

Rowaa Mahmoud
Retail Market Opening Programme
Ofwat
4th Floor
21 Bloomsbury Street
London WC1B 3HF

11 January 2016

Dear Rowaa Mahmoud

**Ofwat Consultation: protecting customers in the non-household retail market
Response from Chair of WATRS Independent Oversight Panel**

I am responding as Chair of the WATRS Independent Oversight Panel to the December 2015 consultation on protecting customers in the non-household retail market.

The Panel was created to oversee the establishment of WATRS and thereafter to assure its independence and effective operation. The Panel comprises seven people with relevant expertise including two independent members and an independent Chair with customer services backgrounds from outside the water sector. In the event that a number of retailers wish to join WATRS we may need to review the representative make-up of the Panel to reflect the increased number of companies participating in the Scheme. The Panel's terms of Reference can be found on the Resolving Water Disputes website (<http://www.resolvingwaterdisputes.org.uk>).

The Panel recently conducted a review of the first 6 months of WATRS. That review concluded that, while the number of customer applications was lower than anticipated, all parties (companies, CCWater and CEDR) had shown a commitment to making WATRS work. The Panel was confident that WATRS had been implemented and operated in accordance with the principles of independence, impartiality and fairness, proportionality, consistency, transparency, effectiveness, accountability and accessibility. Nevertheless the Panel recommended some improvements which are in train.


It is not the Panel's role to express a view on membership being compulsory for retailers; but if that is decided upon, our duty is to ensure that WATRS is effective for the new as well as the existing participants. The following comments are offered to assist Ofwat in its deliberations:

1. WATRS is the third part of a process which requires a customer to have referred his or her complaint to the company and then to CCWater before being eligible to make an application. I consider that the CCWater procedure should be made available to customers of a new retailer. This would allow the opportunity for mediation or compromise and would make the WATRS process consistent for all customers.

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2. There is a lead-in time to prepare for a new category of complaints, in terms of amending the WATRS rules and application form and training adjudicators etc. I urge Ofwat to keep in touch with the Panel and WATRS as the customer protection policy and Code develop so that we can make orderly preparations. CEDR is an approved "ADR entity", however it would benefit from early information on the types of disputes that are likely to occur.
3. WATRS is funded by its member companies; any new member would be required to pay an annual subscription and case fee. I have no reason to suppose that the current fees are inappropriate for retail complaints but the Panel would keep that under review to ensure the sustainability and cost effectiveness of WATRS.

Yours sincerely

A handwritten signature in black ink that reads "S. J. Webber". The signature is written in a cursive, flowing style.

Sandra Webber
Chair
WATRS Independent Oversight Panel