



# **Revised application process for Water Supply and Sewerage Licences**

**- CCWater's response to  
Ofwat's consultation**

## 1. Introduction

- 1.1 The Consumer Council for Water (CCWater) is the statutory consumer organisation representing the interests of customers of regulated water and sewerage companies in England and Wales. CCWater has four regional committees in England and a committee for Wales.
- 1.2 We welcome the opportunity to respond to Ofwat's consultation on the revised application process for Water Supply and Sewerage Licences (WSSLs).
- 1.3 We ask Ofwat to make changes to the WSSL application guidance that would require retailers to give non-household (NHH) customers complaint escalation information that directs them to CCWater. The reasons for our request are:
  - 1.3.1 NHH customers have a statutory right to refer complaints to CCWater if they are not satisfied with the handling or outcome of their complaint by the retailer. Retailers should therefore be required to inform customers of this right as part of their complaint procedures.
  - 1.3.2 Although NHH customers can switch retailer from April 2017, many may not exercise that option, particularly if they have an outstanding complaint with the wholesaler.
  - 1.3.3 CCWater's advice to customers and to retailers will help to reduce potential complaint backlogs relating to customer switches and new market processes. Without a clear route for escalation to CCWater, customers are likely to bring such complaints directly to Ofwat.
  - 1.3.4 Failure to signpost CCWater's help may lead to lower NHH customer confidence in the market. It could also introduce inconsistency in how customers within the NHH market are handled, compared to those outside the market (i.e. customers who are deemed ineligible and customers of water companies wholly or mainly in Wales).
- 1.4 In the development and publication of market codes and regulatory guidance, CCWater's statutory role in complaint handling has not been adequately set out. We have highlighted our concerns in our responses to the WSSL application process consultation in February 2016<sup>1</sup>, the draft Customer Protection Code of Practice (CPCoP) consultations in January<sup>2</sup> and April 2016<sup>3</sup>, and the consultation on amendments to the Instrument of Appointment in May 2016<sup>4</sup>.

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<sup>1</sup> [Application process for water and sewerage licences: CCWater response](#)

<sup>2</sup> [Protecting customers in the non-household retail market: CCWater response](#)

<sup>3</sup> [Protecting customers in the non-household retail market - final proposals and a draft customer protection code of practice: CCWater response](#)

<sup>4</sup> [Further changes to all instruments of appointment: CCWater response](#)

## 2. Proposed revisions to licence application form and guidance

2.1 We propose that the following additions and amendments (denoted in **red bold text**) are made to the existing text relating to CCWater within the guidance document (section 3.4, p33):

*The applicant is required to provide a declaration that, if granted a licence, it will work positively with the **Consumer Council for Water (CCWater)**. CCWater has a duty to represent and provide information to consumers, including those supplied by a licensee.*

***Section 29 of the WIA91 gives CCWater the power to investigate a complaint against any water supply or sewerage licensee, where the customer has been unable to resolve the matter directly. Applicants should highlight the role of CCWater within their own complaint procedures.***

*Applicants should **also** be aware that CCWater will be able to direct licensees to provide information that it requires for the purpose of carrying out its functions. The requirement for a declaration is intended to make the applicant aware of CCWater and its role and that they will need to work together. Further information on CCWater's role is available on its website [www.ccwater.org.uk](http://www.ccwater.org.uk).*

## 3. Enquiries

Please send any questions about this consultation to:

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