



Consumer Council for Water

Household water customers' views on
water companies exiting the retail market
April 2014



1. Awareness of and satisfaction with water and sewerage service providers

1.1 Awareness of water company

Bill payers were asked to name their water company and this was checked against the postcodes provided.

- 77% were correct and
- 15% had given the incorrect name.

The proportions getting the name right or wrong did vary by water company (e.g. Affinity Central only 17% correct compared to 93% for Severn), but most bases are too small for any meaningful comparisons.

- 8% were unable to answer the question.
- The groups with the highest don't knows were those with different water and sewerage service providers , over 65s, DEs and no internet access.

1.2 Awareness of sewerage service being provided by another company

Those who named a "water only" company were asked if they realised their sewerage service came from another supplier. 68% of those who correctly named their "water only" company said they were aware, whilst 32% said they were not.

1.3 Awareness of sewerage company

Respondents were then asked to name their sewerage company and again this was checked against the postcodes provided.

- Three-quarters were correct (75%),
- just 5% had given the incorrect name,
- one fifth were unable to answer (19%).

1.4 Overall satisfaction with water company

All bill payers were asked to rate their water company and the vast majority (78%) were satisfied, with a third (34%) very much so. Less than 1 in 10 was dissatisfied (9%).

There was again some variation by company (Affinity central 73% & Yorkshire 87%) but many bases were too small. Those with both services from the same company scored slightly higher than those with different suppliers (75%).

2. Reactions to proposed changes

All respondents were shown the description below:

“There is a proposal that could allow water companies to choose to transfer their customer accounts to another company. If this happened householders would not have any choice in this. The new company would be approved by Ofwat, the water regulator. “

2.1 Initial Reaction

Initially 43% did not think it was a good idea. Half said they did not mind (51%) and 6% did not know.

Resistance was higher among those who correctly identified their supplier (44% water and 46% sewerage).

Those who were satisfied with their water supplier were less resistant to change than those who were dissatisfied. 41% of those who are satisfied with their water supplier dislike the idea compared to 49% Of those who were dissatisfied with their water supplier.

Resistance to the idea is lower among those who already have two different suppliers (33% vs 47% with same supplier). There is also more concern among the older respondents (45% among over 45s).

2.2 Attitudes towards account transfer

Respondents were asked how strongly they agreed/disagreed with statements about transferring to another retailer.

- More than half said they would like their account to stay with the current company because they have had good service (61%).
- More than half said they preferred to stay with their current provider because the transfer might go wrong (56%)
- Half were concerned the new company could be one they already had problems with (51%).

Few said they liked the idea of moving accounts to a new company because the move would get them better service (15%) or because they get bad service currently (6%).

Even among those who had expressed dissatisfaction with their water company nearly half (45%) said they would like to stay with their current provider due to previous good customer service.

Respondents were also shown statements about changes to their bills.

- 6 out of 10 were reluctant to be transferred to a new retailer in case it made bills more complicated (59%), especially retired people (66%).
- 1 in 5 were tempted by the possibility that they could get one bill for water and sewerage (20%) especially those who currently have different suppliers (28%) and younger people (under 34s 28%).
- A similar proportion (1 in 5) were tempted by the idea of having water and other utilities on the same bill (20%) - again this appealed most to younger people (under 34s 32%) and those with different suppliers (27%).

3. New Providers

3.1 Awareness

All respondents were asked about the type of company they would prefer to move to (and were allowed to give more than one answer if they wanted).

- Just over half did not wish to move to any other supplier regardless of type (52%).
- A quarter said it should be a company they had heard of (26%)
- 16% wanted to avoid companies they had problems with previously.
- Just over a quarter felt that any licensed company would do a good job (29%).

3.2 Sector

All respondents were asked which best reflects their views on the type of company the accounts might move to.

- Half just did not want to move (50%).
- A quarter preferred it to be another water company (25%), this request being highest among ABs (30%) and those who would not mind the idea (32%/35%).
- 6% preferred another utility company.
- One in five did not mind what sector it was (20%), this was highest among younger respondents (30% under 34) and those who don't mind the idea (34%/42%).

3.3 Ofwat regulation

Respondents were asked what protection should be put in place if accounts were moved and 84% expressed opinions. The main concerns were that:

- charges should not increase (56%)
- they could keep their payment arrangements (52%).
- Nearly half felt that the new company should guarantee the same level of service (49%) and compensation if the transfer went wrong (42%).
- Just over a third felt it important that help was still provided for people having trouble paying their bills (34%) and for people with low incomes (36%). Concerns for the vulnerable were highest among ABC1s (38%).
- Around a third felt Ofwat offered sufficient reassurance (32%), particularly ABC1s (35%) and those who would not mind the idea (41%/46%).

4. FINAL ASSESSMENT

4.1 Considered reaction

After the detailed questions respondents were asked again what they thought about the idea of transferring household accounts.

- Overall just over half were now against the idea (56%), which is up on the figure who initially expressed concern (43%).
- 41% would not mind; and
- just 3% still said they did not know.

The majority of those who had originally said they did not mind remained unconcerned (69%) whilst more than a quarter of them had now decided they did not think it was a good idea (29%).

Of those who had originally felt it was not a good idea, the vast majority still felt it was not a good idea (89%) but one in ten no longer minded (10%).

Methodology

The survey was conducted via TNS CAPI omnibus, among a nationally representative sample of adults aged 16+ in England. Questions were addressed only to those who had some responsibility for water bills. Fieldwork was conducted April 11th – 15th 2014.