



# Yorkshire Water Post DD AAT Survey

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# Background and objectives

Yorkshire Water has developed a Business Plan that sets out all they wish to accomplish over the next five-year planning period (2025-2030). This has been developed in line with Ofwat's guidance and includes statutory requirements for all water companies, as well as where Yorkshire Water intends to go above and beyond.

Yorkshire Water submitted their draft plan to Ofwat in October 2023. Ofwat reviewed and provided feedback on the draft plan in July. All water companies were given until the end of August to respond to Ofwat's determination and provide a revised business plan. Prior to this activity, Yorkshire Water obtained feedback from their current and future customers on their revised plans via a quantitative survey. The results from this survey are detailed in this report.

More specifically, the aims of the quantitative survey were to:

**Gauge customer support on Yorkshire Water challenging Ofwat's determination.**

**1**

**Understand views on Yorkshire Water's plan for re-submission.**

**2**

**Test support for Yorkshire Water's revised approach for storm overflows.**

**3**

**Determine the extent of support, if any, to Yorkshire Water's proposals for tackling Coastal Storm overflows and alternative funding route.**

**4**

**Understand the overall bill impact and views on intergenerational fairness**

**5**



# Methodology & sample

## Method

Quantitative research was conducted amongst current household customers and Future Bill Payers to measure support for Yorkshire Water's plan for re-submission. To ensure a representative sample of Yorkshire Water's customer base, two online panels were used. Quotas were set by age, gender, socio-economic group, metering status and region. Monitoring quotas by age and employment status were set for Future Bill Payers (FBPs). DJS Research also created an open online link to allow Yorkshire Water to invite their 'Informed Panel Members'<sup>1</sup> to participate in the research as part of their ongoing engagement with them.

Some minimal weighting was applied to the online panel completes (households only) to ensure it was representative of Yorkshire Water's customer base. Full details of the weighting methodology can be found in the next slide. Weighting was not required for Future Bill Payers nor the 'Informed Panel' samples as they were treated as a snapshot in time rather than representative of Yorkshire Water's customer base.

All current and future customers were provided with stimulus material throughout the survey to help them answer the survey questions.

## Sample

**A total of 1,121 responses were obtained between 14<sup>th</sup>-23<sup>rd</sup> August 2024 which consisted of the following:**

**950** x household online panel participants

**60** x Future Bill Payer online panel participants

**111** x Informed Panel Members

<sup>1</sup> Yorkshire Water's Your Water community members who are customers regularly engaged in research about Yorkshire Water and as a result quite informed about the water industry. <sup>3</sup>



# Weighting (household online panel)

The **household** sample achieved was well matched against Yorkshire Water's regionally representative demographics. Very slight corrective weighting was applied to correct any slight imbalances.

A RIM (Random Iterative Method) weight was applied to match in terms of age, gender, socio-economic group, metering status and region amongst the sample who participated in the research. This was to ensure that all the different groups of customers were represented and so that the findings from the research reflect the attitudes and opinions of Yorkshire Water customers.

## **We checked that the weighting meets all our criteria for best practice.**

Weighting efficiency is a measure of the strength of the weights applied to the sample to match the profile of customers. Efficiency runs for 0% through to 100%. Efficiency of 100% means that the sample matched the Yorkshire Water customer profile exactly and no weighting was required. The higher the efficiency score, the closer the samples match. An efficiency score which is greater than 70% is deemed to be fit for purpose.

**The weighting efficiency for the household research sample is 82.0%, which is a high score** indicating that our sample matched the Yorkshire Water customer profile well in all measures and it is greater than the cut-off-point of 70%, hence the weighting is fit for purpose.

In addition to weighting efficiency, it is also important to look at the actual size of the weights. There are several basic rules:

- There are no extreme weights >5 (the largest weight is 3.03 so we don't have any extreme weights)
- We require a system that has less than 5% of weights >3. In this sample, we just have 10 cases which equates to 1.1% of the total sample
- Finally, we require that the average weight value for any outlier (over 2) is less than 3. In this case, the average of the outlier weights is 2.50 (which is less than 3).

This means that the weighting system meets all requirements and is fit for purpose.





# Quantitative sample breakdown (1)

## Households (online panel completes)

Regions	Target	Achieved
North Yorkshire	16%	13%
West Yorkshire	45%	47%
South Yorkshire	27%	25%
East Riding	12%	15%

Age	Target	Achieved
Age 18 to 34	18%	21%
Age 35 to 49	29%	31%
Age 50 to 64	26%	27%
Age 65 to 74*	13%	16%
Age 75+*	13%	5%

Gender	Target	Achieved
Male	49%	49%
Female	51%	51%

Socio Economic	Target	Achieved
ABC1	48%	51%
C2DE	52%	48%

Metering	Target	Achieved
Metered	48%	61%
Unmetered	52%	39%

## Households ('Informed Panel')

Regions	Achieved
North Yorkshire	14%
West Yorkshire	53%
South Yorkshire	18%
East Riding	15%

Age	Achieved
Age 18 to 34	3%
Age 35 to 49	12%
Age 50 to 64	40%
Age 65 to 74	32%
Age 75+	14%

Gender	Achieved
Male	43%
Female	57%

Socio Economic	Achieved
ABC1	73%
C2DE	26%

Metering	Achieved
Metered	68%
Unmetered	32%

Base: Household customers online panel (950) and Household customers (Informed Panel) (111). \*Please note: 65-74 and 75+ years were merged for weighting purposes. Due to rounding of decimal places, there may be instances where the totals do not add up to 100%.



# Quantitative sample breakdown (2)

**Future Bill Payers:**

Age	Achieved
Age 18 to 24	88%
Age 25 to 29	12%

Working status	Achieved
Working	55%
Studying	32%
Not working	18%

Base: All Future Bill Payers (60). Due to rounding of decimal places, there may be instances where the totals do not add up to 100%.



## Setting the scene





# Context

The following events happened before or during fieldwork and may have influenced customers' answers.

## **Cost of living and increased bills**

Since late 2021, a large proportion of the UK population has experienced the effects of the cost-of-living crisis. In February 2024, it was announced that Yorkshire Water 2023/24 bills would see a 6% increase.

## **Related news articles released prior to the fieldwork period:**

- *February 2024 – BBC article titled 'Water bills to rise above inflation in April'*

Water companies in England and Wales are expected to implement above-inflation increases in household bills in April, with average annual bills rising by 6%. This rise is attributed to significant investments aimed at improving water supply security and reducing sewage pollution.

However, critics argue that these increases will add pressure on low-income households, and there are calls for water companies to offer more financial support. Meanwhile, regulators are considering proposals for further bill increases to fund infrastructure upgrades, prompting discussions about balancing affordability with the need for essential improvements in water and sewage systems.

## **Water Company Profits and Bonuses**

In July 2023, The Yorkshire Post reported that Yorkshire Water had paid out £62m in dividends after a 'sharp rise' in profits.

The Guardian reported in March 2024 that water company profits across England and Wales have almost doubled since 2019.





# Context

The following events happened before or during fieldwork and may have influenced customers answers.

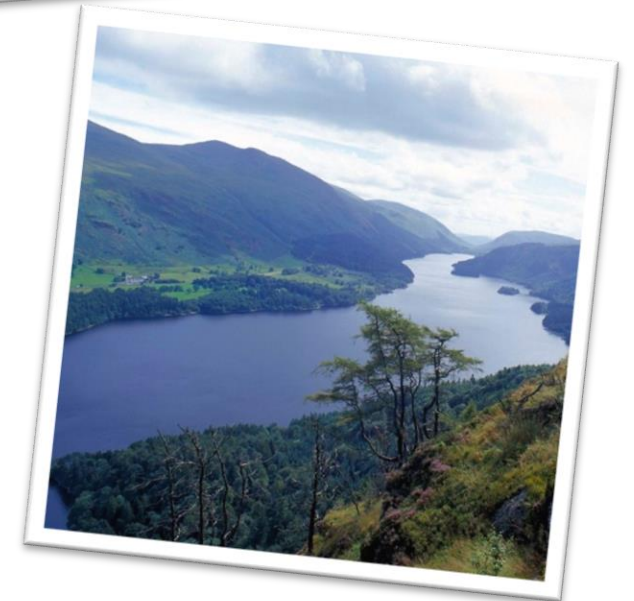
## River health across the UK

Since March 2023, media coverage surrounding river health across the UK has increased. Negative media coverage about Yorkshire Water specifically, but also water companies more generally, continues to be a hot topic in the media particularly with regards to the environment and shareholder profits.

## Related news articles released prior to the fieldwork period:

- *BBC2 documentary 'Our Troubled Rivers'*
- *BBC article quoting Yorkshire's rivers amongst the worst for sewage discharge (Feb '23)*
- *BBC News article quoting data collected by Surfers Against Sewage that Yorkshire Water discharged sewage into the sea at Scarborough 72 times between March and September 2023 (Sept '23)*
- *BBC News article in December 2023 about the rise in English bathing sites rated unfit to swim, which included the River Wharfe*
- *Joe Lycett vs. Sewage Channel 4 Documentary (March '24)*
- *Yorkshire Water dumped sewage into rivers and seas for more than half a million hours last year (Yorkshire Post - April '24)*
- *Yorkshire Water facing £47million fine over sewage leaks (BBC – Aug 6<sup>th</sup> 2024)*

The health of rivers across the UK has and continues to be a hot topic in the media. This came after announcements surrounding the number of instances of sewage being released into the seas and rivers. This combined with the publication of shareholder profits caused Yorkshire Water and water companies more generally to come under increasing scrutiny. News of Ofwat's plans to fine Yorkshire Water £47million for sewage leaks came out a week before fieldwork started.





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# Satisfaction with Yorkshire Water





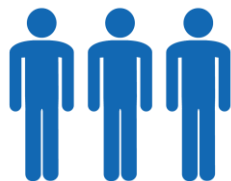


# Satisfaction with Yorkshire Water – Households only

Almost two thirds (65%) of **household** customers and over a half (52%) of Yorkshire Water's **Informed Panel Members** are satisfied with Yorkshire Water.



**65%**  
of **household**  
customers (online  
panel) are satisfied  
with Yorkshire Water



**52%**  
of **Informed Panel**  
**Members** are satisfied with  
Yorkshire Water

## Subgroup differences (online panel)

**Household** customers aged **36-64** are significantly less likely than the youngest age cohort (18-34) to be satisfied with Yorkshire Water (**62% cf. 74%**).

**Household** customers who **struggle** to pay their household bills are significantly less satisfied than those who feel able to (**51% satisfied cf. 69%**).





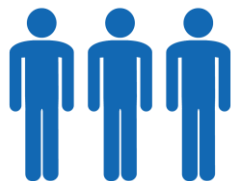
# Satisfaction with value for money of services – households only

Almost six out of ten **household** customers (56%) and **Informed Panel Members** (55%) are satisfied with the value for money of the services they receive from Yorkshire Water.



**56%**

of **household** customers (online panel) are satisfied with the value for money of YW services provided



**55%**

of **Informed Panel Members** are satisfied with the value for money of YW services provided

## Subgroup differences (online panel)

**Household** customers aged **36-64** are significantly less likely than the youngest age cohort (18-34) to be satisfied with value for money (**52% cf. 63%**).

**Household** customers who have a **disability** are significantly less likely to be satisfied that the service they receive from Yorkshire Water provides value for money. (**52% satisfied cf. 59%**).

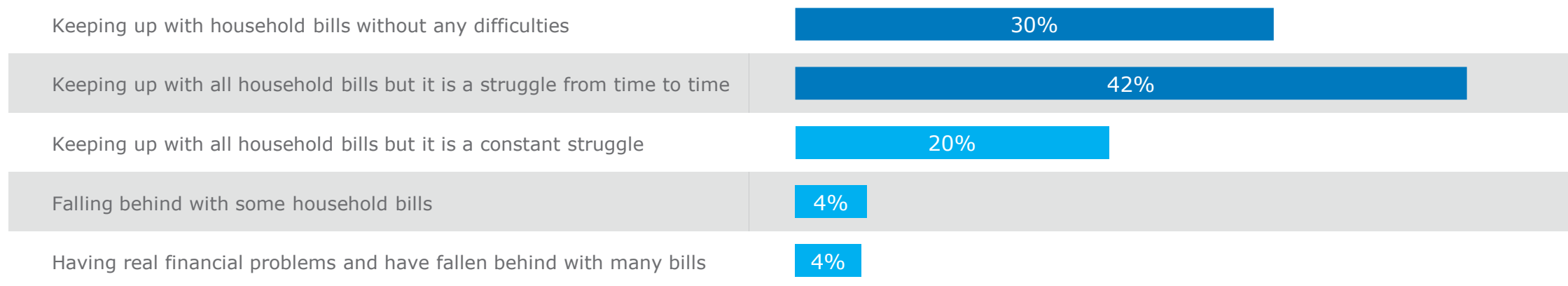
**Household** customers who **struggle** to pay their household bills are significantly less satisfied with value for money than those who feel able to (**40% satisfied cf. 61%**).



# Bill affordability – Household customers

Online panel

**Three out of ten (30%) are able to keep up with household bills without any difficulties. The remaining 70% struggle with their bills to varying degrees**, with 42% struggling from time to time and 20% feeling it is a constant struggle. Older customers tend to struggle less with their household bills than younger age cohorts (82% 65+, cf. 67% 35-64 cf. 71% 18-34 able).

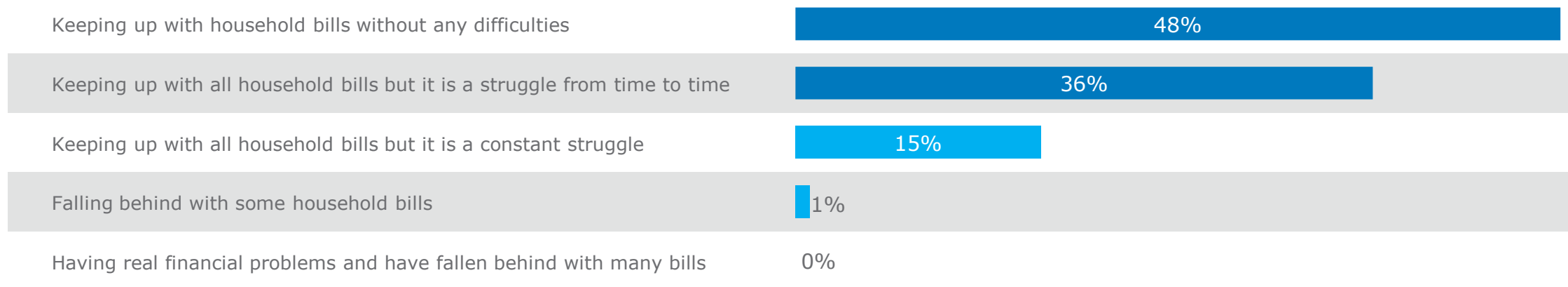




# Bill affordability – Households

## Yorkshire Water's Informed Panel Members

**Almost a half (48%) of Informed Panel Members claim to be keeping up with their household bills without any difficulties.** This is a higher proportion compared to just under a third (30%) of households from the online panel. This could be linked to a larger proportion of 'Informed' Panellists in the ABC1 socio economic group (73% cf. 48%).





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**Views on Ofwat's draft  
determination**





# Stimulus material on Ofwat's draft determination



The first section of the survey focused on Yorkshire Water's business planning process.

To introduce this section, all customers and future customers were presented with three slides (right) which:

- Explained the business plan process and timeline
- Reasons for conducting this research
- Ofwat's determination
- Average customer bills (based on Yorkshire Water's original business plan and Ofwat's draft determination).

These slides were included to help customers rate their level of support with Ofwat's role in challenging water company plans.

## Slide 1:

### The price review & reason for this research

As part of running their business, Yorkshire Water create a five-year Business Plan that gets submitted to the economic water company regulator, Ofwat which outlines all the investment Yorkshire Water plan to make in the next five years and their ambition for the services they provide, as well as the impact this investment will have on customers' bills.

**1. Jan 2023 to Sept 2023:**  
Yorkshire Water consulted customers extensively on their proposed business plan and research conducted with customers showed good levels of support for their plan.

**2. October 2023:**  
Yorkshire Water submitted their business plan to Ofwat.

**3. October 2023 to June 2024:**  
Ofwat reviewed the business plans submitted by water companies and decided what elements they believe should or shouldn't receive investment & how much investment each proposed area of the plans should receive.

**4. July 11th 2024:**  
Ofwat released their draft decisions on each water company's business plan.

**5. July to August 2024:**  
Water companies choose to accept or challenge what Ofwat has determined for each area of their plan.

**6. August 28th 2024:**  
Yorkshire Water re-submits plan with either new evidence or additional arguments where they need Ofwat to reconsider its position. Yorkshire Water must show Ofwat that their re-submitted plan reflects what customers want.

**7. December 19th 2024:** Ofwat make a final decision on Yorkshire Water's plan.

## Slide 2:

### Ofwat's determination (1)

Overall, Ofwat felt Yorkshire Water's plan met the quality standards they expect in the round and that it was seen as having ambition too.



Yorkshire Water: quality of the business plan

Outstanding

Standard

Lacking ambition

Inadequate

Ofwat accepted many of the proposals Yorkshire Water submitted but challenged the levels of investment Yorkshire Water have asked for to make the improvements outlined in the plan.

In some areas, such as Yorkshire Water's plans for rolling out Smart Metering to help customers better monitor their water use, Ofwat granted more investment than asked for.

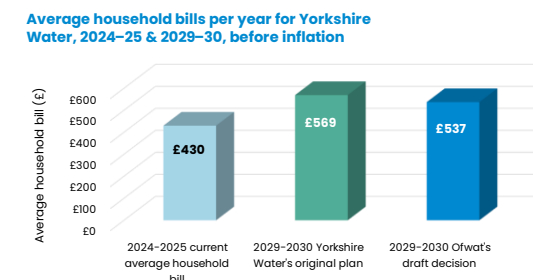
However, in some key areas, the investment granted was lower than Yorkshire Water had planned for, with proposed allowances being around 12% less than asked for overall.

## Slide 3:

### Average customer bill

Based on the level of investment allocated by Ofwat, this results in an average household customer water bill of £537 a year/£44.75 a month by 2029/2030.

Bills are lower than the initial plan submitted (average bill £569). This is because Ofwat have reduced Yorkshire Water's funding by 12% and also spread the cost of the plan over a longer period of time impacting future customers.

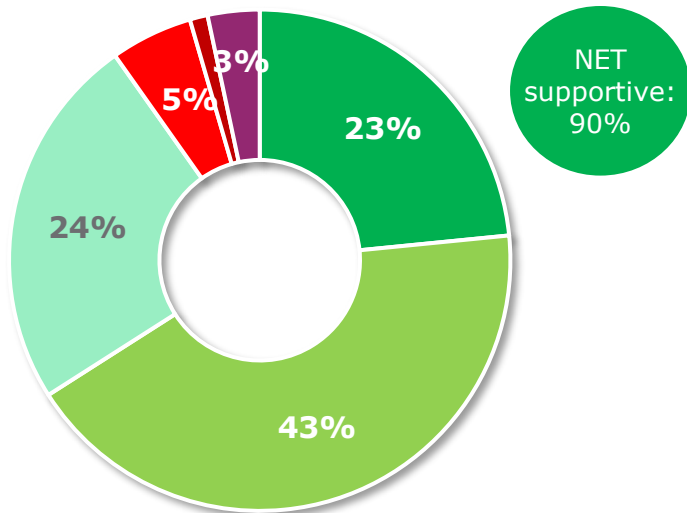


# Supporting Ofwat's role of challenging water company plans



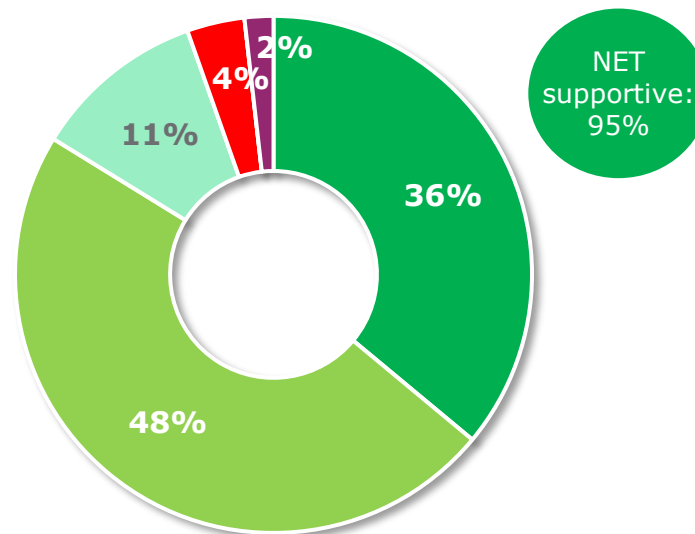
After being presented with the information shown in slide 16, all current and future customers were asked whether they support Ofwat's role in challenging water company plans. The majority across all three samples indicate that they support this role.

**Households (online panel)**



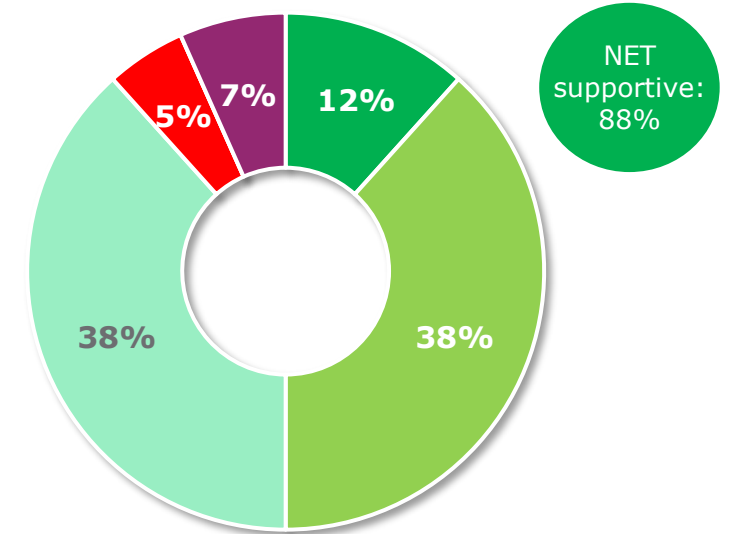
- Very supportive
- Supportive
- I don't mind
- Unsupportive
- Very unsupportive
- Don't know

**Households (Informed Panel)**



- Very supportive
- Supportive
- I don't mind
- Unsupportive
- Very unsupportive
- Don't know

**Future Bill Payers**



- Very supportive
- Supportive
- I don't mind
- Unsupportive
- Very unsupportive
- Don't know

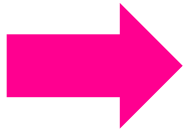
**Source:** Q04. To what extent are you in support of Ofwat's role in challenging water company plans? Base: All HH customers (panel) who understand (950, weighted base), All Informed Panel Members who understand (111) and All Future Bill Payers who understand (60)



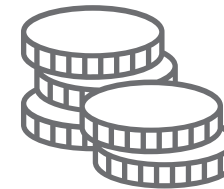
# Supporting Ofwat's role of challenging water company plans: subgroup differences

Whilst the majority of **household** customers (90%) indicate that they support Ofwat's role in challenging water company plans, there are some notable differences when looking at region and socio-economic group.

## Household customers (online panel)



**North Yorkshire** household customers are significantly less likely than most other areas to support Ofwat's role in challenging water company plans.  
(86% cf. 93% South, 94% East Riding & the Humber)



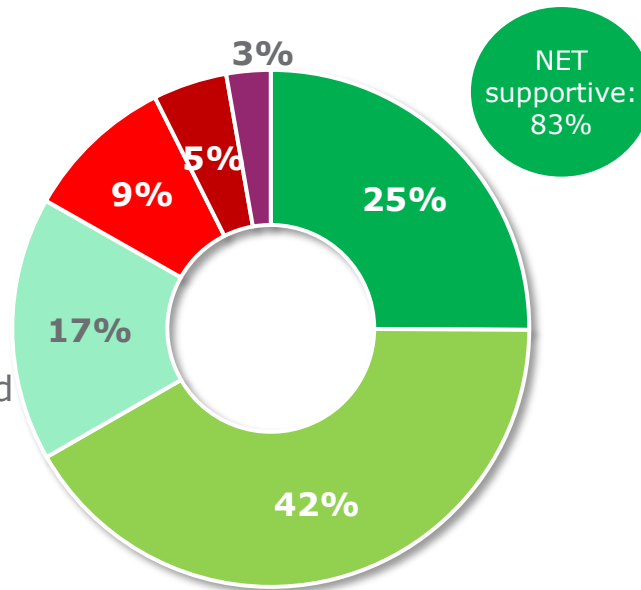
Household customers in lower **socio economic groups** are significantly less likely to support Ofwat's role in challenging water company plans.  
(88% C2DE cf. 93% ABC1)

# Supporting Yorkshire Water's decision to challenge Ofwat



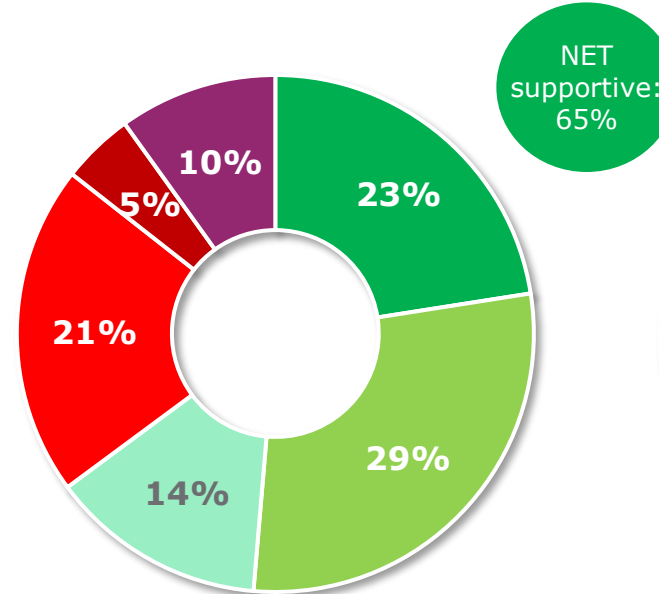
After watching a video outlining Yorkshire Water's decision and reasons for challenging Ofwat's proposed changes to Yorkshire Water's planned investment between 2025-2030, all current and future customers were asked if they supported this decision. **The majority of households and Future Bill Payers (both 83%) are very supportive.** Levels of support are lower amongst Yorkshire Water's Informed Panel Members (65%).

Households (online panel)



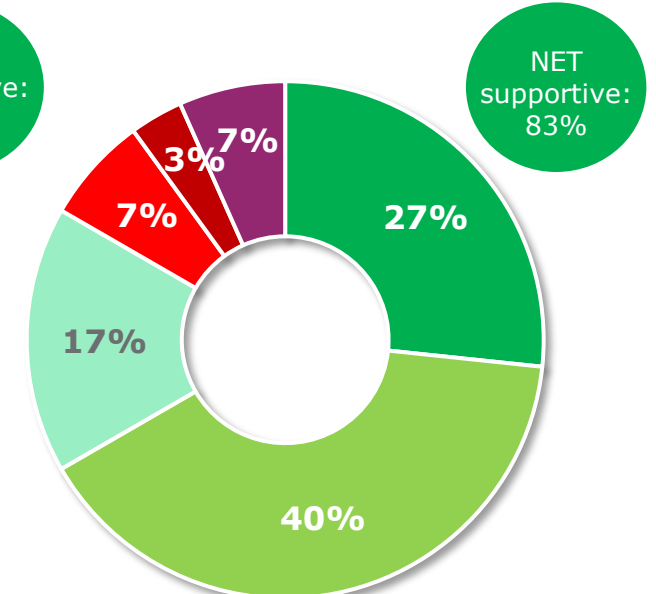
- Very supportive
- Supportive
- I don't mind
- Unsupportive
- Very unsupportive
- Don't know

Households (Informed Panel)



- Very supportive
- Supportive
- I don't mind
- Unsupportive
- Very unsupportive
- Don't know

Future Bill Payers



- Very supportive
- Supportive
- I don't mind
- Unsupportive
- Very unsupportive
- Don't know

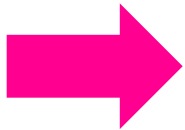
**Source:** Q05. After watching the video, how supportive or unsupportive are you of Yorkshire Water's decision to challenge Ofwat's proposed changes to Yorkshire Water's planned investment between 2025-2030?  
**Base:** All HH customers (panel) (950, weighted base), All Informed Panel Members (111) and All Future Bill Payers (60)

# Supporting Yorkshire Water's decision to challenge Ofwat: subgroup differences



Whilst the majority of **household** customers (83%) support Yorkshire Water's decision to challenge Ofwat, there are some notable differences by sub group as highlighted below.

## Household customers (online panel)



Household customers **under 65** are significantly more likely to be in support of Yorkshire Water's decision to challenge Ofwat compared to those aged 65+.  
**(86% 18-34, 85% 35-64 cf. 77% 65+)**



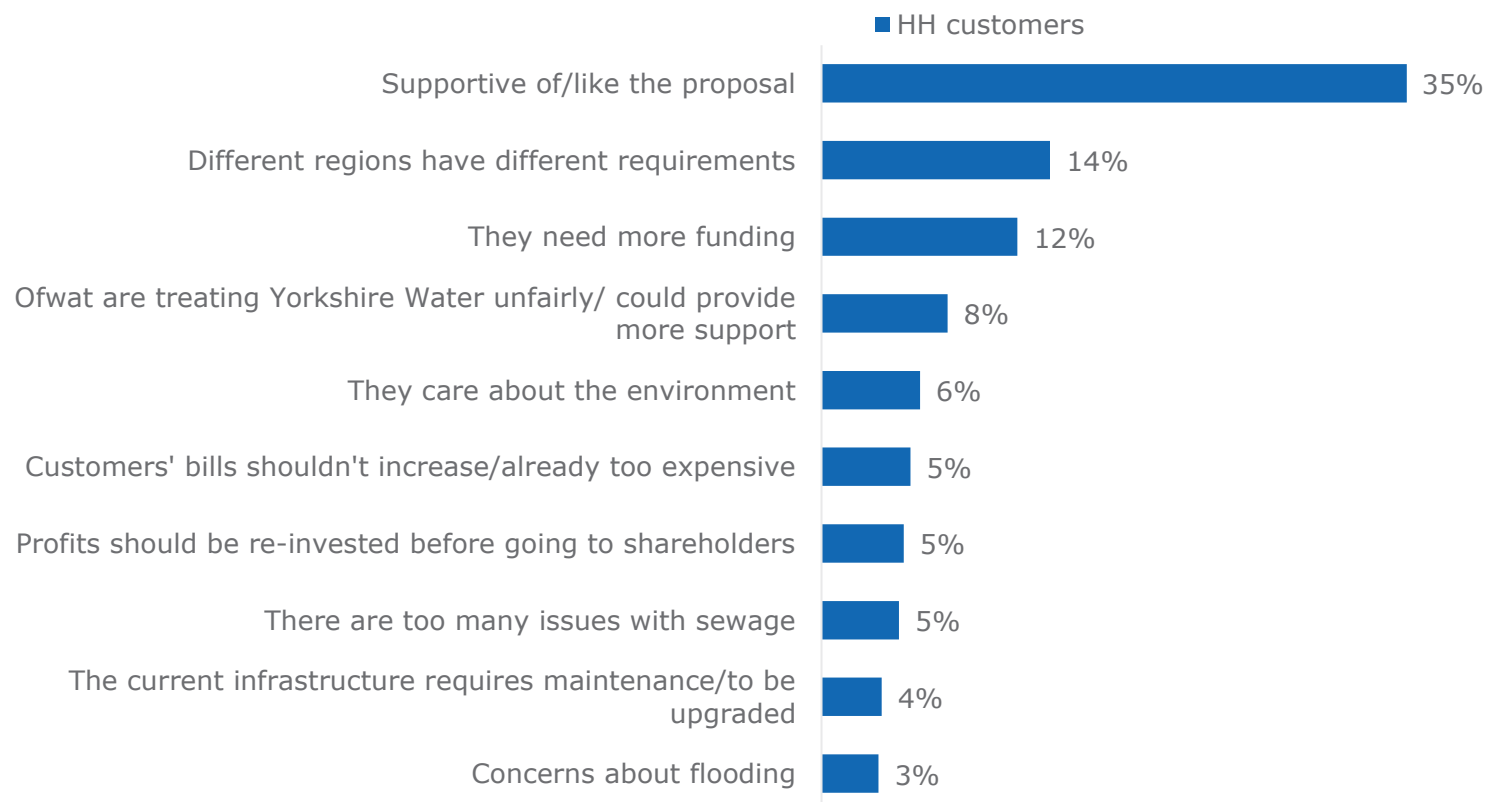
Male customers are significantly less likely to support Yorkshire Water's decision to challenge Ofwat.  
**(78% Males cf. 88% Females)**





# Reasons for supporting Yorkshire Water's decision to challenge Ofwat - Households

When asked for their reasons for supporting Yorkshire Water's decision to challenge Ofwat, 35% of households provided general comments which related to agreeing with the rationale behind it. 14% stated it was because they recognise that different regions have different requirements. This was closely followed by needing more funding to help with their proposed investment plan (12%).



"I agree with every reason Yorkshire Water provided. It is absolutely, valid necessary and important."

**Household customer**

"I understand that each water company has different locations and should be treated differently."

**Household customer**

"A lot of work needs doing to improve water and so the investment is needed."

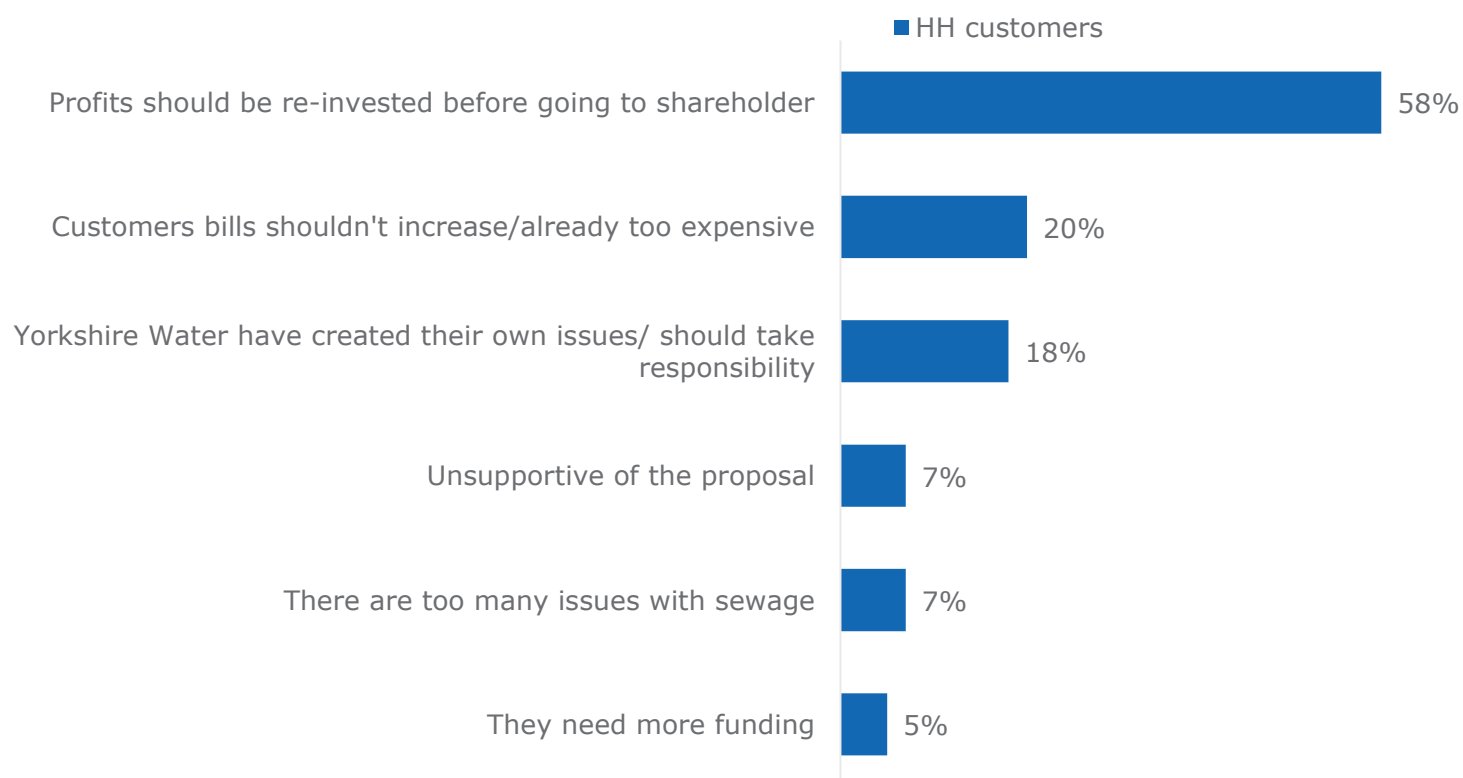
**Household customer**

**Source:** Q06. Please can you explain a reason for your answer. Base: All HH customers supporting YW /don't mind (panel) (791, weighted base). Only showing responses of 3% and above. 14% Other, 16% Don't know.

# Reasons for not supporting Yorkshire Water's decision to challenge Ofwat - Households



When asked for their reasons for not supporting Yorkshire Water's decision to challenge Ofwat, over half (58%) of households stated that profits should be re-invested before going to the shareholders and a fifth (20%) stated that customers bills shouldn't be increasing or are already too expensive.



"The bills are too high and the top men are overpaid."

**Household customer**

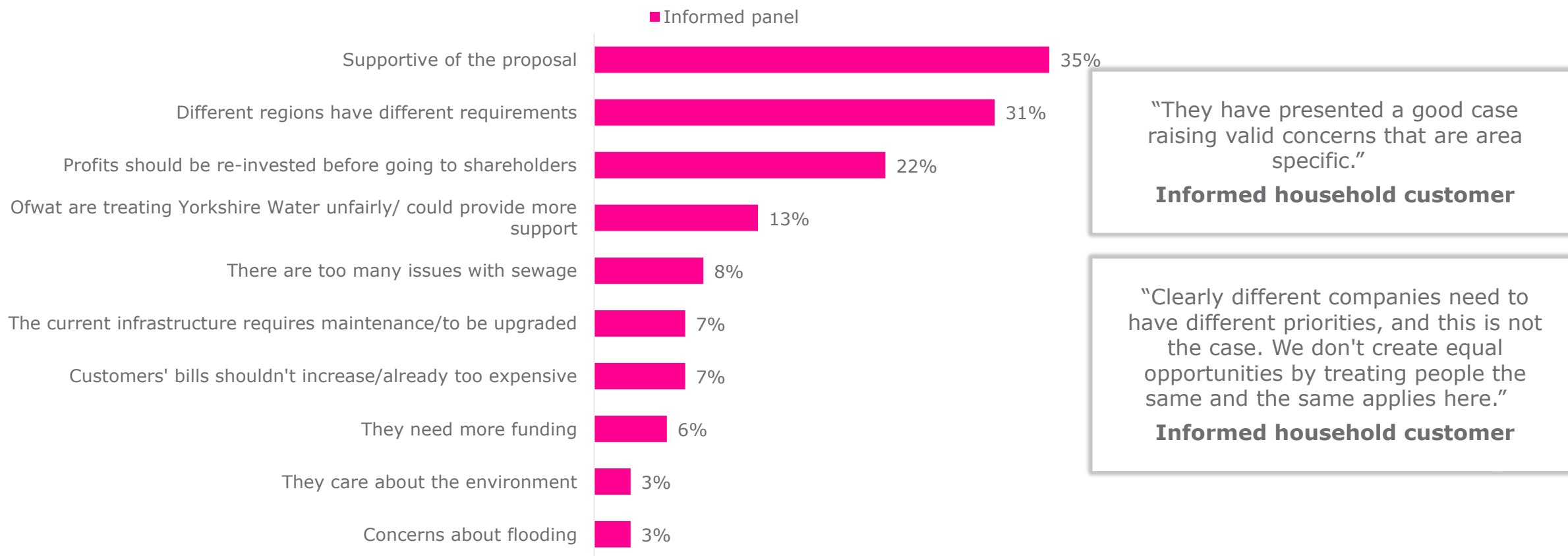
"If bonuses, dividends and high salaries that are paid to the CEO and directors were cut then customers might be supportive of a slight increase; but when profits are used for anything but the infrastructure I support Ofwat's decision."

**Household customer**

# Reasons for supporting Yorkshire Water's decision to challenge Ofwat – Informed Panel (households)



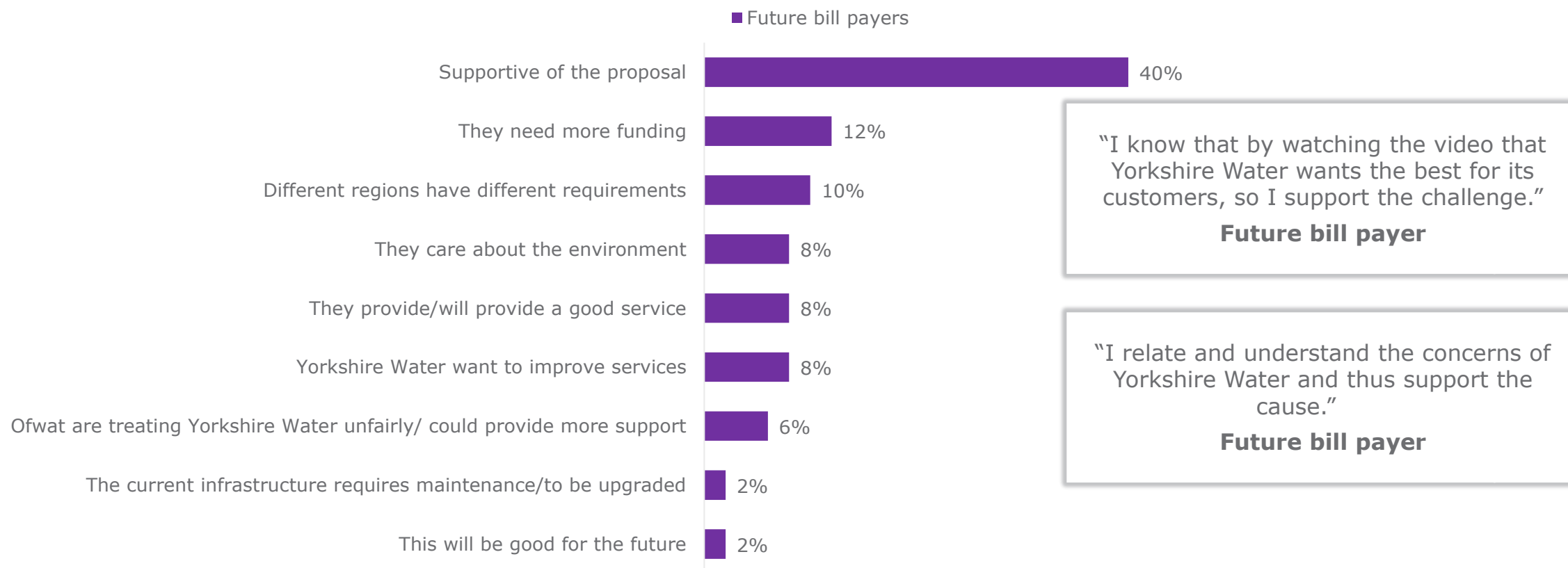
When asked for their reasons for supporting Yorkshire Water's decision to challenge Ofwat, 35% of the Informed Panel provided general comments about understanding YW's reasons behind their decision to challenge Ofwat. Almost a third (31%) stated it is because they recognise that different regions have different requirements.



# Reasons for supporting Yorkshire Water's decision to challenge Ofwat – Future Bill Payers



When asked for their reasons for supporting Yorkshire Water's decision to challenge Ofwat, 40% of Future Bill Payers provided general comments about understanding the reasons behind this decision. Around one in ten highlighted that Yorkshire Water needs more funding and different regions have different requirements. A similar proportion also recognise that Yorkshire Water cares about the environment.



**Source:** Q06. Please can you explain a reason for your answer. Base: Future Bill Payers supporting YW (50). Only showing responses of 3% and above. 16% Other, 16% Don't know.



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**Views on Yorkshire  
Water's approach to  
storm overflows**





# Stimulus material on Yorkshire Water's approach to storm overflows



The next section of the survey focused on Yorkshire Water's approach to storm overflows.

Before answering questions on this topic, all current and future customers were presented with an information slide (right) which outlined Yorkshire's Water proposal to move their focus from coastal storm overflows to those which have a greater impact on the wider water environment.

## Yorkshire Water's approach to storm overflows

Ofwat want Yorkshire Water to hit 20 spills on average across river and coastal overflows (they are currently at 42 spills on average). They cannot do this using the funding allocated by Ofwat.

**Yorkshire Water can however re-focus the investment to achieve this target by tackling a greater number of river spills if they direct funding from some of their coastal overflows to river overflows instead, this is because:**

**Coastal storm overflows cost on average £16million to improve compared to £3.5million for river overflows.**

**Coastal storm overflows typically spill less frequently, and spills are less environmentally damaging as in many cases the sewage is treated before being released on the coast.**

**Spreading the funding this way means Yorkshire Water are improving a minimum of 424 storm overflows in total vs. 244 in the original plan.**

**This will also help Yorkshire Water avoid significant penalties for missing targets, providing more funds to tackle the problem.**

**Just to reassure customers, Yorkshire Water will still improve 6 coastal storm overflows in this plan, with 21 remaining. They will push to do more on this through early start work on coastal overflows, so customers see the benefit of this sooner than required.**

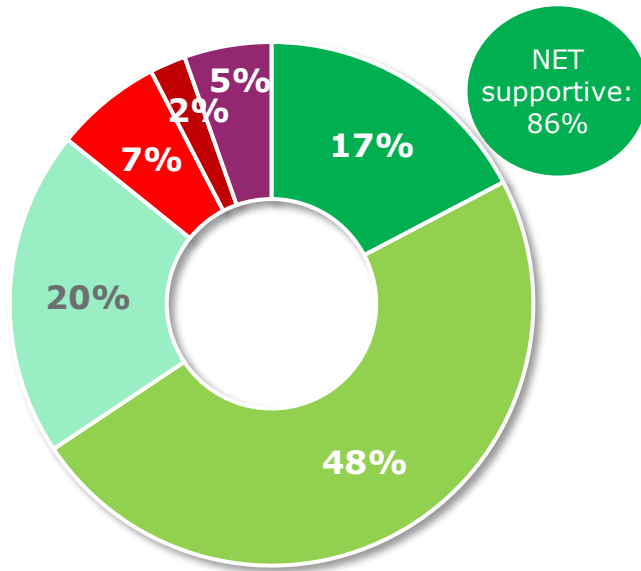


# Supporting Yorkshire Water's approach to storm overflows



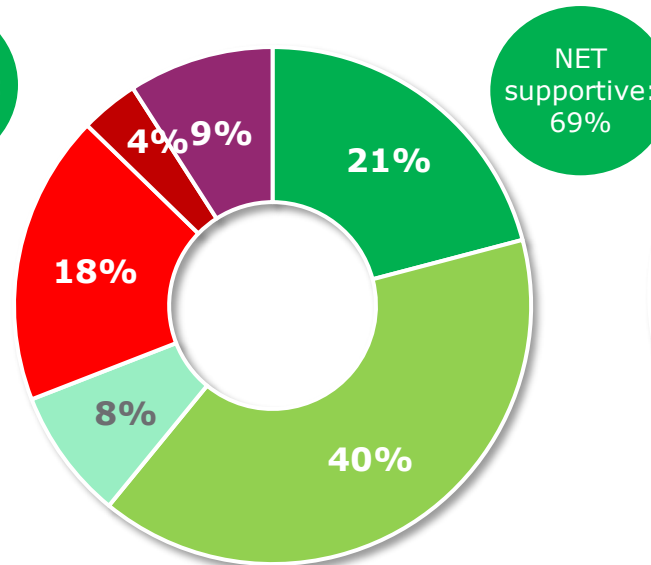
The majority of households (86%) and Future Bill Payers (91%) are supportive of Yorkshire Water's proposal to move their focus from coastal storm overflows to those which have a greater impact on the wider water environment. However, levels of support are lower (69%) amongst Yorkshire Water's Informed Panel Members.

Households (online panel)



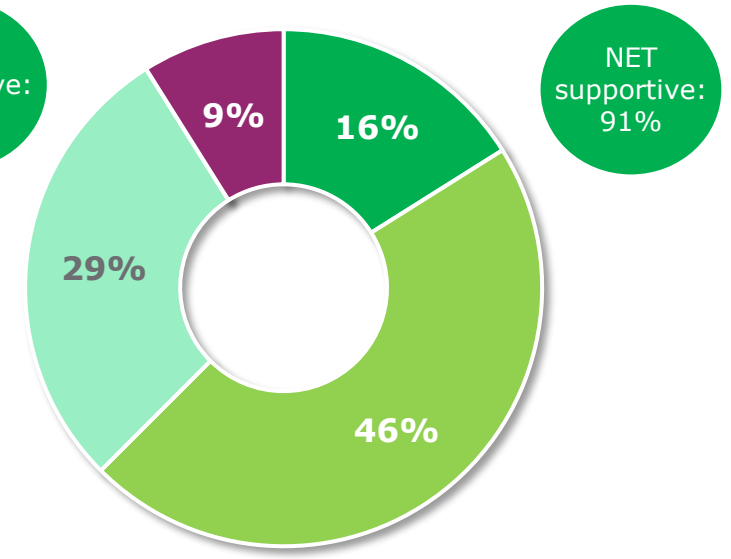
- Very supportive
- Supportive
- I don't mind
- Unsupportive
- Very unsupportive
- Don't know

Households (Informed Panel)



- Very supportive
- Supportive
- I don't mind
- Unsupportive
- Very unsupportive
- Don't know

Future Bill Payers



- Very supportive
- Supportive
- I don't mind
- Unsupportive
- Very unsupportive
- Don't know

**Source:** Q08. Based on the information you have just read, how supportive or unsupportive are you of Yorkshire Water's proposal to move their focus from coastal overflows to those which have a greater impact on the wider water environment? Base: All HH customers (panel) who understand (912, weighted base), All Informed Panel Members who understand (110) and All Future Bill Payers who understand (56)

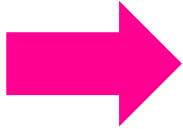


# Supporting Yorkshire Water's approach to storm overflows: subgroup differences



Analysis by sub group indicates some significant differences when looking at Yorkshire Water's approach to storm overflows.

## Household customers (online panel)



Household customers **under 65** are significantly more likely to support Yorkshire Water refocusing investment on storm overflows.  
**(87% 18-34 and 35-64 cf. 81% 65+)**

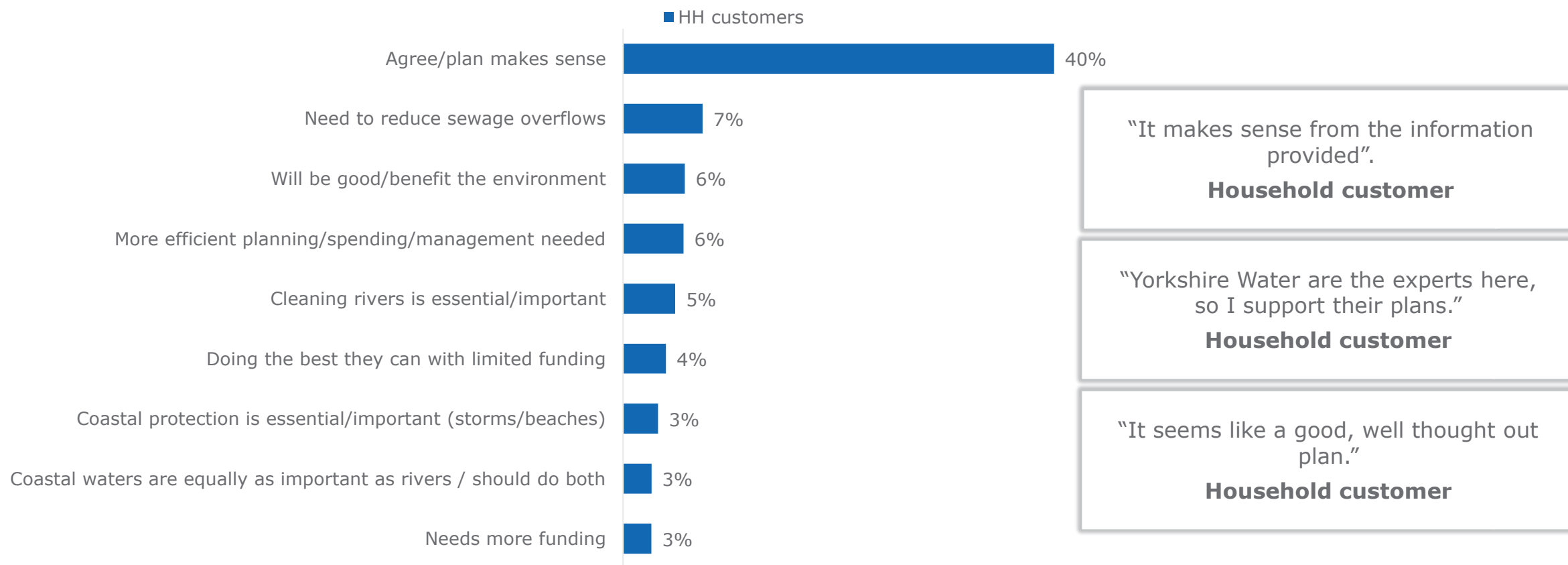


Household customers who **live with children or other people** are significantly more likely than those who live alone to support YW refocusing investment on storm overflows.  
**(89% children, 88% others cf. 80% live alone)**



# Reasons for supporting Yorkshire Water's approach to storm overflows - Households

When asked for their reasons for supporting Yorkshire Water's approach to refocusing investment on storm overflows, **40% of households provided general comments around agreeing with the plan because it seems like a sensible and logical approach to take**. 6% also recognise that this approach would be good/beneficial for the environment.

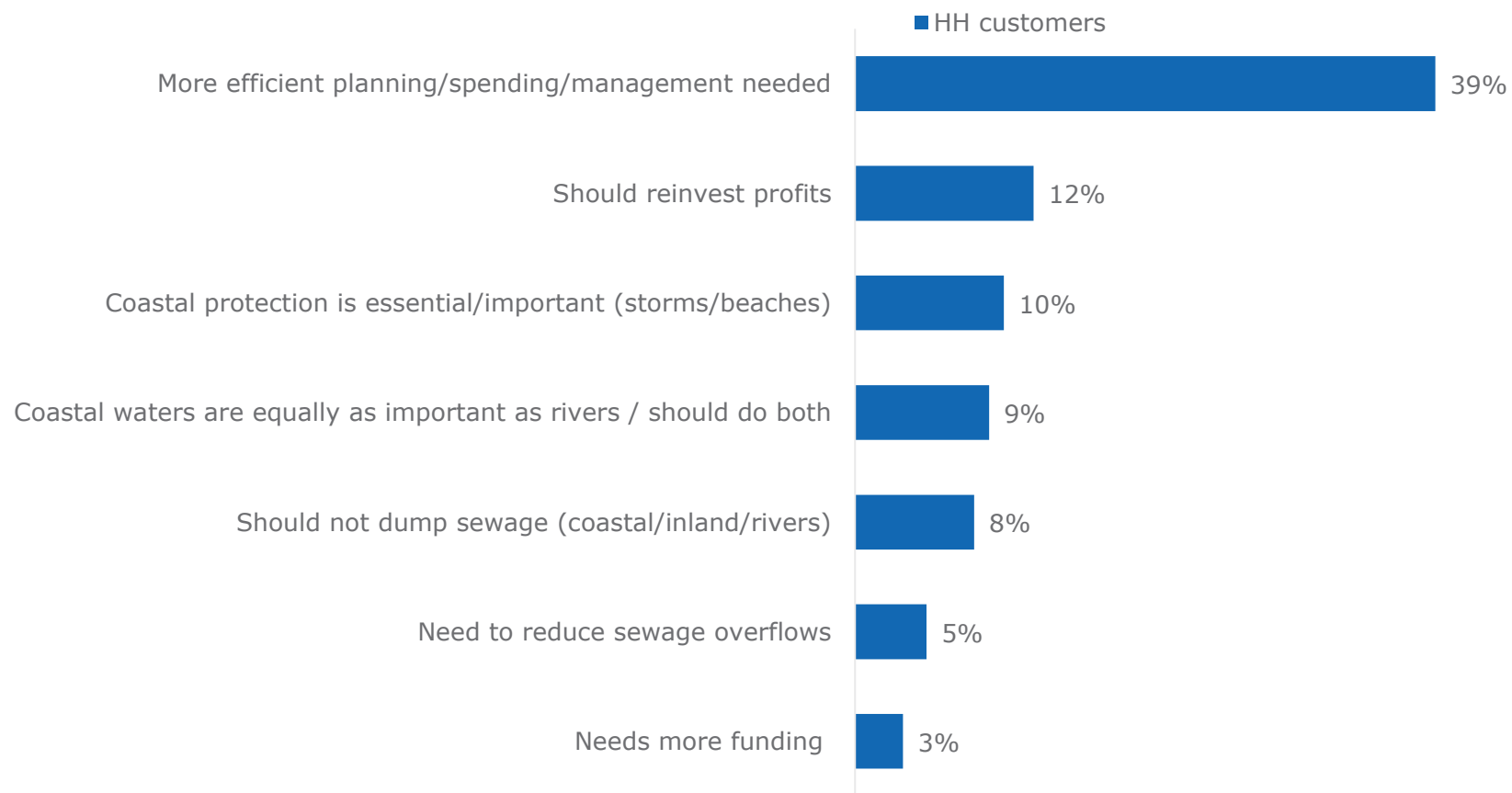


**Source:** Q09. Please can you explain a reason for your answer. Base: All HH customers supporting YW's approach - panel (801, weighted base). Only showing responses of 3% and above. 3% Other, 29% Don't know.



# Reasons for not supporting Yorkshire Water's approach to storm overflows - Households

When asked for their reasons for not supporting Yorkshire Water's approach to refocusing investment on storm overflows, **39% of households state that more efficient planning and spending is needed**. Another 12% state that Yorkshire Water should be investing profits to do this and a significant minority state the importance of coastal waters as their reason.



"They should do both & are playing around with figures to save money".

**Household customer**

"We need cleaner oceans as well as rivers."

**Household customer**

"Whilst I understand the differences in cost of river versus coastal I would wish to see whether other expenditure within the company can be reduced to fund more coastal improvements

**Household customer**

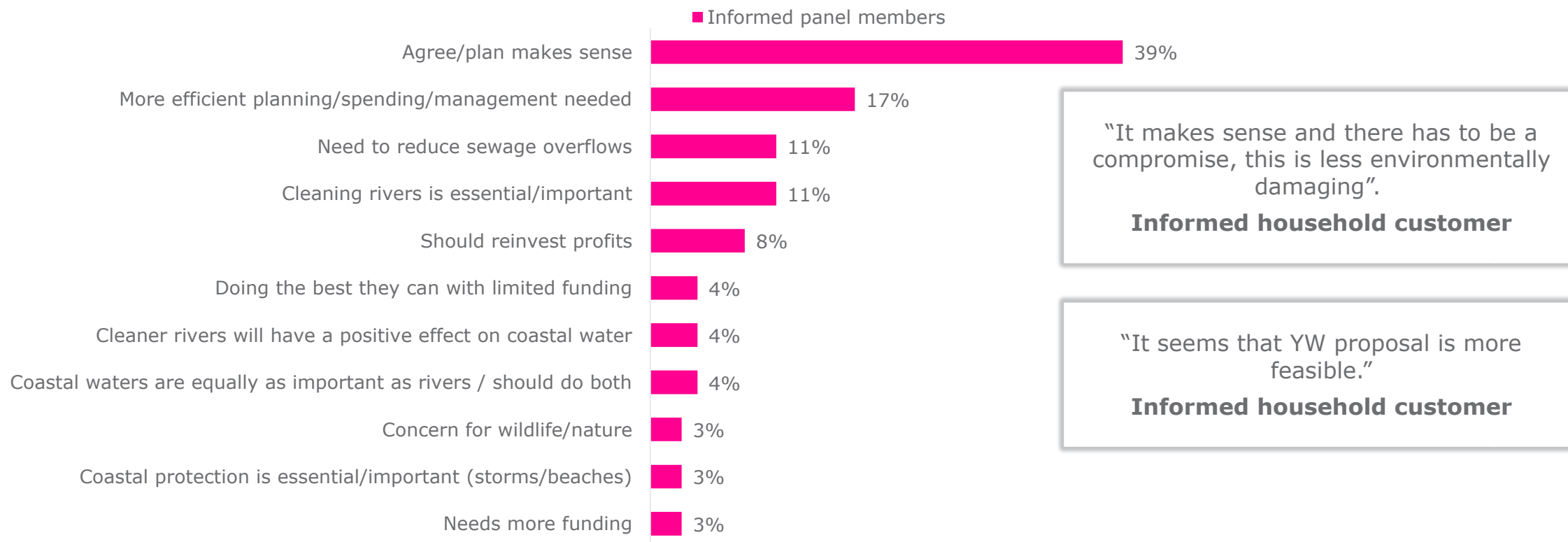
**Source:** Q09. Please can you explain a reason for your answer. Base: All HH customers not supporting YW's approach - panel (86, weighted base). Only showing responses of 3% and above. 2% Other, 18% Don't know. 30





# Reasons for supporting Yorkshire Water's approach to storm overflows – Informed Panel Members (households)

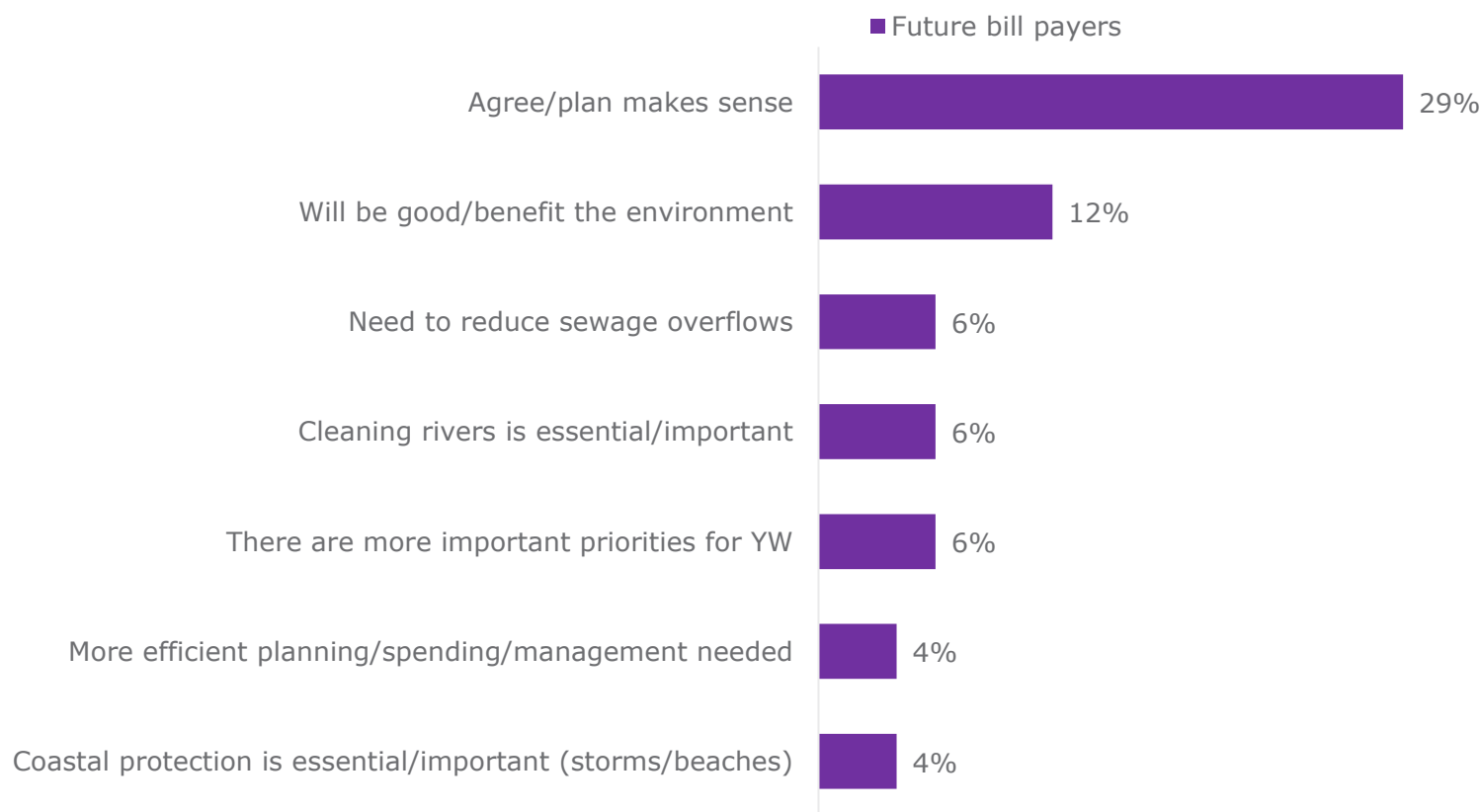
When asked for their reasons for supporting Yorkshire Water's approach to refocusing investment on storm overflows, **39% of the Informed Panel Members felt that the plan makes sense.** Although, almost a fifth (17%) stated it is because they feel more efficient/spending/management is needed. 11% also recognise a need to reduce sewage overflows.





# Reasons for supporting Yorkshire Water's approach to storm overflows – Future Bill Payers

When asked for their reasons for supporting Yorkshire Water's approach to refocusing investment on storm overflows, **29% of Future Bill Payers provided general comments about being happy with the approach that is being proposed.** Around one in ten (12%) also recognise that it will be beneficial for the environment in the future.



"I agree with it based on my understanding."

**Future Bill Payer**

"As a member of the younger generation I feel the environment is a significant challenge that will impact my life in the future. Therefore, a more environmentally conscious project is appealing to me."

**Future Bill Payer**



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**Yorkshire Water's plan  
for re-submission**







# Video outlining Yorkshire Water's plan for re-submission

Following Ofwat's feedback, Yorkshire Water proposed a slightly revised plan to the one Ofwat provided.

Before answering questions on this topic, all current and future customers were asked to watch a short video which outlined Yorkshire Water's re-submission plan.

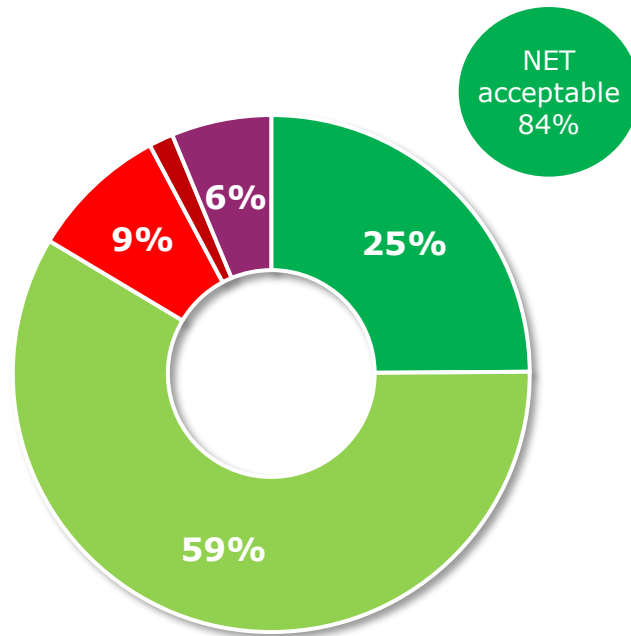


largest environmental investment

# Acceptability of Yorkshire Water's plan for re-submission

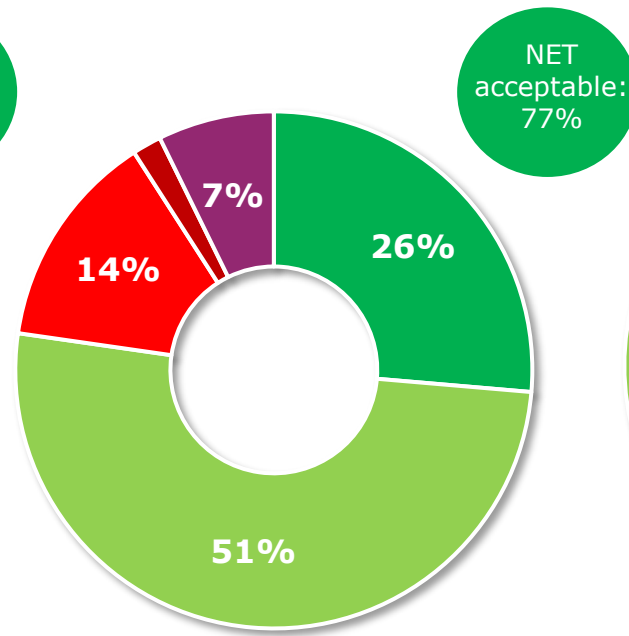
The majority of households and Future Bill Payers (both 84%) consider Yorkshire Water's revised plan to be acceptable. Levels of support are slightly lower amongst Yorkshire Water's Informed Panel Members (77%) but still very high.

Households (online panel)



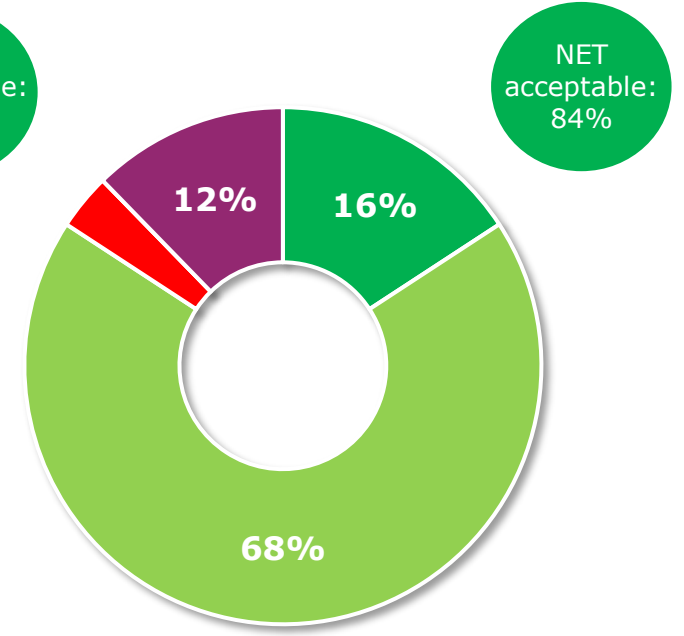
- Completely acceptable
- Acceptable
- Unacceptable
- Very unacceptable
- Don't know

Households (Informed Panel)



- Completely acceptable
- Acceptable
- Unacceptable
- Very unacceptable
- Don't know

Future Bill Payers

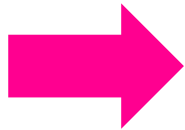


- Completely acceptable
- Acceptable
- Unacceptable
- Very unacceptable
- Don't know

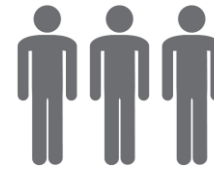
# Acceptability of Yorkshire Water's plan for re-submission: subgroup differences

Analysis by sub group indicates some significant differences when looking at levels of support with Yorkshire Water's revised plan.

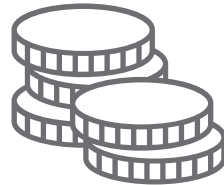
## Household customers (online panel)



**West Yorkshire** household customers are significantly less likely than those living in South Yorkshire to find the revised plan acceptable. (**81% cf. 88% South Yorkshire**)



Household customers aged **65+** are significantly less likely than those aged 35-64 to find Yorkshire Water's revised plan acceptable. (**79% 65+ cf. 35-64 86%**)

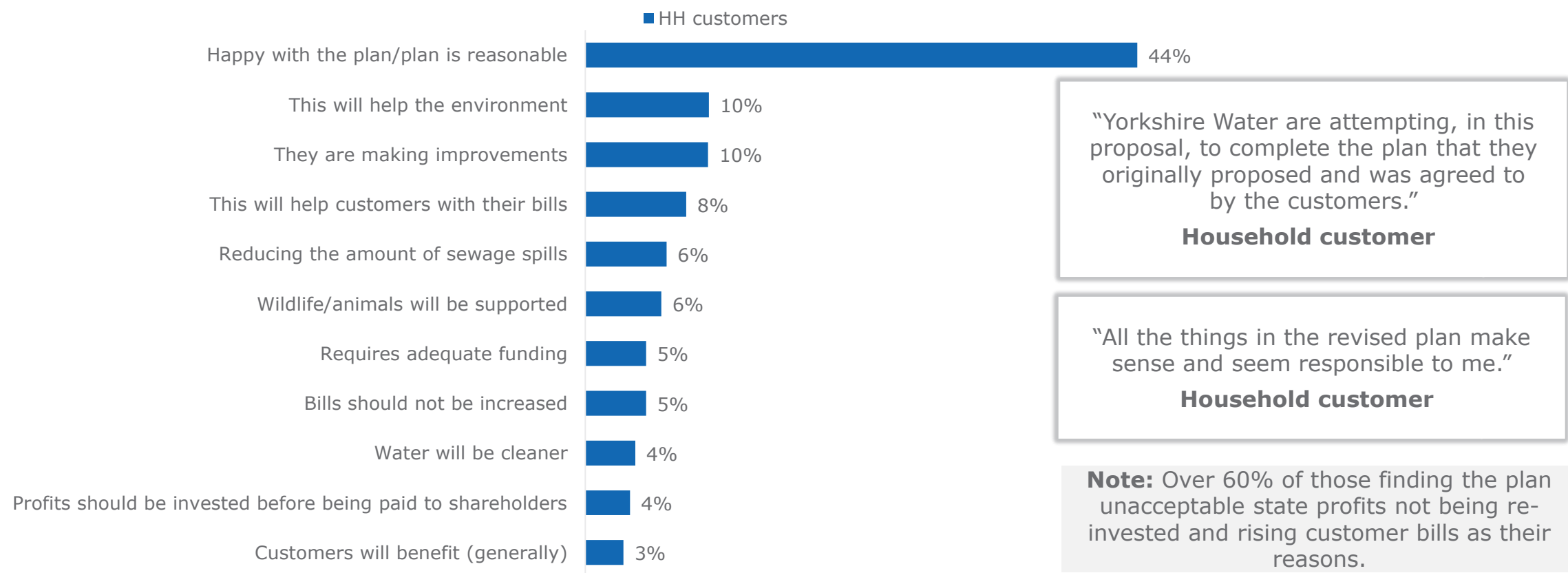


Household customers **struggling** with their household bills are more likely to find the revised plan unacceptable. (**17% cf. 9% able to pay household bills**)



# Reasons for accepting Yorkshire Water's plan for re-submission - Households

When asked for their reasons for supporting Yorkshire Water's plan for re-submission, **44% of households provided general comments about being happy with the plan particularly as it is likely to benefit customers now and in the future.** 10% also recognise that Yorkshire Water are looking to help the environment.

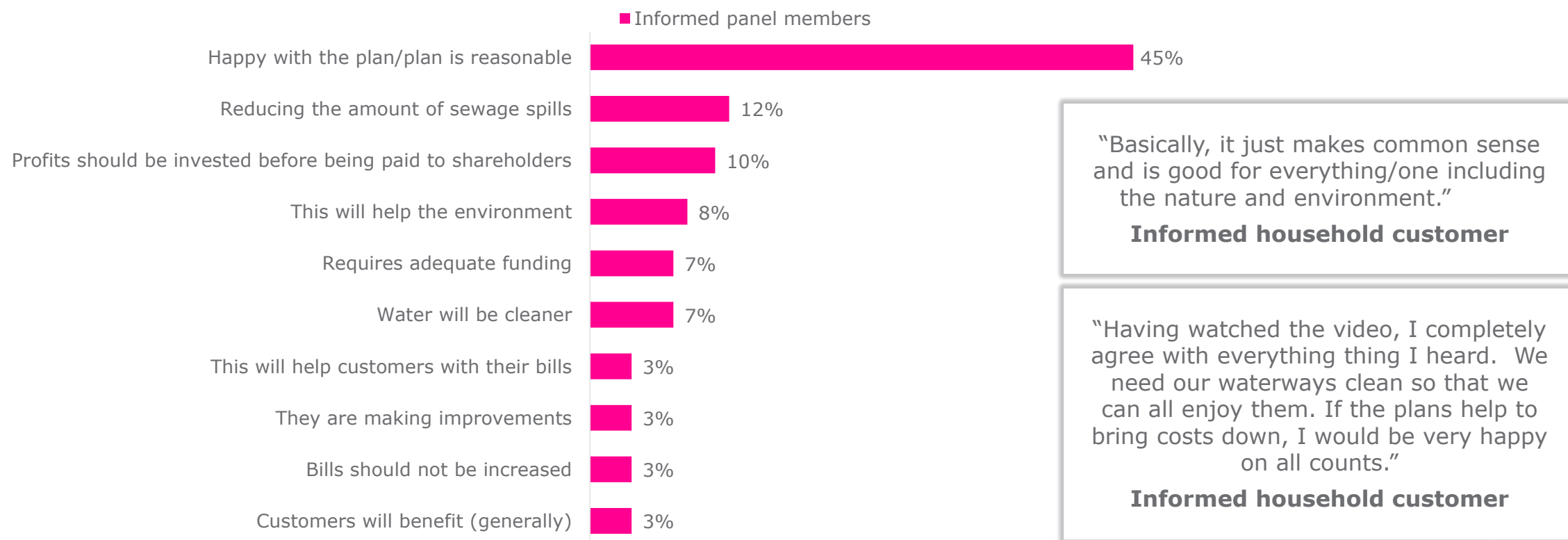






# Reasons for accepting Yorkshire Water's plan for re-submission – Informed Panel Members (households)

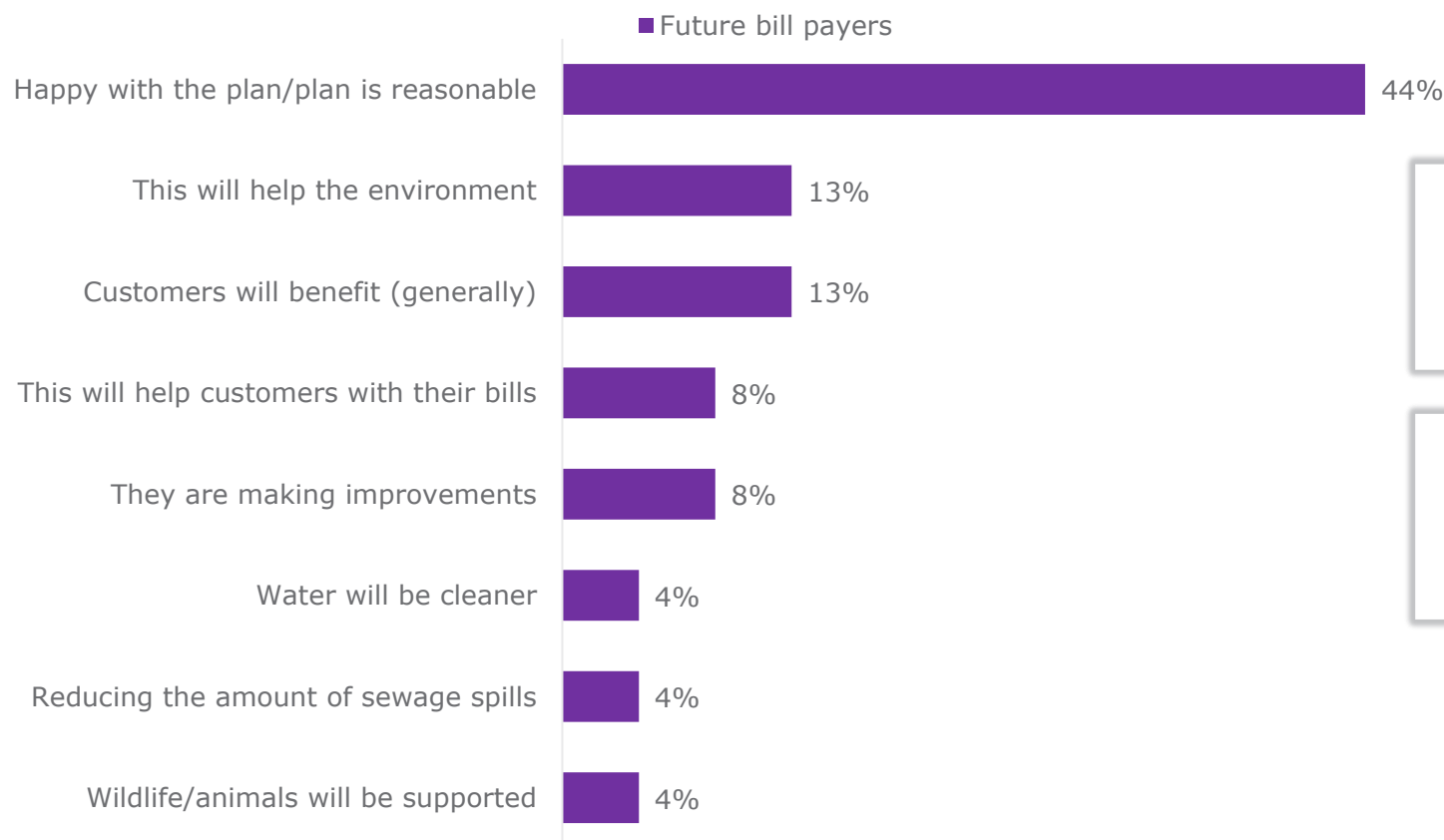
When asked for their reasons for supporting Yorkshire Water's plan for re-submission, **45% of Informed Panel Members provided general comments about being happy with the revised plan**. Around one in ten also feel it will help reduce the amount of sewage spills (12%) and help the environment (8%).



# Reasons for accepting Yorkshire Water's plan for re-submission– Future Bill Payers



When asked for their reasons for supporting Yorkshire Water's plan for re-submission, **44% of Future Bill Payers provided general comments about being happy with the plan.** Around one in ten felt it will also help protect the environment (13%) and customers with their bills in the future. (8%)



"I think all proposals are fair and consider environmental factors."

**Future Bill Payer**

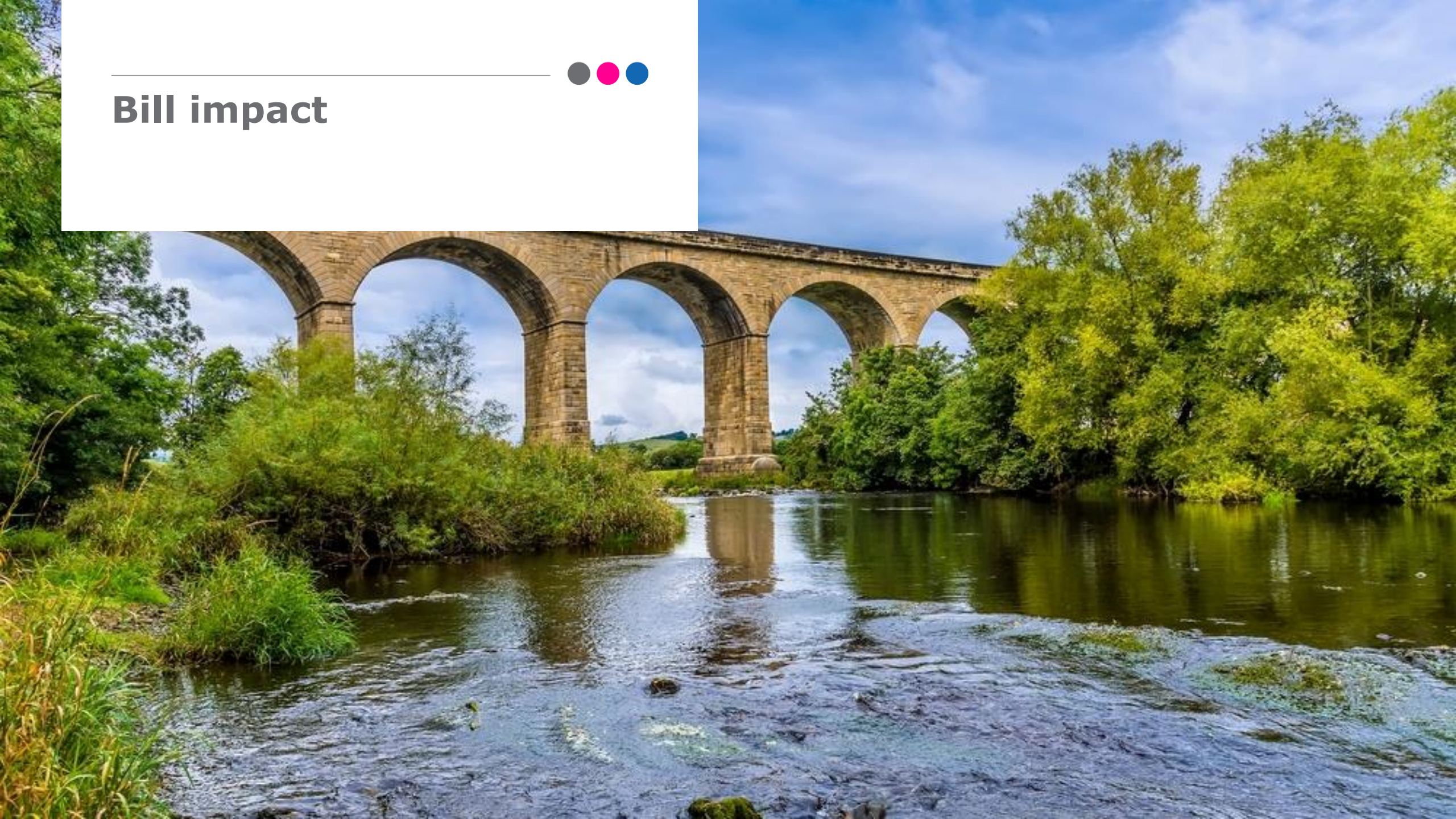
"Seems like a well thought out plan which is fair for everyone."

**Future Bill Payer**

**Source:** Q012. Please can you explain a reason for your answer. Base: Future Bill Payers supporting YW's plan (48). Only showing responses of 3% and above. 6% Other, 25% Don't know.



# Bill impact





# Stimulus material on bill impact

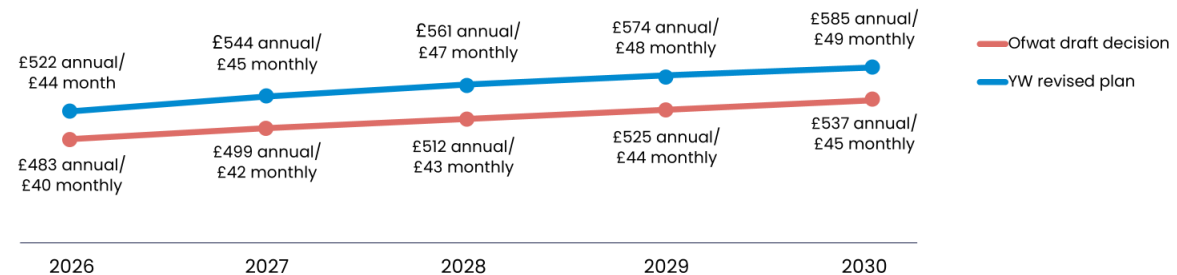


To help inform the next set of questions, all current and future customers were provided with the following context information:

*Based on the level of investment Yorkshire Water are asking for and the way they propose to spread the impact of their plan overtime, this results in an average household customer water bill of **£522 a year/£44 a month** in 2025, rising gradually to an average of £585 a year/£49 per month by 2030.*

Customers were also presented with the chart (right) which shows bill projections for YW's revised plan vs. Ofwat's draft determination for 2025-2030.

## Bill impact (Ofwat vs. Yorkshire Water's revised plan 2025-2030)



\*Yorkshire Water are still finalising their response to Ofwat, so the current billing estimates might adjust slightly, possibly altering by up to £10 annually or 0.80pence monthly, meaning the final bill could be within a £10 range above or below what is currently displayed.\*

\*Prices are not inclusive of inflation\*



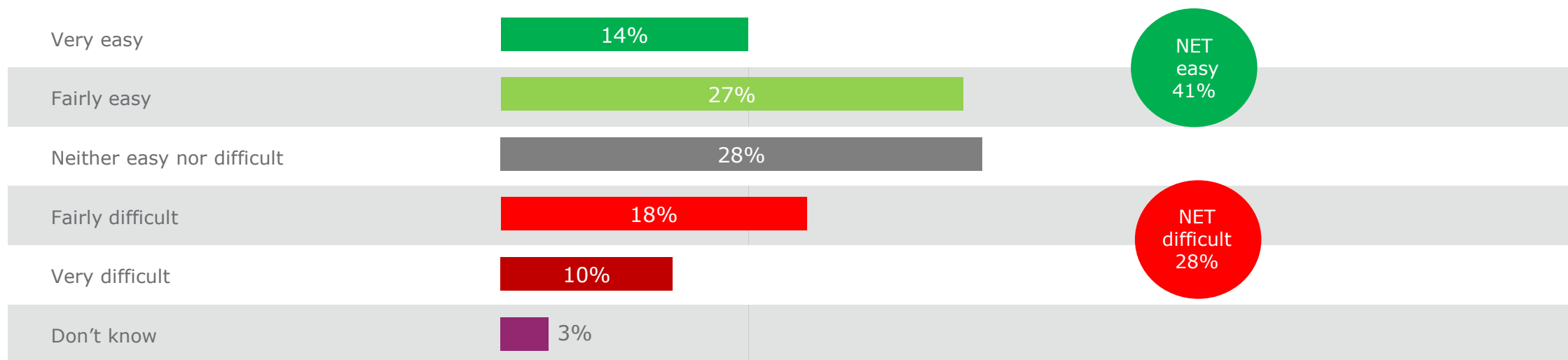


# Bill impact - Households

## Online panel

As mentioned in the previous slide, Yorkshire Water have estimated that an average household customer water bill will increase to £522 a year/£44 a month in 2025, rising gradually to an average of £585 a year/£49 by 2030. All customers were asked how affordable these water/sewerage bills would be for them in the future. **Around four in ten households (41%) think it will be easy and over a quarter (28%) think it will be difficult.**

When asked to provide a reason for their answer, around a half (47%) said it would be difficult due to a lack of income. Almost a quarter (22%) said it was due to the cost of living.

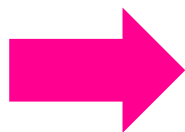


# Bill impact: subgroup differences

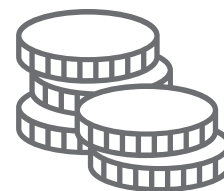


Analysis by sub group indicates some significant differences when looking at bill impact.

## Household customers (online panel)



**North Yorkshire** customers are significantly less likely than other areas to find water/sewerage bills affordable in the future. **(32% cf. 47% East Riding & the Humber, 44% South and 42% West Yorkshire)**



Those on a **household income** up to £21k per year are significantly less likely to find water/sewerage bills affordable in the future. **(Up to £21k 29%, cf. £21-36k, 40%, £36-73k 56% and £73k, 54%)**



**Unmetered households** are significantly less likely to find water/sewerage bills affordable in the future. **(39% cf. 46% metered).**



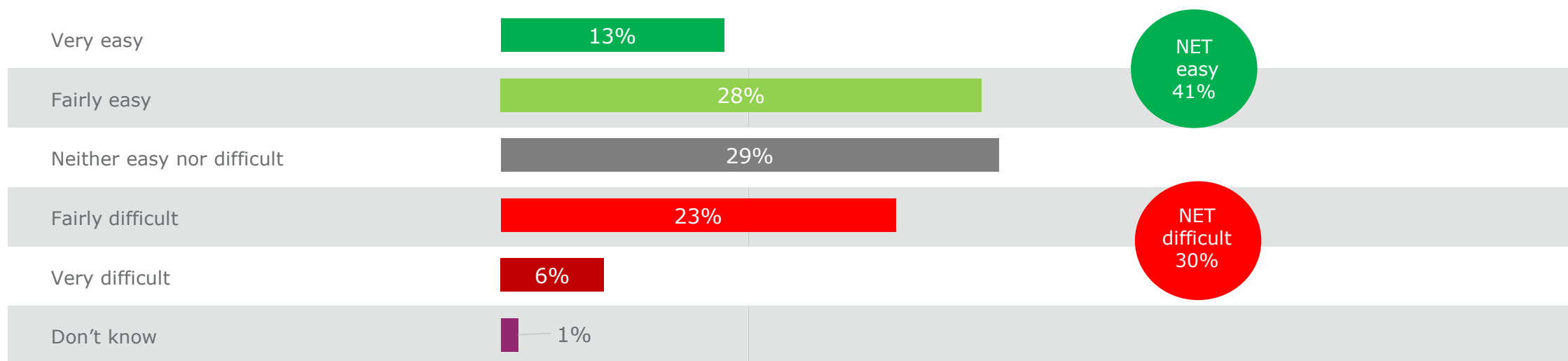
Those with a **disability** are significantly less likely to find water/sewerage bills affordable in the future. **(34% cf. 47% without a disability)**



# Bill impact - Households

## Informed Panel Members

Around **four in ten Informed Panel Members (41%)** think it will be **easy to afford revised water/sewerage bills in the future** (the same proportion as households surveyed on the online panel). In contrast, a third (30%)\* predict it will be difficult.



**Source:** Q013. How easy or difficult do you think it will be for you to afford these water/sewerage bills in the future? **Base:** All Informed Panel Members (111). \*Any differences between the chart and reported figures (such as the NET) will be due to rounding.

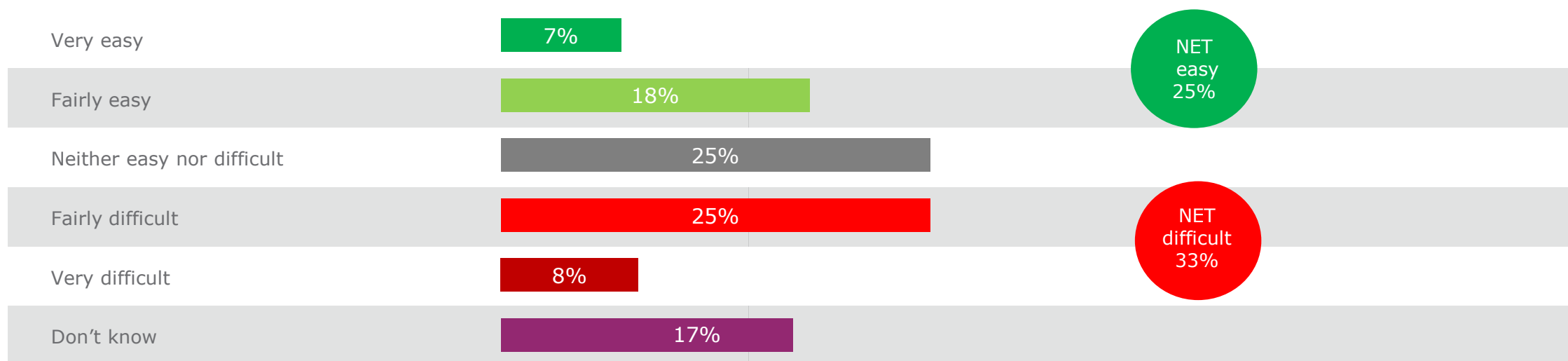




# Bill impact – Future Bill Payers

## Future Bill Payers

In comparison to both household samples, **only a quarter of future customers (25%) think it will be easy to afford future bills based on Yorkshire Water's projections for the revised plan.** A third (33%) think it will be difficult. The remaining 42% are either ambivalent or unsure.



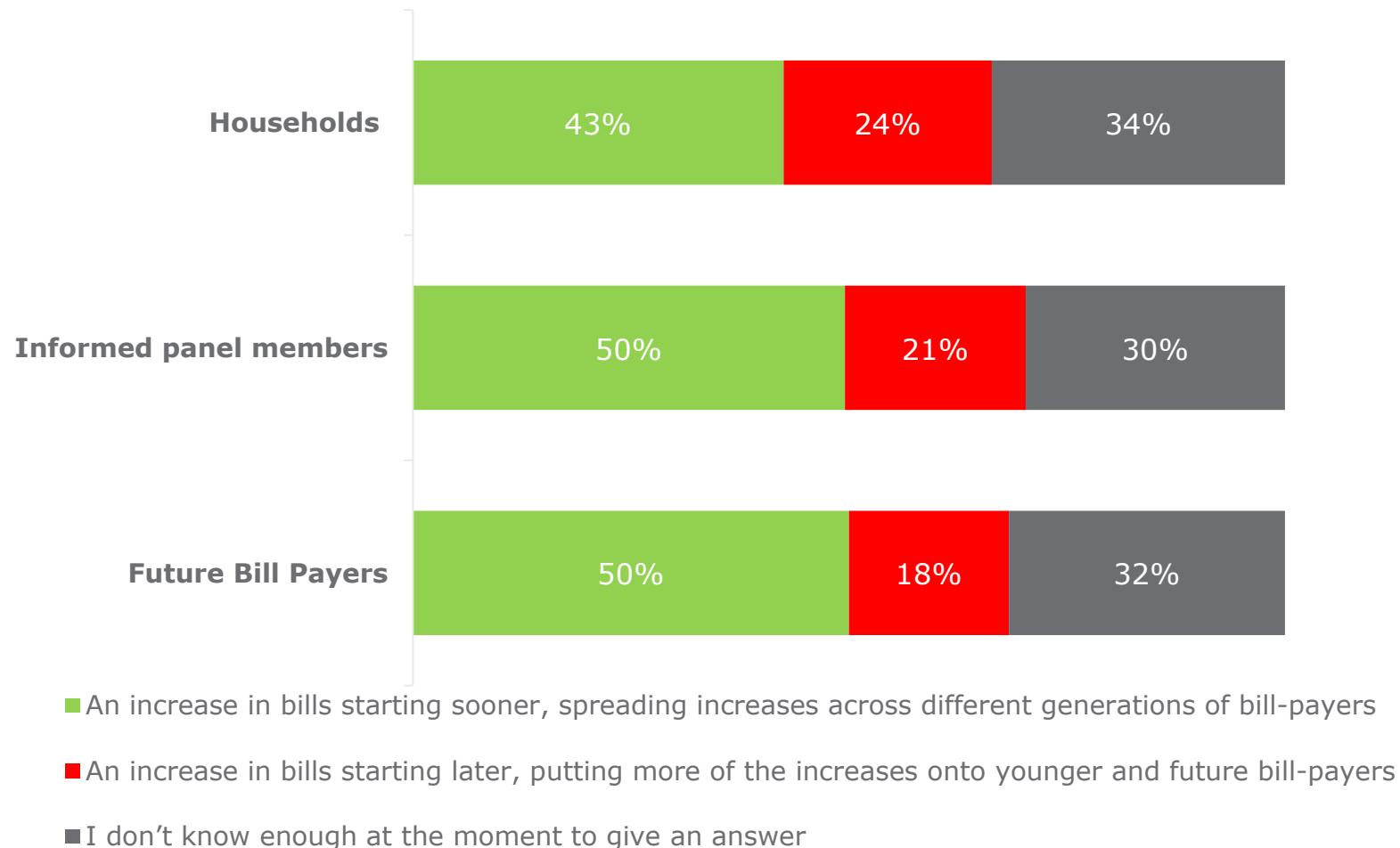
# Views on intergenerational fairness



All current and future customers were informed that long term investment by Yorkshire Water will require an increase in customer bills. Bills could increase in different ways over time. For example, there could be increases now for current bill payers, or bigger increases in the long term for future generations.

Respondents were asked to select which one of the two options they preferred. They were also given the option to say they did not know enough at the moment to answer.

Across all three samples, **the most preferred option is an increase in bills starting sooner**, spreading increases across different generations of bill-payers.

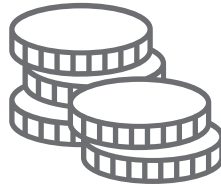
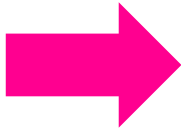




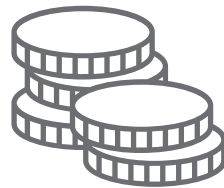
# Views on spreading increases across different generations: subgroup differences

Analysis by sub group indicates some significant differences when looking at preference for **increasing bills sooner and spreading increases across different generations of bill-payers**.

## Household customers (online panel)



Whilst household customers on incomes up to **£21k** per year are most likely to prefer an increase in bills spread across different generations of bill-payers, strength of preference for this option increases with household income. (**35% cf. 45% £21k+, 50% 36-73k and 52% £73k+**)



Household customers **struggling** with their bills are polarised in their preference for each option with a quarter choosing each one. This is significantly less than those **able to pay household bills** who have a strong preference for paying more now (**47% cf. 25%**)



Household customers who live **alone** are slightly more likely to select paying more now than later (**32% cf. 27%**).

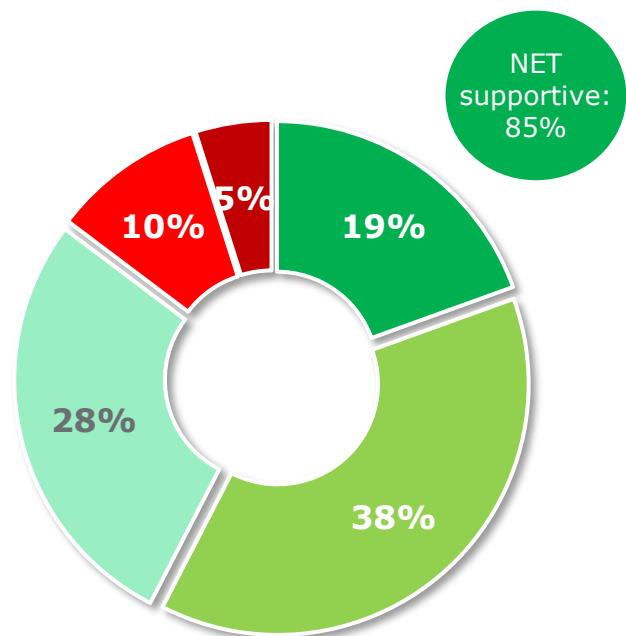


# Challenging Ofwat on future bill impacts



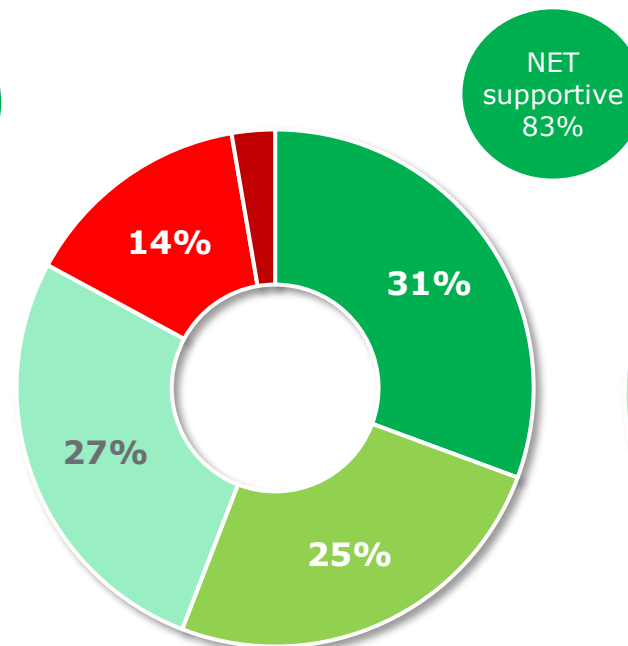
All current and future customers were informed that Ofwat propose pushing the greatest impact of increased investment onto bills in future 5 year planning periods, meaning that future generations would be hit most. However, research that Yorkshire Water has conducted indicates that customers would prefer bills to be spread fairly across generations. After reading this, all customers were asked to state if they would be supportive or unsupportive if Yorkshire Water decided to challenge Ofwat on this decision. **The results indicate that levels of support are high, particularly amongst Future Bill Payers (93%).**

Households (online panel)



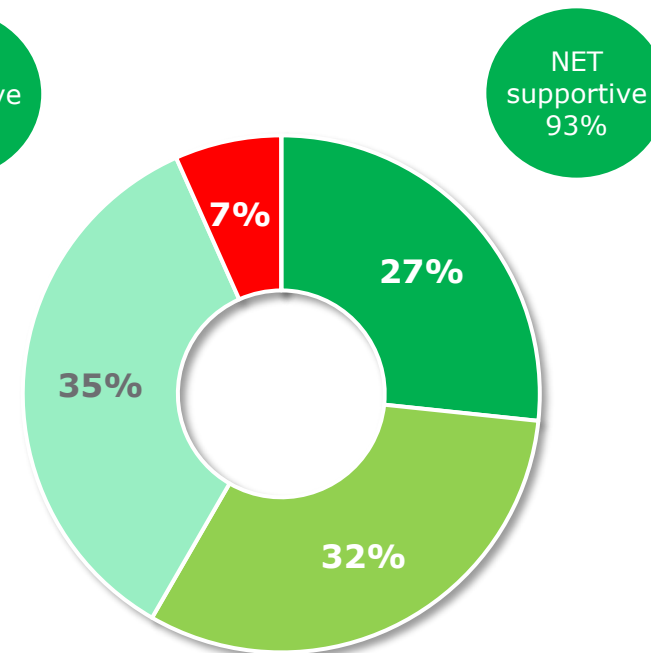
- Very supportive
- Supportive
- I don't mind
- Unsupportive
- Very unsupportive

Households (Informed Panel)



- Very supportive
- Supportive
- I don't mind
- Unsupportive
- Very unsupportive

Future Bill Payers



- Very supportive
- Supportive
- I don't mind
- Unsupportive
- Very unsupportive



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● ● ●

# Cost of delivering coastal storm overflows







# Stimulus material on the cost of delivering coastal storm overflows

The final information slide in the survey provided customers and future customers with information on Yorkshire Water's proposal for managing coastal storm overflows. The slide explains that in order to deliver the programme, the company will require additional funding (£4.10 per year or £0.34 per month) from customers.

## Coastal Storm Overflows

Yorkshire Water care deeply about the quality of Yorkshire's coastal bathing waters, which are invaluable to customers.

Yorkshire Water have a statutory requirement to improve all 27 coastal overflows that have the potential to impact our coastal bathing beaches by 2035 and the plan outlined today already includes upgrading 6 coastal overflows.

Yorkshire Water are not satisfied with that, they would like to start improvements on all 27 overflows on the coast ahead of statutory requirements, starting improvements from 2025 rather than 2030. Delivering the work will cost an additional £370million from start to completion. This will however require more funding from customers.



Because at £8.1 billion, Yorkshire Water's plan is at its limit – to deliver the coastal overflow work, **they will need to examine an alternative route for funding which is currently underway.**

Yorkshire Water understand the cost to customers to deliver the Coastal Storm Overflow programme is approximately:

**\*£4.10 per year or £0.34 pence per month.**

**This is in addition to the bills already outlined in the survey.**

\* Customers will only pay for the scheme once programme scope has been agreed.



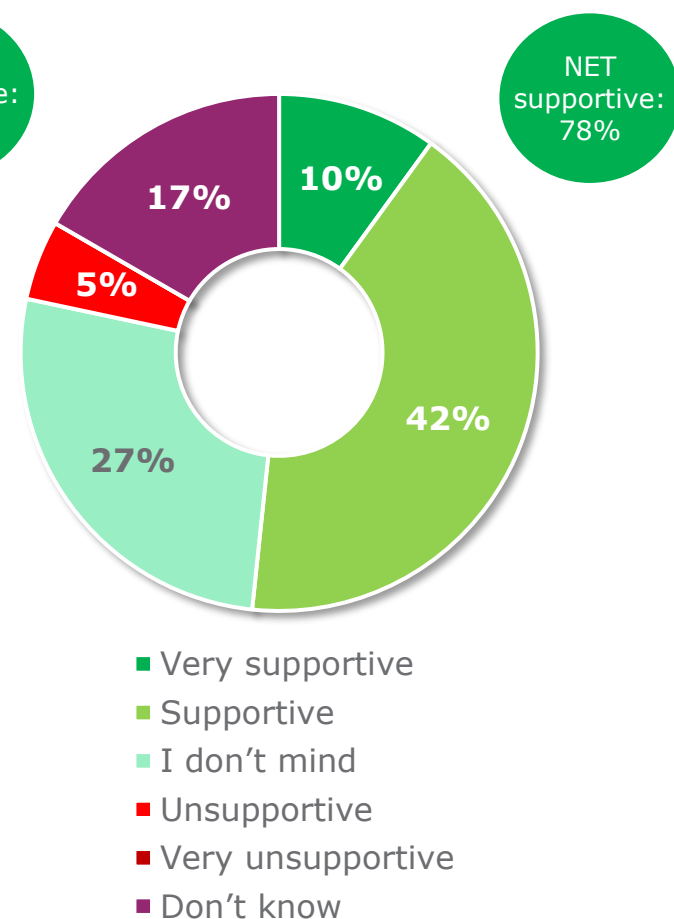
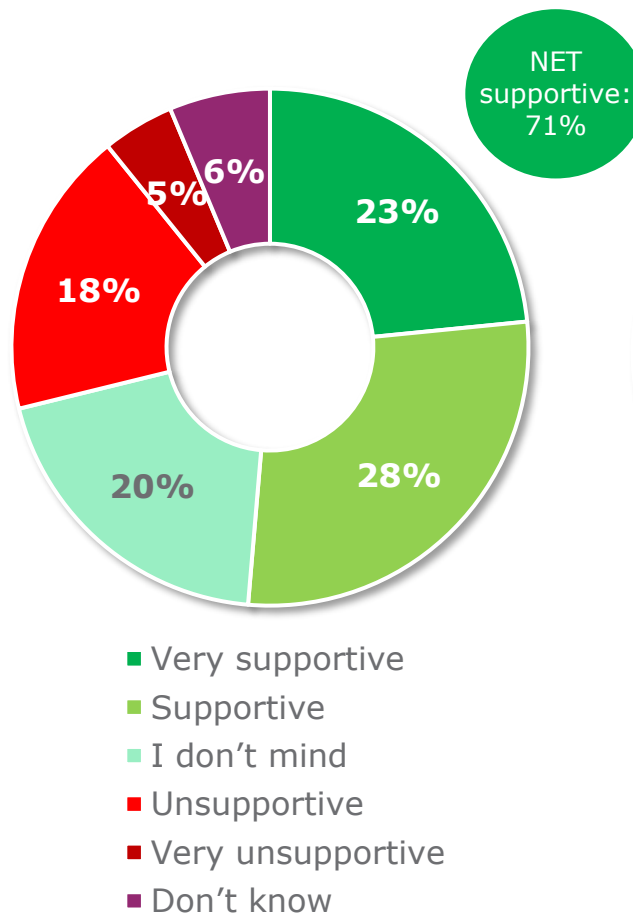
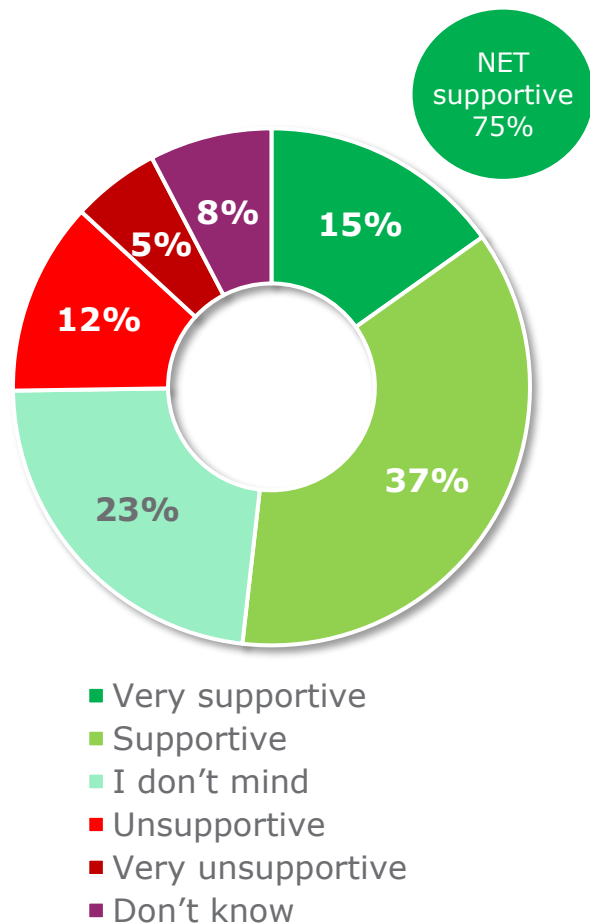
# Supporting an alternative route for funding coastal storm overflows

Households (online panel)

Households (Informed Panel)

Future Bill Payers

All current and future customers were asked how supportive or unsupportive they are of Yorkshire Water's proposal to obtain an additional £4.10 per year from customers to improve Yorkshire's coastal storm overflows from 2025 instead of 2030. **Almost eight out of ten (78%) Future Bill Payers are supportive.** This decreases slightly to three quarters amongst household customers (75%) and Informed Panel Members (71%).



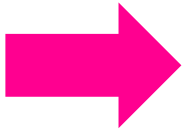
**Source:** Q014a. How supportive or unsupportive are you of Yorkshire Water including this optional investment of approximately £4.10 to improve all of Yorkshire's coastal storm overflows starting in 2025 rather than 2030? Base: All HH customers - panel (950, weighted base), All Informed Panel Members (111) and All Future Bill Payers (60)



# Supporting an alternative route for funding coastal storm overflows: subgroup differences

Analysis by sub group indicates some significant differences when looking at levels of support for funding coastal storm overflows in addition to the plan.

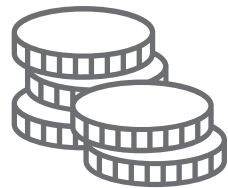
## Household customers (online panel)



Household customers aged 35+ are significantly less likely than those aged between 18-34 to support Yorkshire Water by adding an extra £4.10 onto annual bills. **(83% 18-34 cf. 74% 35-64, 65+ 70%)**



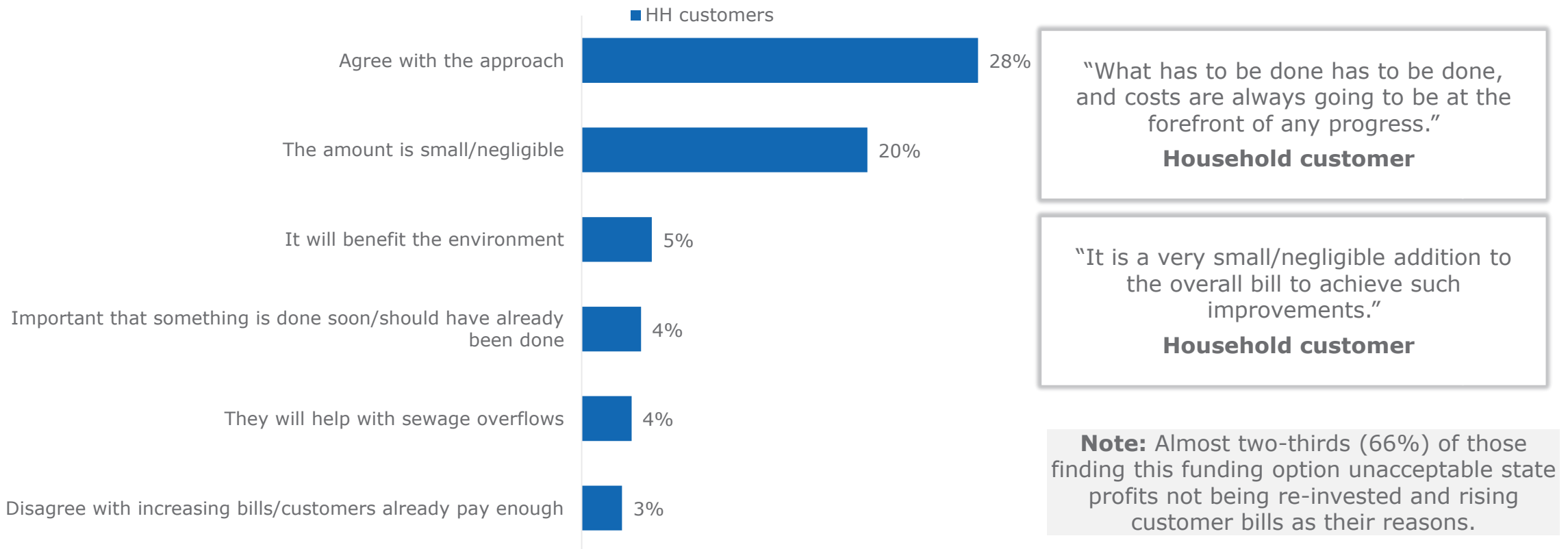
Household customers **dissatisfied with value for money** are significantly less likely to support Yorkshire Water by funding coastal storm overflows. **(66% cf. 82% satisfied)**



Household customers **struggling** with their household bills are significantly less likely to support Yorkshire Water by funding coastal storm overflows. **(67% cf. 79% able)**

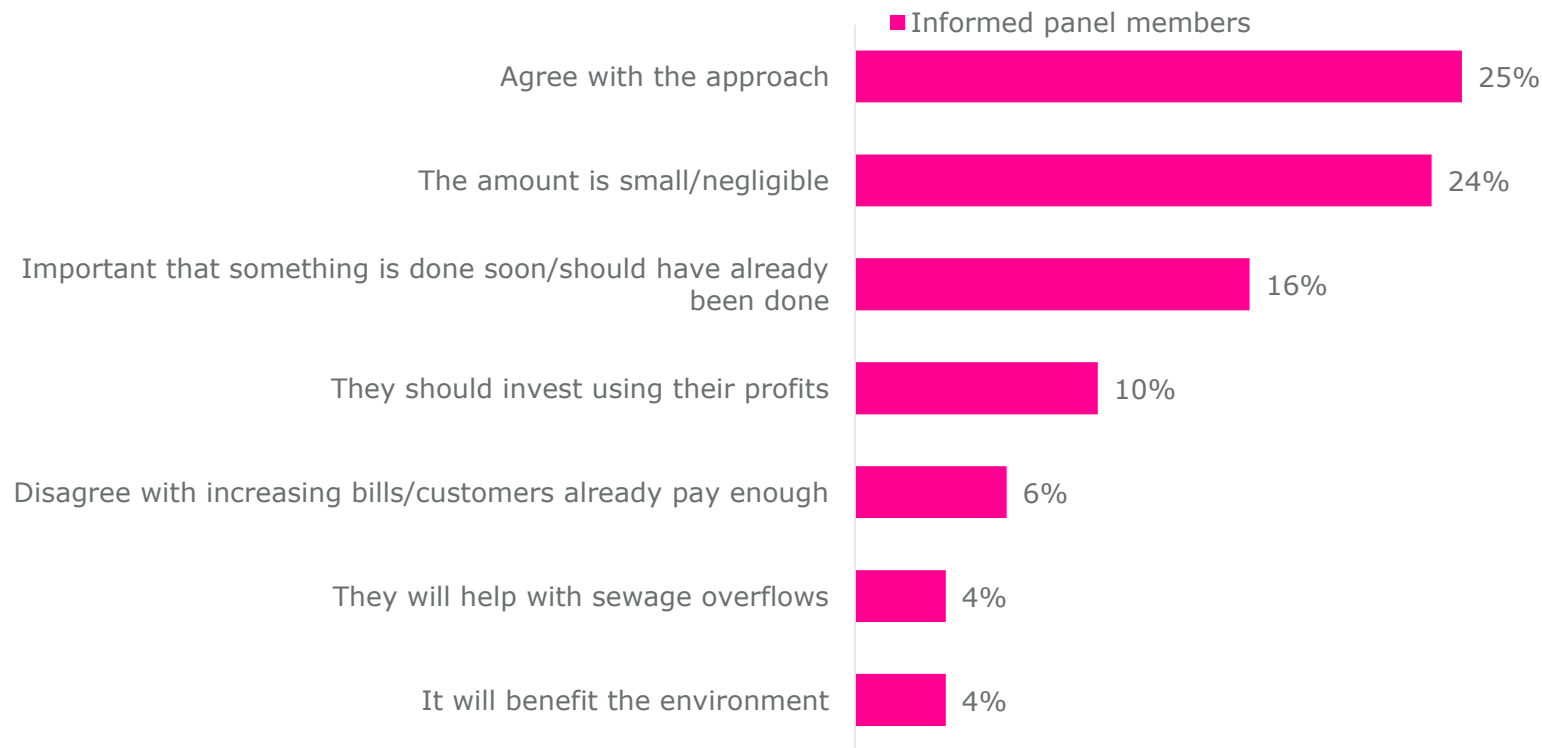
# Supporting an alternative route for funding coastal storm overflows - Households

When asked for their reasons for supporting Yorkshire Water's funding of coastal storm overflows, **over a quarter (28%) of households provided general comments about being happy to fund it as they recognised improvements to coastal storm overflows were necessary for the future.** 20% also felt the amount that Yorkshire Water needed to fund this programme was negligible.



# Supporting an alternative route for funding coastal storm overflows - Informed Panel Members (households)

When asked for their reasons for supporting the proposed alternative funding approach for coastal storm overflows, **25% of the Informed Panel Members provided general comments about being supportive as they recognised improvements were needed sooner rather than later.** Almost a quarter (24%) stated they were happy due to the relatively small cost to fund the coastal storm overflow programme.



"Yorkshire Water offers a good plan to tackle coastal overflows."

**Informed Household Customer**

"I am in full support of what YW are trying to achieve. I fully believe that the private sector should be involved for the greater good of Yorkshire."

**Informed Household Customer**

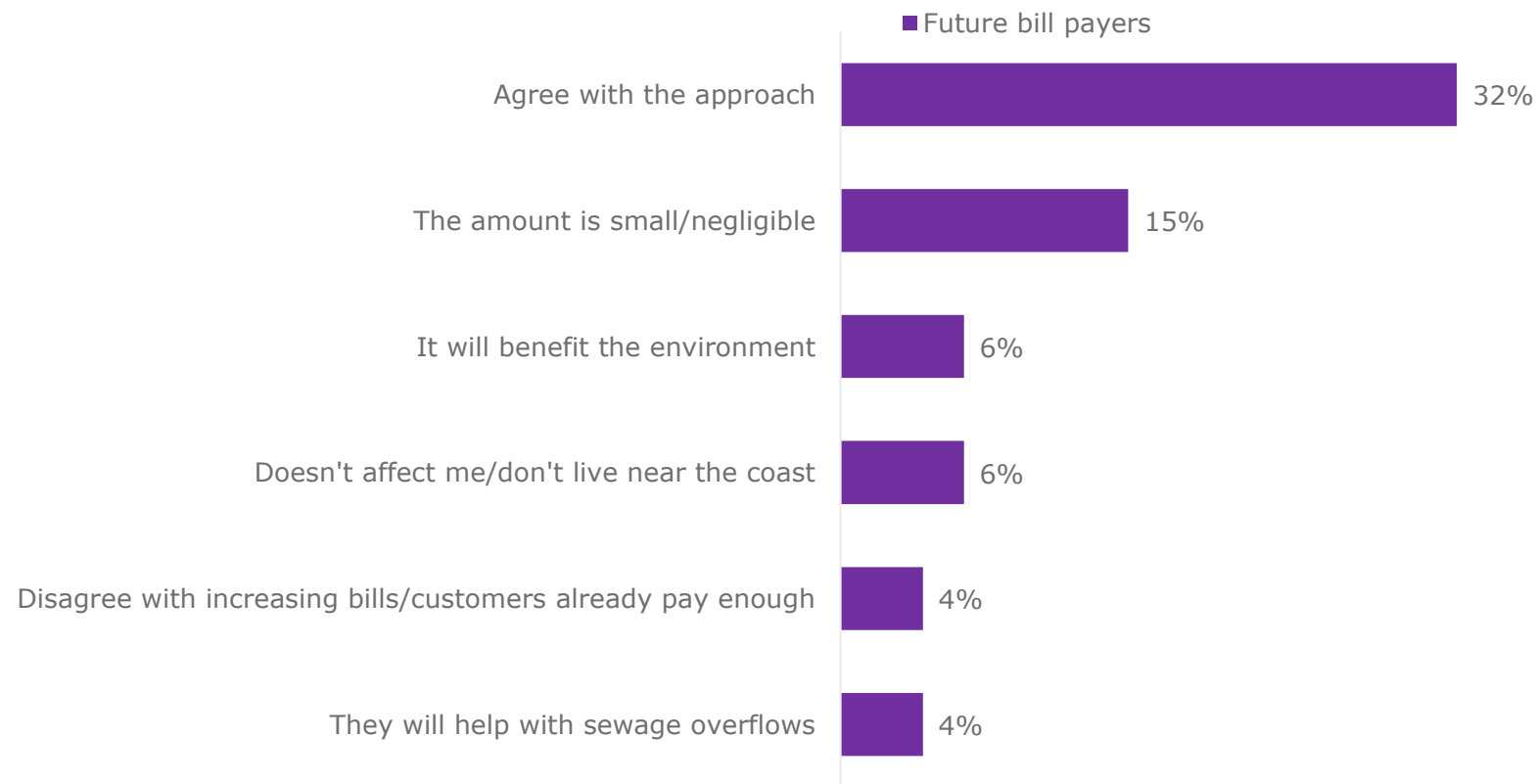
"I think it is a small price to pay for peace of mind, whilst ensuring that costs are kept low and at the same time something is being done to again address these issues."

**Informed Household Customer**

# Supporting an alternative route for funding coastal storm overflows - Future Bill Payers



When asked for their reasons for supporting the proposed alternative funding approach for coastal storm overflows, **32% of Future Bill Payers provided general comments about being happy to fund coastal storm overflows as they recognise it is needed.** Similarly to both household samples, Future Bill Payers are happy to fund the coastal storm overflow programme due to the relatively small additional cost to help.



"Our coasts must be protected, as well as our homes, business and assets. This investment will help bring peace of mind to coastal residents."

**Future Bill Payer**

"It will be a help much faster."

**Future Bill Payer**

"£4.10 is not a lot of money and the benefits are definitely worth this."

**Future Bill Payer**



# Value for money of delivering Coastal Storm overflows

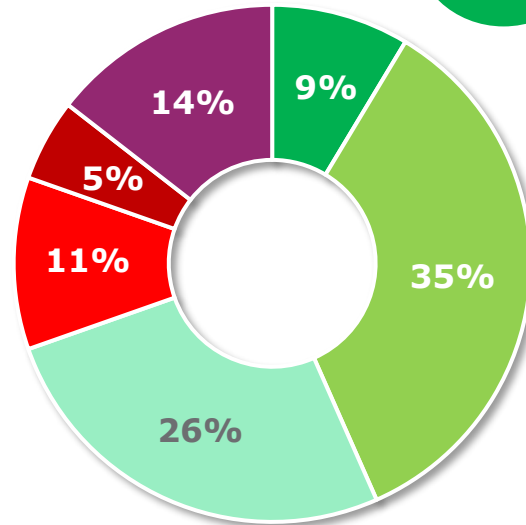


Households (online panel)

Households (Informed Panel)

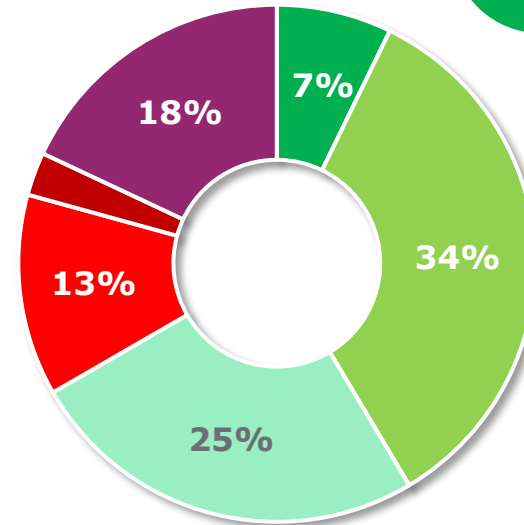
Future Bill Payers

NET VFM  
70%



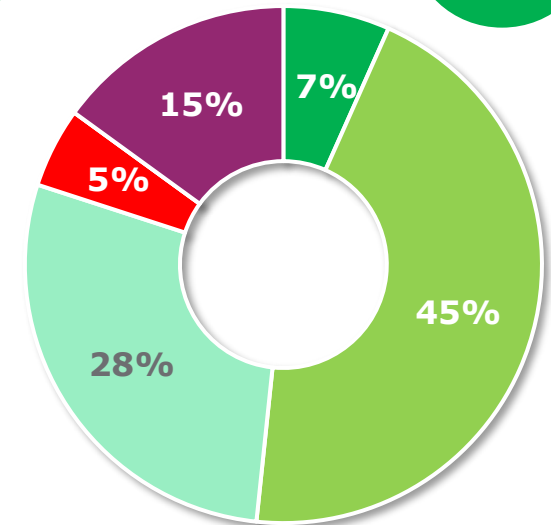
- Excellent value for money
- Good value for money
- I don't mind
- Poor value for money
- Very poor value for money
- Don't know

NET VFM:  
67%



- Excellent value for money
- Good value for money
- I don't mind
- Poor value for money
- Very poor value for money
- Don't know

NET VFM:  
80%



- Excellent value for money
- Good value for money
- I don't mind
- Poor value for money
- Very poor value for money
- Don't know

All current and future customers were asked to rate the cost of delivering coastal storm overflows in terms of value of money.

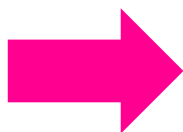
**Eight out of ten (80%) Future Bill Payers rated it value for money. This decreases to around seven out of ten amongst household customers (70%) and Informed Panel Members (67%).**



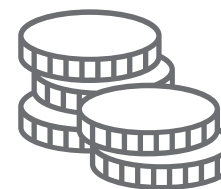
# Value for money of delivering coastal storm overflows: subgroup differences

Analysis by sub group indicates some significant differences when looking at perceived value for money of delivering coastal storm overflows.

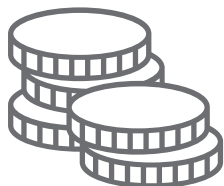
## Household customers (online panel)



Household customers within the 18-34 age cohort are significantly more likely than those aged between 35-64 to rate the cost of delivering coastal storm overflows as value for money. **(76% 18-34 cf. 68% 35-64)**



Household customers who are on incomes up to £21k per year are less likely to rate the cost of delivering coastal storm overflows as value for money. **(64% cf. 78% £36k+)**



Household customers who are struggling with their household bills are less likely to rate the cost of delivering coastal storm overflows as value for money. **(55% cf. 75% able to pay household bills)**



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# Summary & conclusions





# Key findings



**% Supporting YW's Decision to  
Challenge Ofwat's Draft  
Determination**

**83%**  
of  
household  
customers

**83%**  
of Future  
Bill Payers

**% Supporting YW's Proposal to  
Move the Focus from Coastal  
Storm Overflows**

**86%**  
of  
household  
customers

**91%**  
of Future  
Bill Payers

**% Supporting YW's alternative  
Funding Option for Coastal  
Storm Overflows**

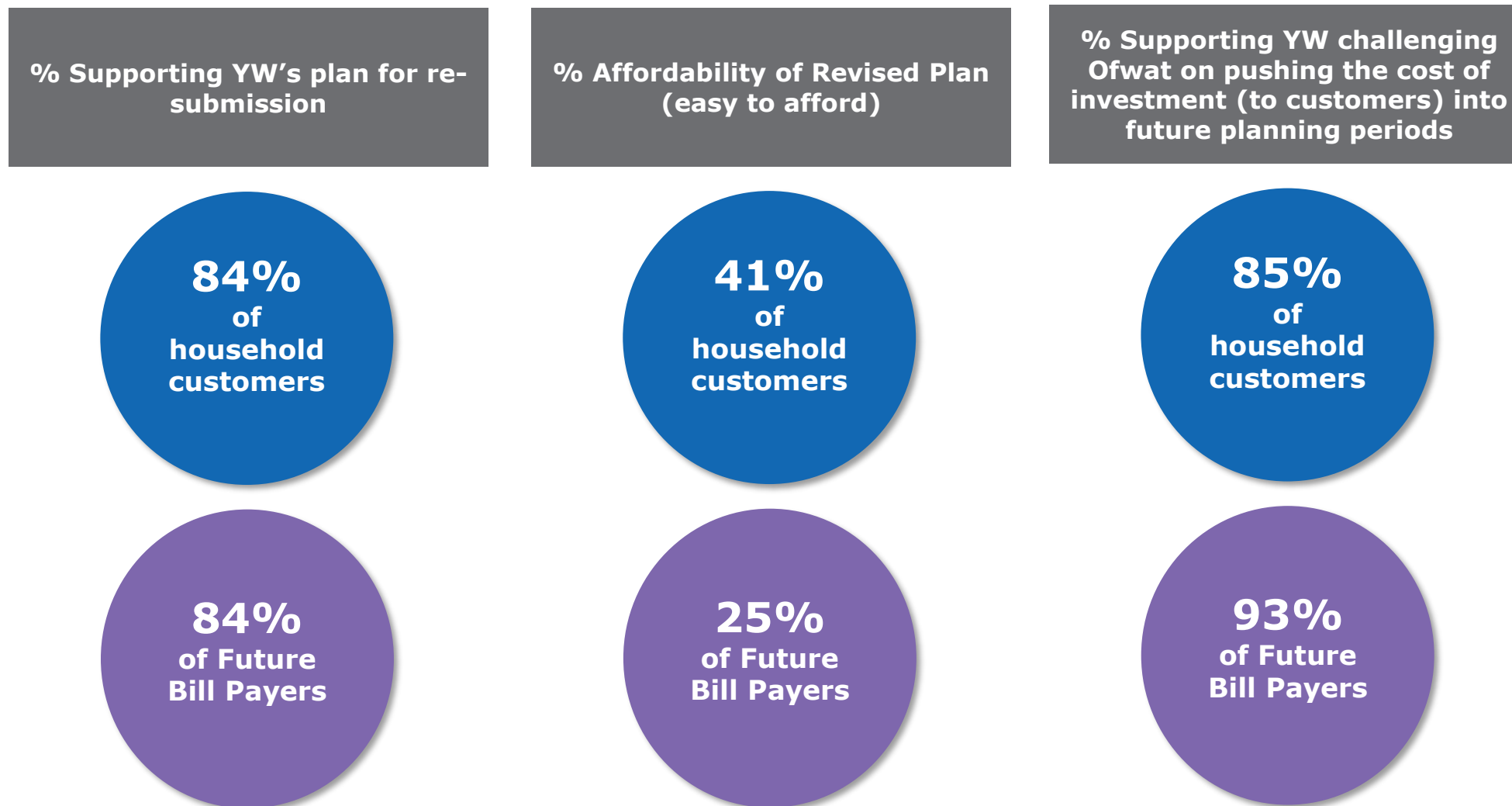
**75%**  
of  
household  
customers

**78%**  
of Future  
Bill Payers





# Key findings





# Summary & conclusions

Despite customers and future customers supporting Ofwat's role in challenging water company plans, the majority of customers (current and future) are also in support of Yorkshire Water challenging Ofwat's draft determination. They agree with YW's reasoning for challenging some of Ofwat's decisions including the unfairness of a blanket approach across different geographical areas.

The majority of households and Future Bill Payers understand Yorkshire Water's motive for moving their focus from coastal storm overflows to those which have a greater impact on the wider water environment, and are supportive of YW's proposal.

However, protecting Yorkshire's coastal waters is important to the majority and around three quarters of current and future customers support Yorkshire Water's alternative approach to funding this investment i.e. by adding £4.10 to customers' bills.

Support for Yorkshire Water's revised plan for re-submission is very high amongst current and future customers (over four fifths), with environmental factors highlighted as particular qualities.

However, affordability is not very high, with only four in ten current customers and a quarter of future customers stating that it will be easy to afford. Although, no more than a third of current or future customers feel it would be difficult to afford. There is a direct correlation with household income with those on lower incomes significantly less likely to say it will be easy to afford than those on high incomes. They blame their level of income and the Cost of Living crisis for this.

On hearing that Ofwat propose pushing the greatest impact of increased investment onto bills in future 5 year planning periods, all customers (especially future customers), are very supportive of Yorkshire Water potentially challenging Ofwat on this.