

January 2022

# Customer Protection Code of Practice for the non-household retail market

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## Change History

Version Number	Date of Issue	Effective from Date	Reason For Change	Change Control Reference	Sections Affected
1.1	17 March 2017	1 April 2017	Consistency with legal framework and minor housekeeping		1.1, 2.1, 2.2, 3.1, 5.1.2, 7.9.2.3, 9.3.1, 9.3.2
1.2		28 February 2019	Amendments to align Customer Protection Code of Practice with Wholesale Retail Code.	CP0001	1.1, 9.3.1
1.3	6 June 2019	13 June 2019	Enabling Micro-business Customers to conclude contracts orally	CP0002	6.1,6.1.2, 6.1.3, 6.2.1, 6.2.2, 6.2.3
	6 June 2019	6 September 2019	Additional changes to Customer Protection Code of Practice following resolution of the inconsistency regarding back-billing	CP0003	1.1, 7.1.3, 7.1.4, 7.1.5, 9.2.3, 9.3, 9.3.3
1.4	6 April 2020	8 April 2020	Customer Protection Measures during Covid-19 Pandemic	CP0006	7.1.6, 7.1.7, 9.4, 9.5, 9.6
1.5	1 June 2020	1 June 2020	Customer Protection Measures during Covid-19 Pandemic	CP0007	1.1, 7.1.6, 7.1.7, 7.1.8, 9.4.1, 9.4.2, 9.5.1, 9.5.2, 9.6
1.6	16 December 2020	21 December 2020	Customer Protection Measures during Covid-19 Pandemic	CP0009	7.1.6
1.7	23 March 2021	26 March 2021	Internal Meter Reads in the business retail market: Customer	CP0008	1.1, 9.2

			Protection Change Proposal – CP0008		
<u>1.8</u>	<u>25 January 2022</u>	<u>20 April 2022</u>	<u>Customer Credit Protection</u>	<u>CP0010</u>	<u>1.1, 7.1.9, 7.1.10, 9.2.6, 9.2.7</u>

# 1. Definitions and interpretation

1.1 In this code, unless the context otherwise requires:

Term	Definition
1991 Act	means the Water Industry Act 1991;
2014 Act	means the Water Act 2014;
<u>Advance payment</u>	<u>Where customers make payments towards their bill before a water and/or sewerage service is actually received</u>
Appointment	means the instrument of appointment granted to a relevant undertaker under section 6 of the 1991 Act;
Back-bill	means a recalculated bill or invoice for water supplied and/or services provided in the 24 Months preceding the date of that bill or invoice;
Business day	the period of 08:00 to 18:00 hours on any day other than a Saturday or Sunday, or Christmas Day, Good Friday or any day which is a bank holiday in England and Wales under the Banking and Financial Dealings Act 1971;
Cancellation	has the meaning given in the Wholesale–Retail Code;
Cancellation Notice	means a notice to cancel Terms and Conditions of Supply issued by a Micro-business pursuant to Section 6.2;
Code Principles	means the general principles of this code set out in Section 4;
Complaints Handling Process	means a procedure which sets out how a complaint from a Non-Household Customer can be made to, handled and progressed by a Retailer;
Covid-19 Affected Customers	means a Non-Household Customer for whom all of its premises have been designated as Vacant Premises by the Retailer in accordance with section 3.1.6 of CSD 0104 of the Wholesale Retail Code, unless the exception applies. The exception is where a Retailer can provide robust evidence that the Non-Household Customers' ability to pay is unaffected by Covid-19. Where a Non-Household Customer has multiple premises but only some of which have been designated Vacant Premises, this definition does not apply;
Covid-19 Repayment Scheme	means the scheme produced by a Retailer that set out the reasonable steps it must take to enable Non-Household Customers to pay where they can, and over a time period that they are able to afford;
Customer Protection Code Change Proposal	means a proposal in respect of a change to this code, made in accordance with Section 5.1;
Delivery hours	means 09:00 to 17:00 on a day which is not a Saturday or Sunday or Christmas Day, Good Friday or any day which is a bank holiday in England and Wales under the Banking and Financial Dealings Act 1971;
Eligibility Guidance	has the meaning given in the Wholesale–Retail Code;
Eligible Premises	has the meaning given in the Wholesale–Retail Code;
Exit Regulations	means The Water and Sewerage Undertakers (Exit from Non-Household Retail Market) Regulations 2016;

Final Settlement Report	has the meaning given in the Wholesale-Retail Code;
Incoming Retailer	has the meaning given in the Wholesale-Retail Code;
Invoice Period	has the meaning given in the Wholesale-Retail Code;
Metered	has the meaning given in the Wholesale-Retail Code;
Meter Read	has the meaning given in the Wholesale-Retail Code;
Minimum Information Requirements	means the following information: (i) the Non-Household Customer's SPID(s); (ii) the tariff and details of how the bill has been calculated, including, for example, a summary of the basis for estimation where the bill is based on estimated consumption; (iii) whether the Terms and Conditions of Supply are pursuant to a Scheme of Terms and Conditions or the statutory duties of a relevant undertaker; (iv) any expiry date of the applicable Terms and Conditions of Supply; (v) ways to pay any outstanding debt; (vi) details of the relevant Retailer's Complaints Handling Process; (vii) contact details for the relevant Retailer; (viii) other useful third party contact details, including the Authority and the Council;
Month	has the meaning given in the Wholesale-Retail Code;
Licence	means a Water Supply Licence or a Sewerage Licence;
Licensee	means the holder of a Licence;
Market Operator	has the meaning given in the Wholesale-Retail Code;
Material Terms	means the provisions of any Terms and Conditions of Supply which meet the requirements set out in Section 6.1.1(a) to (g) inclusive;
Micro-business	means a Non-Household Customer where the number of employees is less than ten (10) on the earlier of the date on which a relevant Transfer Registration Application is submitted and the date on which Terms and Conditions of Supply are agreed;
Non-Household Customer	means a person who may be identified as the customer of a Retailer for any Eligible Premises in light of any relevant Eligibility Guidance;
Non-Primary Charge	has the meaning given in the Wholesale-Retail Code;
Outgoing Retailer	has the meaning given in the Wholesale-Retail Code;
Outstanding Debt	has the meaning given in the Wholesale-Retail Code;
Post RF Settlement Report	has the meaning given in the Wholesale-Retail Code;
Primary Charge	has the meaning given in the Wholesale-Retail Code;
Reasonable Repayment Plan for a Back-bill	means a process for repayment of a Back-bill which meets the following criteria pursuant to Section 9.3.2: (a) it does not incur interest on the amount due; (b) it offers the relevant Non-Household Customer time to pay that amount by agreed instalments, over a period nominated by the Non-Household Customer being no longer than: (i) the period during which the debt accrued, if it accrued over a period of less than 12 Months; or (ii) 12 Months, in any other case;

Reasonable Repayment Plan for an Outstanding Debt	means a process for repayment of an Outstanding Debt pursuant to Section 7.1.4 which offers the relevant Non-Household Customer time to pay that amount by agreed instalments, over a period nominated by the Non-Household Customer being no longer than: <ul style="list-style-type: none"> <li>(i) the period during which the debt accrued, if it accrued over a period of less than 12 Months; or</li> <li>(ii) 12 Months, in any other case;</li> </ul>
Renewal Notice	means a notice to renew Terms and Conditions of Supply issued by a Retailer containing the information set out in Section 7.1.3(a) to (g) inclusive;
Redress Scheme	means a scheme under which a complaint from a Non-Household Customer can be made to and determined by an independent person;
Retailer	means either: <ul style="list-style-type: none"> <li>(i) a relevant undertaker who does not hold an Appointment in relation to a retail exit area; or</li> <li>(ii) a Licensee;</li> </ul>
Scheme of Terms and Conditions	means one or all of the following (as the context requires): <ul style="list-style-type: none"> <li>(i) a scheme containing terms and conditions which, in the absence of agreed terms and conditions are to apply to a supply of water and/or provision of sewerage services and which is required to be made by a Licensee pursuant to the Exit Regulations;</li> <li>(ii) a scheme containing terms and conditions which, in the absence of agreed terms and conditions are to apply to a supply of water and which is required to be made by a Licensee pursuant to section 63AE of the 1991 Act; and /or</li> <li>(iii) a scheme containing terms and conditions which, in the absence of agreed terms and conditions are to apply to the provision of sewerage services and which is required to be made by a Licensee pursuant to section 110N of the 1991 Act;</li> </ul>
Settlement Report	has the meaning given in the Wholesale-Retail Code;
Supply Point Identifier or SPID	has the meaning given in the Wholesale-Retail Code;
Terms and Conditions of Supply	means the terms and conditions on which a supply of water or sewerage services are provided or are to be provided by a Retailer pursuant to: <ul style="list-style-type: none"> <li>(i) an agreement between the Retailer and a Non-Household Customer, including a special agreement;</li> <li>(ii) a Scheme of Terms and Conditions; or</li> <li>(iii) the statutory duties of a relevant undertaker;</li> </ul>
Transfer	has the meaning given in the Wholesale-Retail Code;
Transfer Registration Application	has the meaning given in the Wholesale-Retail Code;
Transfer Read	has the meaning given in the Wholesale-Retail Code;
Unplanned Settlement Report	means a Settlement Report carried out following a WRC Dispute or a Post RF Settlement Report;
Vacant Premises	has the meaning given in the Wholesale-Retail Code

Wholesaler	has the same meaning as Contracting Wholesaler given in the Wholesale-Retail Code;
Wholesale–Retail Code	means the code of that name issued by the Authority under sections 66DA and 117F of the 1991 Act;
WRC Dispute	has the same meaning as 'Dispute' in the Wholesale-Retail Code.

1.2 In this code, unless the context otherwise requires:

- 1.2.1 references to 'this code' are to this Customer Protection Code of Practice;
- 1.2.2 references to 'Sections' are to sections of this code unless otherwise expressly stated;
- 1.2.3 references to a Retailer will refer to all Retailers, unless otherwise specified;
- 1.2.4 words imparting a gender include every gender and references to the singular include the plural and vice versa;
- 1.2.5 words denoting persons include individuals and bodies corporate, partnerships, unincorporated associations and other bodies (in each case, wherever resident and for whatever purpose) and vice versa;
- 1.2.6 save as otherwise expressly provided references to time are to local time;
- 1.2.7 references to 'writing' or 'written' shall include email;
- 1.2.8 references to 'day' and 'calendar day' mean the same as one another;
- 1.2.9 references to the Customer Protection Code of Practice or any other document are to this Customer Protection Code of Practice or that document as in force for the time being and as amended, supplemented, varied, modified, renewed, replaced or extended from time to time in accordance with the requirements of this Customer Protection Code of Practice or that document (as the case may be);
- 1.2.10 a reference to any body is:

- (a) if that body (statutory or otherwise) is replaced by another organisation, deemed to refer to that replacement organisation; and
- (b) if that body (statutory or otherwise) ceases to exist, deemed to refer to that organisation which most substantially serves the same purposes as the original body;

1.2.11 a reference to a statute or statutory provision shall, save as otherwise expressly provided, be construed as including:

- (a) a reference to any orders, regulations and subordinate legislation (as defined by section 21(1) of the Interpretation Act 1978) made from time to time under the statute or statutory provision whether before or after the effective date; and
- (b) a reference to that statute, statutory provision or subordinate legislation as in force at the effective date and as from time to time modified or consolidated, superseded, re-enacted or replaced (whether with or without modification) after the effective date;

1.2.12 references to a person shall, except where the context requires otherwise, include its successors in title and permitted assignees;

1.2.13 a reference to a particular condition of a Licence and/or Appointment shall be construed at any particular time as including a reference to any modification of that condition in force at that time;

1.2.14 any words or expressions used in the 1991 Act or the 2014 Act shall, unless the contrary intention appears, have the same meaning when used in this code;

1.2.15 headings and the contents table in this code are for convenience only and do not affect its interpretation;

1.2.16 the words 'other', 'includes', 'including' and 'for example' do not limit the generality of any preceding words, and any words which follow them shall not be construed as being limited in scope to the same class as the preceding words where a wider construction is possible; and

1.2.17 the words 'for the time being' mean at the relevant time now or in the future.

## **2. Purpose of this Customer Protection Code of Practice**

- 2.1 This is the Customer Protection Code of Practice issued by the Authority pursuant to standard condition B2 of the Licence and condition R5 of the Appointment. This code should be read in conjunction with the relevant provisions of the Wholesale–Retail Code and the Exit Regulations.
- 2.2 The purpose of this code is to place obligations on Retailers in relation to the following five areas of market activity in order to protect Non-Household Customers and to further the Code Principles:
- 2.2.1 sales and marketing;
  - 2.2.2 the provision of information to Non-Household Customers;
  - 2.2.3 the Transfer of Non-Household Customers;
  - 2.2.4 billing; and
  - 2.2.5 complaint handling and dispute resolution.

### **3. Effective date of this code**

3.1 This code will take effect from 1 April 2017 notwithstanding its date of issue.

## **4. General principles**

- 4.1 All Retailers shall comply with the following Code Principles when dealing with Non-Household Customers:
- 4.1.1 Retailers shall be fair, transparent and honest; while putting the customer at the heart of their business;
  - 4.1.2 Communication with Non-Household Customers shall be in plain and clear language;
  - 4.1.3 Retailers shall ensure they provide appropriate and timely information to Non-Household Customers to enable them to make informed choices;
  - 4.1.4 Any information provided to Non-Household Customers shall be complete, accurate and not misleading;
  - 4.1.5 Retailers shall respond to Non-Household Customers in an appropriate and timely manner; and
  - 4.1.6 Customer service arrangements and processes shall be accessible to and effective for Non-Household Customers.

## **5. Code governance arrangements and modification**

### **5.1 Who may make a Customer Protection Code Change Proposal?**

5.1.1 The Authority may propose a change to this code at any time by consulting with each affected Retailer and any other person the Authority considers appropriate. Any such consultation shall contain the same information as a Customer Protection Code Change Proposal (see 5.1.2 below for details).

5.1.2 Where any Retailer or any other person the Authority considers appropriate wishes to propose a change to this code, such party shall submit a Customer Protection Code Change Proposal. A Customer Protection Code Change Proposal should be sent to [CPCOPcodechange@ofwat.gsi.gov.uk](mailto:CPCOPcodechange@ofwat.gsi.gov.uk) and should contain and/or be accompanied by the following information:

- (a) the name of the person or persons proposing the change;
- (b) a description (in reasonable but not excessive detail) of the enhancement, issue or defect which it seeks to address;
- (c) a description (in reasonable but not excessive detail) of the change proposed, its nature and purpose and the likely impact of the change on Retailers and Non-Household Customers, including confirmation of how it is consistent with the Code Principles;
- (d) whether the Customer Protection Code Change Proposal is considered urgent and, if so, why; and
- (e) a description of any consultation carried out or supporting evidence gathered in advance of submitting the Customer Protection Code Change Proposal.

### **5.2 What happens when a Customer Protection Code Change Proposal is received by the Authority or the Authority consults on its own proposed changes?**

5.2.1 The Authority will consider responses to the consultation under Section 5.1.1 or any consultation carried out under Section 5.1.2. The Authority

will consider and evaluate each Customer Protection Code Change Proposal to decide whether or not:

- (a) it agrees with the Customer Protection Code Change Proposal;
- (b) to propose amendments to the Customer Protection Code Change Proposal; or
- (c) to seek further information from Retailers, the Council, experts or other relevant persons, conduct research or commission reports before making a decision,

in each case having regard to whether or not its decision is consistent with its wider statutory duties.

5.2.2 The Authority shall consult on its proposed decision to accept, reject or amend each Customer Protection Code Change Proposal for a proportionate period of time taking due account of its complexity, importance and urgency. Except in the case of urgency, the consultation period will generally be for a minimum of 28 calendar days.

5.2.3 A consultation under Section 5.2.2 will be issued to each affected Retailer and any other person the Authority considers appropriate. Such consultations will have a clear mechanism for responding, and raising queries. In certain circumstances, in particular in relation to a decision pursuant to Section 5.2.1(d), the Authority shall support processes which enable users to discuss and develop complex modifications as well as collect and share any evidence with the Authority.

5.2.4 Following consultation responses the Authority will issue a final decision as soon as reasonably practicable including, where appropriate, the date on which the proposed change to this code shall take effect. The Authority's decision shall include the following:

- (a) the parties who raised the change proposal;
- (b) the reasons for the proposed changes;
- (c) the scope and impact of the potential change, including consideration of potential risks;

- (d) an evaluation against the Authority's statutory duties and Code Principles;
- (e) any relevant evidence considered (including consultation responses received);
- (f) implementation timescales, which will take into account the likely impact on Retailers' existing systems and processes; and
- (g) the date from which the change will take effect.

## **6. Obligations in relation to sales and marketing activities**

### **6.1 Communications with Micro-businesses prior to submission of a Transfer Registration Application.**

6.1.1 Before submitting a Transfer Registration Application in respect of a Micro-business or agreeing Terms and Conditions of Supply with a Micro-business (whichever is earlier), a Retailer shall provide the following information to the relevant Micro-business in writing or, where the Micro-business agrees, orally:

- (a) details of applicable prices, charges and/or tariffs (including whether or not they are inclusive of all costs and taxes and any assumptions underlying the proposed prices, charges and/or tariffs) being offered by the Retailer to the Micro-business;
- (b) service levels that would apply in the Terms and Conditions of Supply being offered by the Retailer to the Micro-business;
- (c) the type, frequency of bills and payment methods available;
- (d) the duration of the Terms and Conditions of Supply being offered by the Retailer to the Micro-business, in particular the proposed expiry date (if any);
- (e) contact details of the Retailer (including full name, address and a non-premium rate telephone number);
- (f) any rights that the Micro-business would have to cancel the Terms and Condition of Supply without any cost to them;
- (g) any rights that the Micro-business would have to cancel or terminate the Terms and Conditions of Supply that would incur costs or fees if exercised, including details of any such costs or fees and applicable notice periods;
- (h) a comparison between the Material Terms being offered under the proposed Terms and Conditions of Supply and either:

- (i) the Retailer's Scheme of Terms and Conditions required by the Exit Regulations (where the Retailer is a Licensee and is required to have in place such a Scheme of Terms and Conditions); or
- (ii) the Retailer's statutory duties to supply (where the Retailer is a relevant undertaker); or
- (iii) the Retailer's "standard" terms and conditions (where the Retailer is a Licensee but is not required to have a Scheme of Terms and Conditions pursuant to the Exit Regulations, if different).

6.1.2 Where the Retailer has provided the information pursuant to Section 6.1.1 orally to the Micro-business, it shall, as soon as reasonably practicable, also provide this to the relevant Micro-business in writing along with a copy of the Terms and Conditions of Supply. The provision in writing of the information and the Terms and Conditions of Supply under this sub-section shall be considered to be the provision of a notice for the purposes of Section 11.

6.1.3 Before submitting a Transfer Registration Application in respect of a Micro-business, the Retailer shall ensure that it:

(a) Either has:

- (i) a clear audio recording of the full conversation with the relevant Micro-business including its oral acknowledgement that it has heard and understood the information provided to it pursuant to Section 6.1.1; or
- (ii) written acknowledgement from the relevant Micro-business that it has read and understood the information provided to it pursuant to Section 6.1.1; and

(b) Either has:

- (i) a clear audio recording of the full conversation with the relevant Micro-business including its oral acknowledgment that it accepts the Terms and Conditions of Supply; or
- (ii) written acknowledgement from the relevant Micro-business that it accepts the Terms and Conditions of Supply; or

- (iii) a copy of the Terms and Conditions of Supply, signed by or on behalf of the relevant Micro-business.

## **6.2 Cooling off Period for Micro-businesses.**

6.2.1 Other than where the Terms and Conditions of Supply are a Scheme of Terms and Conditions or the statutory duties of a relevant undertaker, a Micro-business shall be entitled to cancel or terminate the Terms and Conditions of Supply acknowledged or agreed pursuant to Section 6.1.3 at no cost to the Micro-business by serving a Cancellation Notice on the Retailer. Where the Section 6.1.1 information has:

(a) been provided orally, the Micro-business must serve the Cancellation Notice within seven calendar days of the date on which the Micro-business is deemed to have received the relevant information and a copy of the Terms and Conditions of Supply provided to it pursuant to Section 6.1.2; or

(b) initially been provided in writing rather than orally, the Micro-business must serve the Cancellation Notice within seven calendar days of the date on which the Micro-business provided written acknowledgement that it accepted the Terms and Conditions of Supply or signed a copy of the Terms and Conditions of Supply (whichever is the earlier).

6.2.2 Where the Retailer has provided the Section 6.1.1 information to the Micro-business orally, the Retailer shall not submit a Transfer Registration Application in respect of that Micro-business within seven calendar days of deemed receipt by the Micro-business of the Section 6.1.1 information and the Terms and Conditions of Supply.

6.2.3 Where the Retailer initially provided the Section 6.1.1 information to the Micro-business in writing, a Retailer shall not submit a Transfer Registration Application in respect of a Micro-business within seven calendar days of receipt by the Retailer of the written acknowledgement of the Section 6.1.1 information and either written acknowledgement that they have accepted the Terms and Conditions of Supply or a copy of the Terms and Conditions of Supply signed by or on behalf of the relevant Micro-business.

## **6.3 Third parties acting for Retailers.**

6.3.1 Where Retailers use third parties to represent them in sales and marketing activities, they shall be responsible for the actions of those representatives and shall take all reasonable steps to ensure that these

third parties are aware of, understand and comply with, the provisions of this code.

#### **6.4 Third parties acting for Non-Household Customers.**

6.4.1 Where Non-Household Customers have any third party acting on their behalf, Retailers shall obtain written confirmation – known as a letter of authority – from the relevant Non-household Customers that:

- (a) the named third party is acting on their behalf;
- (b) the extent of the third party's authority; and
- (c) how the third party's fees are being paid.

6.4.2 Where the Non-Household Customer is also a Micro-business, the written confirmation shall be in the form of a template issued by the Authority from time to time.

## **7. Provision of information by a Retailer to its Non-Household Customers**

### **7.1 Provision of information to Non-Household Customers about Terms and Conditions of Supply.**

7.1.1 Retailers shall be transparent with their Non-Household Customers about the Terms and Conditions of Supply which apply to them and any proposed changes to those Terms and Conditions of Supply.

7.1.2 Where Terms and Conditions of Supply are in writing, Retailers shall ensure they are in plain and clear language.

7.1.3 The Retailer must include in the Terms and Conditions of Supply details of how it will comply with the obligation in paragraph 9.3.3 to pass on any payment from a Wholesaler to the Retailer following a recalculation of the Primary Charge or Non-Primary Charge;

7.1.4 If the Terms and Conditions of Supply are due to expire, Retailers must write to the relevant Non-Household Customer at least 30 calendar days prior to the expiry date advising them of the following:

- (a) the upcoming expiry of the Terms and Conditions of Supply and the expiry date;
- (b) whether the Non-Household Customer can renew the Terms and Conditions of Supply on the same basis and, if so, how;
- (c) other Terms and Conditions of Supply available from the same Retailer (if any), in particular the Retailer's current charges and whether the Non-Household Customer is on the Retailer's cheapest deal available for that Non-Household Customer;
- (d) that the Non-Household Customer will be moved onto a Scheme of Terms and Conditions (if the Non-Household Customer is in a retail exit area) or the Retailer's standard, general or default Terms and Conditions of Supply (if the Non-Household Customer is not in a retail exit area) if the Non-Household Customer does not respond to the Renewal Notice;
- (e) the Minimum Information Requirements;

- (f) if the Non-Household Customer is in a retail exit area, that the Authority can direct a Licensee other than the Non-Household Customer's current Retailer to supply them on the terms contained in a Scheme of Terms and Conditions; and
- (g) if the Non-Household Customer is not in a retail exit area, that a relevant undertaker may provide Terms and Conditions of Supply.

7.1.5 Retailers shall inform their Non-Household Customers of their right to raise a formal dispute with them in relation to sums due under the relevant Terms and Conditions of Supply, how to do so, the deadline by which such a dispute must be raised, whether a Reasonable Repayment Plan for an Outstanding Debt is available and the consequences of failing to pay or raise such a dispute, in particular that the Retailer may submit a Cancellation Request in certain circumstances.

#### 7.1.6 Covid-19 Repayment Scheme

Until 31 March 2021, or such other date as the Authority may notify in writing to Retailers, Retailers must have in place a Covid-19 Repayment Scheme.

This scheme must set out:

- (a) the steps a Retailer will take to consider a Non-Household Customer's circumstances, particularly the Non-Household Customer's reasonable ability to pay outstanding amounts, including interest on those amounts and / or late payment charges, as a result of Covid-19;
- (b) the specific terms and conditions of the different repayment plan offerings it will make to take account of those different circumstances; and
- (c) contact details that a Non-Household Customer should use to contact its Retailer where it disagrees with the Retailer's assessment of its circumstances, and the type of evidence it may provide to assist the Retailer in any re-assessment.

No repayment plan under a Covid-19 Repayment Scheme may be less generous to Non-Household Customers than those offered by the Retailer from 1 January 2020 onwards in accordance with a Reasonable Repayment Plan for an Outstanding Debt.

Retailers must take all reasonable steps to engage with:

- (a) Non-Household Customers which may be eligible for a repayment plan under their Covid-19 Repayment Scheme and, where appropriate, offer those Non-Household Customers a repayment plan under this scheme.
- (b) Non-Household Customers which are already on a repayment plan under their Covid-19 Repayment Scheme, to ensure the terms and conditions of the repayment plan remain appropriate on an on-going basis and as circumstances change.

Prior to removing a Non-Household Customer from a repayment plan under a Covid-19 Repayment Scheme, Retailers must be able to demonstrate that they have taken reasonable steps to engage with the Non-Household Customer.

Prior to pursuing, and at each stage of escalating, any debt recovery action against a Non-Household Customer which has been adversely affected by Covid-19, Retailers must be able to demonstrate that they have:

- (a) taken reasonable steps to engage with the Non-Household Customer to ascertain the circumstances that led to the default; and
- (b) considered whether, taking the Non-Household Customer's circumstances and best interests into account, it would be more appropriate to amend the terms and conditions of the repayment plan than pursue any debt recovery action.

From 20 January 2021 and on a monthly basis thereafter, Retailers must submit to the Authority and the Consumer Council for Water a report including the following information:

- (a) the number of Non-Household Customers who are on repayment plans under the Retailer's Covid-19 Repayment Scheme;

- (b) the number of Non-Household Customers who are on any other repayment plan that the Retailer offers;
- (c) the number of Non-Household Customers that are, or have previously been, on a repayment plan under the Retailer's Covid-19 Repayment Scheme that the Retailer has taken any type of debt recovery action against, and the type of action taken; and
- (d) Since 1 June 2020, the number of Non-Household Customers on other repayment plans that the Retailer has taken any type of debt recovery action against, and the type of debt recovery action taken.

#### 7.1.7 Disconnection

- (a) For Covid-19 Affected Customers, Retailers shall include a clause in their Terms and Conditions of Supply that shall remain in effect until they cease to be Covid-19 Affected Customers that specifies:

“No amounts owed by the Non-Household Customer to the Retailer are “due” or shall be treated as “due” by the Retailer for the purposes of a disconnection notice under section 61(1ZC)(b) of the 1991 Act, and for these purposes only. All other rights and obligations under these Terms and Conditions of Supply are unaffected by this clause [Retailer to insert relevant clause number]”.

- (b) For all other Non-Household Customers, until 31 March 2021 or such other date as the Authority may notify in writing to Retailers, prior to the issue of a disconnection notice, Retailers must comply with their Covid-19 Repayment Scheme.

#### 7.1.8 Retailers must include in a prominent position on their website from 1 June 2020 a notice that explains that where a Non-Household Customer qualified as a Covid-19 Affected Customer the Non-Household Customer will not be:

- (a) served disconnection notices for the non-payment of bills or invoices;
- (b) subject to default interest or late payment charges for the non-payment of invoices issued from 1 June 2020; and

- (c) subject to enforcement proceedings for the non-payment of invoices.

Retailers must be clear in this notice that the measures at (a) to (c) will only apply to Covid-19 Affected Customers to extent they fall within that category, and that when that ceases to apply they shall be eligible for the Retailer's Covid-19 Repayment Scheme.

The notice shall include:

- (a) a clear definition of those Non-Household Customers that are Covid-19 Affected Customers;
- (b) the circumstances in which their premises may be classed as Vacant Premises due to Covid-19; and
- (c) how a Non-Household Customer can obtain a copy of the Retailer's Covid-19 Repayment Scheme.

Retailers must provide a clear method in a prominent place on their websites for Non-Household Customers to be able to contact them, by way of:

- (a) a form that enables Non-Household Customers to leave their name, address, email address and phone number to enable a call back from Retailers; or
- (b) a contact email address; and
- (c) a contact telephone number.

#### 7.1.9 Information relating to Credit Balances

- (a) Where a customer has agreed to pay for services in advance, the Retailer is required to advise the customer ahead of agreeing the terms and conditions of supply that they could potentially lose any credit accrued against their account should the Retailer become insolvent.

Retailers are required to include the following standard text when clearly communicating this information to their customers:

"Advance payment arrangements can provide customers with a useful way to manage their bills and customers may benefit from improved terms if they pay in advance.

However, advance payment customers should be aware that any credit accrued for services that have not yet been delivered might not be recoverable in the unlikely event that their Retailer becomes insolvent.

There are a number of payment arrangements available in the market. Customers can therefore explore what type of available payment arrangement best meets their needs"

(b) For customers that are already on payment in advance terms, Retailers are required to provide the above information to the customer in writing within 3 months of the updates to the CPCoP being implemented.

(c) Retailers will then be required to communicate the standard text to all of their advance payment customers at a minimum of once every 12 months.

7.1.10 Where a customer has accrued credit against their account Retailers are required to clearly communicate the following information to the customer in writing, at a minimum of once every 3 months:

a) the amount of credit that they have accrued against their account

b) what the credit relates to (e.g., Security deposit, an allowance refund, money paid in advance of services delivered, etc.).

c) the customer can contact the Retailer should they wish to explore alternative payment terms or if they can obtain a credit refund (if available); and

d) subject to contractual terms and conditions, customers can switch to an alternative Retailer if they are not satisfied with the terms on offer.

The requirements under section 7.1.10 apply to all customers that have accrued credit against their account, not just those on advance payment terms.

## **7.2 Provision of additional information to Micro-businesses about Terms and Conditions of Supply.**

- 7.2.1 If the Terms and Conditions of Supply which are applicable to a Micro-business are changed, a Retailer shall ensure that the Micro-business is provided with the information listed in Section 6.1 as soon as reasonably practicable following the implementation of the change.
- 7.2.2 If a Micro-business requests to receive any information in writing, the Retailer shall provide this information as soon as reasonably practical.
- 7.2.3 If a Micro-business renews Terms and Conditions of Supply on their expiry, or the Terms and Conditions of Supply renew in accordance with Section 7.3.1, a Retailer shall ensure that the Micro-business is provided with the information listed in 6.1 as soon as reasonably practicable following the implementation of the renewal.

## **7.3 Terms and Conditions of Supply to Micro-businesses applicable for a fixed term only.**

- 7.3.1 If a Retailer's Terms and Conditions of Supply to a Micro-business are for a fixed term:
- (a) the relevant Terms and Conditions of Supply may not be renewed automatically, without the written consent or request of the Micro-business served during the 30 day period of a Renewal Notice under 7.1.3 above . Any rollover agreed is required to be for a maximum period of one year from the expiry of the initial fixed term period. Moving a Micro-business to a Scheme of Terms and Conditions (where the Retailer is obliged to have such a Scheme of Terms in Conditions in place) or the Retailer's standard, general or default Terms and Conditions of Supply (where the Retailer is obliged to have such a Scheme of Terms in Conditions in place) is not prohibited pursuant to this Section 7.3.1.

- (b) there shall be no charge or fee payable by the Micro-business for early termination of the Terms and Conditions of Supply if those Terms and Conditions of Supply have been renewed pursuant to Section 7.3.1 or the customer provided the agreed termination notice.

## **8. Transfers of Non-Household Customers**

### **8.1 Prevention of Erroneous Transfers.**

8.1.1 An Incoming Retailer shall take all reasonable steps to prevent an erroneous transfer by ensuring they have valid Terms and Conditions of Supply with the relevant Non-Household Customer before they submit a Transfer Registration Application.

### **8.2 Cancellation Requests.**

8.2.1 If an Outgoing Retailer submits a Cancellation Request, the Outgoing Retailer shall write to the affected Non-Household Customer explaining the reason(s) for submitting the Cancellation Request.

## **9. Billing**

### **9.1 Information to be provided on each bill.**

9.1.1 Each bill issued to a Non-Household Customer by a Retailer shall contain the Minimum Information Requirements.

### **9.2 Billing accuracy and frequency.**

9.2.1 Retailers shall issue at least one accurate bill or invoice each year. This bill or invoice must use a Meter Read where the supply is Metered unless Section 9.2.3 below applies.

9.2.2 Retailers can choose to accept Meter Reads, including any Transfer Read taken by the relevant Non-Household Customer.

9.2.3 Until 30 September 2021, or such other date as the Authority may notify in writing to Retailers, Retailers shall be exempt from the requirement to use a Meter Read where the supply is Metered for the provision of an accurate bill or invoice where all of the following sub-sections apply:

- (a) the meter is sited internally to a premises (including external to a building but within the boundary of a premises), requiring consent of a Non-Household Customer for access; and
- (b) due to restrictions on movement of people or access to premises imposed by guidance or legislation issued by the UK government due to Covid-19, the meter reader is not legally permitted to access, or the Non-Household Customer or its representative declines access to, the meter; and
- (c) the Retailer has requested:
  - (i) on two (2) separate Business days; and
  - (ii) where possible due to the contact information held by the Retailer and any preferences expressed by the Non-Household Customer, using different communication methods, that the Non-Household Customer provide a meter reading and the Non-Household Customer has not done so within ten (10) Business days of the final request being submitted; and

- (d) where the Retailer uses another method by which to provide an accurate bill or invoice, for example estimated consumption, the Retailer has:
- (i) used the best available data to establish the bill or invoice; and
  - (ii) evidenced the methodology underlying the bill or invoice which may include but is not limited to methodologies based on previous meter reads, type of premises, or previous or on-going contact with the relevant Non-Household Customer.

9.2.4 For each account where the Retailer has relied on the exemption at section 9.2.3, the Retailer must retain a clear record which demonstrates compliance with section 9.2.3. For the avoidance of doubt the exemption at 9.2.3 will not apply where a Retailer does not carry out, or attempt to carry out, meter readings because it does not consider it to be commercially viable. The Authority, Market Operator or the Council may request this record from the Retailer with five (5) Business days' notice.

9.2.5 Any final bill to be issued to a Non-Household Customer shall be issued within six weeks of the earlier of the Transfer or the termination or expiry of the Terms and Conditions of Supply.

9.2.6 Following the Transfer or the termination or expiry of the Terms and Conditions of supply, Retailers will be required to clearly communicate to their customers

- an estimate of the final credit or debit against the customer's account; and
- any additional information they require from the customer in order to issue a credit refund (where applicable).

9.2.7 Retailers, where they can do so, are required to refund credit balances within 60 calendar days of issuing the final bill, as per the conditions under section 9.2.5.

Retailers are required to retain a log of instances where they have not been able to refund credit balances within 60 calendar days of the final

bill being issued. Each Retailer's log should clarify the reason why the refund was late or unsuccessful.

### **9.3 Retrospective Amendments**

9.3.1 Retailers shall not bill or invoice a Non-Household Customer for or recover charges in respect of water supplied or sewerage services provided to that Non-Household Customer for any Invoice Period for which a Final Settlement Report has been provided by the Market Operator unless the following circumstances apply:

- (a) the bill or invoice is for a negative sum; or
- (b) where:
  - i. the Market Operator has issued an Unplanned Settlement Report in respect of the relevant Invoice Period;
  - ii. the bill or invoice is in accordance with the Unplanned Settlement Report; and
  - iii. the bill or invoice is issued within the eight (8) Month period following the issuing of the Final Settlement Report.

9.3.2 Retailers shall offer a Micro-business a Reasonable Repayment Plan for a Back-bill.

9.3.3 Where the Retailer receives a payment from the Wholesaler following a recalculation of a Primary Charge or a Non-Primary Charge the Retailer is obliged to pass on this payment on to all Non-Household Customers in the same proportion to which the recalculation has affected their invoices or bill.

### **9.4 Covid-19 Interest Suspension**

9.4.1 Notwithstanding their contractual right to do so, Retailers may not charge any default interest or impose late payment charges for the non-payment of any bills or invoices issued to Covid-19 Affected Customers from 1 March 2020 until they cease to be Covid-19 Affected Customers.

9.4.2 Retailers may, for all Non-Household Customers other than Covid-19 Affected Customers, apply interest and/or late payment charges in accordance with their Covid-19 Repayment Scheme.

### **9.5 Enforcement**

9.5.1 Notwithstanding their contractual rights to do so, Retailers may not seek to enforce non-payment of invoices against Covid-19 Affected Customers whilst they remain Covid-19 Affected Customers.

9.5.2 Retailers must, for all Non-Household Customers other than Covid-19 Affected Customers, comply with their Covid-19 Repayment Scheme when determining whether to take enforcement action.

## **9.6 No waiver**

The prohibitions in sections 9.4 and 9.5 do not constitute and should not be interpreted as a waiver by Retailers of their contractual rights other than as required for limited period prescribed by the prohibitions. Retailers will be able to exercise their contractual rights again once the Authority has removed relevant prohibitions from this Code.

## **10. Complaint handling and dispute resolution**

- 10.1 Retailers must have in place at all times a readily accessible and effective Complaints Handling Process at no cost to Non-Household Customers.
- 10.2 Each Retailer must comply with its Complaints Handling Process in relation to each complaint received from a Non-Household Customer.
- 10.3 A Complaints Handling Process must:
- 10.3.1 be in plain and clear language;
  - 10.3.2 allow for complaints to be made orally and/or in writing;
  - 10.3.3 describe the steps each Retailer will take with a view to investigating and resolving a complaint and the timescales within which each step is expected to be completed;
  - 10.3.4 describe any remedies available to the Non-Household Customer on resolution of a complaint. Such remedies must include but are not required to be limited to:
    - (a) an apology;
    - (b) an explanation;
    - (c) remedial action; and
    - (d) compensation payable to the Non-Household Customer where remedial action is not possible or is insufficient to deal with the complaint; and
  - 10.3.5 describe any right to refer the complaint to a Redress Scheme.
- 10.4 All Retailers shall have in place or participate in a Redress Scheme that is readily accessible to and effective for its Non-Household Customers.

## 11. Notices

- 11.1 All notices to be given under this code shall be marked for the attention of the person or persons notified for that purpose from time to time.
- 11.2 All notices to be given to any party under this code shall be in writing.
- 11.3 A notice shall be treated as having been received:
- 11.3.1 if delivered by hand (including courier) within Delivery Hours, when so delivered; and if delivered by hand outside Delivery Hours, at the next start of Delivery Hours;
  - 11.3.2 if sent by first class pre-paid post, guaranteed next day delivery, post with delivery confirmation or receipt (for example, special delivery) on the later of actual receipt and 9.00 am on the Business Day after posting if posted on a Business Day, and on the later of actual receipt and 9.00 am on the second Business Day after posting if not posted on a Business Day; and
  - 11.3.3 if sent by e-mail, or any other electronic means during a Business Day it is received on that Business Day and if it is sent outside of a Business Day it is received on the following Business Day.
- 11.4 In proving that a notice has been given it shall be conclusive evidence to demonstrate that delivery was made, or that the envelope containing the notice was properly addressed and posted (as the case may be).

**Ofwat (The Water Services Regulation Authority)  
is a non-ministerial government department.  
We regulate the water sector in England and Wales.**

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