



The voice for water consumers
Llais defnyddwyr dŵr

**CCW's response to
Core Customer Information – Ofwat's draft
guidance on core information companies
should clearly provide to their customers**

December 2023

Introduction

1. The Consumer Council for Water (CCW) is the statutory consumer organisation representing household and non-household water and sewerage consumers in England and Wales. We welcome the opportunity to provide a response to Ofwat's consultation
2. We are pleased to have been able to provide our views to Ofwat as it has developed its thinking on the proposed customer licence condition. We have also undertaken customer research¹ jointly with Ofwat to help ensure that people's views, expectations and experiences feed into this work and are central to the outcomes it will drive for them.

Our response

3. CCW welcomes the proposed introduction of a customer licence condition and the associated review of core customer information requirements.

Question 1: Do you agree with our proposal not to prescribe how, where and when to communicate the Core Customer Information?

4. We believe that it is important that the core customer information is easily accessible to customers, whatever their circumstance or communication preferences. The availability of the information and how to access it should be communicated clearly using different channels. This should include signposting the information on bills (or clearly within accompanying information) and on company websites.
5. Beyond these minimum requirements we agree with the proposal not to prescribe how, where and when to communicate the core customer information. However, as

¹ Ofwat/CCW Customer Licence Condition Research <https://www.ccw.org.uk/publication/customer-licence-condition-research/>

identified in our research “Information on stream”² water companies need to take responsibility for conveying information that customers wouldn’t know to ask at the point at which the customer could benefit (e.g. on financial or priority service support). Companies should be both responsive and pre-emptive in their approach to providing important information to consumers.

Question 2: Do you agree with our proposed changes as summarised in Table 1?

6. We support the proposed changes detailed in Table 1, subject to the points we have highlighted in response to Question 1 above, and the points set out below.
7. It is proposed that charges schemes are removed from the core customer information requirement. This is on the basis that Ofwat’s Charges Scheme Rules³ require the publication of the scheme. However we feel that the current expectations in terms of the publication of the schemes set out in the rules are insufficient.
8. The current rules require only that “Charges schemes must be published on a relevant undertaker’s website and in such other manner as the undertaker considers appropriate for the purpose of bringing it to the attention of persons likely to be affected by it.”
9. We believe that companies should be subject to the same communication expectations for key charging information as for other core customer information. This could be achieved in one of the following ways:
 - Charges schemes could be retained as an element of the core customer information requirements
 - Key simplified tariff information could replace charges schemes as part of the core information (subject to that information also signposting to the wider charges scheme)

² [CCW Information on Stream - Understanding customers’ needs and expectations 2015](#)

³ Ofwat Charges Scheme Rules from April 2023 https://www.ofwat.gov.uk/wp-content/uploads/2022/12/2022_12_02_Charges_Scheme_Rules_from_April_2023.pdf

- The communication expectations set out in the charging rules could be enhanced to mirror the requirements for core information under the new customer licence condition.

Question 3: Do you agree with the proposed scope for the Core Customer Information? In your view, is anything missing or should be excluded?

10. The expectation that the core information should include information about the services which companies provide should be extended to include explicit reference to information about charging options and opportunities to reduce charges. For example, the right to opt for a meter, the availability of social tariffs and WaterSure, and the availability of a discount where surface water drainage services are not provided.
11. We believe this information is vital in ensuring that customers can make the right choices about their services, are charged correctly, and can access the support they are entitled to. Awareness on such issues is currently too low. Our latest 'Water Matters' research⁴ found that:
- less than two-thirds of unmetered customers are aware of the free meter scheme (64%) and only 24% know about the option to trial a meter
 - Only 34% of customers are aware of social tariffs and just 12% know about the WaterSure scheme

Question 4: Do you agree with the proposed approach for companies reviewing their Core Customer Information?

12. We fully support the proposed approach for the review of core customer information.

Question 5: Do you agree on the proposed areas on which companies should consult CCW? Are there any other areas on which CCW should be consulted in relation to Core Customer Information and the customer focused licence condition?

⁴ CCW Water Matters 2022 <https://www.ccw.org.uk/publication/water-matters-2022/>

13. We welcome the additional areas identified by Ofwat where CCW should be consulted. However it would be helpful for some further areas to be added to this list.

14. We believe it would be helpful for the guidance to also place an expectation on companies to consult with CCW on:

- company approaches to having a customer-centric culture
- significant changes to the affordability support provided to customers.

15. Evidence-based research points towards culture as a powerful factor in the long-term performance and effectiveness of organisations. Our recent review⁵ on this issue means we are well placed to help companies drive forward in this area.

16. Defra and Welsh Government guidance places a requirement on companies to consult with CCW in developing their social tariff schemes. Similarly under Ofwat's Paying Fair Guidelines⁶ companies are expected to consult us on changes to their debt procedures. We believe a similar expectation should exist in relation to the wider affordability support which companies provide to financially vulnerable customers.

17. This is an essential area of our work where our expertise has meant that companies (and their customers) have significantly benefitted from engagement with CCW. This has been particularly true in the work to deliver the recommendations of CCW'S 2021 review of water affordability support.⁷ We therefore believe that the expectation for companies to consult with us on significant changes to their affordability support offerings should be explicitly communicated, closing the gap which currently exists.

⁵ CCW Guide to Customer-Centric Culture July 2023

<https://www.ccw.org.uk/app/uploads/2023/07/Customer-Centric-Culture-Short-Report.pdf>

⁶ Ofwat Paying Fair Guidance May 2022

<https://www.ofwat.gov.uk/regulated-companies/vulnerability/paying-fair-guidelines/>

⁷ CCW water Affordability Review May 2021 <https://www.ccw.org.uk/our-work/affordability-and-vulnerability/affordability-review/affordability-review-recommendations/>

18. It is also important for there to be a clear expectation for companies to consult with CCW in developing their business plans. However we recognise that this expectation is contained within the methodology set out by Ofwat at each price review. On that understanding, we recognise it does not need to be included in this guidance.

Enquiries

Please address enquiries about this consultation to:

Andrew White

Senior Leader

CCW

Andrew.White@ccwater.org.uk