

**Customer Protection Code of Practice consultation response
20th May 2020**

Thank you for the opportunity to comment on the proposed changes to the Customer Protection Code of Practice (CPCoP). It is important that support is provided for customers that are genuinely unable to pay their water charges due to the impact of Covid-19. Business Stream considers that the measures outlined in the proposed changes to the CPCoP balances that support while giving retailers the ability to collect money from those that can pay.

1. Do you think the Change Proposal will achieve the following policy aims:

a. Covid-19 Affected Customers should continue to be protected. b. Customers who are operating normally and can pay should be subject to normal debt recovery processes. c. Retailers should take the necessary steps to differentiate between those customers who genuinely need support and those who should be expected to pay.

Yes, we agree that the policy aims will be achieved through the proposed changes.

2. What is your view of the proposal that the protections relating to disconnection, suspension of enforcement, late payment and interest charges will only automatically apply to Covid-19 Affected Customers?

The proposal provides a balance between supporting those customers that most need the protection while permitting retailers to collect overdue balances from those customers that have not been or are no longer significantly impacted by Covid-19.

However, it is important that retailers can continue to make Covid-19 Affected Customers vacant within the market. As drafted the provision to do so within CSD 0104 3.1.6 ceases at 30th June 2020. Retailers must be able to either flag customers as Covid-19 Vacant or operate collection strategies for overdue balances. The date stated in CSD0104 3.1.6 should be reviewed by Ofwat.

Furthermore, there will be occasions where credit management processes identify that a Covid-19 Affected Customer has not been correctly flagged as Covid-19 Vacant under section 3.1.6 of CSD0104 so it is important that the ability to backdate the Covid-19 flag is maintained.

3. What do you think should be included in a Covid-19 Repayment Scheme? Do you have any examples of similar schemes that you have offered and/or have considered as a result of Covid-19? Please provide details.



We would suggest that a Covid-19 repayment plan allows the customer 28 days from the date of invoice before any payment is required. The value of the invoice can then be repaid over a nine-month period. An estimate of future invoices can also be included in the plan so at the end of the nine month period they have repaid all over due invoices and have a zero balance.

4. What are your views on our proposals to require Retailers to clearly provide a method of contact on websites, as set out in section 4.3?

Retailers should be transparent with customers on such matters and therefore we are supportive of the proposal.

5. What is your view of the legal drafting for the Change Proposal (see appendix 1)?

The proposal is for the provisions relating to Covid-19 Affected Customers remaining in place indefinitely. However, the proposed legal drafting creates a link to CSD0104 section 3.1.6 which is initially time bound to 30th June 2020. We are assuming that this is intentional so that the CPCoP doesn't require amending should the Authority decide to extend the provisions in CSD01024 section 3.1.6?

6. Do you consider that the Change Proposal promotes and facilitates the General Principles of the CPCoP (section 4 of the CPCoP)?

Yes, we agree that the change proposal promotes and facilitates the General Principles of the CPCoP.

7. What is your view on our assessment that the impact of implementing the changes on Retailer's systems will be low? What is your view of the proposed implementation date of the Change Proposal being 1 June 2020?

We agree that the cost of implementing the changes on Business Stream's systems is low. Furthermore, the cost to Business Stream of not taking these changes forward would be significant as the current blanket approach restricts our ability to collect debt in all customer groups.

We agree the 1 June 2020 implementation date.

8. Do you consider that the amendment to Part I13 of Operational Terms is still required to protect Self-Supply Retailers from disconnection?

We have no view on this proposal.