

FDF response to Ofwat consultation ‘Protecting customers in the non-household retail market’

This submission is made by the Food and Drink Federation, the trade association for food and drink manufacturing. Food and drink is the largest manufacturing sector in the UK (accounting for 15.7% of the total manufacturing sector) turning over £81.8bn per annum; creating GVA of £21.5bn and employing around 400,000 people. Further information on who we represent is annexed to this response.

In discussions with our members we have so far identified a limited number of comments/points for clarification regarding this consultation as follows:

1.7 Defining smaller non – household customers

We would consider that many of the customer protection provisions discussed in this consultation as arguably sensible minimum operating standards for retailers to follow in all their business customer dealings not just those with micro businesses. In particular we consider this applies to the provisions regulating sales and marketing activities(section 2.4), the requirements in relation to contracts (section 3.5.1), provision of information to customers(section 3.5.2) and billing accuracy(section 5.5.1). We would therefore ask that giving wider applicability to these provisions be reconsidered including when drafting the Customer Protection Code of Practice.

4.5.1 Customers switched by mistake

We would welcome more clarity as to where in the legal framework developed so far safeguards exist to prevent a customer being left retailer-less as a result of an erroneous transfer application where the original retailer refuses to accept them back.

5.5.1 Billing accuracy and transfer reads

We note the proposal to require retailers to base their final bill on the transfer read provided by the incoming retailer. However we would welcome clarity as to whether there will be safeguards to prevent customers being left out of pocket should the transfer read be an estimated read which can be demonstrated to be higher than actual.

Annex

The UK Food and Drink Manufacturing Industry

The Food and Drink Federation (FDF) is the voice of the UK food and drink manufacturing industry, the largest manufacturing sector in the country. The industry has a turnover of £81.8bn, which is 15.7% of total manufacturing turnover, and Gross Value Added (GVA) of £21.5bn. The industry employs around 400,000 people.

Exports of food and non-alcoholic drink have doubled in the last ten years, amounting to a worth of £12.8bn in 2014.

The following Associations actively work with the Food and Drink Federation:

ABIM	Association of Bakery Ingredient Manufacturers
ACFM	Association of Cereal Food Manufacturers
BCA	British Coffee Association
BOBMA	British Oats and Barley Millers Association
BSIA	British Starch Industry Association
BSNA	British Specialist Nutrition Association
CIMA	Cereal Ingredient Manufacturers' Association
EMMA	European Malt Product Manufacturers' Association
FCPPA	Frozen and Chilled Potato Processors Association
FOB	Federation of Bakers
PPA	Potato Processors Association
SMA	Salt Association
SN	Sugar Nutrition UK
SNACMA	Snack, Nut and Crisp Manufacturers' Association
SPA	Soya Protein Association
SSA	Seasoning and Spice Association
UKAMBY	UK Association of Manufacturers of Bakers' Yeast
UKTIA	United Kingdom Tea & Infusions Association Ltd

FDF also runs specialist sector groups for members:

Biscuit, Cake, Chocolate and Confectionery Group (BCCC)
Frozen Food Group
Ice Cream Committee
Meat Group
Organic Group
Seafood Committee