT THE DATA IN figure 34: the South Staffs Water and Cambridge Water regions do not fit neatly into the two regions here (West Midlands and North & East Midlands):**
 - Dudley, Sandwell and Walsall are included in the West Midlands report.
 - Cannock Chase, East Staffs, Lichfield, South Staffs and Tamworth are included in the North & East Midlands report.
 - Cambridge and South Cambridgeshire are also included in the North & East Midlands report.
 - Therefore:
 - South Staffs water region is divided between the two regions (West Midlands and North & East Midlands).
 - The North & East Midlands figures include the Cambridge water region plus around half of the South Staffs water region.
 - The two regions (West Midlands and North & East Midlands) also include large areas which are not served by SSC.

11. Personal Circumstances

South Staffs tracks bill paying customers claimed personal circumstances. In relation to negative personal circumstances, around half of participants report that they or someone in their household has experienced at least one of the options given within the last 12 months; this number was slightly higher in Cambridge (44% reporting none of the above) compared with South Staffs (53% reporting none of the above).

Despite a higher number of individuals experiencing negative personal circumstances in the Cambridge region, South Staffs individuals who had experienced these tended to report experiencing more negative personal circumstances than Cambridge customers, with moving house being the only exception to this by a single percentage point (4% South Staffs, 5% Cambridge). The highest reported negative personal circumstance was serious illness (16%), with more South Staffs customers reporting that they had experienced this (17%) when compared with Cambridge customers (13%). The least reported personal circumstance was divorce with 1% of participants selecting this option (all from South Staffs), although it is speculative, it is worth noting the possibility that some participants did not wish to admit to a recent divorce in the survey – see figure 35 below for further details.

Figure 38. Personal circumstances:

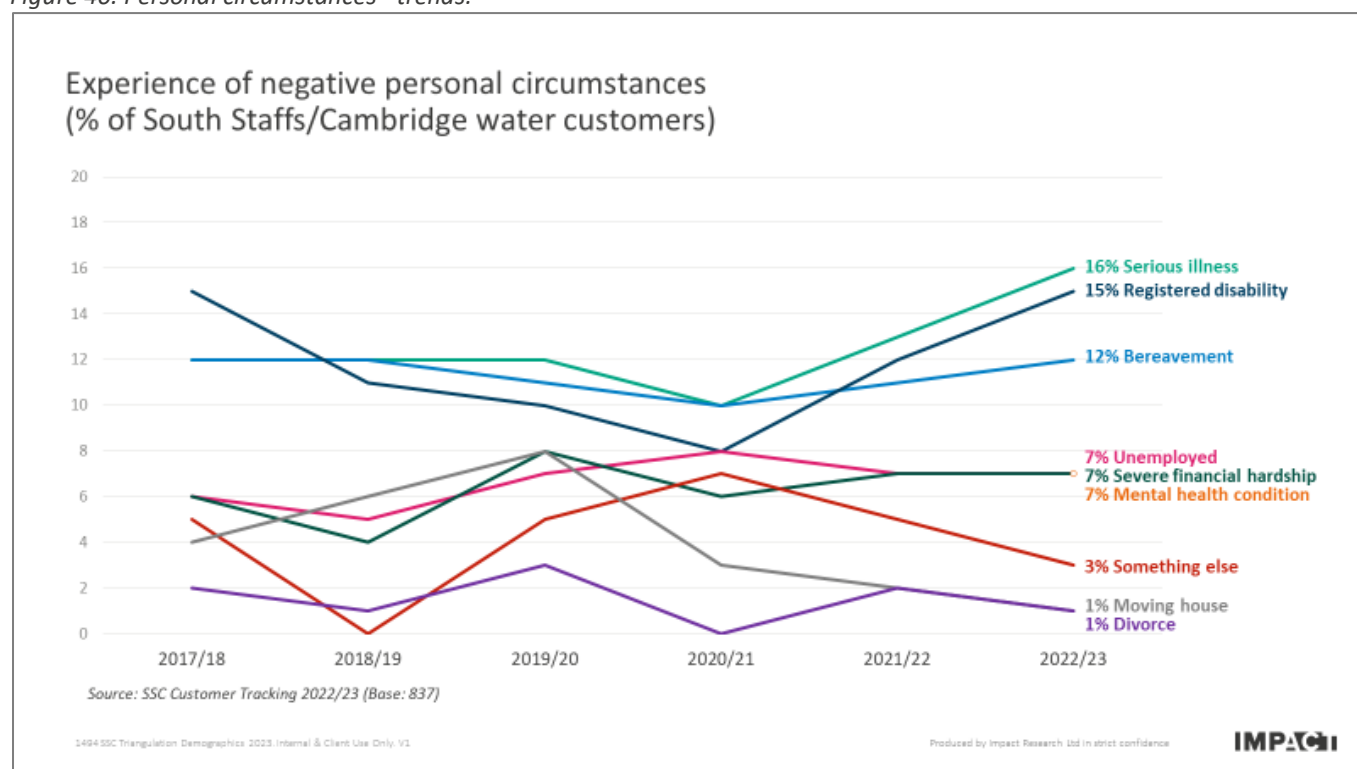


Trends on personal circumstance between 2017-2023 tend to be relatively stable across all attributes, with peaks or troughs (dependent on the circumstance) appearing between the 2019/2020 and 2020/2021 period, where registered disabilities dropped to 8%, unemployment rose slightly to 8%, moving house dropped to 3%, and other factors affecting wellbeing rising to 7% in 2020/2021. This could potentially be explained by the prevalence of the Covid-19 pandemic during those periods; however, this is speculative. One notable change during the 2022/23, period is the second subsequent year of a 3pp increase in reports of serious illness compared to the previous year – see figures 39 and 40 below for further details. The proportion indicating they have a someone with a registered disability in their household has returned to the level (15%) last seen in 2017/18.

Figure 39. Personal circumstances - trends:

	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Serious illness	12%	12%	12%	10%	13%	16%
Bereavement of a close family member	12%	12%	11%	10%	11%	12%
Registered disability	15%	11%	10%	8%	12%	15%
Unemployed	6%	5%	7%	8%	7%	7%
Severe financial hardship	6%	4%	8%	6%	7%	7%
Moving house	4%	6%	8%	3%	2%	1%
Something else which has affected your well-being	5%	0%	5%	7%	5%	3%
Divorce	2%	1%	3%	0%	2%	1%
Mental health condition	-	-	-	-	-	7%

Figure 40. Personal circumstances - trends:



Notes on data used in this section:

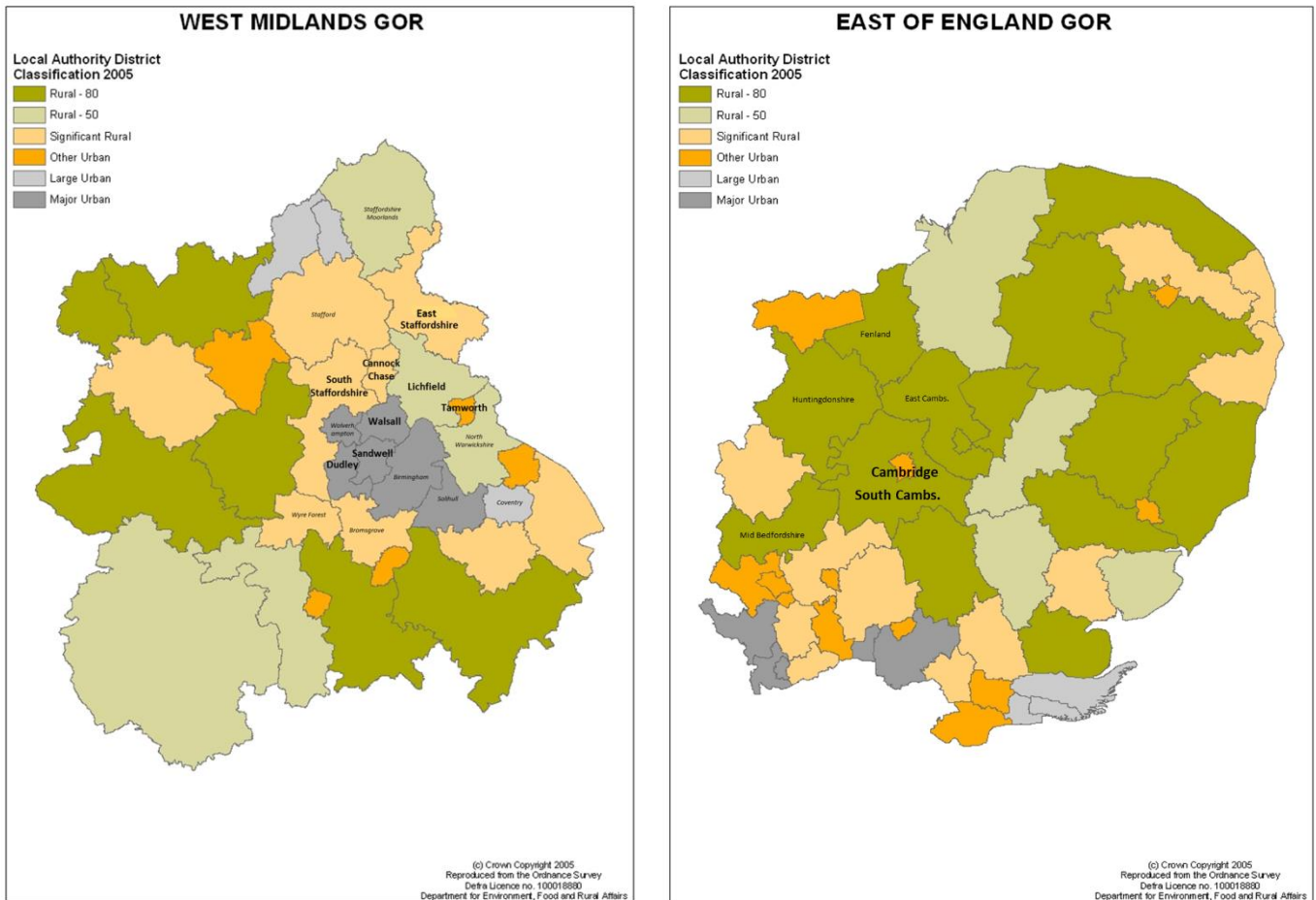
- Data is sourced from SSC Customer Tracking 2022/23.
- Shown are the percentages of customers who responded that they or a household member had experienced any of these personal circumstances in the last 12 months.

12. Where and How the Population Lives

Rural vs Urban

As shown on the map below (based on 2005 data), the South Staffs Water region is divided between major urban areas (Dudley, Sandwell and Walsall, while Tamworth is also largely urban) and mainly rural areas (Lichfield, East Staffordshire, Cannock Chase and South Staffordshire). Likewise, while Cambridge City is urban, South Cambridgeshire and Huntingdonshire are highly rural (at least 80% living in rural settlements and hub towns).

Figure 41. Maps of the West Midlands and East England regions showing overall degree of rurality in each local authority:



Notes on data used in this section:

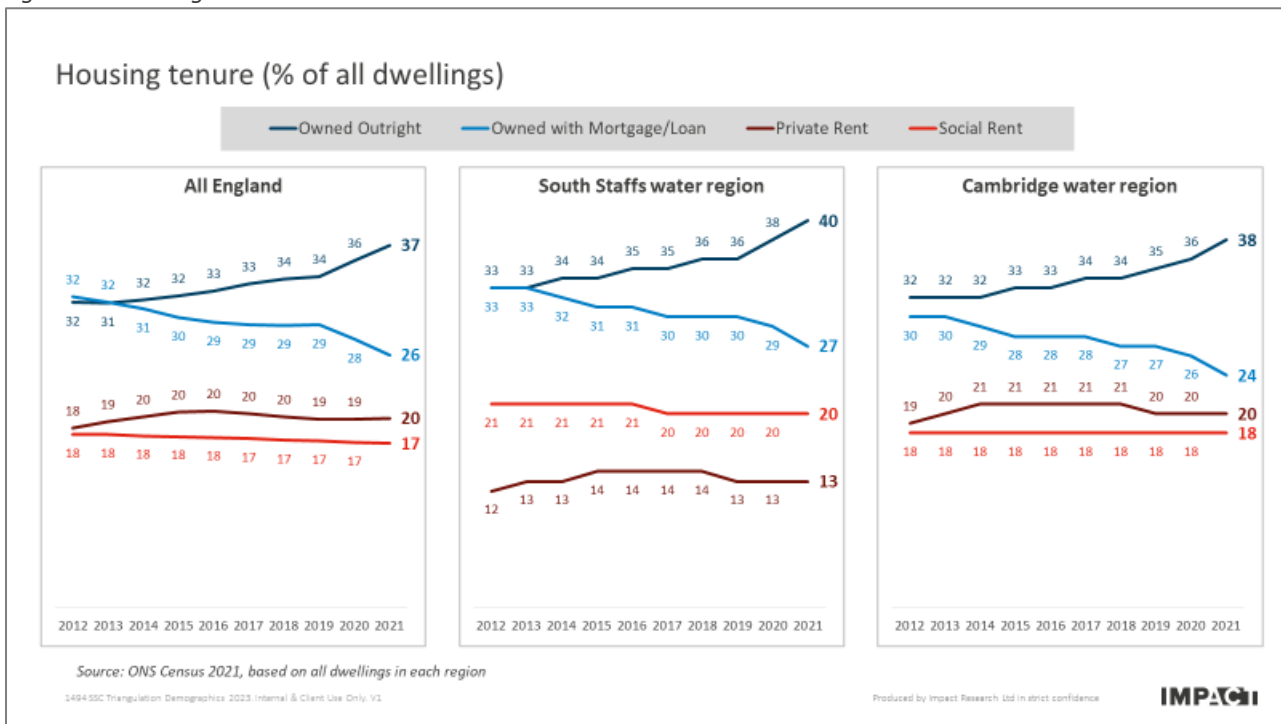
- Data is sourced from the following government websites, using data from the 2001 Census:
<https://www.gov.uk/government/statistics/regional-maps-maps-of-rural-areas-in-the-west-midlands-region> and
<https://www.gov.uk/government/statistics/regional-maps-maps-of-rural-areas-in-the-east-of-england-region>

Housing tenure

As is the case across England, in the South Staffs and Cambridge water regions over the past decade there has been a shift from owning a home with a mortgage/loan to owning a home outright – four in ten dwellings in both water regions are now owned outright while the proportion owned with a mortgage/loan has dropped to around a quarter in both regions.

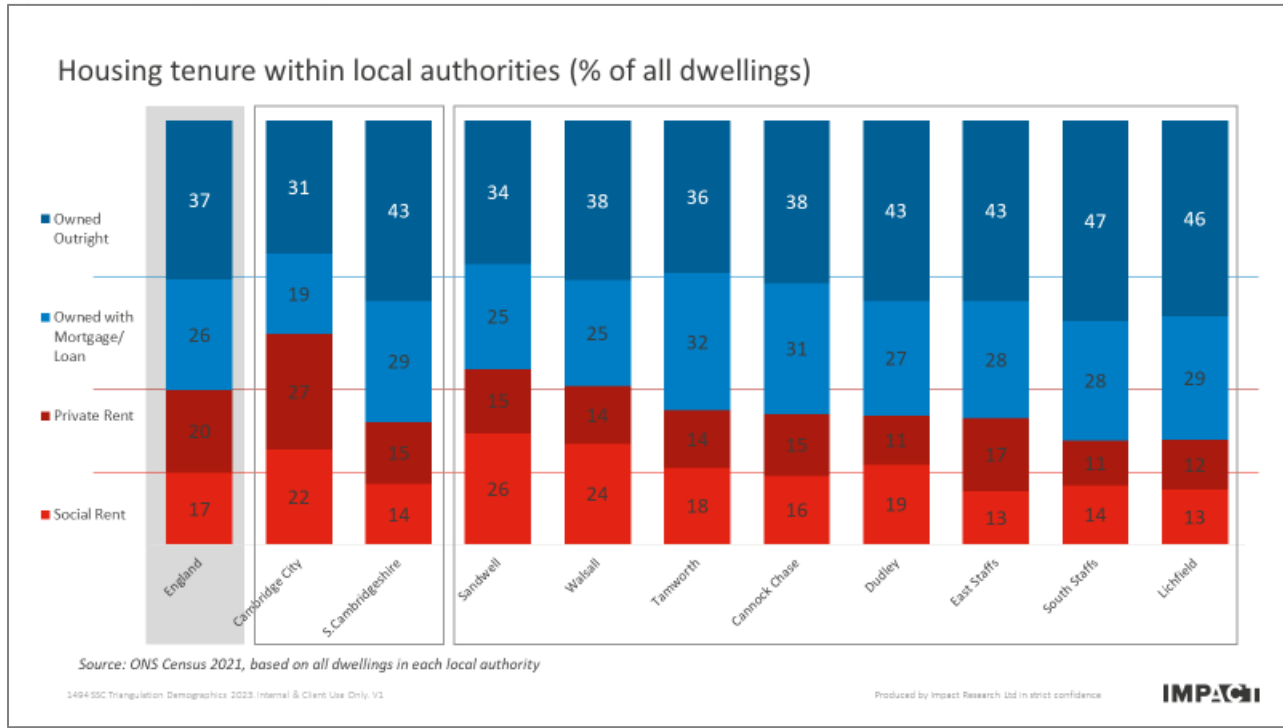
The rented sector has remained fairly stable in both regions over the past decade. Of note is the relatively low percentage of dwellings in the South Staffs water region which are privately rented (13%), which is significantly lower than in the Cambridge water region (20%) and the rest of England (also 20%). The difference in the South Staffs water region is accounted for by marginally higher levels of owned and socially rented dwellings.

Figure 42. Housing tenure - trends:



Looking at individual local authorities (see figure 43 below), the rented sector is particularly prominent in Cambridge City (50% of dwellings are either private or social rent) and Sandwell (41% are either private or social rent – mainly social rent).

Figure 43. Housing tenure – by local authorities:



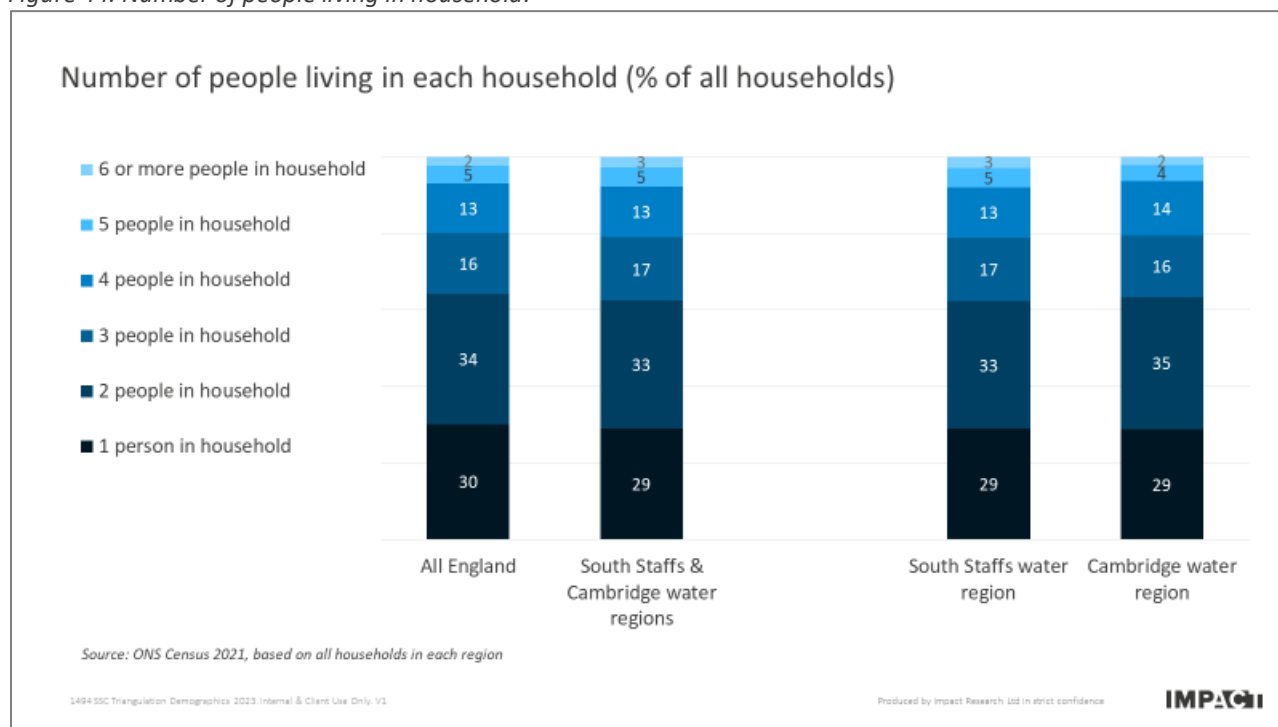
Notes on data used in this section:

- Data is sourced from the ONS, using data from: Annual Population Survey, ONS 2011 Census, Live tables of dwelling stock, English Housing Survey - Department for Levelling Up, Housing and Communities.
- Shown are the estimate percentages of dwellings by tenure.
- As specified in section 1 of this report, local authorities have been used to define both water regions.

Number of people in household

In terms of the number of people living in each household, the profile of both water regions is almost identical to the national profile. Around half of all households are occupied by two or three people while three in ten households are single occupied households. If we were to estimate that “6 or more people in household” equates to an average of 6.5, then that gives us an average figure of 2.4 people living in each household – a figure which is consistent across both water regions (and in line with all England) and fairly consistent across all local authorities.

Figure 44. Number of people living in household:



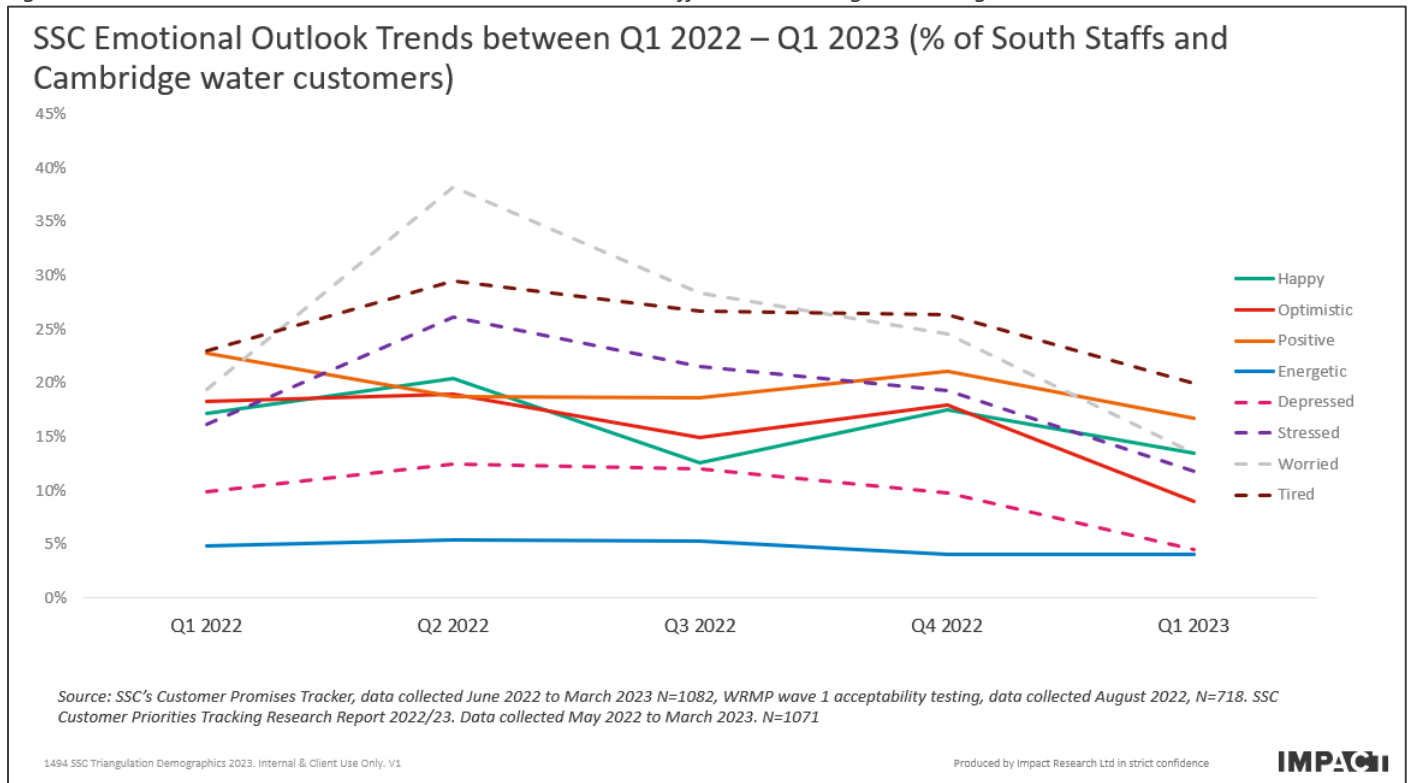
Notes on data used in this section:

- Data is sourced from the ONS Census.
- Shown are the percentages of all households as of 21 March 2021.
- As specified in section 1 of this report, local authorities have been used to define both water regions.

13. Emotional Outlook / Quality of Life Perceptions

On the whole participants in SSC’s Customer Tracking, WRMP wave 1 acceptability testing, and Customer Promises Tracker, were more likely to record their emotional state towards their day-to-day life in an unpleasant way rather than in a pleasant way across all time frames from Q1 2022 – Q1 2023, with the only exception to this being feeling “depressed”, with most pleasant emotions scoring higher than this. This is true for both the South Staffs and the Cambridge regions. When looking at both regions separately, Cambridge emotion scores appear to be more unstable, with higher peaks and lower troughs. It should be noted that some customers may not want to admit to feeling certain ways.

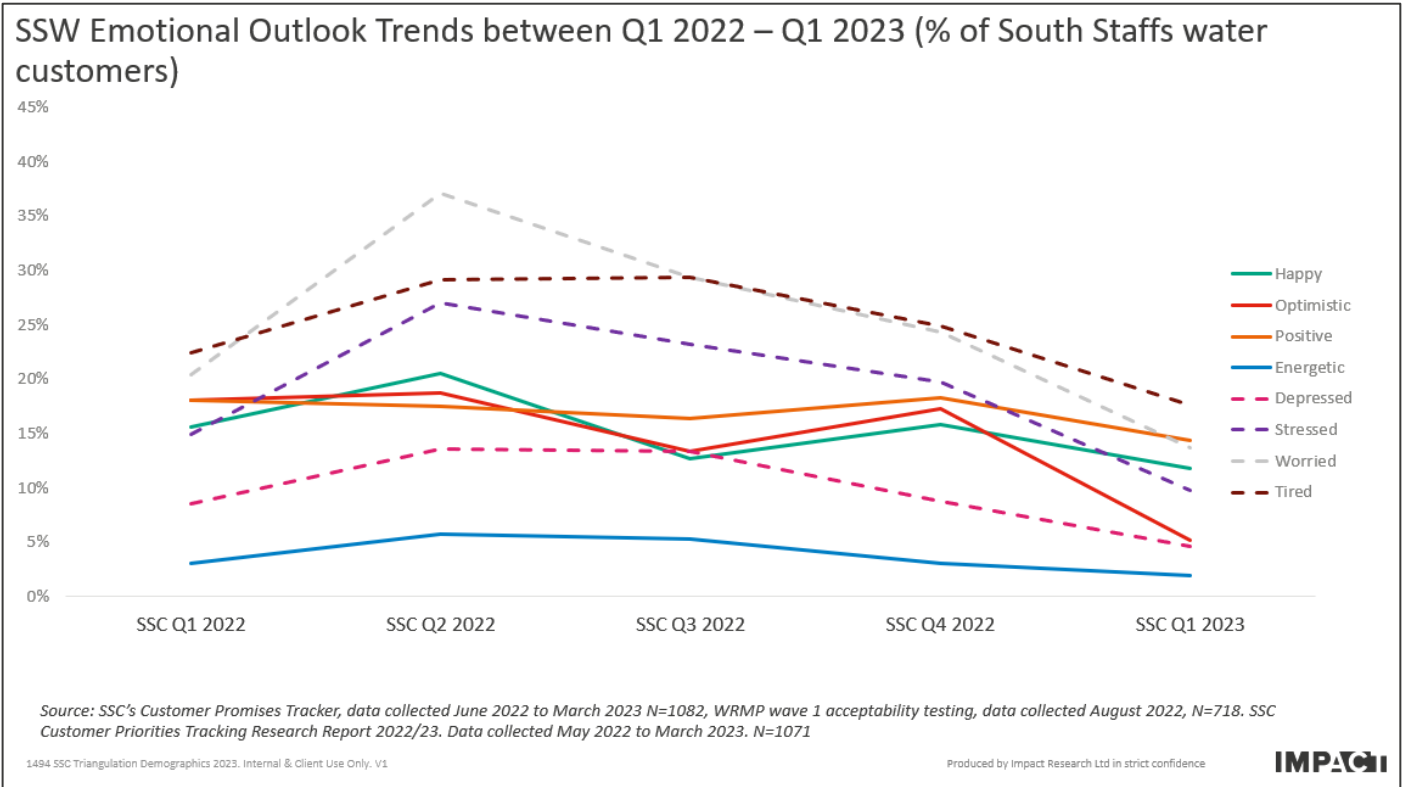
Figure 45. Emotional outlook trends in the combined South Staffs and Cambridge water region:



In both regions, negative emotions cycle throughout the year, with scores returning in Q1 of 2023 to a similar level as those recorded in Q1 of 2022. Unpleasant emotions peak in Q2, worry and stress showing the greatest shift in this time period. Cambridge show a slightly higher Q2 score for worry when compared with SSW. In contrast, there is a relatively large drop in “Tiredness” scores in the Cambridge region in Q3 of 2022, something not seen in the SSW region.

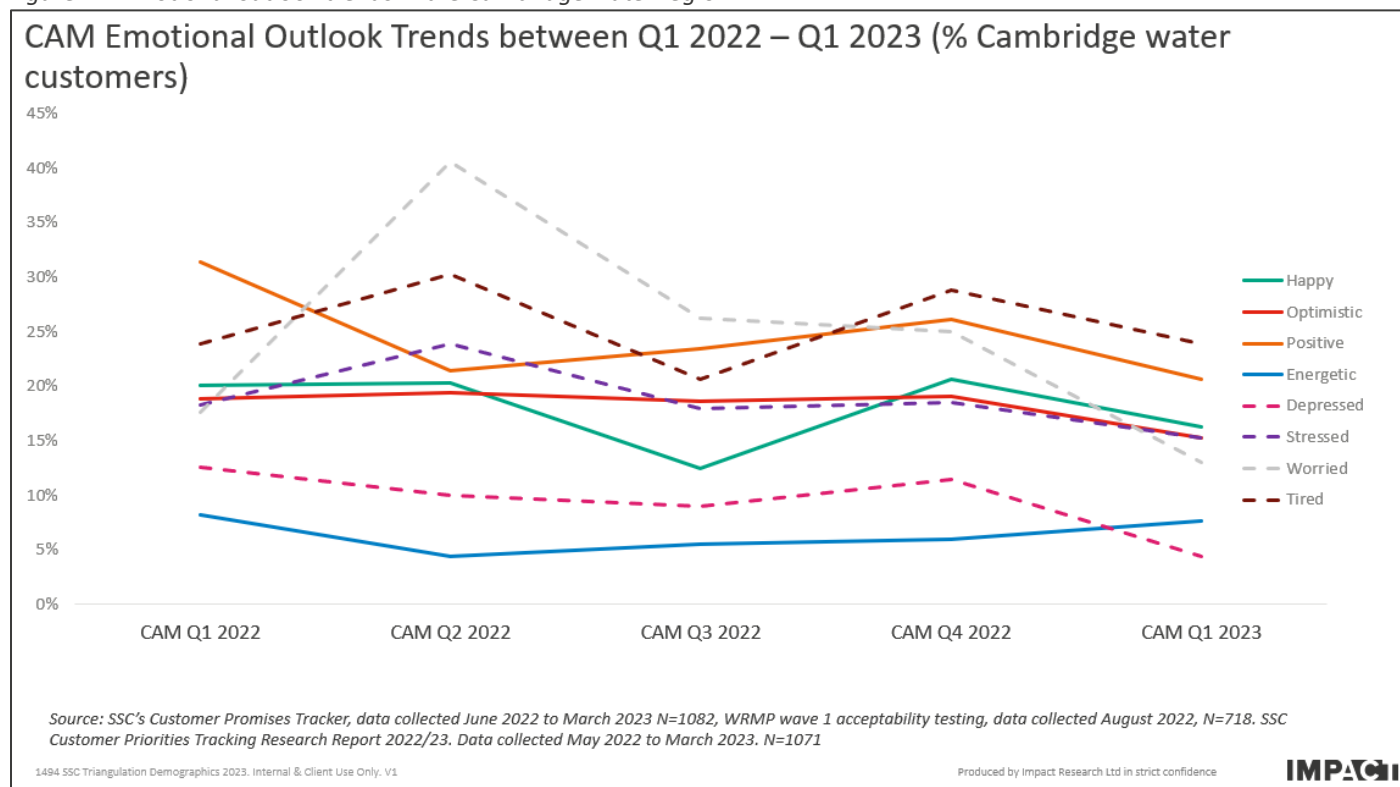
Pleasant emotions appear to be more static across the year in comparison, with scores steadily decreasing slightly over the year from Q1 of 2022 to Q1 of 2023. The most notable exception to this is the “Optimism” emotion in the SSW region, exhibiting a large drop between Q4 of 2022 and Q1 of 2023 in comparison to Cambridge.

Figure 46. Emotional outlook trends in the South Staffs water region:



“Energetic” was the lowest reported emotion across all regions and timeframes aside from in Q1 of 2023 where “Depressed” scored lower in the Cambridge region. “Worried” and “Tired” were the highest reported emotions across all regions and timeframes, aside from in Q1 of 2022 where “Positive” scored higher in the Cambridge region.

Figure 47. Emotional outlook trends in the Cambridge water region:



Notes on data used in this section:

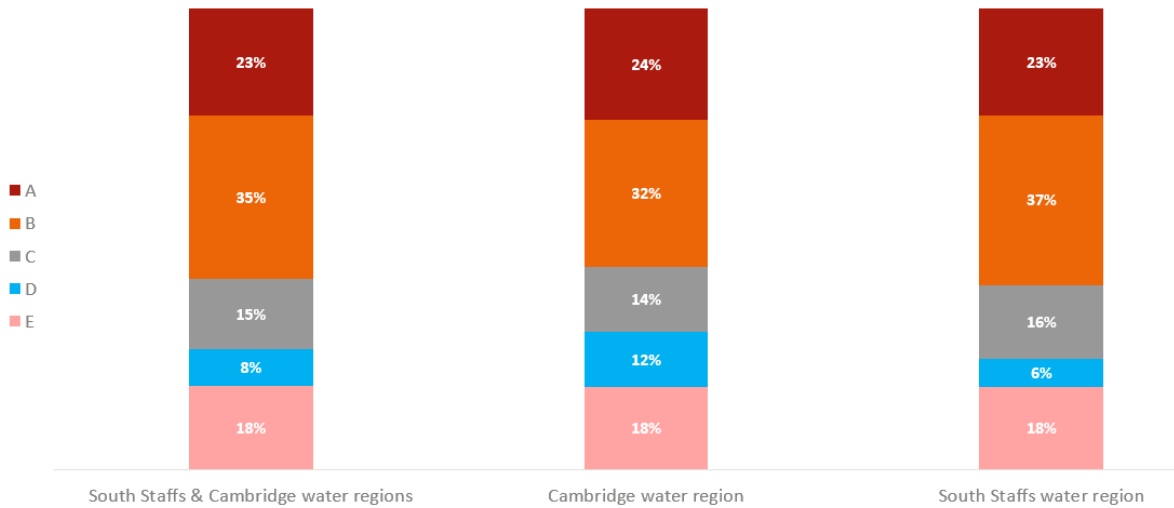
- Data is sourced from SSC's Customer Promises Tracker, data collected June 2022 to March 2023 N=1082, WRMP wave 1 acceptability testing, data collected August 2022, N=718. SSC Customer Priorities Tracking Research Report 2022/23. Data collected May 2022 to March 2023. N=1071
- Shown are the percentages of HH participants
- Pleasant and Unpleasant emotions are used in this section to describe a collective all positive and negative emotions respectively, this was done to avoid confusion with the "Positive" emotion item.
- Note that there is a significantly higher proportion of participants who reported no emotion in Q1 of 2023 (51%) and a significantly lower proportion in Q2 of 2022 (14%) compared to the modal average (25%). These were not possible to remove from the data set while still aiming to measure the population average. This has resulted in potentially higher scores in Q2 of 2022 across all emotions, and lower scores in Q1 of 2023.

14. Segmentation - Attitudinal

When looking at attitudinal segmentation developed by South Staffs in 2018, both South Staffs and Cambridge regions show fairly similar distribution in terms of segments, with most participants belonging to the B segment (South Staffs and Cambridge: 35%) (for further details on segments, refer to *Figure 50*), and the least in the D segment (South Staffs and Cambridge: 8%). There is a slightly higher proportion of those in the D segment in the Cambridge area (6% SSW, 12% CAM), while the South Staffs area saw a higher proportion of those in the B segment (37% SSW, 32% CAM).

Figure 48. Attitudinal segmentation:

Attitudinal Segmentation

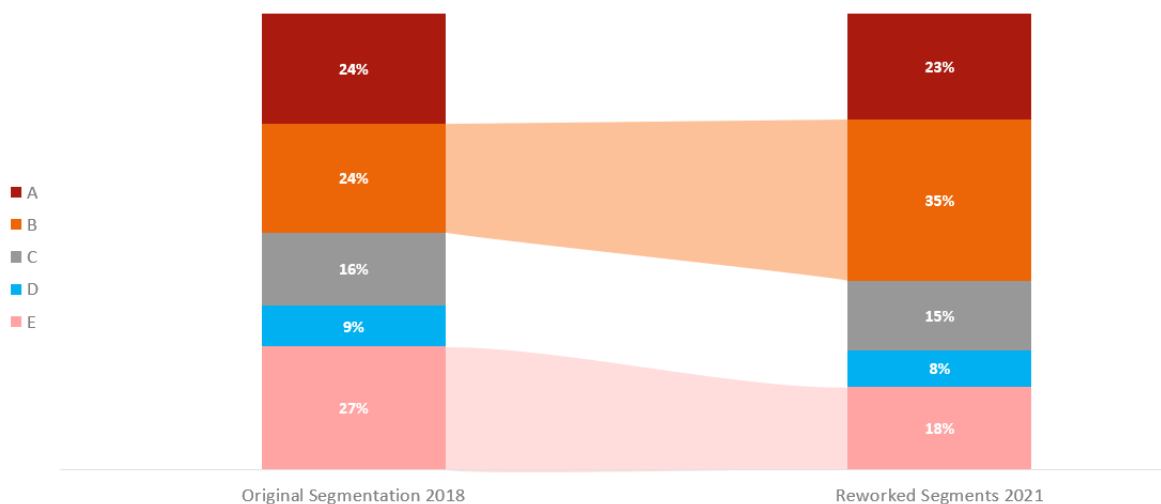


Source: SSC and Accent Data South Staffs Water
Base: 8234

When looking at attitudes over time, most segments appear to be fairly stable between the time periods of 2018 and 2021, with the exception of a significant shift from the E segment to the B segment.

Figure 49. Attitudinal segmentation - trends:

Attitudinal Segmentation Trends



Source: SSC and Accent Data South Staffs Water
Base: 8234

Notes on data used in this section:

- Data is sourced from SSC and Accent segment data
- Shown are the percentages of HH participants within each segment

Figure 50: SSC Customer Segmentation Overview:

Customer segment	Overview of segment
A – 23% (of SSC’s customer base)	Very time pressed juggling all their commitments. Consequently don’t think much about their water usage and don’t want their time wasted. Often online.
B – 35%	Highly engaged with their water usage and the wider community they live in. Expect a very high level of service from companies they use. Use technology, but prefer a personal relationship.
C – 15%	Often financially and time pressured. Strong preference for being on-line and using social media.
D – 8%	Highly engaged with using the ‘latest’ technology and managing their lives online. Switched on to saving water.
E – 18%	Highly engaged with technology and very focused on their network of family and friends. Admit to not thinking much about their water usage or services and prefer a more transactional relationship with their water company.

15. Segmentation – Transactional

Transactional segmentation was developed by South Staffs in late 2019, based on insights on how customers interacted with SSC (channels) and how often they made contact, including preferences for how they manage and pay their bills.

Since 2019, the percentage of SSC water customers who fall within segment 1 has more than doubled (from 12% to 25%). This increase has occurred mainly due to a decline in customers falling into segment 3 (down from 27% to 16% over the same period) – see the table in figure 52 for an explanation of the five segments.

Looking across the three segments where customers are using digital services to varying degrees (segment 1, 2, and 4), these three segments make up 74% of the whole customer base, up from 59% in 2019. This highlights the shift in customer behaviour, in part driven by the impact of the COVID pandemic and lockdowns on the use of digital services.

Figure 51. SSC Transactional Segmentation:

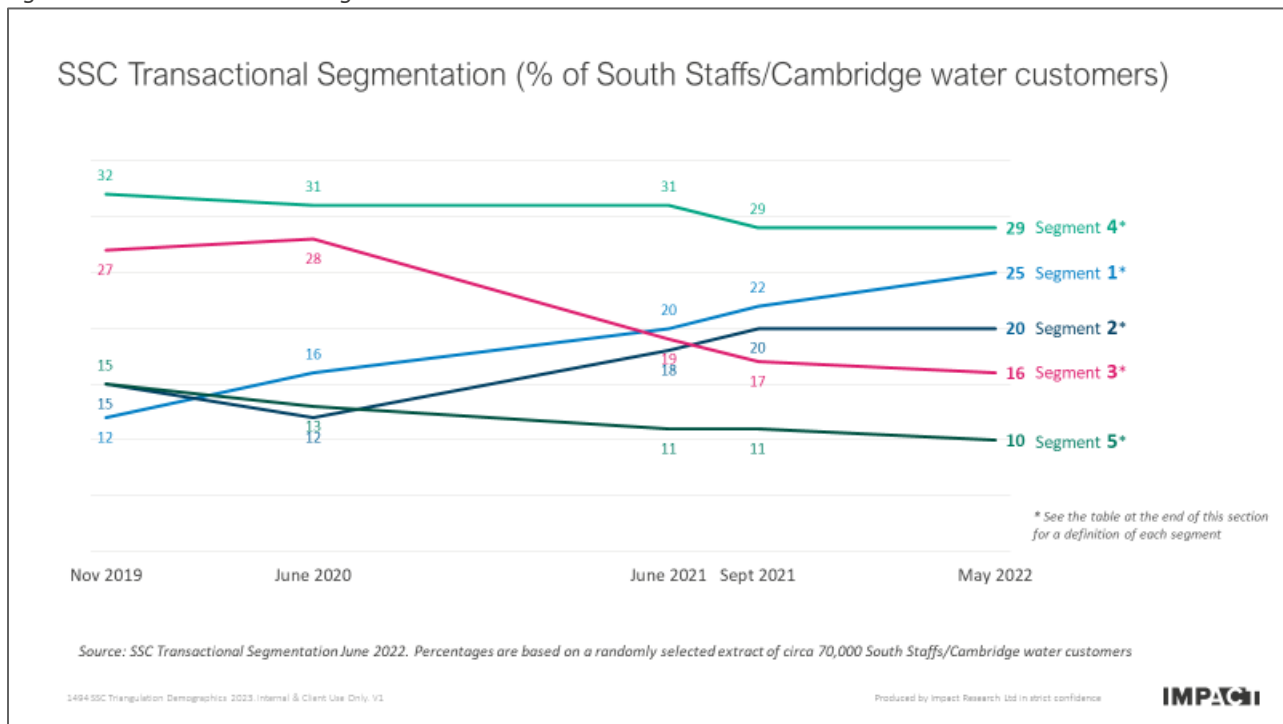


Figure 52: SSC Customer Segmentation Overview:

Segment	Overview of segment
1	<ul style="list-style-type: none"> • Youngest segment overall and significantly more likely to live in higher income households – majority not in debt with their water bills • Tech-savvy and comfortable using any device online service (e.g. APP, smartphone, webchat) to manage their finances. • Value ease and convenience and like to use online services that make it easy for them to manage their lives. Heavier users of SSC’s digital services and most pay by direct debit, with most other paying through MyAccount • Generally look to find a solution to a non-urgent query themselves on websites using services like web chats, FAQs and forums
2	<ul style="list-style-type: none"> • Overall a younger segment and mainly living in higher and medium income households – low levels of debt with water bills • Mainly tech-savvy and comfortable using smartphones APPs and other online services to manage their finances. Majority pay their water bills by direct debit and more likely to have a number of contacts about their billing than other segments • Value ease, convenience from their suppliers – most likely segment to switch their suppliers for other household products • Generally look to find a solution to a non-urgent query themselves on websites using services like web chats, FAQs and forums
3	<ul style="list-style-type: none"> • Broader mix of ages and significantly more likely to live in lower-income households – most likely to find water bills unaffordable • Mixed confidence levels when using any device online service (e.g. APP, smartphone, webchat) to manage their finances • Prefer contact by phone when they have a query, but many comfortable with email too. Some will NOT want to use online. Majority of contact with SSC is by phone or other offline contact (e.g. letter) and like to use the same contact method over time • Most likely segment to switch contact channels when they don’t get a quick response and to make pro-active contact
4	<ul style="list-style-type: none"> • Older age profile (41% are 45-64) and significantly more likely to live in higher income households – most likely to find water bills affordable • Overall they are tech-savvy and comfortable using online services, particularly if it helps them save money on their bills • Overall, they are time poor and looking for ease and convenience when they do need to interact with their suppliers. • Show little interest in engaging with SSC’s services, preferring a low contact relationship. Almost all pay their water bills by direct debit
5	<ul style="list-style-type: none"> • Oldest segment overall and significantly more likely to live in lower-income households – higher levels of debt with water bills • Very low-tech confidence – over a 1/3 either don’t have access to the internet, don’t know how to use it, or don’t use it much if they do. No customers in this segment use digital services with SSC • Vast majority prefer phone contact and like to speak to a person / prefer more personal contact - unlikely to change the way they contact their supplier. Most pay their water bills at the bank or post office • Significantly higher proportion of this segment found in the South Staffs Water region.

16. Non-Household Demographics

Sector of operation

Sector of operation varies in several areas between water regions, with Cambridge showing the largest variance in comparison to England as a whole. The professional scientific and technical sector is the most prominent example of this, with it covering 16% of the workforce across the entirety of England, dropping to 11% in the South Staffs region, and rising to 22% in the Cambridge region. Another example is the information sector, covering 8% across England, 4% of South Staffs and 12% in Cambridge. The transport sector also shows relatively large differences between regions, covering 5% of the profile across England, 10% of South Staffs, and only 2% of Cambridge – see figure 53 below and figure 54 overleaf for further details.

When looking at local authority, there are relatively large variations in sectors. In the South Staffs region, East Staffordshire has a relatively high number of agricultural businesses in comparison with South Staffs as a whole (it's the third largest sector in East Staffs while it is in joint 14th place across the South Staffs water region), while the Cannock Chase region has a higher number of construction businesses.

Figure 53. Industry sectors of organisations in the SSC region:

Industry	All England	Water regions South Staffs & Cambridge	Water region South Staffs	Local authorities used for South Staffs water region							
	England			Cannock Chase	Dudley	East Staffordshire	Lichfield	Sandwell	South Staffs hire	Tamworth	Walsall
Construction	14%	14%	15%	21%	16%	13%	15%	12%	19%	17%	15%
Professional scientific and technical	16%	14%	11%	10%	12%	14%	15%	8%	13%	13%	10%
Transport and storage	5%	8%	10%	11%	7%	8%	4%	14%	7%	8%	13%
Production	5%	8%	9%	8%	10%	7%	7%	10%	7%	9%	10%
Retail	8%	8%	9%	7%	9%	7%	6%	12%	6%	7%	10%
Business administration and support services	9%	8%	8%	8%	8%	7%	10%	7%	7%	8%	8%
Accommodation and food services	6%	6%	7%	8%	7%	6%	6%	7%	6%	6%	7%
Arts, entertainment, recreation and other services	6%	6%	6%	6%	6%	6%	7%	5%	6%	7%	6%
Wholesale	4%	5%	5%	5%	6%	4%	5%	6%	4%	5%	5%
Motor trades	3%	4%	4%	4%	4%	4%	3%	5%	4%	4%	4%
Health	4%	4%	4%	3%	4%	4%	3%	4%	3%	3%	4%
Information and communication	8%	5%	4%	3%	4%	4%	5%	3%	4%	5%	3%
Property	4%	4%	3%	3%	3%	4%	5%	3%	4%	4%	3%
Agriculture	4%	3%	2%	1%	0%	9%	5%	0%	6%	0%	0%
Finance and insurance	2%	2%	2%	1%	2%	2%	2%	1%	2%	2%	1%
Education	2%	2%	1%	1%	2%	2%	1%	1%	1%	2%	1%
Public administration and defence	0%	0%	0%	0%	0%	1%	1%	0%	0%	0%	0%

Figure 54. Industry sectors of organisations in the SSC region:

Industry	All England	Water regions South Staffs & Cambridge	Water region Cambridge	Local authorities used for Cambridge water region	
	England			Cambridge City	South Cambridgeshire
Construction	14%	14%	11%	7%	13%
Professional scientific and technical	16%	14%	22%	24%	21%
Transport and storage	5%	8%	2%	2%	2%
Production	5%	8%	6%	3%	7%
Retail	8%	8%	5%	6%	5%
Business administration and support services	9%	8%	8%	7%	8%
Accommodation and food services	6%	6%	5%	8%	3%
Arts, entertainment, recreation and other services	6%	6%	6%	7%	5%
Wholesale	4%	5%	3%	2%	4%
Motor trades	3%	4%	2%	1%	2%
Health	4%	4%	4%	5%	4%
Information and communication	8%	5%	12%	14%	10%
Property	4%	4%	4%	4%	4%
Agriculture	4%	3%	4%	2%	6%
Finance and insurance	2%	2%	2%	2%	2%
Education	2%	2%	3%	4%	2%
Public administration and defence	0%	0%	1%	0%	1%

Trends between sectors throughout all of the reported regions are relatively consistent with each other. Professional science and technical as well as construction show the most prominent shifts between 2017 and 2022, with the construction industry taking up a larger proportion of the total market over the 5-year time period, and professional science and technical showing a downwards trajectory on overall proportion of the market (although this change was less dramatic in the Cambridge region). Other sectors of note include the transport and storage industry, showing much greater growth in South Staffs in comparison to Cambridge and the rest of England.

Figure 55. Industry sectors of organisations in the South Staffs water region - trends:

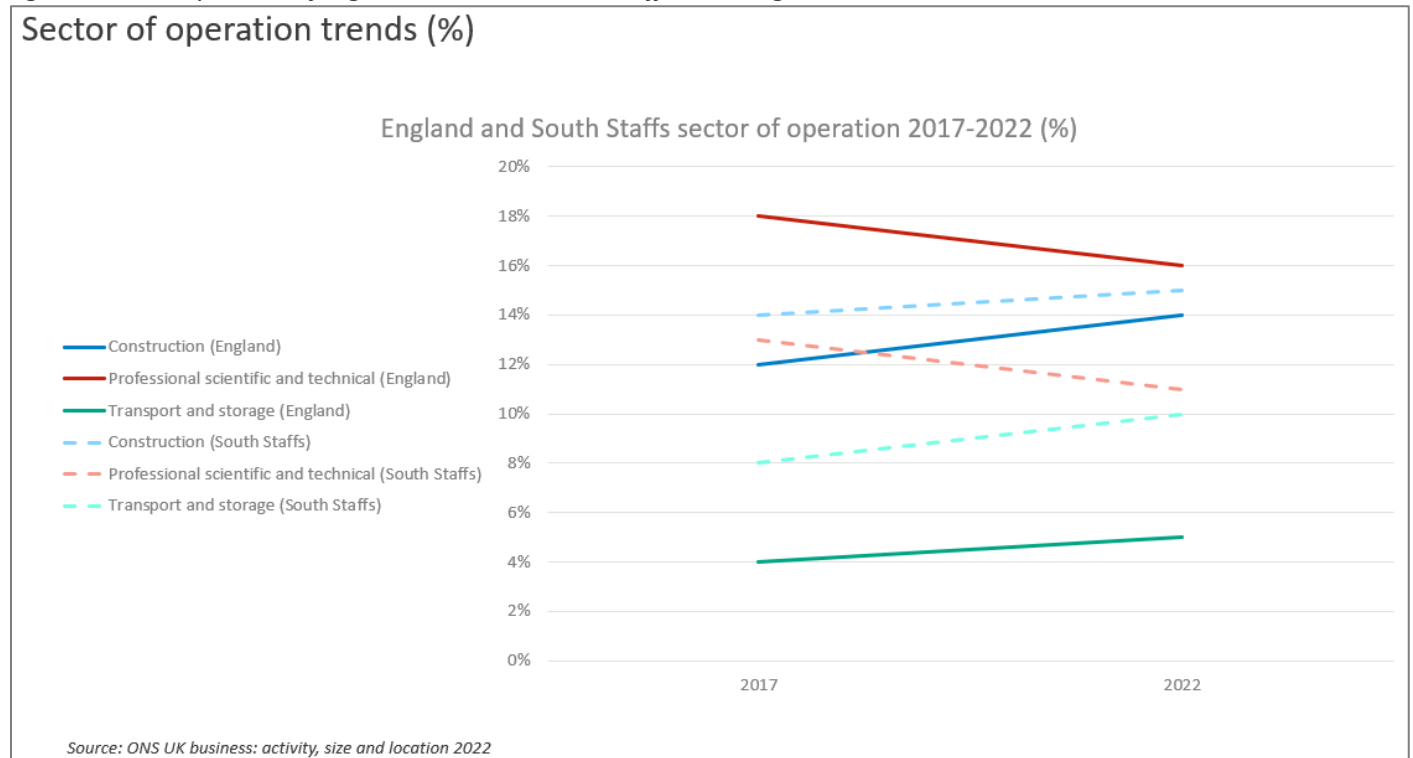
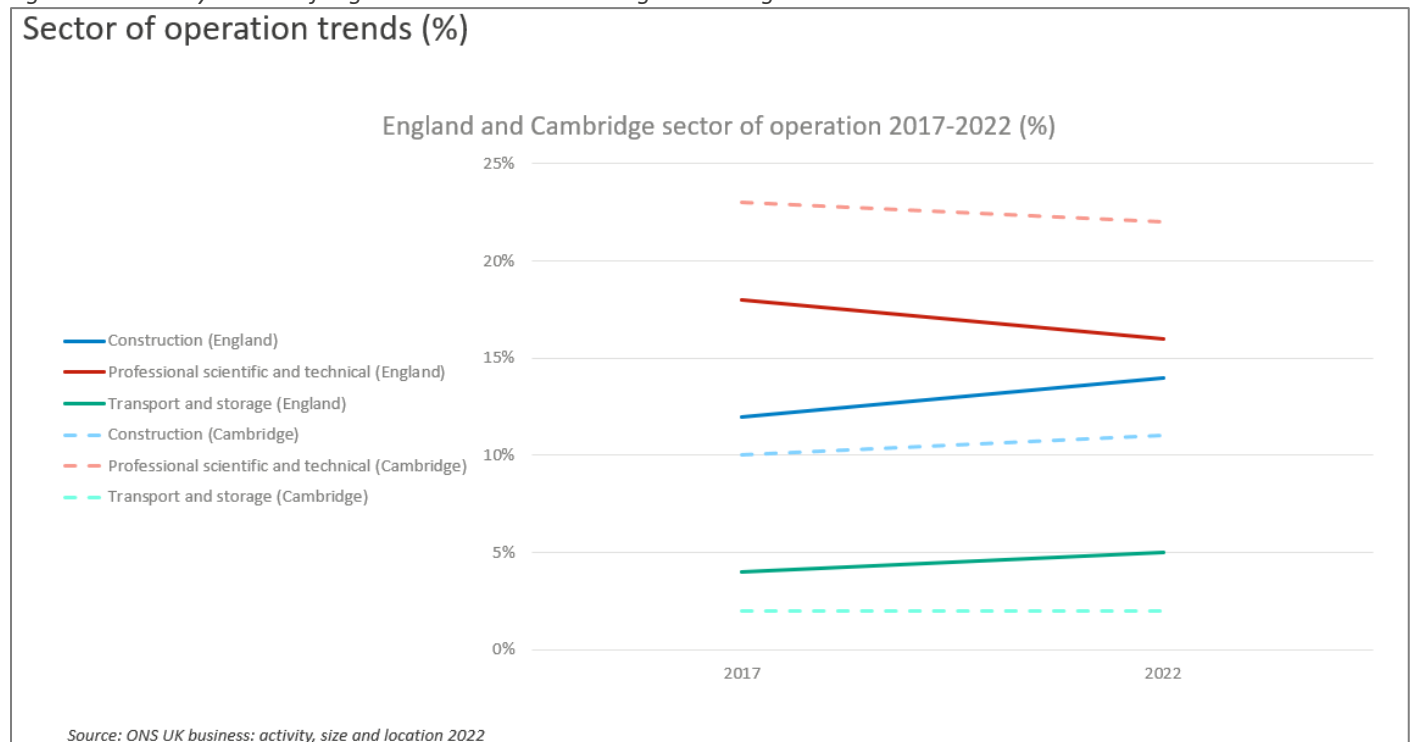


Figure 56. Industry sectors of organisations in the Cambridge water region - trends:



Notes on data used in this section:

- Data is sourced from the ONS Census.
- Shown are the percentages of businesses recorded 28th September 2022, and 3rd October 2017.
- As specified in section 1 of this report, local authorities have been used to define both water regions.

Company size

Lastly, there are no major differences between the profile of the size of companies within the South Staffs and Cambridge water regions and England as a whole (see figures 57 and 58 below). When broken down between Cambridge and South Staffs water, Cambridge shows a slightly lower proportion of micro companies (0-4 employees) when compared with England as a whole.

Figure 57. Number of employees working in organisations in the SSC region:

Organisation size of South Staffs water area companies by region (%)											
Number of employees	All England	Water regions South Staffs & Cambridge	Water region South Staffs	Local authorities used for South Staffs water region							
				Cannock Chase	Dudley	East Staffordshire	Lichfield	Sandwell	South Staffs hire	Tamworth	Walsall
0-4	72%	70%	70%	72%	73%	72%	72%	69%	73%	64%	69%
5-9	13%	14%	14%	17%	15%	12%	13%	14%	13%	15%	15%
10-19	7%	8%	8%	7%	7%	7%	7%	8%	7%	9%	8%
20-49	5%	5%	5%	3%	3%	5%	5%	6%	5%	8%	5%
50-99	2%	2%	2%	1%	1%	2%	2%	2%	2%	2%	2%
100-249	1%	1%	1%	0%	1%	1%	1%	1%	1%	1%	1%
250+	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%

Figure 58. Number of employees working in organisations in the SSC region:

Organisation size of Cambridge water area companies by region (%)					
Industry	All England	Water regions South Staffs & Cambridge	Water region Cambridge	Local authorities used for Cambridge water region	
				Cambridge City	South Cambridgeshire
0-4	72%	70%	69%	63%	74%
5-9	13%	14%	12%	14%	11%
10-19	7%	8%	8%	10%	7%
20-49	5%	5%	6%	7%	5%
50-99	2%	2%	2%	3%	2%
100-249	1%	1%	1%	2%	1%
250+	0%	0%	1%	1%	0%

The slight difference in company size profile in the Cambridge water region is primarily within Cambridge city where there are fewer micro businesses of 0-4 employees (63%) compared with the rest of England (72%) and especially when compared with South Cambridgeshire (74%). Meanwhile, while the overall South Staffs region matches the rest of England, the Tamworth region has slightly fewer micro businesses of 0-4 employees (64%).

One notable change when comparing trend data between 2022 and 2017 is a reduction in the percentage of micro businesses of 0-4 employees in 2022 (2022: 72% in England, 70% in South Staffs, and 69% in Cambridge) compared with 5 years prior (2017: 79% in England, 76% in South Staffs, and 77% in Cambridge). This shift is particularly prevalent in Cambridge – see figures 59 and 60 overleaf.

Figure 59. Number of employees working in organisations in the South Staffs water region - trends:

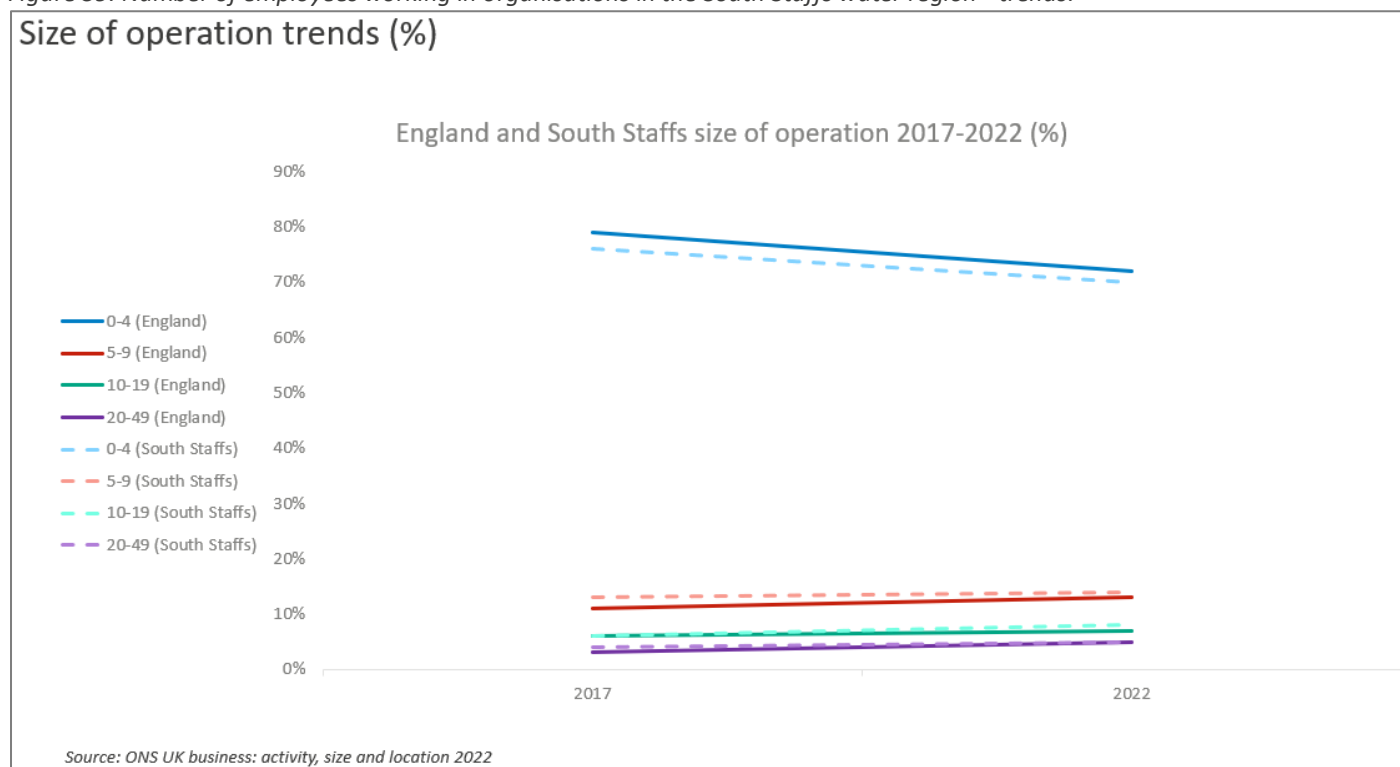
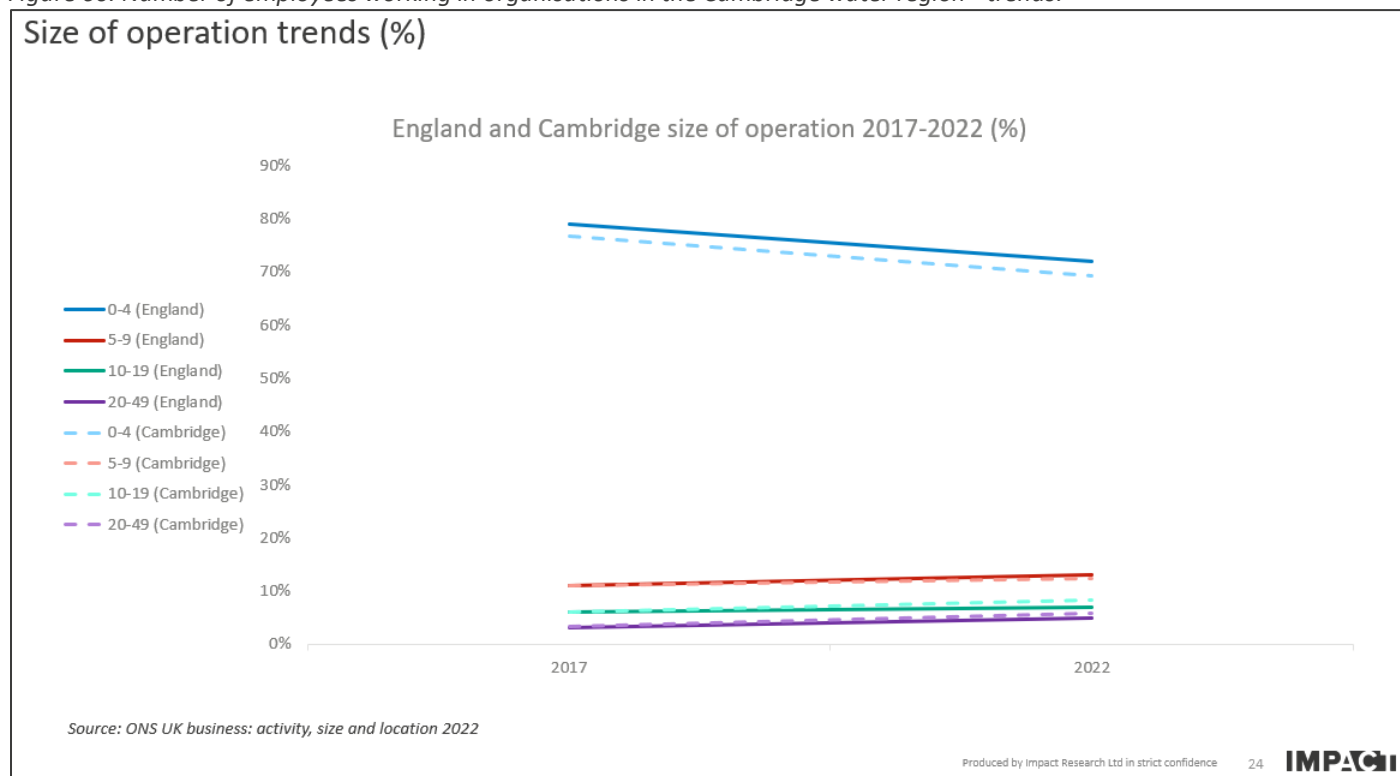


Figure 60. Number of employees working in organisations in the Cambridge water region - trends:



Notes on data used in this section:

- Data is sourced from the ONS Census.
- Shown are the percentages of businesses recorded 28th September 2022, and 3rd October 2017.
- As specified in section 1 of this report, local authorities have been used to define both water regions.

17. Appendix: deprivation based on percentage of postcodes

Shown below are the same charts as those shown in section 8, Deprivation Levels (figures 25-27). However, while figures 25-27 are based on the number of households which fall within each postcode within each decile, the following charts (figures 61-63) are based on the number of postcodes within each decile (i.e. they do not account for households). In reality, there is little to distinguish between the two sets of data, with very similar results when analysed either way.

Figure 61. Index of Multiple Deprivation deciles (percentages based on number of postcodes in each decile):

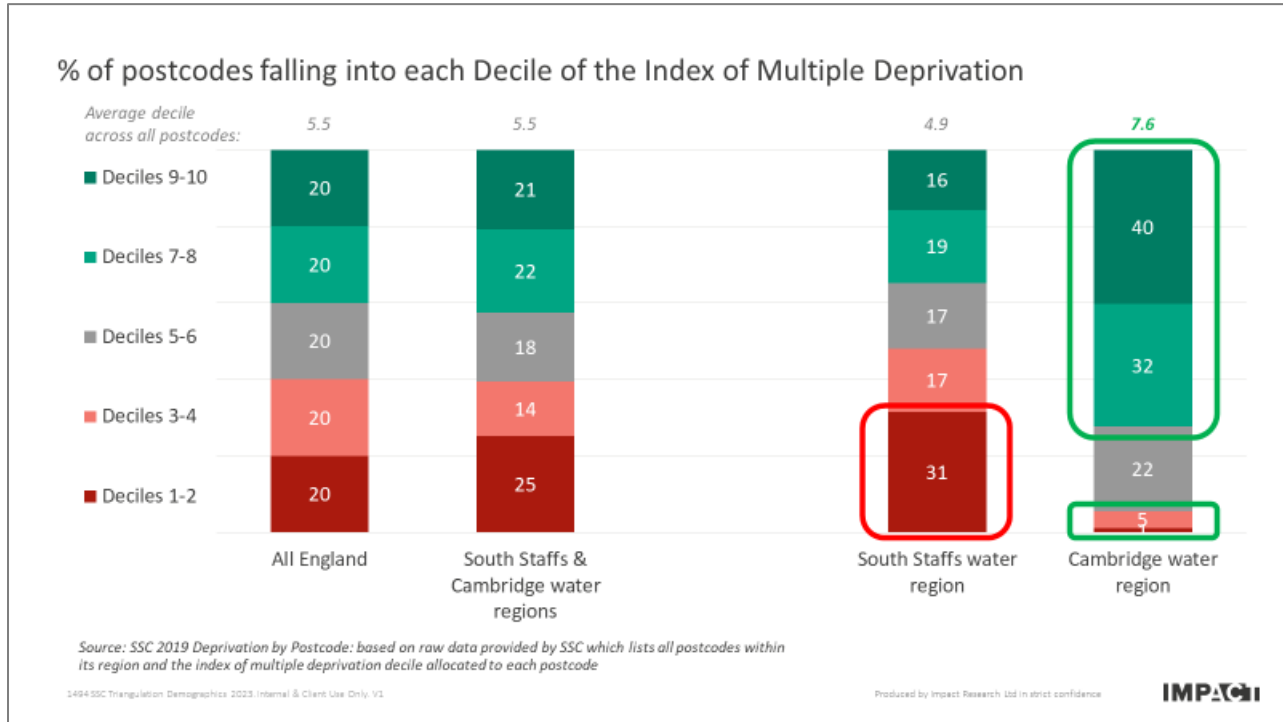


Figure 62. Index of Multiple Deprivation deciles – by local authorities in the South Staffs water region (percentages based on number of postcodes in each decile):

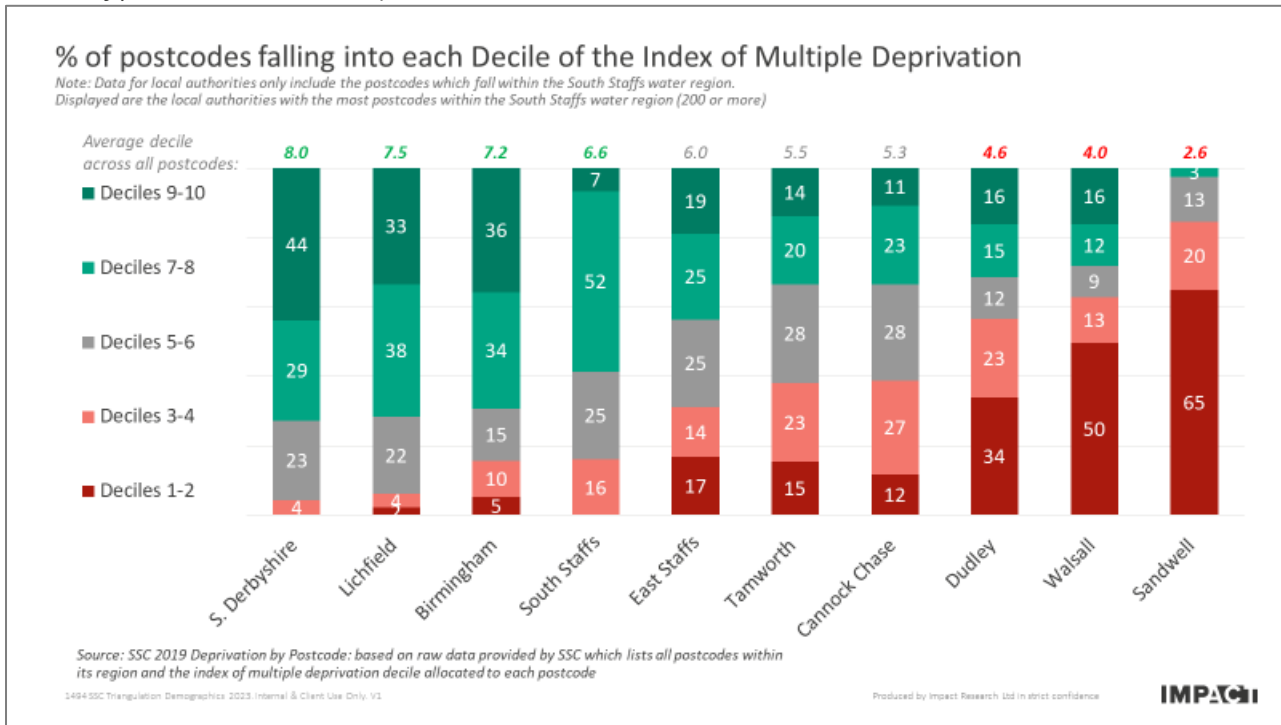


Figure 63. Index of Multiple Deprivation deciles – by local authorities in the Cambridge water region (percentages based on number of postcodes in each decile):

