



## Appendix VS1: Customer and stakeholder engagement and population demographics insights report

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## Section 1: Introduction to our customer engagement

Providing a vital public service gives us the opportunity to interact with thousands of customers and wider stakeholders every year. To achieve our vision and to deliver wider public value, it is important that we engage to understand how we can best meet the needs of the communities we serve. Our PR24 customer engagement strategy provides detail on our over-arching [approach](#).

Whilst our focus is on “quality and effective use of insights”, we have also increased our reach from PR19 and directly engaged with over **92,500** customers across our strategic research and on-going Business-as-Usual (BAU) insight programmes. This covers the period from April 2019 to September 2023. Our programme is summarised in figure 1 and provides the context of how we approach our strategic customer research and wider engagement.

**Figure 1: Our customer research journey to inform PR24**



Our PR24 engagement programme identified five Golden Threads from across all our insight sources. These golden threads form the basis for key decisions we have made in our PR24 plan to ensure we can understand the preferences our customers are expressing. We outline the golden threads in summary in **table 1** and threads 4 and 5 highlight the particular importance of our vulnerability strategy to delivering on our customers’ priorities. There is more detail on this in section 4 or our [PR24 triangulation report \(2023\)](#) compiled by Impact.

**Table 1 Golden threads that have informed the decision in our plans**

Golden thread	Specific themes driving thread	Strength of thread
<b>1. Transparency and engagement to help customers understand the context and any impact of any proposed changes to their water services and the role they can play in ensuring the best outcomes</b>	<p>Most customers want <b>regular and effective engagement</b> to help them understand the need for investment decisions and how these impact on their water bills and any policy changes.</p> <p>Customers who took part in our research consistently suggested that if changes to our policies and plans, such as bringing in universal metering, are to be accepted by the broader customer base, <b>effective engagement and education will be needed</b> to prevent dissatisfaction with their water services.</p> <p>As the challenges facing us become more widely known and customers become more informed, it</p>	<p>This was notable at PR19, but was accelerated by the COVID-19 pandemic, climate change impacts and then the cost-of-living increases.</p> <p>This thread has remained consistent throughout the PR24 research programme. In line with this feedback we will continue to develop our strategy in partnership with customers and stakeholders over the coming year and consult with them on how we can transparently report progress against it.</p>

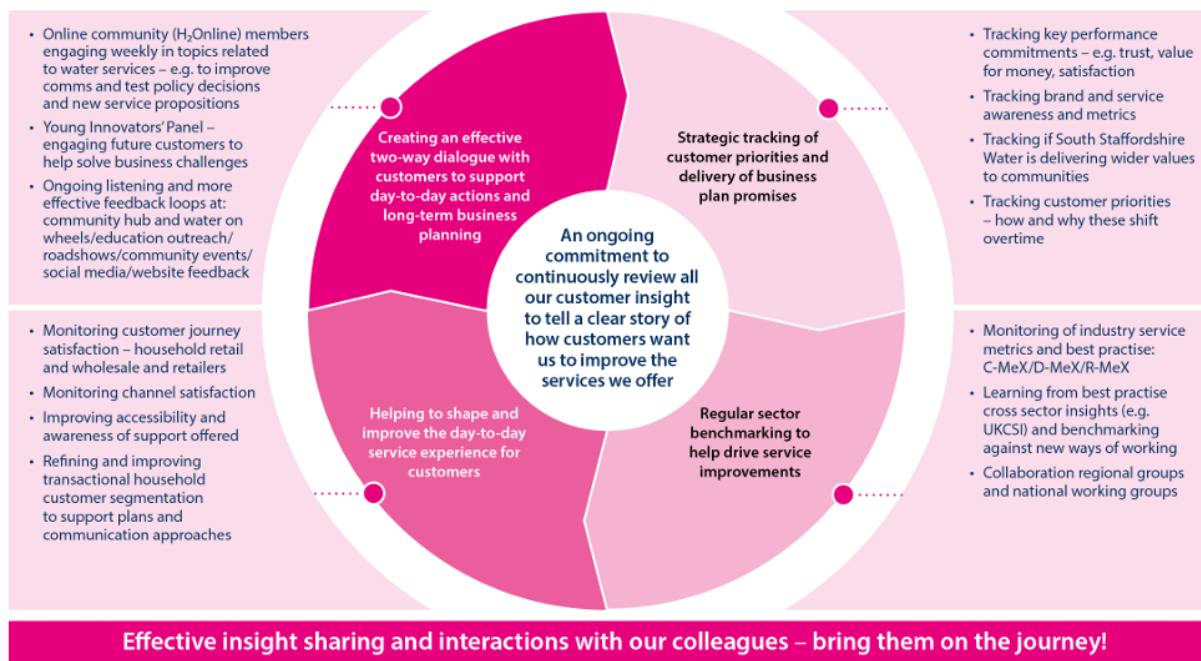
Golden thread	Specific themes driving thread	Strength of thread
	<b>increases the need for engagement to educate and support on the actions we need to take.</b>	
<b>2. A focus on fairness and collective action to meet water sector challenges</b>	<p>Policies that are <b>seen to be 'fair' to all customers</b>, particularly those in vulnerable circumstances, are important.</p> <p>As customers become more informed, calls grow for <b>collective responsibility to tackle the scale of the challenges we face</b> to maintain water supplies and when tackling affordability challenges.</p>	This thread has stayed consistent throughout the PR24 research programme. We will continue to engage to understand what 'fair' means to our customers and stakeholders when making decisions.
<b>3. Concern for the environment, specifically the water environment</b>	<p>A consistent thread since 2018 and growing notably in importance by 2021 – in part, because of the <b>publicity around COP26 and the growing awareness of the impacts on climate change on public services</b> – e.g. more floods and prolonged periods of drought.</p> <p>The theme has been further highlighted by <b>negative reports about the water sector in the media</b> – from sewage pollution to a perceived lack of improvement in leakage levels.</p> <p>There is a clear view that water companies need to <b>play a stronger role in restoring and protecting the water environment</b> and a growing recognition of the value of blue-green spaces in terms of mental health.</p>	<p>This thread has consistently been a high priority for our customers. But since early 2022, it has been pushed by customers into a long-term priority because of concerns over the cost-of-living crisis and household bill affordability.</p> <p>Environmental stakeholders continue to push strongly for increased investment now, as do a minority of customers who are concerned that actions need to be taken now to prevent further damage to the water environment.</p>
<b>4. The need to protect vulnerable customers – financial and non-financial</b>	<p>This thread emerged mainly <b>because of the COVID-19 pandemic</b>, with spontaneous calls to protect customers in vulnerable situations, financially and non-financial vulnerability that was not seen widely at PR19.</p> <p>The evidence for this comes from the <b>majority of customers still supporting the need to subsidise bills for households that are struggling</b> and the need to ensure accessible services for all.</p>	<p>Our engagement showed that this thread has weakened slightly since early 2022, as some customers have turned to look inwards at their own situation as bills become less affordable for all households.</p> <p>But cost-of-living increases have kept this thread at the forefront of customers' minds in terms of the need to support those struggling the most and to be aware of those who might be needing support for the first time.</p>
<b>5. Affordability and cost-of-living increases impacting on customers</b>	<p>This thread emerged in early 2022 as <b>customer preferences started to become more influenced by the pressures on household bills</b>. This caused many customers to consider their own situation and the investments they want to see us make in their water services.</p> <p>It has constrained many customers' ability to <b>look beyond the next few months</b> when assessing the affordability of our plans.</p>	<p>This thread has remained consistent into 2023, with a slight increase as prices and interest rates continued to rise. We will continue to monitor this theme as inflation starts to fall in 2024, but it remains a Golden Thread as household finances remain under pressure.</p> <p>For many customers, their water bill remains of least concern in relation to their overall financial situation.</p> <p>However, significant increases to water bills will only impact on customers' disposable incomes and materially for those already struggling.</p>

Whilst strategic research supports the development of our draft vulnerability strategy, we have taken care to draw on a wide range of insights. These include:

- As part of our PR24 approach to engagement, we have also listened to thousands more customers as they have day-to-day interactions with our customer facing teams (e.g. phone, e-mail, face-to-face, SMS) and use our digital services (e.g. social media, APP). This also includes customer satisfaction survey feedback with, on average, **1,900** customers who are signed up for our financial and/or PSR support providing feedback each year. Our approach is summarised in **figure 2** below.

- A review of wider water sector research undertaken during PR24 relating to customers in vulnerable situations, including Ofwat and the Consumer Council for Water (CCW) commissioned research studies.
- A review of best practice across wider utility and financial services sectors covering their approaches for providing support for customers who need extra help.
- Robust “critical friend” challenge from consumer policy experts at Sustainability First and also our Independent Stakeholder Group (ISG) Chair, Matt Cole. This has provided valuable insights to inform our future strategy development and we will work with these external stakeholders as we work towards finalising our strategy by June 2025.
- A wide range of publicly available demographic datasets covering the populations of our two supply regions.
- Our Price Review 2019 and (PR19) Price Review 2024 (PR24) customer engagement programmes. PR24 was a further step-change on 2019, and was our most in-depth and widest reaching research and wider engagement programme. It aimed to fully understand what our diverse population of customers and wider stakeholders and citizens expect us to deliver now, and in the future. A review of the notable differences between customers who need extra help (i.e. those in a vulnerable situation) can be found in our PR24 triangulation report [here](#). We took great care to ensure that customers who are struggling to cope, with either paying their water bills and/or another life impacting situation where they would need extra help to access our services, were included in all our strategic PR24 research. Specifically, we undertook a robust qualitative and quantitative research to support the development of our package of financial support from 2024/25 onwards.

**Figure 2: Our Business as Usual Insight programme 2023 - 2025**



We explain in section 2 more about our extensive customer research programme and the specific insights that have shaped our draft vulnerability strategy. We are continuing to engage with our customers on-going.

## Section 2: Our customer engagement and research evidence base

The core components of our on-going customer engagement and research programme related to supporting our customers in vulnerable circumstances are shown in **table 2**. All the engagement covers customers in both our South Staffs Water and Cambridge Water supply regions to ensure representative feedback is gained in both regions. This is particularly important given the differences in population demographics.

**Table 2: our customer engagement programme relevant to supporting customers in vulnerable circumstances**

Engagement objective	Scope of engagement	How this informs our strategy	Timing	Engagement plans for 2025-2030
<p>Explore the different ways in which customers may be vulnerable and build up a greater understanding of what services and support these customers require.</p> <p>Identify how services can be developed to meet the current and future needs of customers as well as how best to reach out to these individuals and ensure that their needs are being met.</p>	<p>A deep dive of the qualitative research on customer priorities focused on household consumer vulnerabilities</p> <p>Stakeholder depth interviews and 20, 2-hour face to face interviews with customers living with a range of needs:</p> <ul style="list-style-type: none"> <li>Limited access to services</li> <li>Physical Disability</li> <li>Mental Impairment</li> <li>Financially vulnerable</li> <li>Transient – e.g. bereavement, job loss</li> </ul>	<p>Provided a clear understanding of the communications and support services needs of vulnerable customer segments to help raise awareness and up-take of our PSR and improve the effectiveness of our services.</p> <p>Provides building blocks for developing our vulnerability strategy and approach.</p> <p>Provides vital knowledge for colleagues in front line services supporting customers – e.g. training to identify and handle situations in a professional and empathetic way.</p>	<p>2018 – PR19</p> <p><a href="#">Link</a></p>	<p>There has been much change since 2018 and customer expectations are continuing to rise.</p> <p>We will undertake additional qualitative research to deepen understanding of customer segments most at risk and to co-create better and new services and solutions for customers.</p>
<p>Understanding how much household customers are willing to pay through their water bill to support the social tariff.</p> <p>Investigate and co-create with customers how SSC could best raise awareness of the Assure social tariff to promote the help available to encourage more eligible households to apply.</p> <p>Gauge levels of support for SSC to implement a two tier approach to the Assure social tariff, so</p>	<p>Three qualitative focus groups followed by quantitative research of 906 surveys undertaken among representative sample of household customers (online and face-to-face).</p> <p>Follow-up Qualitative research consisting of 2 focus group workshops.</p>	<p>Development of targeted financial support to help ensure water bills are affordable – including a new Assure tariff for those who need help during the time they apply for Universal Credit.</p> <p>Review of Assure customer journeys to simplify application process and ensure customers are supported when they leave Assure.</p> <p>Improved communication approaches to ensure customers are aware of and apply for the financial support on offer.</p>	<p>Autumn 2019</p> <p><a href="#">Link</a></p>	<p>Follow-up engagement is planned from Autumn 2024 to co-create our PR24 affordability tariff with customers who are eligible for support.</p> <p>Further engagement with customers to develop our Assure social tariff and assess customer willingness to fund the tariff.</p>

<p>that customers in more severe or transient financial difficulty could receive additional support.</p>				
<p>Engage with customers about the future development of our Assure tariff.</p> <p>To establish customer views towards a possible new affordability tariff aimed at those who are struggling to pay their water bills, but who don't qualify for Assure due to their household income being too high.</p>	<p>Two, 90 minute household customer focus groups to explore appetite for funding Assure.</p> <p>Quantitative research of 1,521 surveys undertaken among representative sample of household customers (online, telephone and face-to-face).</p> <p>Two, 3-hour co-development workshops to inform the development of the affordability tariff.</p> <p>Six stakeholder depth interviews.</p>	<p>Development of targeted financial support to help ensure water bills are affordable – focus on informing decision on the new affordability tariff being piloted in 2024/25.</p> <p>Improved communication approaches to ensure customers are aware of and apply for the financial support on offer.</p>	<p>Summer / Autumn 2023</p> <p><a href="#">Link</a></p>	
<p>Tracking awareness of financial and PSR support.</p> <p>Tracking self-reported levels of vulnerability among customer base.</p> <p>Tracking customer experience scores of customers in vulnerable situations against those of the wider customer base.</p>	<p>Telephone and online surveys with household customers - quarterly waves of 200 surveys, 800 per year. Regionally representative samples.</p> <p>Typically, around 40-45% of the households surveyed self-report as being in a vulnerable situation.</p>	<p>Provides evidence of whether our approach to raising awareness of financial/PSR support is being effective</p> <p>Provides insight into the level of self-reported financial and non-financial vulnerability to support wider demographic data sets and so improve our understanding of whether this is growing or declining.</p> <p>Identifies whether we need to change approach or consider new service and communication approaches to customers in vulnerable circumstances.</p>	<p>On-going since 2025/26</p> <p><b>Reports available on request</b></p>	<p>Continual refinement of questionnaire to ensure tracking is relevant and targeted to changes in customer needs and business strategy.</p>
<p>Understand how satisfied customers in vulnerable circumstances are over time with how we handle interactions/contacts.</p> <p>Understand whether vulnerable customers are more, less or equally satisfied as the wider customer base.</p>	<p>Point of contact surveys – sent by email, SMS or automated phone call. We receive around <b>1,900</b> survey response from customers registered as receiving financial support and/or on our PSR.</p> <p>Personalised calls with our service recovery team if customers express dissatisfaction to discuss how to resolve their issue.</p>	<p>Identifies satisfaction with customer journeys over time to guide action plans and prioritisation – e.g. pain points, what's working.</p> <p>Sentiment analysis of comments left by customers allows us to assess where we are providing a positive or negative emotional outcome and/or potentially leaving the customer in detriment – better allows actions</p>	<p>On-going daily since 2017</p> <p><b>Reports available on request</b></p>	<p>Increase survey channels to cover website/social media.</p> <p>Refine survey questions and overhaul approach to customer journey mapping to better engage teams.</p>

		<p>plans to focus on protection of customers.</p> <p>Provides insights to improve communications and services in response to any dissatisfaction experienced.</p>		
<p>Co-creation of PSR services with customers to make it easier to apply for and access support.</p>	<p>A programme of 2-way deliberative engagement focusing on one topic area a quarter.</p> <p>Online research group of customers in vulnerable situations recruited from our H2Online Communities.</p> <p>Face-to-face workshop sessions held out in community venues to reach those who would not/can't get online.</p> <p>Engagement with relevant stakeholders representatives to test ideas and gain expert feedback.</p>	<p>Help improve customer journeys for customers – e.g. applications forms, bereavement support services to improving comprehension of bills and payment options.</p> <p>Customer input into developing new services to help ensure they meet peoples' needs in different situations.</p> <p>Builds up a set of informed customer champions to help develop improve our services and support.</p>	<p>Started June 2024</p>	<p>Trialling this 2-way deliberative approach during 2024/25 to assess how effective it is in helping to shape our services and communications for PSR customers.</p> <p>We will then review outcomes and refine as needed.</p>
<p>Understand customer views on communications and content for PSR and financial support to identify improvements.</p>	<p>Through our H2Online communities we have run a series of activities (polls, surveys, discussion forums) to gain feedback.</p> <p>Community membership base across our two regional communities varies over time between 400 and 600 members.</p>	<p>Feedback used alongside other sources of insight to inform decision on application forms and wider communications to raise awareness.</p>	<p>On-going since 2020</p> <p><a href="#">Reports available on request</a></p>	<p>Continue to engage with our online communities to shape our services and communications around PSR and financial support.</p>
<p>Develop an improved understanding the demographics of our household customer base in our two supply regions and where these might differ.</p> <p>Assessing any demographic differences between our customers and those in England.</p>	<p>Desk research drawing on a wide range of insights, including the latest Office for National Statistic 2021 Census data.</p>	<p>Used to support decision for our customer strategy for PR24 to ensure our plans and financial / PSR support align to the needs of the populations we serve.</p> <p>Additional horizon scanning to capture latest demographic datasets on our populations of relevance to informing our draft vulnerability strategy – e.g. changes in population health, number of carers and those living alone.</p>	<p>Summer 2023</p> <p><a href="#">Link</a></p> <p>Spring 2024 – see <a href="#">section 5</a></p>	<p>Continue to update and build our knowledge of our customer demographics and how these are changing over time.</p>



## Section 2.1: What our customers have told us

In this section, we summarise in **table 3** below what customers in vulnerable situations have told us about:

1. Their expectations of the service and support they expect from their water company in different situations – such as during a period where their water supply is cut off, or planned maintenance works are going on in their local areas or when making a routine contact about their bill or finding out about what support is on offer to help with their situation;
2. How they rate our ability to deliver our service, specifically what is working and what needs to be improved and where our services need to improve to meet their needs when they contact us; and
3. How their priorities and needs differ from the wider household customer base.

### 1. Understanding customers, their support needs and service expectations

There are some consistent learnings from across our research, and the wider water sectors', with customers in vulnerable situations, which we have considered when developing our strategy. These are summarised in **table 3** below. We have used these insights to inform:

- Strategic decisions on the support services we offer and how they are offered – e.g. launching a Voice Automated Assistant (VAA) service to help those with visual impairments access their water account;
- Improving the effectiveness of communication to raise awareness – e.g. launching roadshows, opening our Community Hub in Wednesbury and expanding our community outreach team;
- Making it easier to apply for the support on offer – e.g. reducing the length and complexity of our applications forms; and
- To help coach and train our front line colleagues to better identify when a customer might be in a vulnerable situation and/or when handling their queries – e.g. use of vulnerability cards to provide a summary of the different types of situations customers can experience and how to spot them.

Table 3: customer insights that have helped shape our strategy

Customer insights that have helped shape our draft strategy	How this has helped shape our strategy
<p><b>All households' needs should be assessed and met on an individual basis.</b> This is based on the insight learnings from our PR19 vulnerability study that:</p> <ul style="list-style-type: none"> <li>• Vulnerability isn't defined by indicators, like where you live, but by someone's <b>circumstances</b>.</li> <li>• Support needs and communication preferences <b>are diverse and dependent on individual</b> circumstances, so customers cannot be easily defined or serviced according to an inflexible segmentation.</li> <li>• Many customers <b>don't see themselves as vulnerable</b>, particularly those over 65, they just have a set of challenges they need to deal with in their daily lives. This can make them resistant to seeking and then accepting support.</li> <li>• There is a <b>role for new technologies</b> APP, Artificial Intelligence, Voice Activated Assistants, etc, to help people access service, but these ways of communicating must be combined with the personal human touch – empathy and knowledge to help are vital.</li> </ul>	<p>Our commitment to go further in our partnerships with our communities to break down the barriers to people accepting support.</p> <p>Our approach will continue to offer a wide range of service channels.</p>
<p><b>The ability to cope with life, such as dealing with suppliers and accessing services, lies at the heart of vulnerability.</b> It is important for us to understand the different ways in which a customer may be vulnerable and the very individual requirements these customers may have. This is based on the insight learnings that:</p> <ul style="list-style-type: none"> <li>• Although a customer may fall into a vulnerability category, they might not be defined or adversely impacted by it with various factors such as a support network and even their attitude being highly influential on their ability to cope.</li> <li>• <b>More recent</b> research commissioned by <a href="#">Thames Water</a> further highlighted this point and identified that there are four <b>main</b> factors involved in a person's ability to cope: <ul style="list-style-type: none"> <li>• Their personal characteristics</li> <li>• Their personal circumstances</li> </ul> </li> </ul>	<p>This has led us to review a new approach to assessing a household's needs based on people's ability to cope with accessing our services, and managing water related aspects of their lives e.g. paying a bill.</p> <p>We are looking at better ways to support carers and the role they play in helping others to cope.</p>

<ul style="list-style-type: none"> <li>• Ability to find out about and then access services they need</li> <li>• Ability to look after and manage their own interests.</li> <li>• These factors are then closely interlinked with the quality of the service experience they receive from a supplier, which can either lead to positive outcomes, no change or detriment for the customer.</li> <li>• Our research shows that the ability to cope varies dramatically, with some customers experiencing very difficult challenges and whose circumstances leave them particularly vulnerable and for longer periods of time.</li> <li>• It is often only in the absence of a support network and/or safety nets that there can be a sense vulnerability which causes detriment if someone cannot access and use the services and support on offer, or if appropriate support is not available. This insight further highlights the need to support carers effectively is just as important, given the critical role they play in helping the people they care for to cope.</li> <li>• People can experience multiple vulnerabilities at any one time, with one issue often triggering another. This snowball effect means the ability to cope with day-to-day situations can be lost quickly. Some situations identified through our research include:             <ul style="list-style-type: none"> <li>• Those who are vulnerable are often struggling financially. Unexpectedly high bills can, as a result, can be even more difficult to deal with.</li> <li>• Many customers were found to spend more time at home due to circumstances such as illness, disability, retirement or unemployment, so this often results in higher water use and bills, if they are metered.</li> <li>• Being unable to pay bills triggering a mental health breakdown and/or other physical illness.</li> </ul> </li> <li>• When considering those who are also struggling with paying bills, they often live very busy lives juggling multiple issues on top of managing everyday living costs. These might include:             <ul style="list-style-type: none"> <li>• Managing their own disabilities, health conditions or those of their family/friends</li> <li>• Coping with bereavement</li> <li>• Coping with financial or physical abuse</li> <li>• Family relationship breakdowns.</li> </ul> </li> </ul>	<p>Our approach takes a holistic approach to considering the links between financial and wider health related vulnerabilities.</p> <p>Our commitment to offering customers at most risk a Personal Assistance Plan (PAP) delivered through the “Help you need it” team.</p>
<p><b>The loss of water supply can create situations of detriment to some customers.</b> This is based on the insight learnings from our research and that of <a href="#">Blue Marble</a>, (commissioned by Ofwat and CCW):</p> <ul style="list-style-type: none"> <li>• Whilst water is important for the day to day function of all households, it is especially essential to customers where there is a particularly strong level of usage for treatments and medications for health related conditions. Qualitatively, a significant proportion of customers in vulnerable situations are taking some form of medication to help manage their conditions and/or for pain relief.</li> <li>• Water is used not only for administration, but is often important to keep well hydrated as part of the treatment of some health conditions.</li> <li>• There is also a need for bathing amongst customers with some health conditions, with this used not only for hygiene but for pain and mood management too.</li> <li>• There are many instances in which customers were found to be more likely to do an increased amount of laundry and so using their washing machines more frequently – from those with health conditions to those with young infants.</li> <li>• The situation the household is in, typically defines how long they can cope without a clean water supply – some could lose the ability to cope in hours (e.g. home based kidney care dialysis), others could cope for a day (e.g. caring for a baby).</li> <li>• For many households, the worst aspect of an unplanned disruption to their water supply is the psychological and emotional impact of the unexpected cut-off and the impacts this would cause.</li> <li>• For those households experiencing financial hardship, having to go out to buy bottled water, pay for transport to go elsewhere, or buy alternative meals can be an expense too far.</li> <li>• Any repair works needed carry two main risks for some groups of customers. The noise can trigger issues, particularly for those with mental</li> </ul>	<p>Our commitment to pro-active communications and speed of response to ensuring customers in priority situations have access to a clean water supply delivered to their door. We already have a process for prioritising bottled water drops during a supply incident based on PSR codes.</p> <p>We will continue to ensure our PSR codes reflect our local communities. For example, adding a classification in our PSR to record where "water is needed for religious practices".</p>

<p>health conditions, and ensuring safe access to and from properties is vital – e.g. around mobility constraints such as wheelchairs users.</p> <p><b>Pro-active, clear and accessible communications lie at the heart of supporting customers during incidents which impact on the reliability and/or quality of their water supply.</b> This is based on the insight learnings that:</p> <ul style="list-style-type: none"> <li>• Customers have varying needs and expectations, but first and foremost amongst all groups is the desire to receive any notifications in good time. It is also important that any timings stipulated are accurate and closely kept to. Key points include:             <ul style="list-style-type: none"> <li>• <b>Preparation is key:</b> planned work should be communicated as far in advance as possible, ideally a month before, with reminder updates closer to the time.</li> <li>• <b>Offer reassurance:</b> any notifications acknowledging and explaining unplanned incidents should be sent out ASAP to reassure customers that the problem is being dealt with.</li> <li>• <b>Set clear expectations:</b> timings given should be accurate and realistic – better to under promise and over deliver to avoid disappointment. An update should be given if timings cannot be kept.</li> <li>• <b>Help people to plan:</b> as well as why a disruption is happening, there should be a clear indication of the area the disruption covers, so customers can make informed arrangements.</li> </ul> </li> <li>• Every incident should be assessed with a view to the impact it will have on customers who are in vulnerable situations and the appropriate support then provided in a timely fashion.</li> <li>• Any bottled water drops to customers’ homes need to be prioritised based on their situation with proactive updates on the status of deliveries and accurate notification of time of delivery. It is important to make clear who the bottled water is from and why it is being received and how to order more if needed.</li> <li>• Vulnerable customers who may not be on a company’s PSR should be able to request a water delivery if they need it.</li> <li>• All communications sent to customers during the incident should highlight the PSR support on offer and how to apply.</li> <li>• A local presence would be appreciated during disruptions. Many customers felt that there should be a dedicated water company representative or warden in the local community who could better understand the unique demographics of the area, be accessible to those who prefer face to face conversations and be visible during any disruptions.</li> <li>• If a disruption is likely to require households to purchase any supplementary food or water, then compensation would help to prevent exacerbating any existing hardship in some households.</li> <li>• A clear compensation scheme needs to be communicated early and across all available communication channels. It is important that the process for claiming compensation is clearly communicated and, if a boil water notice, that financial compensation is received quickly. This is particularly important for those on pre-payment energy meters.</li> <li>• Water also has additional significance for some ethnic minority groups, with religious rituals and festivals centred around having access to water. Any incidents during these periods can have significant impacts to the community.</li> </ul>	
<p><b>Being effective at communication is the glue that holds it all together.</b> Communications need to be inclusive as different groups of customers all have different communications preferences. For SSC to reach out to all customers who are in vulnerable circumstances, it is important to have a multi-channel approach to ensure that there is no room for anyone to be left behind. Age is a key driver of communications preference overall, but there is no one-size-fits all in each generation approach. This is based on the following insight learnings:</p> <ul style="list-style-type: none"> <li>• Provide a contact number for customers on the PSR, so that they can speak to a ‘real’ person straight away and not have to navigate through automated commands which can be confusing and off-putting.</li> </ul>	<p>Our commitment to offering pro-active communications delivered in a way that suits the customer and offering a wide range of ways for customers to contact and receive updates from us.</p>

<ul style="list-style-type: none"> <li>• Ensure that staff are well trained in dealing with those experiencing difficult circumstances, conditions and demonstrate empathy. When on the phone or face-to-face speak slowly and clearly to customers and repeat back information to ensure it is understood.</li> <li>• Language can be a notable barrier to accessing services. Those who speak English as a second language were able to note examples of where they or a close friend/relative have struggled to directly communicate with service organisations or fully understand the literature they have received - e.g. call responders find it difficult to understand accents and/or talk to fast, use of jargon causing confusion.</li> <li>• There are several ways in which those with both physical and learning disabilities can struggle with the communications they receive from companies, with challenges presented in both written and verbal forms. Examples include the below, which highlight the need for a wide range of ways for customer to contact us:             <ul style="list-style-type: none"> <li>• Not all customers use the internet regularly or have Wi-Fi making it harder for them to manage accounts online.</li> <li>• Those with impaired vision can often struggle with smaller text and with certain colours and font styles.</li> <li>• Those with learning disabilities can often struggle to understand numeric values or text heavy communications but often don't receive support to help understand these or fill out applications.</li> <li>• Phone conversations can be especially difficult for those with hearing and speech difficulties who rely greatly on visual cues when communicating.</li> </ul> </li> <li>• Mental disabilities can make communicating difficult at times with some customers actively avoiding several communication channels:             <ul style="list-style-type: none"> <li>• Those with anxiety issues can often find telephone conversations very stressful and therefore struggle to articulate themselves. Some would rather struggle with a problem than face a call.</li> <li>• Depression can often lead to customers finding the opening of letters to be quite daunting - particularly if they look very official as they can be associated with bad news.</li> <li>• The impact of a mental disability can vary daily, with some customers noting that their ability to deal a strange face at the door can vary greatly.</li> </ul> </li> <li>• Traditional communications such as letters work for some, but are problematic for others. Letters can be left for long periods of time before opened therefore are not best for urgent notifications.</li> <li>• Some customers only want to talk to our staff face-to-face, so a community presence is important. Others would find new technologies such as Voice Activated Assistant (VAA) devices helpful for them to use to access their water account and services.</li> <li>• People with mental disabilities can sometimes struggle with the formal tone of communications and can often be reluctant to get in touch for help, due to a fear of being judged. Communications need to clear, but friendly and use reassuring language.</li> <li>• First generation ethnic minorities can sometimes struggle with communications due to language barriers which can result in a lack of understanding. Older people from ethnic minorities often rely on their younger relatives to communicate on their behalf. Having members of front line teams who can speak other languages and having important information translated can help people who struggle with English to engage.</li> <li>• There are a range of barriers around how information is provided – these include avoiding some fonts and colour combinations, not overwhelming people with too much detailed and numeric information.</li> </ul>	
<p><b>Breaking down the barriers that cause people to not take up or access the support is vital.</b> Customers generally say that they do not expect us to pre-emptively safeguard people without having been informed about a customer's condition or circumstances beforehand, but they do expect us to make everyone aware that there is help available to them if they are struggling and to make this as accessible as possible. Our, and wider research, highlights the following barriers are commonly mentioned by customers in vulnerable situations:</p>	<p>Our commitment to culture change within the organisation and by giving all our front line and management teams the tools, training and support they need to ensure customers are given tailored and relevant support.</p>

<ul style="list-style-type: none"> <li>• Customer services staff have appeared to sound disengaged and disinterested.</li> <li>• Customer services staff that have limited understanding of their circumstances or condition(s).</li> <li>• Being passed from pillar to post and having to re-explain distressing situations to each staff member.</li> <li>• Customer services staff missing opportunities to recommend support on offer based on the customer situation.</li> <li>• Information regarding their circumstances is not always recorded, or acted upon when help is needed.</li> <li>• Not being offered help or support previously, despite struggling. This can mean low expectations of organisations’ willingness to help, which then reduces likelihood of making contact.</li> <li>• Just assume that there is no help available for them from their household suppliers.</li> <li>• Not knowing where to start with seeking help, as their situation may mean this is challenging to do.</li> <li>• A lack of awareness of the range and type of support on offer.</li> <li>• Most people would welcome being asked a few questions to help establish whether they require or would benefit from any support on offer. But asking too many personal and/or intrusive questions about their details or evidence of eligibility can put people off applying for support.</li> <li>• Process or making contact is made too hard. For example, application forms they are too long, complicated, hard to send back, including no online version being made available.</li> <li>• Being averse to generic or automated communications with the fear of not being able to speak to someone directly often putting people off from making contact. For those experiencing difficult circumstances, a personal touch is felt to be more accessible and approachable.</li> <li>• Being too proud to admit needing support and/or not seeing themselves as vulnerable, means support is not sought or rejected if offered. Companies need to work towards reducing the barrier of shame of asking for help and normalise it.</li> <li>• Poor mental health can lead to communication anxiety and low confidence in seeking help. Also mental health challenges can mean lower energy levels, along with less headspace and resources which makes it harder to deal with situations head-on. This means people can be more inclined to bury their heads in the sand and not seek support.</li> <li>• Challenges making contact and interacting with the company – e.g. not making a phone call as concerned about language barriers or having anxiety, to not being able to get online to access services.</li> <li>• Some people can be unwilling to seek help or raise problems because it might reinforce negative stereotypes about their community.</li> </ul>	<p>This insight has led us to look at vulnerability in the context of human behaviours to better humanise the situations people face and how assess how these can be best overcome.</p>
<p><b>What support customers are expecting to see offered</b></p> <ul style="list-style-type: none"> <li>• Customers feel providing financial support to those that may struggle with bills during times of hardship is the right thing to do, however they do feel that it is important that customers should contribute in some way towards the water they use. Getting the balance right is important as being too harsh can lead to hardship and being too lenient can leave people not getting back on their feet.</li> <li>• Customers can find themselves getting into arrears with their bills without even realising. Pro-active contact with the customer to offer solutions as soon as this happens is welcomed and before the debt becomes too intimidating or unmanageable. Communications about debt should take a helpful and concerned tone as opposed to appearing like demand notice.</li> <li>• Customers expect to see a range of payment support options, from discounted tariffs, payment breaks, flexible payment plans. They are looking for guidance on which would be best to help with their situation.</li> <li>• In addition to financial support customers were want alternative ways to help that go beyond that of payment options – e.g. other organisations that can support them, water saving advice if on a meter,</li> <li>• Provision of a dedicated support line which enables customers to call as and when they feel they may need some additional support. This should be free to call given some will have financial pressures and quick to get</li> </ul>	<p>Insights guide the range of support services that customer expect us to put in place to ensure they can access our services in a way that best suits them.</p>

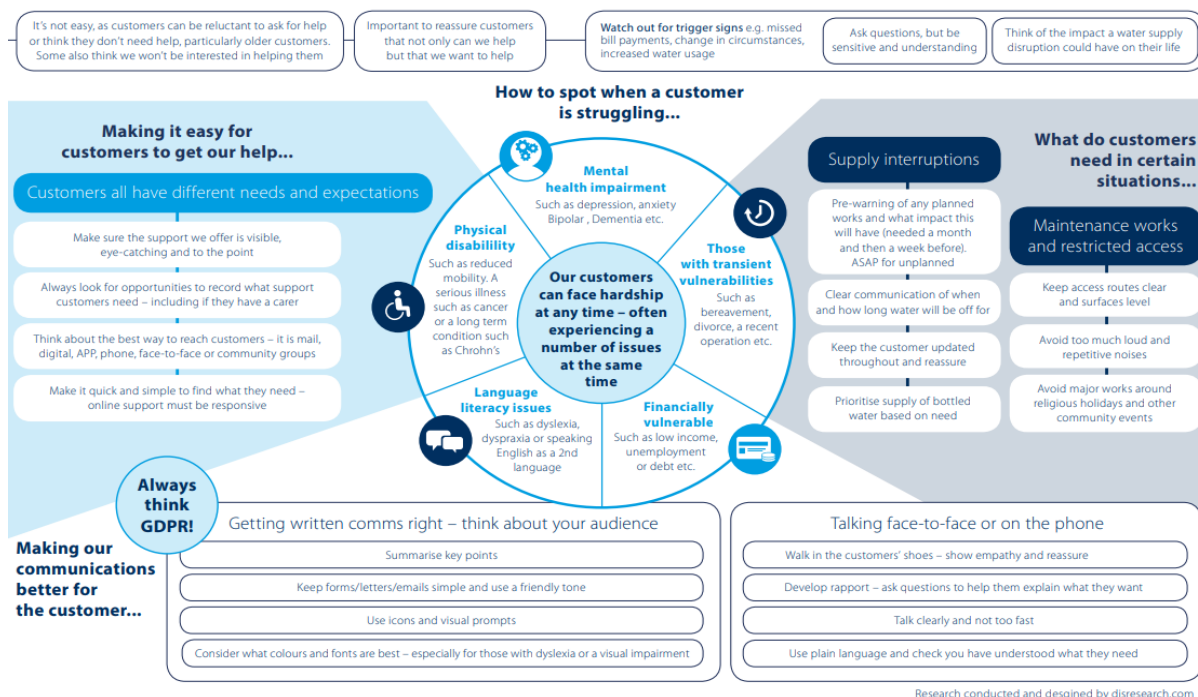
<p>through on to reduce stress and leave the perception that the company cares.</p> <ul style="list-style-type: none"> <li>• Fast track referrals to access support services and discounted bills was seen by most as important.</li> <li>• Rather than identifying and supporting customers in isolation, many customers feel that their water company could do more to interact and communicate with similar organisations and support groups to ensure that customers’ needs are better identified and met – e.g. only telling a supplier once of their situation and this is then shared on. Protection of personal data and clarity around what data is shared and when is very important though.</li> <li>• Provide more flexibility for carers to manage the accounts of the people they look after. Their lives are busy and any interactions need to be simple, quick so they can spend more time on the task of caring.</li> <li>• Across all customer segmentation work at PR19 and PR24 there are key themes that continue to appear consistently across all segments. These are important when considering our plans:             <ul style="list-style-type: none"> <li>• Customers expect a personalised service delivered in a way that suits their preferences and situation. Employees need to be empowered to deliver as customers are more forgiving when they get honesty and openness. People value empathy and flexibility, responsiveness and proactivity.</li> <li>• People are increasingly time poor and are looking for solutions that are low effort services, so they can spend time doing the things that matter most to them.</li> <li>• Most customers are using technology, but they don’t want to be ruled by it. Digital services need to work first time and be easy to use.</li> <li>• More and more customers are wanting to know that they are dealing with an ethically run business that puts their needs first.</li> <li>• Water remains different to other utilities as there is no choice of supplier. Customers need to trust water companies.</li> <li>• Water companies often remain hidden when compared to other suppliers/brands and people continued to feel disconnected from their water supplier. Whilst we tend to rate well for quality, consistency, convenience and reliability of the core service, we lack a strong presence, relevance and to be seen to put customers at the heart of our business.</li> </ul> </li> </ul>	
<p><b>Since February 2021, our PR24 research programme picked up a new golden thread around the impacts that the cost of living increases was having on our customers, particularly from a bill affordability perspective.</b> Our recent <a href="#">tariff research</a> (Autumn 2023) into financial vulnerability found that:</p> <ul style="list-style-type: none"> <li>• Cost of living increases are being experienced by <b>most customers</b> in some way: energy, food, mortgages, rents all cited as increasing considerably quicker and more than their income, causing people to have to act differently to get by. Some households aren’t struggling with bills, but are certainly more conscious of money than they once were.</li> <li>• Community stakeholders backed this up, having noticed an increase in the volume of people struggling financially as more households need financial support than ever before. This includes many who have never struggled before.</li> <li>• Some groups appeared to be hit harder than others by recent financial challenges – taken from our recent PR24 tariff research and those of <a href="#">Yorkshire Water</a> and <a href="#">Thames Water</a>. Please note these are qualitative findings from in-depth discussions with customers:             <ul style="list-style-type: none"> <li>• <b>Larger families and lone parents:</b> for these, the additional outgoings are often too much to manage.</li> <li>• <b>Single younger people:</b> stakeholders in particular noticed people struggling to manage household costs on one income, who often had little or no savings or property to cushion financial shocks.</li> <li>• <b>Older people:</b> mixed group as it depends on their age and eligibility for state benefits. Some stakeholders noted an increase in older people, who traditionally haven’t come forward for help</li> </ul> </li> </ul>	<p>Our decision to expand and financial support package and pilot a new affordability tariff to help those who are struggling but whose household income is too high to qualify for our existing Assure discounted social tariff.</p>

<p>due to generational attitudes (e.g. pride, stoicism) finding it hard to ask for help. Vulnerable to inflation if on a fixed income.</p> <ul style="list-style-type: none"> <li>• <b>Health and disability:</b> customers with long-term physical and mental health problems and or who care for others with health issues are likely to struggle with finances due to limited income and additional costs.</li> <li>• <b>Working poor:</b> It used to be that employment meant households could usually cover their bills, but this is no longer the case for those, mainly on lower paid jobs. This came through strongly from customers themselves, as well as stakeholders.</li> <li>• <b>Squeezed middle:</b> household incomes of £30,000 a year or more (especially in our Cambridge Water region) talked about struggling financially – given the higher cost of living. There is little income left at the end of each month after all expenses.</li> </ul> <p>For those who are most vulnerable the qualitative discussions in our PR24 tariff research highlighted that the rising cost of living is negatively impacting customers' finances, health and mental wellbeing, and it's the total package of bills that contributes to this impact – the water bill has a role to play despite being currently more affordable.</p> <ul style="list-style-type: none"> <li>• <b>Customers talked about constantly trading off essential choices:</b> <ul style="list-style-type: none"> <li>• Food: skipping meals and poor nutrition, using food banks, changing supermarket or using multiple to find best deals</li> <li>• Restricting utilities usage: not putting the heating on, restricting electricity (not using appliances), restricting water (showering outside the home, not making a cup of tea)</li> <li>• Lifestyle: cutting back on even small luxuries, having to deny children activities / treats / days out, not socialising</li> <li>• Finances: borrowing money from family, entering emergency credit / arrears / credit card debt, living in finite savings</li> </ul> </li> <li>• <b>Everything is a decision and it is exhausting:</b> <ul style="list-style-type: none"> <li>• Constant worry: many can't relax and are always thinking about money</li> <li>• Every bill causes panic: and it's the overall package of bills that tip households into debt, not one single bill</li> <li>• Feels relentless: constantly trading off what to pay and still barely breaking even, with no room for fun</li> </ul> </li> <li>• <b>Impact on mental health and outlook can be severe:</b> <ul style="list-style-type: none"> <li>• Mental health suffers: customers reported anxiety, stress, depression, desperation and feeling the future looks bleak</li> <li>• Isolation: some keep money worries to themselves to shield others or out of shame, lack of money also limits socialising which can be very isolating</li> <li>• Resignation: more so than earlier in the year, there was a sense that some are resigned and numb to it – 'a new normal'</li> </ul> </li> </ul>	
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The infographic detailed below, **figure 3**, summarises the key insights from our engagement with customers who are in a range of vulnerable situations. This was initially developed from our [PR19 qualitative vulnerability](#) research undertaken in 2018 by DJS Research, which helped to validate and inform our PR19 plans to support customers in vulnerable situations. We plan to produce new infographic materials, set in the context of more recent research undertaken by water companies and Ofwat and CCW, to support PR24 plan developments.

**Figure 3: infographic to summarise our PR19 customer research for our teams**

## Understanding customers who need extra support



## 2. How customers in vulnerable situations rate our customer service and everyday service experience

### Customer satisfaction feedback

Every year, we capture customer satisfaction feedback from over **12,000** customers following a contact with us through all our contact channels. We use this insight on-going to help identify, across our customer journeys, how customer rate us. This helps us understand what customers think is working that we need to do more of and what's not working that needs to be changed. This includes any accessibility barriers to people not on the PSR. We can analyse this satisfaction feedback by customers who are on our PSR and/or receiving financial support to understand whether they rate our service better, the same or worse than customers who are not receiving these forms of extra support. The satisfaction surveys are independently administered through our partner Qualtrics using best practice question approaches to gaining feedback.

**Table 4** highlights that when interacting with us across all our customer service touch points that customer who are receiving extra support rate our service higher overall than those not receiving support, although not always significantly. The most satisfied customers overall are those who receive both financial and wider PSR support. A wider review of our satisfaction data shows this pattern is repeated:

- Scores for customer effort, first contact resolution and service agent satisfaction are all higher among customers who are receiving PSR and/or financial support.
- Customers under 45 are significantly less satisfied than those over 45. This trend is consistent among those receiving PSR and those not on PSR support.
- Customers in our Cambridge Water region are significantly less satisfied than South Staffs Water customers, partly due to the demographics and the higher expectations of service delivery in our Cambridge region. This trend is also consistent among those receiving PSR and those not on PSR support.
- Customers who have a water meter score significantly lower than those who are on fixed charges. This is partly due to customer experiencing issues around estimated meter reads, and disputing bills and the impacts that a leak can have when on metered charges. This trend is also consistent among those receiving PSR and those not on PSR support.



When focusing on any journey/contact that relates to non-financial PSR services the overall customer satisfaction score among those receiving financial support is **8.93** over the period April 2021 to March 2024, with those contacting us specifically about financial support services scoring **8.42**. This highlights that overall satisfaction levels among customers in vulnerable circumstances is higher than the wider customer base.

However, the decline in scores since autumn of 2022 and into 2023/24, highlights that satisfaction has declined more among customers who are receiving financial support. This is, in part, linked to challenges around speed of response and ease of contact when trying to resolve billing queries, such as payment plans, during a period when household finances were being impacted. This highlights the need to ensure our service delivery is low effort and helpful for customers who may be experiencing more challenging times.

Table 4: customer contact satisfaction trends over time

Overall customer satisfaction score, across all customer journeys				
Year	Receiving PSR support only (non-financial flags)	Receiving financial support only	Receiving both PSR and financial support	Not receiving any support
2021/22	8.51	8.51	8.73	8.08
2022/23	8.10	8.44	8.67	7.34
2023/24	7.47	6.90	7.39	6.52
<b>Overall average</b>	<b>8.08</b>	<b>8.07</b>	<b>8.37</b>	<b>7.31</b>
<b>Sample base</b>	3,699	1,932	1,947	21,059

Sample source: Qualtrics point of contact satisfaction surveys, all household customers. Over satisfaction rated on a 0-10 scale, with 0 very dissatisfied, 10 very satisfied. Sample sizes vary per year.

It is important to note at an overall level, that most of the contacts made which are surveyed are routine ones, such as paying a bill or moving home, or another billing query and not specifically about the extra PSR or financial support services a customer receives. They also only include contacts logged in our billing system that are made through email, phone, webchat, letter, face-to-face and where the customer is logged into our MyAccount web or APP online services. They do not include interactions with our website or social channels, as we cannot identify from these whether a customer is receiving support or not.

When looking at our satisfaction survey data by contact channel, we do find there is a significant difference between telephone and other channels. For example, between 2021/22 and 2023/24 we find that our telephone contact service performance is rated by customers on our non-financial PSR as **8.40** out of 10. However, the score was **5.77** for email contacts over the same period. This highlights the need for delivering a consistent service experience across all channels customers use to contact us.

Where we do sometimes fall short of expectations, some of the pain points experienced by our customers on our PSR support include:

- Being unable to hear calls due to poor line quality in the period following the implementation of a new telephony system, particularly among those who have hearing issues due to a specific condition or age related hearing loss.
- Unable to get through on the phone quickly and/or by email to resolve challenges with paying a bill due to affordability challenges, leading to the potential of greater distress. This includes being slow to process an application for financial support.
- Not always accurately recording details of a customer’s vulnerability, so leading to confusion in future communications.
- Being unable to apply for PSR services online, highlighting the need for a true multi-channel service offering so that customers have choice when applying for our support.

Alongside analysing the numerical scores from the feedback provided by our customers we also use our Qualtrics platform to review verbatim feedback using word clouds and sentiment analysis to better understand customers' experience of contacting us.

From 2025, we will start exploring how Artificial Intelligence solutions within Qualtrics' platform can help us more quickly identify trends and themes in the feedback across multiple customer service channels. This is expected to allow us to better identify ways to improve the service and more quickly.

### Wider customer experience and brand perceptions

We also run an independent customer research tracker study to understand how our customers rate the overall experience of our service. It also tracks awareness of services and collects insights on the demographics and experience of our customers.

This annual survey is carried out by one our research partners Turquoise Thinking, and involves carrying out 800 – 850 household surveys a year. Conducted through quarterly waves of email and telephone surveys, it covers a regionally representative sample of customers across both our supply regions.

From the self-reported responses given by customers, we can identify whether they are on or would qualify for financial and/or wider PSR services. This allows us to understand how these customers views of our services differ from the wider customer base. The **significant differences** are shown below in **table 5** across the important areas tracked.

**Table 5: significant differences between satisfaction scores, PSR versus wider customer base**

Overall customer satisfaction score, across all customer journeys		
Metric tracked	PSR vulnerable – including financial	Not eligible for PSR support
Percentage scoring overall satisfaction 7-10 (0-10 rating)	75%	81%
Percentage scoring trust 7-10 (1-10 rating)	74%	79%
Percentage strongly/slightly disagreeing that their clean water bills are affordable	17%	8%
Average score for clean water bills being value for money (1 to 5 rating)	3.74	3.84
SSW / CW is easy to deal with (1 to 5 rating)	3.68	4.01
Your tap water is safe to drink (1 to 5 rating)	4.32	4.46
Hardness of your water (1 to 5 rating)	3.16	3.37
How quickly SSW / CW repair leaks on the public highways/footpaths to help reduce the amount of water lost (1 to 5 rating)	3.59	3.73

Sample source: Customer Promises Tracker surveys. Base n = 4,108 household customer surveys covering 2019/20 to 2023/24.

The insights from our tracker, highlight that customers who are in vulnerable circumstances are giving us lower scores in several important areas that our plans need to address in the long term. The feedback suggests that customer with financial and/or health or other related vulnerabilities are more likely to:

- Give lower scores given their situation means any failures experienced in the day-to-day service (i.e. reliable supply of clean water) is more likely to impact on them negatively. For example, water quality metrics score lower among these customers, highlighting criticality of a reliable, high-quality water supply and perceptions around wastage (leaks) impacting on this
- Be in a more negative emotional state given their situation, which our tracker analysis highlights leads people to give lower satisfaction scores in surveys as an overall cohort.
- Be struggling with their water bills, highlighting the need to ensure a robust package of support is in place that supports those most in need.

## Awareness of support

Encouragingly, over time, we have seen a significant increase in the number of customers being aware of our PSR services and financial support tariffs. This highlights that the plans we have put in place over the last five years to raise awareness are having a positive impact from a customer recall perspective. For example, awareness of:

- Financial support we offer, has increased significantly from **33%** of households in 2018/29 to **51%** in 2023/24. Of concern is the drop in awareness in the South Staffs Water region, where the need for financial support is greater, with a year-on-year fall of 8%p to **42%** in 2023/24.
- Our Assure social tariff, has increased significantly from **13%** of households in 2018/29 to **30%** in 2023/24.
- Our PSR, has increased significantly from **19%** of households in 2018/29 to **34%** in 2023/24.

We will continue to track our customers' perceptions and awareness of our services as part of our BAU customer insights programme and evolve the questions over time to ensure they support the development of, and can measure the impact of, our vulnerability strategy.

## 3. How customers in vulnerable situations priorities and needs differ from the wider customer base

As part of improving our step-change at PR24 of better understanding our customers, we spent time reviewing where there were notable differences in our strategic research studies between customers in vulnerable circumstances and the wider customer base. The main ones of relevance to our draft strategy are summarised below.

- In terms of priorities, helping customers who may need extra support - both financial and wider PSR services - when needed, and reducing leakage on pipes, were regarded as core priorities overall. Those in vulnerable situations, however, placed more importance on providing financial and other support to vulnerable customers. Those who were identified from their responses as being in a vulnerable circumstance, had a significantly higher priority on providing financial bill support.
- In general, all customer groups were concerned with affordability, due to the wider economic situation, inflation and rising cost of fuel, energy, and food. However, these were more of a concern for customers in vulnerable circumstances.
- In terms of long-term planning trade-offs, customers in vulnerable circumstances, including those on low income, assigned more importance to tackling water poverty than leakage reduction. Low-income and PSR customers felt that proactive customer service should be more of a long-term priority, compared with other customers.
- When researching customer views on our proposed PR24 business plan, those with a total household income of under £23,000 a year were significantly less likely to agree that their water charges were affordable (**66%**). Many reported this was due to the cost-of-living increases. Almost half of the customers in vulnerable circumstances (**48%**) thought it would be very difficult or difficult to afford the water bills between 2025 - 2030.

There are also some wider themes that our and research programme has shown that we need to take account of in our draft strategy:

- Given investment priorities driven by their vulnerabilities, there is a clear need to better promote the PR24 investments in water quality and long-term supply to reassure PSR customers that the water will not get cut-off or run out.
- There is also a need to better educate on the reason why bills are going up, due to the investments needed to ensure a reliable water supply for the long-term.
- Groups of customers on PSR (particularly those who are medically dependent on water) require adequate protection from any policy changes around water meters and tariffs that encourage behaviour change to reduce water use.
- Above all, vulnerable customers want pro-active, tailored customer service and support, overall as a cohort, they are less able to deal with incidents themselves and more prone to worry, are less

confident dealing with bills, often more susceptible to scammers and reticent to come forward for support due to pride.

## Section 2.2 Making more effective use of our customer research insights

We summarised in **table 1** the on-going customer engagement that we plan to deliver to support our plans. The customer insights feed into the triangulation framework we developed at PR24 in partnership with Impact - see [section 1.2.3 \(page 13\)](#) of our PR24 customer engagement approach report. By continually recording the insights in our framework, this will ensure we pick up on any new themes quickly and take appropriate action, including the tracking of our five Golden Threads.

We will continue to engage with our customers in vulnerable situations to keep our understanding of changing customer access, communication, safety and affordability needs up to date. This includes:

- Our point of contact customer satisfaction surveys and on-going tracker research;
- Regular 2-way conversations with customers through our H2Online Community (including our PSR group) and structured and day-to-day face-to-face conversations, for example at community events, roadshows and our Community Hub in Wednesbury;
- Strategic research commissioned to gain insights on any specific areas of vulnerability support to inform our plans;
- Engage with our stakeholders and partners in our communities to listen to their views and capture the feedback to ensure we can pick up on themes and take appropriate action. We will feedback where we make changes through our stakeholder newsletters; and
- Regularly scan the market for reports from third parties that can help us better understand our customers needs and our changing population demographics.

We will review the effectiveness of our framework as we move into planning for PR29, capturing any best practice advice from any reviews undertaken water companies' approaches to insight triangulation at PR24. We also plan to develop additional internal insight briefings (e.g. interactive insight workshops) and other visual tools (such as infographic and video) to ensure that our front line teams who engage regularly with customers have access to the insights to help them do their jobs more effectively.

An example of this was a set of cards for our field teams to help them spot signs of customer vulnerability and have more meaningful conversations with customers to ensure they received the right support. **Figure 4** shows the front and back of one of the cards, relating to mental health.

**Figure 4: example of cards given to front line teams to help them engage with customers**



Understanding customers with  
mental health impairments



## You can help them by...

### Reassure them that you're there to help and show empathy

Be aware of support groups who can help their situation

Building trust

Provide contact numbers – such as extra care

Publicising a nominated friend/relative service

Ask if they are **Priority Service Registered**

Ask questions to understand their circumstances and how they want to communicate with us

## Section 3: What our stakeholders and partners have told us to focus on

Alongside our customer engagement programme, we also have dialogue with a wide range of expert stakeholders and partners. We have a partnership network with more than **450** organisations. This includes debt advice services, local health providers, local authorities, charities, food banks, social housing providers. We regularly seek, and capture feedback from them to help improve our services. In **table 6**, we list some examples of the types of feedback we have received from various stakeholders covering a range of organisations and how we have used this insight to shape and improve our PSR and financial support.

We have compared our customer and stakeholder feedback and there are no significant differences in the main points raised about expectations of what great PSR support looks like and how our current services can be improved. This is encouraging when making decisions that there are no major conflicts between the two groups.

The only notable tension is between customers who do not view it as a water companies responsibility to fund support (mainly financial) through water bills, namely as they view that a welfare state funded through their taxes already exists. For example, 34% of our customers in our PR24 affordability tariff research in Autumn 2023 did not want the current £5 annual contribution to fund our Assure tariff to increase. However, some of the stakeholders engaged on the future of our Assure tariff did caution that consideration should be taken over how much to increase the contribution by given the cost of living increases experienced and that this could impact those struggling who do not qualify for support in terms of increased bills.

Table 6: how we have used our stakeholder engagement

Stakeholder insights that have helped shape our draft strategy	How we have used these insights to shape our plans
It would be good to have an 8 to 10 week presence from the water company at our community pantry so that you cover everyone visiting (1 day a week). The food pantry is a food club type scheme where they pay a set amount for goods worth more. – Smethwick area food pantry,	Our Community Hub Coordinator visited the pantry and offered advice on affordability schemes for a period of 8 weeks, she continues to do this for a further 2 weeks. During this time, she has supported customers with face to face queries and concerns around paying their bill. She has also been able to offer the Assure discount scheme to these customers. Having this regular contact at the community centre where the pantry is based means that the relationship with the centre is further cemented. They have a uniform event too that we can then use and liaise with at the hub when we need certain items or they do and swop them. This means that we provided further support than just at this visit.
You need to make it easier for customers to apply for your tariff discount (Assure). It costs money to photocopy proof of income. It also costs customers money to send the information back to South Staffs Water when applying, as in stamps for the envelope. -Welfare Rights and Advice services West Midlands areas, also Citizens Advice services	Our Assure application form has been amended several times during its existence to look at ways to make the schemes easier for customers. The application form has gone from a 12 page document requiring detailed income and expenditure to a 2.5 page form. The income and expenditure have been removed and the requirement for proof of income has now been reduced to audit checks 10% daily where no proofs are sent in. There is a FREEPOST address for the form to be sent in to the office. We introduced a partner referral form FY 23/24 for 3 <sup>rd</sup> parties who assist customers from the welfare rights side to refer directly in having gone through eligibility checks with the customer. This means that the 3 <sup>rd</sup> party makes the decision on eligibility for the schemes and a simple one-page form is completed. The 3 <sup>rd</sup> parties are trained by our Community team and this way we can receive feedback as to any further improvements, the form is an editable pdf form which again we designed for ease of the stakeholders. We will be reconfiguring the application form and the stakeholder training tool box kit for WaterSure as we will also be taking direct referrals from 3 <sup>rd</sup> parties this way.
Why does your Priority Services Register information have to be a separate form to	We have incorporated the PSR form in the Assure and The Charitable Trust application forms. This makes it easier when we have been working with local

Stakeholder insights that have helped shape our draft strategy	How we have used these insights to shape our plans
the discount schemes? – Disability visually impaired group	authority departments for passport scheme for Assure where there is a PSR consideration, such as Disabled Adaptations Schemes, through the council they will be able to include disability considerations as well as apply for the discount scheme.
Universal Credit (UC) means that the customer must wait for their money so they struggle to pay their bill. – Citizens Advice	We introduced Assure Assist and rolled this out to first point of contact stakeholders for UC claims, such as Citizens Advice – help to claim and DWP offices. This meant that if there was no household income at the claimants home, they would receive a 100% discount on their water bill for a period of eight weeks to cover the period to wait for UC payments to be made.  We have also introduced this into the partner referral form for 3 <sup>rd</sup> parties to check for this eligibility and refer people in.
During the cost of living it has become difficult for customers coping with mental health conditions to manage their payment plan for Charitable Trust (CT), can this be looked at? – Citizens Advice	The CT required the customer to make payments of £1 per week over 52 weeks, at the halfway point half the arrears was paid through the grant of payment. We took this to the board of Trustees explaining that the period was too long for people to cope with. They agreed that if a customer was eligible at the point of application for CT and had made at least £10 towards their water bill in the previous 10 weeks they would provide the grant assistance straightaway, so the customer was clear of the arrears almost immediately. If a customer had not made minimal payments, they went on to a 10-week payment plan of £1 per week and after successful completion of this the customer then went on to claim the grant immediately.
Is there any help and assistance for customers who cannot afford to cover the cost of changing from a shared supply to a single supply where there is a medical need? – Citizens Advice  Internal SSC stakeholder: can this be extended to include leaks for customers who cannot afford to fix them?	We worked with our Developer Services team to create a scheme where we would ringfence £2,000 a year from CT funding for customers who had an affordability issue or medical need for the single supply point. We helped four customers and CT contributed £8,700 towards the cost of the supply that the customer would otherwise have had to fund. This has now continued into a 2 <sup>nd</sup> year of funding 50% of the cost for the customer through CT and the other 50% through developer services up to a maximum of £10,000.  This has also now been extended to include a leak assistance scheme where £500 will be paid towards the cost of helping a customer fix a leak on premises which would usually be the responsibility of the customer. The eligibility follows the same criteria for the supply assistance scheme. 2024/25 is the first year this has been done for the leak scheme and £10,000 has been ringfenced for this support. The team are also trained on the affordability schemes and can signpost the customer for help to access this when they meet the customer.
We struggle to meet our customers face to face due to cost of renting out buildings. – (a range of welfare and advice agencies)	We open our doors of the Community Hub in Wednesbury to support these organisations where they can hold their meetings and sessions for free. We also offer a Place of Welcome for anyone to come and have a cup of tea and a chat where we can support and offer signposting advice to different organisations. The Warm Place of Welcome operates in the winter months.  We also collaborated with another hub, not owned by us, to offer the same assistance at Shelfield in Walsall, with a small local supermarket. We supported them by paying for and also paying for the ongoing costs of a water refill point.
It would be useful to have more information about water efficiency at the hub and the gadgets to help save water – public health organisation	We designed a water efficiency corner with information about the water cycle and advice to share with customers. We also have water efficiency devices to give to customers to help them reduce their consumption.
My customer doesn't understand their bill, what does this mean? – Citizens Advice	We designed an “understanding your bill” factsheet showing what the different elements mean with visuals to help customers navigate their bills.
Do you have the information of what you give your customers all in one place? – DWP	We took this on board and designed an A5 factsheets for customers and stakeholders to sign-post all our support.
We notified a visually impaired group in Sandwell about the cyber incident we experienced in 2022. They invited us to	We attended the group and read out the information on the cyber information sheets, we answered their questions and stayed behind for a period of time should anyone want any further one to one help and advice. We also recorded the information for their Talking News.

Stakeholder insights that have helped shape our draft strategy	How we have used these insights to shape our plans
speak at their group session to update customers on the support put in place.	
Can you please type your community newsletter up in plain text – visually impaired group	We typed the information in plain text, increased font size and in 2 columns taking advice from the visually impaired group themselves to understand what they needed in terms of format and look. We have continued to provide this format with any communication we send to them.
New tenants don't seem to know they need to pay their water bill. – Various contacts from social housing providers	We have promoted Landlord TAP for social housing providers and private landlords to channel new tenant information through this portal.  We designed a new factsheet to give out to social housing providers outlining information about the water supplier, the wastewater supplier and some useful information about what they need to do next to register their account and also support mechanism we have in place. We have distributed these through various providers of housing and new developments.

We also engage with stakeholders through our customer research studies, mainly through depth interviews carried out by our research partners. These structured conversations provide additional context and expert views alongside the feedback from customers. For example, in our PR24 tariff affordability research our partners, Qa Research, conducted **six** stakeholders to give their views on the entire breadth of the project objectives. Their expert perspectives are indicative of the issues at hand. The relatively small sample was chosen to target local community experts in both South Staffs and Cambridge supply regions with a breadth of knowledge and be proportionate to the research objectives. Full findings from the project can be found [here](#), but we summarise the stakeholder feedback below.

#### Who is struggling financially now according to stakeholders?

- Certain households are more likely to be facing reduced income and higher outgoings: families, lone parents, older people (pre-pensionable age), carers.
- As has always been the case, customers with complex lives and multiple issues are most acutely affected – this shows the importance of multi-agency partnering.
- Since the cost-of-living increases, some households are struggling for the first time – many are still in shock, carry with them shame and unfamiliarity, and also don't know how to navigate the system. It's important to be extremely sensitive to this group: don't assume they know the system & make them feel it is ok to accept help. "In the past, they were low income households who are kind of familiar with the benefit system and, you know, unfortunately in a situation where they were struggling, most of the time. But when I can say as early as April 2020, we saw people who had never been in the situation before. So people who didn't have a clue how to navigate the benefits system didn't really want to either, you know, they had this sense of shame, really embarrassed about having to do this." – Cambridge , local stakeholder

#### Stakeholder awareness of Assure / other support

- Some stakeholders were highly aware of the Assure tariff and other types of financial support offered by water companies, while others not so much and were only vaguely aware.
- Other popular options for offering support were grants, fuel and food vouchers.
- Most tried to offer budgeting and money advice alongside short-term help.
- Positive feedback on outreach for South Staffs and Cambridge – stakeholders felt SSC is visible and present in the community, just need more of the same and wider reach.

#### Views on our Assure tariff

- Assure as a scheme was well received but not life-changing, however any help is certainly better than none.
- Views on increasing the income threshold eligibility criteria above £19,050 varied depending on the target group of the stakeholder organisation – the ones who help struggling customers on higher incomes think it



should be higher, whereas those who deal with customers on very low incomes and benefits think the threshold is helping the right people. If it were raised, there is no clear consensus on where to raise it to.

- When it came to the possibility of reducing the discount level to help more people, stakeholders were unanimously against this, as it would downgrade the quality of support beyond a point where it was helpful. This feedback helped us make the decision to not change the discount level.
- In terms of cross subsidy impact, overall, stakeholders understood and supported the need to increase the Assure pot despite concerns that most people are struggling in some way with cost of living and making difficult choices, so may not be able to afford an increase to fund it.

In our PR19 vulnerability research, our partners DJS research conducted five, 1-hour depth interviews with a range of stakeholders to gain additional feedback to the qualitative customer interviews undertaken. A summary of the feedback from the five interviews is shared below in **figure 5**. We used this insight to help inform our support during PR19, from launching a VAA service to expanding our community partnerships to ensure more people know and were passported onto the support we offer.

**Figure 5: stakeholder feedback on how we can improve our PSR support**



## Key suggestions from stakeholders

The insights & recommendations from Stakeholders largely mirrored and re-confirmed what we found in the customer research

- Ensure that support & customers service staff are well trained in dealing with vulnerable customers especially those with learning disabilities & mental disabilities
- Employ support & customers service staff are able to demonstrate empathy & understanding. A number of Stakeholders claimed to employ staff with relatable life experiences so they were able to truly understand the needs of the people they deal with and have specialists for particular needs or circumstances.
- Communicate more with third parties to not only better understand how SSC can sign-post customers to their services but also provide more information to stakeholders on the support services that SSC provides as awareness of these was low amongst stakeholders.
- Make sure that staff and communications are flexible enough to adapt to the needs of different customers such as call responders adjusting the speed and tone of their voice for those with learning or mental disabilities and allowing written communications to be adapted to different sizes and colours. Staff should also repeat back and check customers understanding of the information they give them to ensure it is fully understood.
- Be proactive in offering support and make suggestions based on discussing & assessing customers needs – customers won't always know that they can even get help for certain needs!
- Be personable, engaged & receptive to customers who contact you in difficulty, it is noted that SSC has not always demonstrated the best attitude to customers who have been struggling – especially those that are financially vulnerable.
- Think more deeply about the possible impact that a disruption might have on different groups – ensuring that communications are proactive, timely (good notice with reminders closer to the time) and clear. Communications should make it clear how customers can get in touch if they are struggling.

## Section 4: Our household customers and why we need to support them

### 4.1 Introduction

Every day, we are responsible for the safe and reliable distribution of clean water services to a population of over **1.7 million** people across our two supply regions. As a provider of an essential public service, we are aware of the day-to-day impact that a reliable supply of clean water has on our customers' wellbeing, especially those who are experiencing a long-or-short term situation which could put them at risk.

Our on-going engagement with customers, stakeholders and expert partners tells us that there are situations that people experience which mean they may struggle to cope with situations that are complex, multi-layered and ever-changing. We start from the point that anyone can be vulnerable at any point in their lives, whether it's being impacted by a short or long-term illness or condition, a mental health problem, or going through a life-changing event, such as a bereavement or the loss of income. As a result, no single factor defines it – vulnerability is multi-layered, context specific, and forever changing as our society changes and people move through their lives.

Given this, we view 'vulnerability' as a situation that can happen when any part of the provision of water supply and associated services combines with someone's/household's circumstances, including the impact of their local environment, to create an outcome where they are more likely to suffer harm – both in the short and longer term. This can also link in to what a customer is trying to do when they contact us, such as paying a bill.

We recognise and are committed to our public duty to ensure that water services are accessible, safe, and available to every consumer in our region and the role we play in safeguarding our customers who are struggling to cope. Please note that in this document we use the terms 'customers/people in vulnerable situations' and 'ability/struggling to cope' interchangeably to refer to the same group of individuals and organisations. Our research has highlighted the sensitivities of labelling people as 'vulnerable' and we only do so for the sake of clarity to articulate our draft strategy.

Serving a population in areas ranging from some of the most deprived urban populations in England to remote and sometimes isolated rural communities, means that we have a range of socio-demographic circumstances among our communities that we need to understand and monitor. We are conscious of the fact that the ever-changing and multi-layered nature of vulnerability, makes it impossible to have a continuously comprehensive and precise picture of all situations of vulnerability across all the households we serve.

However, our experience in serving and engaging those who are struggling and those that support them (such as stakeholder and community groups) means that we are on a journey to develop a more sophisticated approach to using the data and insights available. The aim is to develop a more up to date and granular picture of the vulnerability issues that affect our customers.

Continuously improving our data is important to ensuring our day-to-day work in supporting vulnerable customers is effective and that insight shape our strategy and plan in a more targeted way. The data available highlights the need to grow our PSR reach for both financial and wider PSR vulnerabilities.

We also have two very different populations to support across our two supply regions. Our analysis shows that there are some specific risk factors that are more prevalent in one of our regions, as summarised below:

#### Our South Staffs Water region has:

- Higher levels of income deprivation and water poverty. Particularly in many of the urban communities in the south of the region – e.g. Smethwick, Dudley, Walsall.
- Higher levels of digital deprivation among the population, specifically in lower affluence communities.

- An older population profile, more at risk to ill-health and from having a disability. Linked to this profile, a higher proportion of unpaid carers.

**Our Cambridge Water region has:**

- A faster growing population, which may increase the level of PSR required within the population.
- Higher levels of affluence and a younger population profile
- A higher proportion of households where English is not the first language, although this requires more investigation to assess whether this is more of a risk factor among bill payers or those renting, such as students and young professionals.

## 4.2 A view of the current and future landscape that could impact on peoples’ lives

We have undertaken a review of the current and expected future macro-landscape that has influenced our draft strategy. The key areas are detailed in **table 7** where we summarise the specific risk factors across our two regions. Many of these statistics are found in our [PR24 demographics report](#), but we provided links in table 7 to specific datasets that are featured in this report, as well as links to additional data sets we have reviewed during 2024 to further support the development of our draft strategy.

We will monitor these trends to identify any notable changes on at least a biennial basis to inform our plans. The frequency of these reviews will vary based around when datasets are updated by providers. For example, statistics on economic datasets (e.g. employment) are released monthly, whereas full population Census data is only updated in full once every 10 years.

In these cases, we will look to supplement official statistical datasets with data from our customer research programme and, where appropriate, commission specific market analysis projects where there is a clear and compelling case to do so. For example, in 2023, we commissioned CEPA to undertake a [water poverty analysis](#) across our two supply regions.

We will strengthen our approach to tracking the macro-landscape further ahead of submitting our final strategy in June 2025, including developing a more robust approach to collecting, analysing and reporting on demographic data. We intend to work with third party experts and challenge partners to develop our approach.

**Table 7: detailed review of macro-landscape and its impact on our PSR**

Macro landscape areas	What is changing that will impact on our draft strategy	Data sources	Summary of implications for our draft strategy
Social – population changes, age	<ul style="list-style-type: none"> <li>• The population we serve are growing and ageing, which will mean more households will need to be supported through our PSR:                             <ul style="list-style-type: none"> <li>• In our Cambridge region, the population is expected to grow from <b>340,000</b> in 2020/21 to <b>483,130</b> people in 2049/50, an increase of <b>42.1%</b></li> <li>• In our South Staffs region the population is expected to grow from <b>1,385,700</b> to <b>1,586,000</b> over the same period, an increase of <b>14.5%</b></li> <li>• The average age across all our household account holders is estimated to be 54 (estimated as we</li> </ul> </li> </ul>	<p><a href="#">SSW</a> and <a href="#">CW</a> Water Resource Management Plans 2024</p> <p>SSC customer database</p>	<ul style="list-style-type: none"> <li>• Need to develop more and stronger partnerships with older peoples’ charities, e.g. Age UK to ensure we offer best in class support.</li> <li>• Need to better train our staff to identify and position our support offering with older customers.</li> <li>• At retirement age, we would expect many customers’ water use at home to go up. We will need to work more closely with these customers to ensure they can manage their bills and provide support to help them</li> </ul>

Macro landscape areas	What is changing that will impact on our draft strategy	Data sources	Summary of implications for our draft strategy
	<p>do not hold a complete dataset on account holder age).</p> <ul style="list-style-type: none"> <li>• <b>31%</b> of the population in our South Staffs region is <b>over 55s</b>. The figure is in in-line with the national average, but in the Cambridge Water region it is lower at <b>27%</b>.</li> <li>• These insights highlight the greater challenges, particularly in our South Staffs region, around providing support for those with ill-health and other age-related problems impacting on people’s daily lives. This includes digital exclusion and those on pensions, particularly just state pensions only, having limited income at retirement to manage their household finances.</li> </ul>	<p><a href="#">Office for National Statistics</a>: 2021, census data</p> <p>Note that the Authority areas in the ONS data do not align exactly with our supply area boundaries.</p>	<p>manage their usage so they are not forced to make trade-offs over use of their utilities.</p> <ul style="list-style-type: none"> <li>• Improve uptake of easy to apply for discounted tariffs, for those who qualify.</li> </ul>
<p><b>Social – population changes, carers</b></p>	<ul style="list-style-type: none"> <li>• Increasing number of people who are caring for those who need PSR support: <ul style="list-style-type: none"> <li>• Across our regions there is notable variation in the number of carers, which is linked to the level of deprivation. For example, <b>10.4%</b> of people in Walsall and Dudley areas are in unpaid care roles, compared with <b>7.6%</b> in our Cambridge region.</li> <li>• The highest number of unpaid carers are in the age bracket <b>25-49</b>, with <b>90%</b> of these being female (national UK figure only).</li> <li>• A recent review by the Institute for Fiscal Studies suggests a <b>£4bn hole</b> in the in the social care plans of the three main parties in England. If this is not plugged this could put further strain on households to provide social care needs directly, so increasing the care burden.</li> </ul> </li> <li>• Whilst the proportion who care for someone with a need directly related to the provision of water services is not known from the official statistics, the statistics above highlight that there is expected to be an increase in carers needed over time.</li> </ul>	<p><a href="#">Office for National Statistics: 2021, census data</a></p> <p>Note that the Authority areas in the ONS data do not align exactly with our supply area boundaries.</p> <p><a href="#">Institute for Fiscal Studies</a></p>	<p>As per above, plus:</p> <ul style="list-style-type: none"> <li>• Providing support and guidance for carers to help them navigate the PSR</li> <li>• Application forms and services must be easy to use given how time poor most cares are</li> <li>• Recognising that a significant proportion of carers will be female when communicating support.</li> </ul>
<p><b>Social – Population health, kidney disease</b></p>	<ul style="list-style-type: none"> <li>• There are around <b>204,000</b> (SSW) and <b>73,000</b> (CW) people with kidney disease living across, or near the regions we serve. This is estimated to be a higher rate than the national average.</li> <li>• Of these, circa <b>900</b> require dialysis in SSW region and <b>325</b> in CW, with those numbers potentially reaching <b>4,000</b> and <b>1,500</b> respectively by 2033.</li> <li>• With over <b>435</b> people currently registered on our PSR for dialysis need across both</li> </ul>	<p><a href="#">NHS statistics, compiled by Kidney Research UK</a></p> <p>Note that numbers do not align directly to SSW and CW supply region boundaries given</p>	<p>Develop partnerships with relevant kidney support/charity organisations to ensure best practice support services are delivered and that all customers are on our PSR as their disease progresses.</p>

Macro landscape areas	What is changing that will impact on our draft strategy	Data sources	Summary of implications for our draft strategy
	regions, this highlights a notable gap that needs to be addressed.	the way they are reported.	
<b>Social – Population health, cancer rates</b>	<p>As the risk of developing cancer increases with age, cancer incidences are predicted to increase. Research suggests that <b>1 in 2</b> people born in the UK after 1960 will receive a cancer diagnosis. This has significant implications as:</p> <ul style="list-style-type: none"> <li>• People being in and out of hospital for treatment makes managing household bills more complicated – e.g. being chased for bill payments following a stay in hospital leads to stress and dissatisfaction.</li> <li>• Living with cancer puts extra strain on mental health and the ability to cope with everyday life.</li> <li>• More dependency on medications for treatments and/or pain relief means a reliable water supply is even more critical.</li> </ul>	<p>NHS and <a href="#">Macmillan Cancer Support</a></p> <p>Note that statistics are at a national level only.</p>	<p>Develop partnerships with relevant cancer support/charity organisations to ensure best practice support services are delivered.</p> <p>Ensure appropriate and easy to use support for those living with cancer to help them manage their water account:</p> <ul style="list-style-type: none"> <li>• Flexible payment plans</li> <li>• Personalised support plans based on their needs over time.</li> </ul> <p>Promote our PSR support through cancer charity partners.</p>
<b>Social – Population health, disabled population</b>	<ul style="list-style-type: none"> <li>• The Disabled Population is any person classified as disabled under the Equality Act, whose day-to-day activities are limited a lot due to their circumstances.</li> <li>• The proportion of people who are disabled in England was <b>17.7%</b> in 2021. Level of disability is lower in our Cambridge region, but higher in South Staffs where levels in some parts of the region are over <b>20%</b>.</li> <li>• Combined with an ageing population, this will likely mean an increase in the numbers of households who need to be registered on the PSR and require specific additional care from us to access their water services.</li> </ul>	<p><a href="#">Office for National Statistics: 2021, census data</a></p> <p>Note that the Authority areas in the ONS data do not align exactly with our supply area boundaries.</p>	<ul style="list-style-type: none"> <li>• Staff training to be able to service needs appropriately.</li> <li>• Customer journeys that are easy to understand and complete.</li> <li>• Increased demand for bottled water drops during any supply incidents.</li> <li>• Improved use of data mapping visualisation of hotspots to offer community face-to-face support.</li> </ul>
<b>Social – Population health: Mental health, dementia and other conditions</b>	<ul style="list-style-type: none"> <li>• National average is <b>1%</b> of people living with dementia, with <b>1 in 11 over 65</b> living with the disease.</li> <li>• The total number of people suffering with dementia is expected to increase as the population ages. In both our SSW and CW regions rates of dementia range from <b>0.91% to 1.6%</b>, with most regional areas above the national average.</li> <li>• People living in more affluent towns and rural areas, have higher rates of dementia than urban areas.</li> <li>• NHS statistics show different proportions of people aged 16 living with a mental health condition: this ranges from <b>12.0%</b> of the population in South Cambridgeshire to the highest being <b>21.5% in Sandwell</b>. This is compared to the national average of <b>16.9%</b> in England. The further highlights</li> </ul>	<p><a href="#">Alzheimer's Research UK</a></p> <p>Note that the Authority areas in the ONS data do not align exactly with our supply area boundaries.</p> <p><a href="#">NHS health</a></p> <p>Note that numbers do not align directly to SSW and CW supply region boundaries given</p>	<ul style="list-style-type: none"> <li>• Staff training to be able to service needs appropriately.</li> <li>• Customer journeys that are easy to understand and complete – particularly for carers.</li> <li>• Clear policies and processes around power of attorney to enable loved ones/carers to manage accounts on behalf of those who are unable to.</li> <li>• Stronger partnerships with Dementia support/charity organisations to ensure best in class support.</li> <li>• Improved use of data mapping visualisation of hotspots to offer</li> </ul>

Macro landscape areas	What is changing that will impact on our draft strategy	Data sources	Summary of implications for our draft strategy
	<p>the link between deprivation and its impact on mental health well-being.</p> <ul style="list-style-type: none"> <li>At a wider level, the COVID pandemic triggered a global increase in the prevalence of stress, anxiety and depression. Following the worst of the pandemic, people are becoming increasingly worried about topics such as climate anxiety, wellness anxiety and war anxiety. Our services need to help play a role in preventing this trend from growing.</li> </ul>	<p>the way they are reported.</p> <p><a href="#">Ipsos Global Trends report, 2023</a></p>	<p>community face-to-face support.</p>
<p><b>Social – Population trends, living alone</b></p>	<ul style="list-style-type: none"> <li>ONS census data shows that almost <b>1 in 3 people</b> live by themselves – the figure is the same in both our South Staffs and Cambridge regions and is in-line with the national average.</li> <li>Also, <b>37% of women</b> that live alone are aged 75 or over (UK figure).</li> <li>Nationally (GB figure) <b>600,000</b> people live alone and have nobody they can call on if they need extra help. This is expected to rise to <b>900,000</b> by 2039.</li> <li>Data across Local Authority areas (based on 2005 data) shows that 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 (with at least 80% living in rural settlements and hub towns).</li> <li>In rural communities that are distant from urban hubs, it is harder to set-up water distribution hubs quickly. There are also less community support services and access for those living alone in more geographically isolated communities. This is particularly true for the northern areas of our South Staffs region and the majority of our Cambridge region.</li> <li>These demographic trends highlight the potential for more people to be isolated, which increases the need for appropriate PSR support.</li> </ul>	<p><a href="#">Office for National Statistics: 2021, census data</a></p> <p><a href="#">Community Led Homes report, 2019</a></p> <p><a href="#">DEFRA</a> population maps covering Local Authority areas.</p> <p>Note that numbers do not align directly to SSW and CW supply region boundaries given the way they are reported.</p>	<ul style="list-style-type: none"> <li>Look at how best to prioritise helping high-risk customers in rural communities, with bottled water to individual households, rather than through distribution points.</li> <li>Improved use of data mapping visualisation of hotspots to offer community face-to-face support or other offline channels.</li> </ul>
<p><b>Social - accessibility and communication, language and literacy</b></p>	<ul style="list-style-type: none"> <li>UK the literacy rate is <b>99%</b>, meaning <b>1 in every 100 people</b> (aged 15 and over) struggles to read and write</li> <li>Lower literacy skills" means people can understand short straightforward texts on familiar topics accurately and independently, and obtain information from everyday sources, but reading information from unfamiliar sources, or</li> </ul>	<p><a href="#">Literacy Trust</a></p> <p>Note that statistics are at a national level only.</p>	<ul style="list-style-type: none"> <li>We will continue to provide braille bills.</li> <li>Provide translation of bills into other languages.</li> <li>Invest to improve the accessibility of our website for all customers.</li> <li>Grow our partnerships in diverse communities,</li> </ul>

Macro landscape areas	What is changing that will impact on our draft strategy	Data sources	Summary of implications for our draft strategy
	<p>on unfamiliar and/or complex topics, could cause problems</p> <ul style="list-style-type: none"> <li>The average reading age among adults in the UK is <b>nine years old</b> – highlighting that any communications MUST be offered in a way that is easy to understand for people.</li> <li>Statistics highlights that <b>16%</b> of households in our Cambridge Water region where the first language spoken is not English, with a mix of European languages spoken (such as Italian, Spanish, Polish, Portuguese and Romanian).</li> <li>The figure is <b>11%</b> in SSW, with a greater proportion of South Asian languages spoken. The national average is <b>12%</b>.</li> </ul>	<p><a href="#">Office for National Statistics: 2021, census data</a></p> <p>Note that numbers do not align directly to SSW and CW supply region boundaries given the way they are reported.</p>	<p>building on the learnings from our Ofwat WEFDC innovation project being carried out in 2024/25, so we can better reach communities where English is not their first language with information on our services that is accessible.</p>
<p><b>Social - accessibility and communication: digital deprivation</b></p>	<ul style="list-style-type: none"> <li>While the Eurostat’s NUTS geographies may not precisely match our South Staffs and Cambridge water regions, they are good indicators highlights that digital deprivation in the Cambridge water region is at around the same level as the rest of England, at <b>7%</b>. However, it is higher in many parts of the South Staffs water region, reaching <b>15% in the “Sandwell” NUTS area</b>.</li> <li>The DERI scores aligns to the NUTS statistics, in showing that our Cambridge region has localised patches of digital deprivation, compared to South Staffs Water where it is more widespread in our deprived urban communities.</li> <li>This variation in digital deprivation means that specific communities will need targeted approaches to ensure households are awareness of the support and can apply easily using offline communication and service channels.</li> <li>As people age, they can lose the ability to use technology they once had including mobile phones and computers. This is an important consideration as we see an increasingly aging population.</li> </ul>	<p><a href="#">Eurostat’s NUTS (Nomenclature of territorial units for statistics)</a></p> <p><a href="#">The Digital Exclusion Risk Index (DERI)</a></p> <p>Note that numbers do not align directly to SSW and CW supply region boundaries given the way they are reported.</p>	<ul style="list-style-type: none"> <li>Our communication plans should continue to offer a multi-channel approach, including phone and post and not rely solely on digital means to reach all customers.</li> <li>Continue our face to face community engagement and outreach programme.</li> <li>Use of statistics and customer segmentation data to better understand our hotspots of digitally excluded customers, and ensure we are engaging face-to-face more in these areas to provide personal support.</li> <li>We will grow our partners to maximise potential of third parties to engage with consumers. This will extend our reach and impact through local community interactions and support to reach those who can’t (e.g. no access to internet/WIFI) or won’t (e.g. lack of technical ability) to help them, where appropriate, to get online.</li> </ul>
<p><b>Economic – deprivation levels and income levels</b></p>	<ul style="list-style-type: none"> <li>Deprivation data shows that almost a third (<b>32%</b>) of all households in our South Staffs region are in the most deprived deciles (deciles 1 and 2). Dudley, Walsall and Sandwell have significantly higher income</li> </ul>	<p><a href="#">Index of Multiple Deprivation (IMD), 2019</a></p> <p>Note that numbers do not align directly to</p>	<ul style="list-style-type: none"> <li>Continue to build on our robust and targeted affordability support to help customers stay on track, or get back on track, with paying their water bills.</li> </ul>

Macro landscape areas	What is changing that will impact on our draft strategy	Data sources	Summary of implications for our draft strategy
	<p>deprivation levels versus the for England, <b>20%</b>.</p> <ul style="list-style-type: none"> <li>This is in sharp contrast to our Cambridge region where just <b>1%</b> fall into the same deciles. Here, almost threequarters (<b>72%</b>) of households fall into the more affluent deciles (deciles 7-10).</li> <li>Our tracker research during 2023/24 shows that <b>70%</b> of our household customers agreed that their water charges are affordable, a significant <b>6%p</b> fall on last year's figure. This fall is expected given the rising costs of water and other household bills experienced over the last couple of years. Agreement was <b>5%p</b> lower in the South Staffs Water region at <b>68%, 73%</b> in our Cambridge region. Also, over the three years from 2021-2023, our tracker shows that <b>almost half (48%)</b> of our South Staffs Water households have an income of less than <b>£25,000</b> a year. The figure is <b>35%</b> in our Cambridge region.</li> <li>Linked to this, JRF states the income needed to reach an acceptable standard of living. A single person needs to earn <b>£29,500</b> a year to reach a minimum acceptable standard of living in 2023. A couple with two children needs to earn <b>£50,000</b> between them. JRF reports in 2024 that poverty levels returned to pre-pandemic levels, but this is due to incomes rising for middle-income households. Research points to growing inequality and increase in working poor, a high level of unstable and variable incomes and a steady growth in people with negative budgets, mainly caused by increases to household bills outstripping income growth. Changes impact the type of support needed.</li> <li>The ONS 2021 census data shows that gross annual income at <b>£34,766</b> in our Cambridge region, versus <b>£26,330</b> in our South Staffs region. This further highlights the difference in earning power across our two regions, although our research highlights that customers point to the higher cost of living (e.g. housing) in the Cambridge region.</li> <li>Water poverty analysis undertaken at PR24 by CEPA, based on existing social tariff interventions, shows that <b>13.3%</b> of HH in SSW region are in water poverty (3% bill to income ratio) and that is set to forecast to increase to <b>19.2%</b> by 2027/28. In the Cambridge region the figures are <b>9.0% and 13.0%</b> respectively. Again this highlights the stark difference in the</li> </ul>	<p>SSW and CW supply region boundaries given the way they are reported.</p> <p>SSC Customer Promises Tracker – report available on request.</p> <p><a href="#">Joseph Roundtree Foundation (JRF) Minimum Income Standard (MIS)</a></p> <p><a href="#">Office for National Statistics: 2021, census data</a></p> <p><a href="#">CEPA water poverty report – PR24 report for SSC</a></p>	<ul style="list-style-type: none"> <li>Target use of transactional customer segmentation to provide targeted support based on the customer's situation - e.g. community roadshows in areas with higher levels of deprivation where recorded contact with us is low, or non-existent.</li> <li>Continue to work with our partners in the debt sector to ensure that water debt in the areas we serve is treated as a priority debt.</li> <li>Policy in Practice estimate that each year £19bn of support goes unclaimed. Our approach must help ensure customers do not miss out on support by raising awareness and ensuring people apply and/or we can passport them onto the appropriate financial support.</li> <li>Continue to visit the foodbanks across our regions to promote the support we offer when people are using them and leave their staff information to give to customers.</li> </ul>



Macro landscape areas	What is changing that will impact on our draft strategy	Data sources	Summary of implications for our draft strategy
	<p>affordability challenge in our South Staffs Water region.</p> <ul style="list-style-type: none"> <li>Debt support organisations (e.g. National Debt Line) provide advice that water debt is a lower priority for repayment as the service cannot legally be cut off, expect for those renting where the water bill payment is part of the rental agreement to be paid to the landlord and non-payment could lead to court action.</li> <li>Economic deprivation is also highlighted by the data that shows that in 2022 there were more than <b>2,000</b> foodbanks across the UK compared with <b>1,463</b> MacDonalds restaurants.</li> </ul>		
<p><b>Economic – working status, employment</b></p>	<ul style="list-style-type: none"> <li>The UK's economic inactivity rate was <b>21.8%</b> between November 2023 and January 2024, marginally higher than a year earlier. <b>9.2 million</b> people aged between 16 and 64 in the UK are not in work nor looking for a job. The total figure is more than <b>700,000</b> higher than before the COVID pandemic.</li> <li>Statistics show that economic inactivity in Cambridge and most areas of our South Staffs region have higher levels of employment than the average for England (<b>76.0%</b>). Employment levels are notably lower in Walsall (<b>73.5%</b>) and Sandwell (<b>69.8%</b>) and economic inactivity levels are notably higher in Sandwell (<b>25.7%</b>) than the average for England (<b>21.0%</b>).</li> <li>By Local Authority (LA) areas, the qualification index in our Cambridge regions is above the figure for England and Wales (<b>2.45</b>), whereas in all, except one, LA regions in our South Staffs region it is lower. The lowest figure is in Sandwell, <b>1.96</b>. This highlights the higher number of people who do not have any formal qualification across our South Staffs region, which is known to impact on the ability to find well-paid work.</li> </ul>	<p><a href="#">Office for National Statistics, labour Force data set</a></p> <p><a href="#">Office for National Statistics, qualification index</a></p> <p>Note that numbers do not align directly to SSW and CW supply region boundaries given the way they are reported.</p>	<p>These insights highlight the need for clear, plain English communications where information about bills and support services must be presented in a way that are understandable for all.</p>
<p><b>Political, environment: water stress classification and universal metering</b></p>	<ul style="list-style-type: none"> <li>In 2021 the UK Government moved the status of both our supply regions to be “water stressed” meaning that as a water company we can consider bringing in Universal Metering.</li> <li>Following extensive customer engagement to support our two local Water Resource Management Plans 2024 we are bringing in Universal Metering by 2025, across both supply regions. This will have potential water bill affordability impacts on some households making the transition</li> </ul>	<p><a href="#">Environment Agency</a></p>	<ul style="list-style-type: none"> <li>We have outlined in our PR24 plans the support mechanism we will put in place to ensure households without a meter, particularly those who have a medical dependency that rely on water use, are not impacted materially in terms of their ability to afford their water bills.</li> </ul>

Macro landscape areas	What is changing that will impact on our draft strategy	Data sources	Summary of implications for our draft strategy
	<p>to metered charges e.g. those with large families who have high levels of water consumption.</p> <ul style="list-style-type: none"> <li>At the end of 2023/24, <b>45%</b> of household properties in our South Staffs region had a meter installed, with the figure <b>77%</b> in the Cambridge region (excluding empty/void properties)</li> <li>The move to the next generation of meter technology (AMR/AMI) will mean that we can improve the quality and frequency of insight we provide to customers about their water use to help them better manage their consumption, and when metered, reduce their bills.</li> <li>However, this can raise accessibility challenges for some customers in terms of understanding and accessing the information provided - e.g. can't get online.</li> <li>Importantly, the transition to a water meter and variable bills can worry some customers. Some customers may be worse off if their bills increase or find it more difficult to budget when their bills vary.</li> </ul>	<p>SSC Annual Performance Reporting 2023/24, to be released July 2024</p>	<ul style="list-style-type: none"> <li>This includes trialing new tariff options, such as our Essential Use tariff to support households with incomes of £20,050 to £25,000.</li> <li>Conduct in-depth analysis to identify which households are expected to see a significant bill increase when moving to a metered supply, based on what we know about their ability to pay with bills.</li> <li>Ensure any services developed which provide customers with insight about their water consumption is presented in an understandable way that is accessible for all.</li> </ul>
<p><b>Social, economic – postal deprivation</b></p>	<ul style="list-style-type: none"> <li>In 2020, Citizens advice research uncovered that <b>7 million</b> people across the UK had struggled to access their post at some point in the preceding decade. The latest research published in 2024 has found the problem is only getting worse. <b>3 million</b> people have faced financial losses because of post exclusion.</li> <li>Letters continue to play a vital part in our communications infrastructure. UK public services still rely heavily on post, even in the face of declining letter volumes overall as we transition to digital communication. <b>77%</b> of UK adults received important information, like benefits paperwork, court documents, bills or ID through the post in the 6 months leading up to June 2023.</li> <li>People experiencing homelessness, victims and survivors of domestic abuse and those from a Gypsy, Roma and Traveller community are disproportionately impacted by post exclusion. And people who experience post exclusion are also more likely to be on a lower income, disabled, younger, from a Black, Asian or Minority Ethnic background and renting.</li> <li>People lacking a secure address are likely to be managing tight budgets, dealing with historic debts, lack of access to credit and low incomes. They may need to engage</li> </ul>	<p><a href="#">Citizens Advice: failing to Deliver, March 2024</a></p> <p>Note that statistics are at a national level only.</p>	<ul style="list-style-type: none"> <li>Whilst there are no available statistics for our two supply regions, it is clearly an important issue for us to be aware of and play an appropriate role in promoting any solutions put in place. The main recommendation of the Citizens' Advice report is that Ofcom should establish a pilot of Address &amp; Collect to enable people to safely access their post.</li> <li>To promote relevant Post Office service for those without a fixed address through our interactions, resources and partners.</li> </ul>

Macro landscape areas	What is changing that will impact on our draft strategy	Data sources	Summary of implications for our draft strategy
	<p>with the benefits system or receive offers of financial support via the post.</p> <ul style="list-style-type: none"> <li>It is important that all our customers can receive their bills on time and any postal communication outlining the support we can offer, both financial and wider PSR services.</li> </ul>		
<p><b>Technology – digital telephone switch off</b></p>	<ul style="list-style-type: none"> <li>BT is now planning to force households to switch from physical copper-based landlines to internet-based services. This can leave people, particularly those in rural areas where technical problems are more common, to lose their landline. This may also mean their telecare service stops working.</li> <li>Unlike some traditional corded analogue phones, a digital phone will only work in a power cut if it has a battery back-up. Nearly <b>two million</b> people in the UK use personal alarms which rely on landlines, allowing them to summon help in an emergency. This change has the potential to put people at risk if they don't have the right technology and back-ups in place.</li> <li>This is important for us to be aware of, as if a customer is not able to contact us to report a supply incident quickly by phone and also has no access to the internet they are at greater risk of harm.</li> </ul>	<p><a href="#">Ofcom</a></p>	<ul style="list-style-type: none"> <li>Investigate a partnership with Ofcom and phone providers to share data about those who will be at risk to ensure these customers are prioritised for bottled water drops during a supply incident</li> <li>Use these partnerships to identify how many of our households are at risk and ensure they are on our PSR.</li> </ul>
<p><b>Environmental, climate change impacts – heat and flooding</b></p>	<ul style="list-style-type: none"> <li><b>1 in 6 properties</b> in England are at risk of flooding from rivers, sea and surface water, with many others susceptible to various sources of flooding. This number is only set to increase due to climate change. This will mean increased flood risks for some communities as rainfall patterns change. This can range from flash flooding from insufficient drainage or from rivers and streams that have burst their banks.</li> <li>The Environment Agency offers a map showing the potential extent of flooding to properties from rivers, surface water or reservoirs across the UK, as well as details of the long term risk of flooding for a property.</li> <li>Official statistics show that during the five heat-periods between June and August 2022, 56,303 deaths occurred in England and Wales and were registered by 7 September; this is 3,271 deaths (6.2%) above the five-year average. The 2022 heat-period with the largest number of excess deaths was the second heat-period (10 to 25 July), with 2,227 excess deaths (10.4% above average). The most vulnerable age group was those aged 65 years and over. According to the CCRA3</li> </ul>	<p><a href="#">Environment Agency</a></p> <p><a href="#">Office for National Statistics</a>, heat wave mortality rates.</p> <p>Note that numbers do not align directly to SSW and CW supply region boundaries given</p>	<ul style="list-style-type: none"> <li>Engage with customers and wider stakeholders on how to improve service provision.</li> <li>Investigate further the number of properties at risk of on-going and severe flooding who are already on, or should be on, our PSR and develop an approach for supporting these customers with managing their water services when they are impacted.</li> <li>Investigate a PSR approach to ensuring bottled water drops and supporting hydration advice is provided for high-risk groups, such as over 65s, during periods of extreme heat that increase the risk to life. Risk assessments can be aligned to the <a href="#">UK Health Agency Services weather health service</a>.</li> </ul>

Macro landscape areas	What is changing that will impact on our draft strategy	Data sources	Summary of implications for our draft strategy
	<p>Technical report, the number of heat-related deaths in the UK <b>could increase to 7,040 deaths per year by 2050.</b></p> <ul style="list-style-type: none"> <li>Groups most at risk to heat include, but are not limited to; children, over 65s, people experiencing homelessness, people with pre-existing conditions, people with disabilities, low income communities and pregnant people.</li> <li>Given that <b>31%</b> of our population is currently over 65, who are more likely to suffer from health conditions, the risks of harm among this group are particularly notable during periods of extreme weather.</li> </ul>	the way they are reported.	

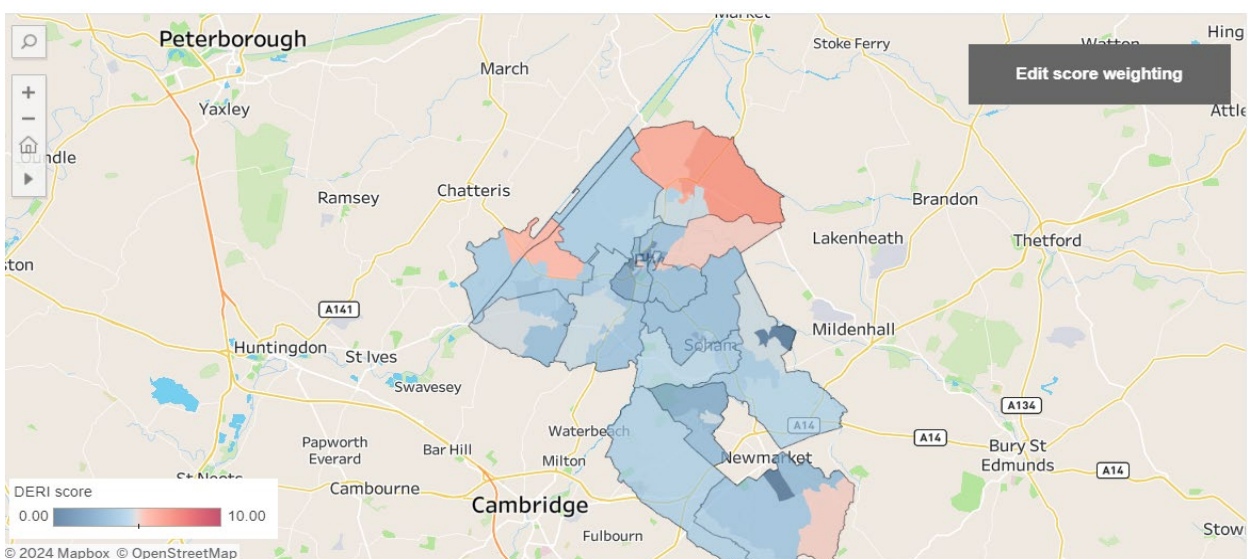
Emerging trend for future consideration around technology and the need to ensure that any use of technology does not leave people behind and still delivers a human experience, where needed.

- Rise of Artificial Intelligence:** in a world increasingly dominated by algorithms, we will need human skills and emotion to make the most of the AI technological revolution. There will be a strong need for guidance and reminders of what it means to be human far beyond efficiency as consumers seek the level of empathy and service that only a human can provide – Mintel Global Consumer Trends Report, 2024.

### Vulnerability mapping

An important area of focus for us is continuing to develop our visualisation of our populations’ vulnerability through our Geographic Information System (GIS) platform. For example, **figure 6** shows the DERI score for a rural area in our Cambridge region, with the red areas highlighting where the level of digital deprivation is highest. We use this data for decision making, such as helping to target awareness campaigns and support and to prioritise face-to-face outreach activities and community services. Our mapping already draws on many of the datasets in table 7, and we plan to add more, as appropriate.

Figure 6: DERI map of digital deprivation in one area of our Cambridge region



## Section 5: Understanding how many customers currently need extra support versus our current reach and future projections

Further modelling work is required ahead of the submission of our final strategy to update our insights, including with any recently published new census data. Once we have this data, we intend to carry out a more robust PSR gap analysis which looks at the estimated level of need versus the numbers signed up to different PSR codes. For example, the estimated number on kidney dialysis versus numbers on our PSR.

This will help us better understand the impact and effectiveness of our awareness and sign up campaigns and adapt our strategy as appropriate. Over the next twelve months, we will also more robustly compare and contrast (or triangulate) data sources and insights i.e. between demographic and self-reported data. Currently, across our two supply regions our research shows the following:

- Just under **34%** of households surveyed through our tracker research during 2023/34 said there was one or more of the people living in their home with a circumstance which would make them eligible for our Priority Services Register (PSR) – including those who saying they have a short-term (or transient) vulnerability. This figure of 34% excludes any households with a financial vulnerability indicator. We compare this to the figure of **7.8%** of our households being registered on our current PSR, as of March 2024. (Please note that we have excluded customers on our PSR Password Protect service to reach this figure).
- When including households who say they have a PSR vulnerability and / or also in a situation that puts them at risk with paying their bills, then the figure rises to **45%**. We detail the caveats around this self-reported customer data in this report as well as the challenges of reaching every single household who may need extra support.
- At the end of March 2023/24, the total number of households receiving financial support from us is **61,752 (or 9.1%)**. In 2022/23, a report commissioned by us from CEPA, highlighted that **84,000** of our households (at the 3% bill to income ratio) were in water poverty, which is **12.5%** of the total of number of households we supply. This figure is **13.3%** of the household population in our South Staffs region, significantly higher than the figure of **9.0%** in our Cambridge region.
- Linked to this, our Customer Promises Tracker research shows that in 2023/24 that **30%** of households are not agreeing that they can afford their clean water bills. The figure is **32%** in our South Staffs region and **25%** in our Cambridge region, a **7p% difference**. The proportion saying they are finding their bills unaffordable is **17%**, with **13%** saying they neither agree or disagree, or they don't know.

We start with a review of our current PSR (i.e. non-financial vulnerability flags) and financial support database. We can see that looking across the insights in **table 8** that our South Staffs region has a higher proportion of customers registered on our PSR, per property. This includes both customers receiving financial support, those receiving wider PSR support and those that receive both.

- At the end of March 2024, **119,341 (just under 18% of households)**, are registered on our PSR database. There are notable differences by region, with **18.8%** in South Staffs on our PSR and **12.7%** in our Cambridge region.
- We find that **3.8%** of households in our South Staffs region are receiving both financial and non-financial PSR support, with the figure lower in our Cambridge region, at **2.1%**.
- When analysing the data we hold for just those receiving some form of support across our two supply regions, we find that **36%** of households are just receiving financial support, **19%** are just receiving wider PSR support, but that **45%** receive both financial and wider PSR support – this figure is **50%** in our Cambridge region and **44%** in South Staffs.
- Exploring this further, we find that **9%** of our customers registered for support have **five, or more**, PSR flags recorded on their account, highlighting the complex and multi-layered situations around health and managing household finances. Within our PSR database find that:
  - Among households where the account holder is over 75, **54%** have more than one PSR flag, compared to **29%** in the 35-44 age group.
  - Once the age of the account holder gets above 45 years there is a notable jump in the proportion who have both a financial flag and a wider PSR flag, with the figure **40%** for ages 65 and over.

- Of note, is that among households who have both a financial flag and a wider PSR flag the highest proportion is among the **18-24 age group**, which is close to **30%**.

We must acknowledge the caveats with PSR data, which are many. They include:

- Any household situation can change at any moment making them no longer eligible for support, or need support and are not yet registered on our database. A PSR database is only a snapshot at any given time.
- Customers may choose to only report some of their vulnerabilities to us, and not others.
- Whilst we continue to make increased efforts to identify and accurately record our customers situations, some households may decide not to take up the support and/or be willing to share their situations with us.

Table 8: top level analysis of the number of households recorded as receiving financial and/or wider PSR support

Analysis of our wider PSR and financial support customer database	South Staffs Water region	Cambridge Water region	SSC combined regions
Number of household properties – end of 2023/24 (excluding voids)	543,063	137,290	680,353
Number of households receiving financial support only (excluding PSR support)	36,822	5,764	42,586
Percentage of overall household base	<b>6.8%</b>	<b>4.2%</b>	<b>6.3%</b>
Number of households receiving PSR support only (excluding financial support)	44,629	8,724	53,353
Percentage of overall household base	<b>8.2%</b>	<b>6.4%</b>	<b>7.8%</b>
Number of households receiving financial and PSR support	20,522	2,880	23,402
Percentage of overall household base	<b>3.8%</b>	<b>2.1%</b>	<b>3.4%</b>
All households receiving financial and/or PSR support	101,973	17,368	119,341
Percentage of overall household base	<b>18.8%</b>	<b>12.7%</b>	<b>17.5%</b>

Note: several exclusions have been applied to our PSR database in the figures. This includes not counting customers that have only registered for a password protection service as our insight that there are an unknown number who are not actually in a vulnerable circumstance. We have also removed households who have a flag for financial support with Severn Trent Water and Anglian Water who also have a flag for receiving financial support for SSW or CW. This is to prevent double counting.

We have compared the insights from our Customer Promises Tracker (see **figure 7**), which covers self-reported customer responses to their current situation, to our PSR database. Our tracker research found that during the year 2023/24, that **45.2%** of the regionally representative sample surveyed would be households in **vulnerable situations**. The figure was the same in both supply regions.

There are notable caveats with self-reporting survey data around accuracy, such as customers providing fully accurate responses and the fact that even with using a mixed methodology (phone and online surveys) and using our customer database for recruitment that the most vulnerable households may not be fully represented in the sample given they may not be contactable and/or want to take part. It might also be that the self-reported situation of the customer might not actually qualify them for support. All these make direct comparisons between the two datasets challenging.

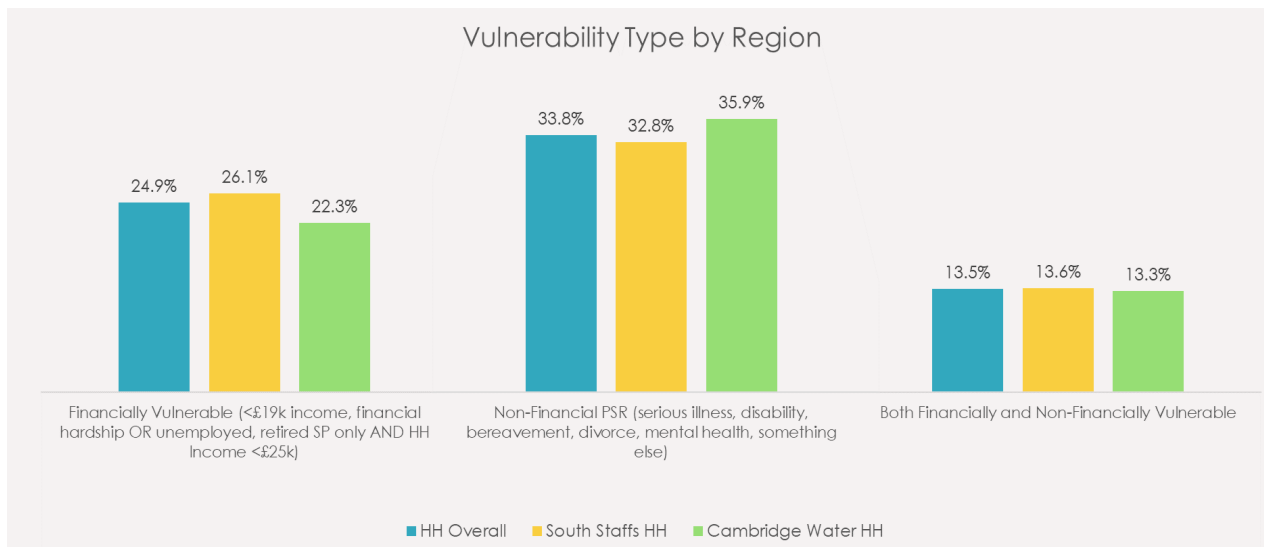
The insight from our tracker does suggest that the self-reported need for financial and/or wider PSR support is similar across our Cambridge Water region as in South Staffs. This is interesting, given that from the socio-demographic analysis of the two regions we would expect to see significantly higher levels of need in our South Staffs region. This is something we will explore further in the future.

Even allowing for inaccuracies in self-reported survey data, the true level of households requiring support is estimated to be at least **40%** across both our supply regions, over double the number of households currently registered on our PSR database (both financial and wider vulnerabilities).

For context, the customers surveyed in our Customer Promises Tracker, satisfy at least one of the following criteria:

- PSR vulnerabilities: serious illness, disability (registered disabled), mental health condition
- Financial vulnerabilities: severe financial hardship, unemployed, a household income of less than £19,050 per year (the same as our Assure social tariff eligibility criteria in 2023/24), and/or retired with only a state pension.
- Transient vulnerabilities: life changing events such as divorce, bereavement and other situations.

Figure 7: self-reported vulnerability household insight from our Customer promises tracker 2023/24



Sample source: Customer Promises Tracker surveys. Base n = 850 household customer surveys during 2023/24.

Question: A person’s personal circumstances can affect their needs from a water supplier. South Staffs Water / Cambridge Water wants to better understand their customers so they can offer the right support. Can you tell me if in the last 12 months, if you or anyone in your household has experienced any of the following?

**Table 9** highlights the notable potential gap between the current coverage of our PSR/financial support and self-reported customer insight. It must be noted that customer self-reported data is not always know to be accurate and it is not possible to ask about the full range of vulnerabilities in our PSR database, in a tracker survey. Given these limitations, the data is indicative only, with a notable margin of error on the survey data. We are looking at making changes to our tracker to improve the quality of the data captured.

Table 9: gap analysis between our current PSR and self-reported customer feedback on their situation

View of our PSR and financial support customer database – SSC combined regions	SSC PSR database figures – end of March 2024	Figures from studies – 2023/24	Difference %p
Column 1: Percentage of households receiving financial support (excluding PSR support) Column 2: Percentage of households who say they have low income / financially struggling	6.3%	12.5% of households estimated to be in water poverty in 2022/23, CEPA report for PR24 24.9%* classified as at risk from our Promises Tracker survey	6.2 18.6
Column 1: Percentage of households receiving PSR support (excluding financial support) Column 2: Percentage of households saying they have a PSR vulnerability, including transient vulnerability	7.8%	33.8%*	26.0
Column 1: Percentage of households receiving financial and PSR support Column 2: Percentage of households saying they are struggling financially and have a PSR vulnerability	3.4%	13.5%*	10.1

\* Sample source: Customer Promises Tracker surveys. Base = 850 household customer surveys during 2023/24.

Our Customer Promises Tracker further highlights the potential impact that the COVID pandemic has had on our population’s health. Whilst there are many factors in play, such as the impact of diet and exercise levels and the on-going aging of the population, there has been a notable jump in the numbers of households reporting a serious illness has affected their household in the last 12 months.

This change is the equivalent of an extra **17,000** households across our supply regions having a person with a serious illness living in them. This change is summarised in **table 10**.

**Table 10: impact of COVID pandemic on self-reported health conditions**

Health conditions	Pre-during pandemic (April 2016- March 2020)	Post pandemic (April 2021 – March 2024)	Difference
Serious illness	11.3%	13.8%	+2.5%p

We have reviewed a wide range of insight sources, from publicly available reports to our own customer research to better understand the numbers of households who require extra support now, and in the future. Our review highlights that there is more insight available for some areas than others.

**Table 11** provides initial estimates of where we have risks around the number of households currently on our PSR compared to current and future levels of need. We acknowledge that this area requires further work and expert third party input to ensure we have the most robust view possible to support our final strategy development in June 2025.

At this stage, there are several important caveats to note which will need further expert analysis commissioned to fully understand the true gap between our current PSR database and the need for support within our customer populations. These include:

- A key constraint is the fact that there are lots of individual data sets of health indicators (e.g. kidney disease, cancer, dementia) but there are no joined up data sets across health diseases/conditions. We have focused on individual disease/health conditions below where we see the greatest risks and we currently have reliable data points for.
- Expert analysis needs to be carried out to better understand the granularity of the data between households registered on our PSR and the total population.
- Official statistics are often reported by defined Local Authority areas that do not directly align to our supply areas, so actual numbers of people suffering with diseases and conditions who live in our two supply regions will be lower.

### Future projections

**Table 11: risk review of estimated gaps to address in our PSR database reach**

PSR macro-trend	Current numbers of households on our PSR database – March 2024	Expected numbers of people or households needing support	Risk profile and caveats
Kidney disease, including dialysis	In 2023, official statistics show there are <b>1,198</b> people in our living near our supply region requiring dialysis Number of households registered on our PSR for dialysis at home/hospital: <b>437</b>	The number requiring dialysis is expected to rise to over <b>5,000 by 2037</b>	<b>Critical risk:</b> given dependency on a reliable supply of clean water to manage health risk and statistics highlight a notable increase in the numbers of people suffering with kidney disease. Our approach will seek to address close this gap between our PSR and the population suffering from kidney disease.



PSR macro-trend	Current numbers of households on our PSR database – March 2024	Expected numbers of people or households needing support	Risk profile and caveats
Mental health conditions/diseases	<p>Dementia / other cognitive diseases: <b>1,950</b></p> <p>Developmental condition: <b>3,310</b></p> <p>Mental Health Condition: <b>10,173</b></p> <p><b>Total: 14,154 (2.1% of households)</b></p>	<p>Between <b>0.97%</b> and <b>1.69%</b> of people living with dementia depending on Local Authority area.</p> <p>Public Health figures from 2017 highlights that, depending on local authority area, between <b>12.0%</b> and <b>21.5%</b> of the population we serve is living with a common mental health disorder.</p> <p>SSC Customer Promises Tracker 2023/24 self-reported data indicates <b>13%</b> of households have at least one person living with a mental health condition.</p>	<p><b>High risk:</b> there is a significant gap between our PSR database and clinically recorded levels of mental health related conditions/diseases.</p> <p>We will investigate further whether a forward looking projection for mental health conditions/diseases is available from beyond 2025.</p> <p>There is a well-recognised link between mental health, debt and wider affordability concerns with <a href="#">Mind reports</a> of those in poverty. In its survey, 51% of people would welcome financial support alongside mental health support.</p>
Disability – including hearing, sight and physical e.g. movement related	<p>Registered on PSR: <b>30,931 (4.5% of households)</b></p>	<p>ONS 2021 Census data highlights that, depending on local authority area, between <b>14.8%</b> and <b>20.3%</b> of the population we serve is living with a disability.</p>	<p><b>High risk:</b> there is a significant gap between our PSR database and clinically recorded levels of disability.</p> <p>We will investigate further whether a forward looking projection for the numbers living with a disability is available from beyond 2025.</p>
Chronic / serious health conditions – including being medically dependent on water	<p>Registered on PSR: <b>34,276 (5.0% of households)</b></p>	<p>SSC Customer Promises Tracker 2023/24 self-reported data indicates <b>12%</b> of households have at least one person suffering from a serious illness / health condition.</p>	<p><b>High risk:</b> there is a significant gap between our PSR database and the true level of chronic health / serious illness.</p> <p>Customer self-reported data on serious illness is indicative only. We are improving the granularity of the information we collect in our tracker.</p>
Cancer	<p>We do not currently record instances of people suffering from cancer.</p>	<p><b>1 in 2</b> people born after 1960 are expected to receive a cancer diagnosis during their lifetime.</p>	<p><b>Medium risk:</b> given supply interruptions would unlikely cause an immediate risk to life, but can impact in terms of medication and pain relief. We will seek to quantify the numbers of people in our two supply regions living with cancer at any one time.</p>

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