

Frontline Debt Advice response

Received by email

Dear Sir/Madam

Below is a collection of some feedback from myself and some colleagues.

We look forward to the results of your consultation.

Response to minimum expectations

1.6 – some clients receive benefits or even wages on a 4 weekly basis, so this frequency should be offered.

1.8 – I like the idea of offering flexibility to those on irregular incomes/zero hour contracts. This is much needed.

1.11 – standing orders are not listed here in the payment methods that should be offered (but is mentioned at 1.7). We recommend to nearly all our clients who have bank accounts to make payments by standing order as the payments go out automatically but yet they have control over when and how much. They don't have the same control with direct debits.

You also don't mention water direct here (but you do in 4.3). Deductions from benefit can be the only real way you can ensure consistent payment for some clients.

4.9 – you ask whether 2 or 3 prompts should be given and whether they should be given by different means. Taking these 2 questions together I suggest 3 prompts is better than 2 as long as they not all by the same method. If they haven't responded to 2 letters it is unlikely they will respond to a third, so yes it would more effective to email, text or I find whatsapp gets a response. Those in financial difficulty can ignore the phone as they are worried about debt collectors. Given how water debts can go to high court enforcement water companies should try various means to engage customers before proceeding to legal action which should be an absolute last resort.

6.1 – Have had experience of water companies not looking into whether there is a leak despite very high bills, until we have contacted the water company and queried this.

6.5 – As debt advisers we would definitely support the use of SFS which is used in many other sectors and better ensures affordability. It currently seems that when customers first fall into arrears they are expected to repay the arrears without there being any thought of whether the amount requested is affordable and so some can just give up and not pay anything. Only when they have been in arrears for some time or they get help from a debt adviser do water companies start offering more reasonable arrangements.

Some general points

1. A Priority Services register - free service for customers struggling to pay their bills - so that all the letters and demands to customers are flagged and more sympathetic. Set up a 'Dedicated Priority Services registered customers' call centre team to take calls directly; not to pass calls from section to section (a situation when the left-hand knows not or not trained to what the right-hand does for customers with debt issues)
2. Arrange with DWP to take payments directly from their benefits (e.g. Water Direct and Energy Direct). I have been very pleased to utilise this option for clients on disability benefits who have limited mobility to payment points or lack online skills to setup/maintain DDs and standing orders.
3. Offer short term discount/rebate incentive to maintain regular repayments
4. If referring customers to local advice agencies, charities or voluntary organisations for further help, would Ofwat maintain a national register searchable by postcode or town to which we can make the existence of our branches known.
5. As soon as they receive our Letter of Authority, write to the customer to recommend that they register themselves on the Priority Services Register (back to the first item)
6. People moving into new properties have problems finding out who supplies water and need clearer information; in our experience some will have a year's debt because they don't know who to pay nor how much. Should be easy for suppliers to sort as they will almost certainly be metred in new places so a monthly payment plan can be set up so debts don't pile up!
7. Southern Water have a vulnerability liaison officer that our debt advisers can contact directly and he responds very quickly and sorts out issues and payment plans very effectively. He is also (at least before covid) proactive at visiting other agencies and food banks and getting the news out about their schemes to help those on low income/debt. Portsmouth Water are also supportive in this way, I hope every water company has someone similar.

thanks

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