



Our Ref: JT/JB/JEH

26th July 2021

Ofwat
Centre City Tower
7 Hill Street
Birmingham B6 5UA
(By email to ListenCareShare@ofwat.gov.uk)

Dear Sirs

Payment, help and debt guidance consultation 2021

We welcome the opportunity to respond to the Ofwat consultation on support for residential customers in England and Wales to pay their bill, access help and repay debts.

We believe that the approach outlined in the document will help raise standards further, ensuring fair outcomes for all customers and importantly for those who are financially vulnerable. In addition, we support the move to principles-based regulation, and the outlined seven principles with minimum expectations.

Making it easier for all customers to pay their water bill, offering help quickly when needed, is a vital part of how we support our customers. Accurate bills and frictionless payments help customers keep on regular track with bills and promotes affordability. We have taken steps to improve our billing and payments experience, for example, with recurring card payments introduced in 2019 and more accurate bills reflecting current and expected water usage in 2020.

Over the last few years, we have made great progress in the use of data to identify customers who may need additional help and support due to financial vulnerability. We have used data to segment customers and personalise our communications, highlighting direct support available and signposting third parties who can help, such as National Debtline.

Our support is provided in many ways, such as lower tariffs, payment options, help with lowering consumption and our Priority Service register. In addition, our partnership with National Debtline helps customers seeking holistic support covering all debts and income maximation. Use of different communication channels, such as webchat, also allows customers to speak to National Debtline on their preferred channel. <https://www.nationaldebtline.org/affinity-water/>.

We accept that more progress is needed to help engage with customers who may not come forward to request help. This may be due to a language barrier or the pressure of financial vulnerability and indebtedness. One example of how we have changed our approach is the development of our '**personas**' to help show customers the support given to other customers who have similar circumstances. This approach has received positive feedback from both customers and other stakeholders.

An example: -

Josh struggles with his mental health

He suffers from anxiety and struggles to speak to people on the phone. He has ignored his bill for two years but wants to get back on track. He is worried about what might be said to him when he calls.

How we helped

Josh worried about calling because he thought he would be judged. We reassured him that we understood his circumstances and have helped many customers in similar situations.

We:

- *agreed an affordable payment plan - to give Josh breathing space until his finances improved*
- *arranged a free home visit - to see how Josh can cut his water usage to reduce future bills*
- *set up an online account - now Josh can make payments, check his balance or set up a direct debit at his convenience*
- *provided independent debt advice - from National Debtline and other charities*
- *added him to a Priority Services Register - for customers who need extra help with communication, access, or health needs*

<https://www.affinitywater.co.uk/debt-help/josh>

In addition, our website and help pages are supported by Recite, which translate the content into a customer's preferred language or will read-out the text to them.

The Coronavirus pandemic has increased the volume of customers who need help and support, many for the first time following the loss of income or illness. Our response to the impact, working in collaboration with the industry, has resulted in many initiatives being introduced, such as payment breaks, stopping enforcement action for a period and improved, targeted communications. For example, using both internal and external data, we have sent targeted communications to customers who pay using cash methods in a local store or Post Office, promoting different options such as digital payments. These changes are now part of our 'business as usual' support process and will be used for all customers impacted financially.

We accept that our suppliers engaged in debt collection on our behalf are an extension of our business and need to support customers and treat them in a fair way with identical help and support offered. All our suppliers adhere to the Financial Conduct Authority's Consumer Credit Sourcebook, which primarily requires them to ensure each customer has a fair outcome in dealings with them. This consumer protection, along with our own quality assurance, safeguards customers who are in arrears with payments and, importantly, financially vulnerable.

Lastly, we have submitted two example case studies to Ofwat's #ListenCareShare regarding how we engaged with customers during the pandemic. These cover our partnership with UKPN, leveraging both companies' data and shared customer base and, secondly, our targeting of financial support to customers in need, including creating a video which has been shared online over 76,000 times - <https://www.affinitywater.co.uk/billing/ways-to-pay>.

Yours sincerely

A handwritten signature in black ink, appearing to read "JB", written over a light grey circular stamp.

JOE BROWNLESS
Director of Customer Operations