

## **Ofwat's draft vulnerability guidance for water companies supporting customers who need extra help**

### **About Mencap**

Our vision is for the UK to be the best place in the world for people with a learning disability to live happy and healthy lives. We do this by supporting the 1.5 million people with a learning disability in the UK and their families, improving access to health and care services as well as education and employment. We directly support over 5,000 people with a learning disability to live their lives the way they want.

A learning disability is caused by the way the brain develops before, during or shortly after birth. It is always lifelong and affects intellectual and social development. Those people with a learning disability with eligible needs for care and support will therefore likely need to access support for their entire adult lives.

### **Learning disability and water**

Many people with a learning disability use significantly more water than non-disabled households for myriad reasons: they may need to bathe more frequently or manage extra laundry, and many will need constant fresh water as part of their medication, relating to health conditions. Recent increases to utility costs have disproportionately impacted this group due to their increased need, with many going without essentials to pay their bills. CCW research indicates that disabled households are significantly more likely to say that their bills are unaffordable<sup>1</sup> and 70% of bill payers who have a long-term illness, health problem or disability, or who live with someone who does, reported struggling to pay bill 'sometimes' or more often.<sup>2</sup> Furthermore, almost half of all households with a disabled person are in arrears with at least one household bill since Winter 2022.

<sup>3</sup>

Affordability challenges are compounded by the lack of appropriate contact from many water companies; Scope research showed that only 47% of disabled people were satisfied with the communication from their water company.<sup>4</sup> This figure is likely to be lower for people with a learning disability due to the accessibility and digital exclusion barriers they typically face. Poor customer service can be particularly dangerous during incidents: the same research found that only 21% of disabled respondents said that their water supplier had contacted them during the COVID-19 lockdown.

---

<sup>1</sup> CCW, <https://www.ccw.org.uk/publication/water-matters-2022/>

<sup>2</sup> Ofwat, May 2023, <https://www.ofwat.gov.uk/only-3-in-10-customers-aware-of-financial-support-available-from-their-water-company/>

<sup>3</sup> Joseph Rowntree Foundation, <https://www.jrf.org.uk/blog/our-social-security-system-must-support-households-disabled-person-afford-essentials#:~:text=Almost%20half%20of%20all%20households,households%20without%20a%20disabled%20person.>

<sup>4</sup> Scope, Experiences with utilities during the pandemic

Affordability challenges can be partly mediated by good industry support, however, this needs to be improved significantly; only 7% of water bill payers reported having received financial support from their supplier.<sup>5</sup>

### **About this consultation**

We welcome this consultation, in particular its focus on non-financial vulnerability and its acknowledgement of the importance of industry initiatives in reducing detrimental impacts on customers' health and wellbeing.

We hope that this guidance can build on Ofwat's new customer licence condition and previous guidance by providing total clarity on standards and expectations across the industry. However, this is contingent on Ofwat pursuing robust and comprehensive regulatory action in the event of low performance in this area so that people with a learning disability and their families get the service they deserve.

#### **1. Do you agree that we should retain the vulnerability definition we set out in our 2016 Vulnerability Focus report?**

- 1.1 In Ofwat's 2016 Vulnerability Focus report, Ofwat concluded that a customer whose circumstances make them vulnerable can be defined as 'a customer who due to personal characteristics, their overall life situation or due to broader market and economic factors, is not having reasonable opportunity to access and receive an inclusive service which may have a detrimental impact on their health, wellbeing, or finances. We broadly agree with this definition and particularly welcome the explicit reference to inclusive service.

#### **2. Do you agree with our approach to nomenclature, particularly our use of the term 'extra help'?**

- 2.1 We agree that the term 'vulnerable customers' remains potentially divisive - over half of disabled adults do not think of themselves as vulnerable<sup>6</sup>. 'Customers in circumstances that make them vulnerable' or 'situations of vulnerability' are useful alternatives.
- 2.2 We also recognise the reasons for the use of the term 'customers who need extra help'. We agree that this will promote a needs-based approach to customer support, placing the focus on help that companies can provide rather than the underlying cause of the requirement (e.g. a medical diagnosis). However, as this is a more all-encompassing term, including everything from delivering water to customers on the PSR, to more informal or spontaneous support, it is vital that support is not diluted. We are mindful of the possible unintended consequences of this broader category; in that it might lessen the nature of specific support that people with a learning disability need. Some people with a learning disability do not simply need 'extra help' from their water company; they need significant support and reasonable adjustments that properly account for their needs.
- 2.3 However, it is important to note that definitions and terminology around vulnerability are less important than the action that companies take to support customers with a learning disability, their families, and carers. Companies need to invest in raising awareness of disability when training staff so they can tailor their services and support appropriately.

<sup>5</sup> Ofwat, May 2023 [https://www.ofwat.gov.uk/only-3-in-10-customers-aware-of-financial-support-available-from-their-water-company/#:~:text=Seven%20in%20ten%20\(70%25\),reported%20having%20received%20financial%20support](https://www.ofwat.gov.uk/only-3-in-10-customers-aware-of-financial-support-available-from-their-water-company/#:~:text=Seven%20in%20ten%20(70%25),reported%20having%20received%20financial%20support).

<sup>6</sup> Scope, <https://www.scope.org.uk/campaigns/extra-costs/out-in-the-cold/Scope-poll>

**3. Do you agree with our proposed approach to applying the guidance to new appointees and the Welsh non-household sector?**

-

**4. What impact do you think our guidance will have on the experiences of customers who need extra help?**

4.1 In our view, the guidance will have an overall positive impact on the experiences of customers with a learning disability. However, we would urge Ofwat to go further, include more prescriptive support and extend standards to *households* of people who need extra help as many people with a learning disability may not be the account holder of their household water account.

**5. Are there further lessons from other regulated sectors that could be incorporated into our draft guidance?**

5.1 Ofwat should take two learnings from the energy regulator. Firstly, it should note the need to respond quickly and decisively to issues that customers are facing whilst being mindful of the needs of specific customer groups. Ofgem introduced new guidance increasing protection against the forced installation of pre-payment meters which also explicitly referenced people with a learning disability as a consumer group who need more support.<sup>7</sup>

5.2 Ofgem has a robust stakeholder engagement programme and meets monthly with its charities and consumer groups. This is a useful discussion forum to discuss draft guidance and policy solutions and is something that Ofwat would benefit from. Ofwat should engage more with third parties and disability organisations that have hands on experience of working with and supporting disabled people.

**6. Do you agree with our proposed approach to enforcing our customer-focused licence condition by reference to our draft guidance?**

6.1 In our view, the use of guidance allows for more flexibility and for Ofwat to respond to emerging issues of consumers who need extra help.

6.2 However, we would welcome more prescriptive guidance on customer service issues which can affect customer access to support and their safety.

**7. Do you agree that our draft objectives cover the broad areas of vulnerability support activities that companies should be considering?**

7.1 Broadly, we agree that the draft objectives cover the areas of vulnerability support activities that water companies should be considering.

7.2 However, we do think that there needs to be greater specificity for certain groups such as people with a learning disability.

7.2.1.1 In the 'high standard of service and support' objective, Ofwat note that customers who need extra support should receive it and be happy with the service provided. We question how this will be assessed and whether it will draw out the experiences of disabled consumers and their households. Ofwat should explicitly encourage companies to understand the needs and satisfaction levels of specific groups of customers.

7.2.2 In the 'identifying customers' objective, Ofwat notes that customers able to self-declare their needs should be able to do so easily. We urge Ofgem to make provision for customers who can't self-declare their needs easily. Companies should be compelled to

---

<sup>7</sup> Ofgem, <https://www.ofgem.gov.uk/publications/involuntary-ppm-supplier-code-practice>

take all reasonable action to remove barriers for them by having improved training of staff which is crucially led by experts with lived experience.

- 7.2.3 In the 'Vulnerability strategies' objective, Ofwat note that companies should have strategies in place to support the extra help needs of their customers. We recommend that Ofwat encourage suppliers to create these by engaging with groups and experts with lived experience.

## **8. Do you agree with the proposed list of minimum expectations we have set out?**

- 8.1** Broadly, we agree with the proposed list of minimum expectations set out in the guidance but would like it to go further on certain points:
- 8.2 Minimum expectation 1.1** on service adaptations notes that a range of different communications channels and adaptations should be offered to suit different customer needs (for example, large print bills, alternative languages, telephone bill reading, etc). In our view, EasyRead should be added to this list. This is an alternative format used by many people with a learning disability which presents information in simple sentences and pictures. Whilst we understand that the list is not exhaustive. Ofgem added EasyRead into their forced installation of pre-payment meter guidance too. This recommendation also applies to:
- 8.2.1** minimum expectation 1.2 on ensuring the level and nature of support available to customers is presented in a way customers can understand.
- 8.2.2** minimum expectation 2.1 on ensuring companies communicate with customers in a way that is easy to understand.
- 8.3 Minimum expectation 1.5** notes that companies should use a range of data to monitor the effectiveness of their extra help services, and the satisfaction levels of customers who have made such needs known, in the form of surveys or direct qualitative engagement. However, suppliers must make sure that this engagement with customers who need extra help includes disabled people and people with a learning disability. Data from benchmarked data comparing them with the wider customer base should be publicly available.
- 8.4 Minimum expectation 3.1's** guidance on companies taking active steps to identify customers who require extra help is welcome, particularly the points on engagement with local charities. We would also add supported living social care providers to this, so that suppliers get an understanding of the customer needs of households where there are multiple vulnerable consumers.
- 8.5 We agree with Minimum expectation 3.2** that companies should take steps to proactively increase customer awareness of the extra help available to those who need it, in ways that are likely to be seen and understood by those who most need the services. These steps need to not be online based only as disabled people are far more likely to be digitally excluded so other channels must be used too. In addition, better-targeted communications are not enough to increase take-up of help as many of the support schemes have different eligibility criteria and are inaccessible for people with a learning disability. As such, we continue to call for a consistent offer of support through industry-wide social tariffs and schemes like WaterSure.
- 8.6 Minimum expectation 3.3** notes that companies should train their staff to spot potential requirements for extra help, even when a customer has not previously declared it. Whilst we welcome this additional guidance, it should be prescribed that this training has input from consumer groups, charities, or people with lived experience.
- 8.7 Minimum expectation 5.3** notes that companies should publish their service commitments for customers who have declared an extra help need so that all customers can understand the nature of help available. We welcome this and agree that this information should be actively provided to customers when they register for extra help services such as the priority services register. However, this information must be accessible and offered in EasyRead (see point 8.2)

**9. Do our draft minimum expectations offer a good balance between making clear the minimum standards we expect from companies, and challenging companies to innovate and find new ways to meet the needs of their customers?**

9.1 Yes.

**10. Do you agree with the proposed approach and timeline around companies' vulnerability strategies?**

10.1 We welcome the fact that Ofwat expects the strategy to show clear evidence of being developed using both customer and stakeholder input and feedback. However, there should be additional requirements for vulnerability strategies to be developed with experts with lived experience e.g. disabled people.

10.2 In our view, June 2024 is too late and companies should have a strategy in place at an earlier date so more disabled people can be well supported. We also note that suppliers should already have some of these practices in place. We urge Ofwat and water companies to move at pace on this issue and be as transparent as possible.

**11. Do you agree with our proposed approach and timelines for setting out our detailed expectations around the design of priority services registers in a separate standards document?**

11.1 We agree with Ofwat's outcome focused approach, given the considerable debate and potential change in this area. However, the April 2025 deadline for the priority services register standards is too late.