
Notice of Ofwat's decision to extend the requirement for Retailers to have in place a Covid-19 Repayment Scheme until 30 June 2021

Background

On 1 June 2020, we made changes to the Customer Protection Code of Practice (CPCoP) (via [CP0007](#)) to ensure that business customers affected by Covid-19 were provided with additional support. As part of these changes, Retailers are currently required to offer business customers affected by Covid-19 with a repayment plan tailored to the needs of the individual customer.

On 16 December 2020, we made further changes to the CPCoP (via [CP0009](#)) to clarify the expectations of Retailers in terms of promoting and signing up customers to Covid-19 repayment schemes where appropriate. The changes were intended to ensure that Retailers take reasonable steps to maintain contact with customers on Covid-19 repayment schemes to understand their circumstances and tailor their plans before any kind of debt collection or enforcement action is pursued.

Retailer obligations under section 7.1.6 of the CPCoP

Section 7.1.6 of the CPCoP states that 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. Section 7.1.6 of the CPCoP also notes that from 20 January 2021, and on a monthly basis thereafter, Retailers must submit to Ofwat and CCWater a report which includes data relating to customer uptake of repayment plans and the level of debt recovery action being carried out.

Decision to extend the period of these obligations

On 22 February 2021, the Government published its four-step roadmap, which set out a plan for the gradual easing of Covid-19 restrictions across England. The plan outlines an intention to ease restrictions on large sections of the economy from 12 April onwards, with the hope that all legal limits on social contact can be removed on 21 June (at the earliest).

We recognise that, in light of the continued restrictions resulting from Covid-19, some customers will continue to be impacted by business closures for some time. **Through this notice we are, therefore, extending the requirement for Retailers to have in place a Covid-19 Repayment Scheme until 30 June 2021.** For clarity, this is not the date that all repayments must be made by, but instead is the date by which customers may be placed onto a Covid-19 Repayment Scheme. While the requirement under the CPCoP is now due to expire at the end June 2021, there is nothing to prevent Retailers from continuing to operate a Covid-19 repayment scheme for customers beyond this date.

In line with this decision, the requirement for Retailers to submit monthly reports to Ofwat and CCWater, relating to the customer uptake of repayment plans and debt recovery action is also extended until 30 June 2021.

Market Performance Framework Charges

On 28 January 2021 Ofwat and MOSL published a [joint statement](#) setting out our decision to extend the suspension of some charges under the Market Performance Framework in light of the ongoing Covid-19 restrictions and their impact on the business retail market:

- We decided that charges for underperformance against Operational Performance Standards would resume from 1 January 2021, with invoices to Wholesalers commencing from February 2021.
- We decided to extend the suspension of Market Performance Standards (MPS) charges until the end of the 2020-21 financial year.

Consistent with this statement we confirm that **MPS charges will resume from 1 April 2021, with invoices to Wholesalers and Retailers commencing from May 2021.**

Signed

Georgina Mills,

Director of Business Retail Market