

This response is provided by the British Hospitality Association (“BHA”). The British Hospitality Association is the representative body for the UK hospitality industry, an industry which employs 10% of the UK workforce and contributes more than £115 billion to the UK economy per annum. We are the voice of 40,000 hospitality and tourism establishments including: hotels, restaurants, catering and facilities management companies, attractions and apart-hotels. It is on behalf of the industry that we respond to the protecting customers in the non-household retail market consultation.

The BHA welcomes that small, as well as large businesses in England and Wales will, from 2017, be able to choose their water supplier and have the freedom to switch or negotiate better deals. We also appreciate that this consultation paper is about customer protection, and focuses on the arrangements that will be necessary to ensure that the new retail market operates effectively and in the best interests of customers.

Our main response is that transparency is needed during all stages of the process, from information provided before a contract is even signed, to the very end and completion of any contract. This includes any small print.

Figure 1 in the consultation paper states that telesales are binding. As such, when a customer has made a decision to switch to a different supplier we would recommend a cooling off period of longer than 7 days in order for the customer to receive and assimilate the information in full. Alternatively, the telesales should not be binding until a contract is signed.

In addition to this, brokers should have in place a letter of authority from a customer to change suppliers in order to prevent fraud. Although a broker is intended to speed up the switching process, we would prefer full consent in writing prior to any changes being made.

The standardisation of information is also very important to ensure customers receive the best deals possible. Clear and simple contracts must be created with no hidden information in small print. Termination dates and tariffs should also be made clear, as well as compulsory notifications three months prior to the end of a contract so that the customer can avoid default tariffs which are usually much higher than contractual rates.

Lastly, we have concerns over suppliers blocking transfers when there is an alleged debt. Data can easily be misallocated and to ensure that customers can still choose the best options available, a suitable process should be in place to quickly deal with appeals or disputes.