Customer Challenge Group

Meeting X, Agenda item X

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Proposed Social Tariff Research

- As part of our customer engagement we intend to undertake this proposed research to understand customers view of Social Tariff and their willingness to pay

- Whilst all companies operate individual tariffs we are spear heading a campaign to try and simplify where possible the financial threshold that triggers a customer eligibility (c. £16k.)

- So far we have aligned;
  - Portsmouth Water
  - Affinity Water
  - Thames Water (moving to new threshold)
  - Southern Water (proposing alignment currently)

- Opportunities for further alignment will feature in our wider stakeholder discussions

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Plan is to Maintain our current approach – not to change

- We consider that our social tariff is supportive of customers and in 17/18 the following support was received;

Number of Customer Supported	Total benefits received
16,548	£881,664

- Our current analysis suggests that this on average equates to customers who are financially vulnerable receiving a discounted bill equivalent to 30-40% of the SEW average bill*

  * Customer numbers will increase month by month and therefore not all customers will have received fully annualised benefits.

- It is important that by design our Social Tariff was never intended to be a debt management tool but instead was a mechanism for SEW to provide some financial support to customers who are in financial difficulty.

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So Why Engage?

- Two key areas to explore and we are keen to understand whether customers are supportive to our proposition to;

- Financial Vulnerability

  - Increase our direct promotion of the Social Tariff with our customers to support more

  - Increase indirect promotion of the Social Tariff with third party stakeholders

- Non-Financial Vulnerability

  - Increase the number of customers on our PSR register through;

    - Increase our range of PSR codes and volumes (low cost)

    - Increase our services to customers on PSR codes (e.g. Increasing bottled water provision)

  - Increasing promotion of PSR with third party stakeholders

    - Significantly increasing our awareness and promotion with external stakeholders

    - Relationships with local forums etc. as a mechanism to support provision of services during disruption

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