

## Received by email

Good afternoon,

Please find attached our completed response template in support of the Ofwat Paying Fair request for further information, dated 6<sup>th</sup> April 2023.

In summary the template we have completed identifies that out of 145 expectations we:

- Comply with 120
- Do not comply with 24 but have plans in place to do so
- Do not comply with 1 and currently have no plans in place to do so

Each of the items where we do not comply, but have plans in place to do so, identify the timeframes within which we will be taking action and the associated nature of that action.

We confirm that Our Code of Practice for Household Customers 2023/24 will be broken down into smaller, more digestible specific Codes of Practice in time for 2024/25 publication.

Our compliance and response information is wholly contained within the attached document but the extracts below, taken from the response template, respond to the specific questions contained within the letter dated 6<sup>th</sup> April 2023.

### **We ensure information about customers is correct, up to date and is used by: (1.1 – 1.4)**

*Robust processes for moving Customers in and out are in place, staff are fully trained and assessed before commencing customer service activity. All systems are updated to reflect the new / previous occupants and this information is retained within the system to ensure it can be referred back should any queries be raised on the account.*

*All customer contact is logged within the billing system (Aptumo), information is retained in line with guidance to ensure Customer contact is recorded and can be referenced where required. During contact with customers our customer service teams are trained to collect contact details which include telephone number, mobile phone numbers and emails to ensure we can contact them when required across multiple channels.*

*There is current minimal LTAP interaction and no data sharing in-place. We currently accept evidence from tenants directly and do not treat tenants differently in any way to owner occupiers.*

*There is a dedicated training team supporting agents within the contact centre who train and assess on an on-going basis in line with the defined training material and processes. It is a key action that customer contact details are confirmed at the point of each customer contact.*

### **We use customer feedback to design or influence our payments communications, policies and systems by: (1.29)**

*The Company does not currently explicitly follow 'Inclusive Design In Essential Services' however we strongly believe that our approach already captures many elements of this guidance.*

*SSC continues to use a variety of ways to engage with customer segments, including:*

*\* Sending point of contact satisfaction surveys (administered by e-mail and SMS) following customers contacting the company for any matters relating to paying their water bill, requiring support or any other matters relating to their water account or services. Customers are asked a series of questions about their experiences (customer satisfaction, first contact resolution and effort, service agent performance (where applicable) and for bill payment surveys also asking what payment channel options they prefer to help build an evidence base to justify the launch of new payment options/services. The questions asked in point of contact surveys are refined over time to improve the quality of the insight to aid decision making. The insights are used on-going with the operational teams to identify improvements to the experience and prioritise action plans to target areas of greatest dissatisfaction. The c.sat programme also enables the views of customers of vulnerable customers to be assessed and compared to the wider customer base to enable tracking of satisfaction.*

*\* Use of c.sat surveys on the company website to capture customer feedback about experiences of paying bills and online payment services. The company is planning to launch an improved website c.sat survey approach to improve the quality and quantity of feedback gained in the second half of 2023*

*\* Engaging with customers on the company's H2Online communities by running a series of activities (polls, surveys, discussion) on payment preferences and billing options to help track trends over time and identify new opportunities to improve the billing experience – examples include a poll on payment channel preferences, a series of activities on open banking services and asking Community members to critique FAQs related to billing services to ensure these are user friendly for customers, and reviewing web pages (e.g. payment and debt support) to ensure the information is clear and easy to access for customers.*

*\* In Wednesbury the Community Hub allows customers who would not traditionally contact us to talk to our team about their payment options and capture this feedback.*

*\* Making use of wider market reports, such as Echo's research report 'The Secrets of Better Billing' and insights from CCW's Household Water Matters tracker to monitor customer satisfaction and trends.*

*\* Since the COVID-19 pandemic started SSC has also further increased the frequency at which it monitors best practice around billing services across water companies and wider retail sectors. For example, this market scanning led to the development of improved bill support services and FAQs.*

*\* In 2019 SSC also undertook an extensive qualitative and quantitative customer research study, holding a series of workshop with customers in financially vulnerable situations to test communication materials to raise awareness of financial support and to test new ideas on how to evolve the company's Assure social tariff. This led to the evolution of a new Assure tariff to support customers going through the universal credit application process. Follow up tests have been carried out in the H2Online Community, including reviews of application forms for support to help make these easier for customers to complete and improve the application process.*

*The Company is planning to actively incorporate 'Inclusive Design In Essential Services' guidance into the business during FY 23/24.*

### **We use credit reference agency data and apply best practice in using it by: (1.32 – 1.35)**

*We currently use CRA data for our customers who are already in debt to identify those who have financial vulnerability and may qualify for one of our support schemes. We also are able to identify those customers in debt with a high propensity to pay who choose not to engage with us. The CRA data will drive recovery appropriate recovery action, based on this segmentation. We do not currently use CRA data to identify those customers at risk of falling into debt.*

*As we are not full data share members we do not issue a default against the customer credit file. There is a clear communication on our bills stating how customer information is collected and may be disclosed to CRA to help detect debt, fraud and loss. Section 5.8 Supporting Customers in Debt, within our Code of Practice for Household Customers 2023/24, also states that we use CRA data to ensure that we only signpost customers to*

*Debt Collection Agencies where suitable and that we adhere to Acts including Equality Act 2010 and Debt Respite Scheme Regulations 2020.*

*As we are not full data share members, we do not issue a default against the customer credit file.*

*We hold regular meetings with our CRA to manage our current process and identify any changes or improvements that are available to us.*

**We plan any new support measures for vulnerable customers and new methods of outreach by: (2.1 – 2.2)**

*We currently use CRA data for our customers who are already in debt to identify those who have financial vulnerability and may qualify for one of our support schemes. We also are able to identify those customers in debt with a high propensity to pay who choose not to engage with us. The CRA data will drive recovery appropriate recovery action, based on this segmentation. We do not currently use CRA data to identify those customers at risk of falling into debt.*

*We have processes in place to offer appropriate support to customers based on customer contact and feedback. As previous, we work with external charities, support and advice organisations to reach out into our communities via our customer support teams and community hub to actively support customers.*

**We take steps to identify customers requiring priority services in place of data sharing by: (2.3 – 2.5 & 2.6 – 2.7)**

*We proactively promote our PSR register to capture details of customers with vulnerabilities. We utilise our Community hub to reach out to Customers in a way that adds to traditional communication and contact channels as well as utilising the Community Team who undertake home visits and also hold surgeries, for example, with visually impaired user groups. The Company is active in this area but does not yet document through Policy and Procedure.*

*The Company has a specialist team in place for the management of, and support to Customers with, debt issues. Training is in place for contact centre staff with regard to customer support, PSR and vulnerability. The Company will explore and position to adopt, where appropriate, external best practice guidance for the identification of and support to Customers in vulnerable circumstances during FY 23/24.*

*Our Code of Practice for Household Customers 2023/24, section 5.8 Supporting Customers in Debt, states that we will adhere to all relevant Acts such as the Equality Act 2010 and The Debt Respite Scheme Regulations 2020.*

*We are not a full data share member with Credit Reference Agencies, charities or local authorities currently. We will be in a position moving forward that we will be data sharing with Energy organisations.*

*We do not currently have any systematic data sharing agreements in place to identify vulnerable customers. Where we do subsequently create these they will comply with all relevant guidance and legal requirements.*

**We give sufficient customer reminders, appropriately spaced, by: (4.8 – 4.11)**

*Debt advice is prominently displayed on the website, bills and payments pages, this is also included within email campaigns. In the help with paying section on our bills, we signpost customers to independent advice from CAB or StepChange charity (phone number and website included).*

*At least 3 notices will be issued to the Customer post bill, if the customer fails to pay, before any advanced recovery action is taken. These will be issued through SMS, email & letter if the appropriate customer information is available.*

*The first recovery action through any channel (SMS, email or letter) is issued 14 days after the due date of the bill.*

*The reminder will inform the customer of the implications of failing to pay, along with how we can support them through links to our website and freephone collections line.*

#### **We use different methods of contact to engage customers by: (4.12 – 4.17)**

*We will attempt to contact a customer through SMS if we hold a valid mobile number, through email if we hold a valid email address, or by letter to the billing address.*

*We don't record a preferred contact time/method for our customers with respect to debt recovery although the contact channels we use including SMS, email and letter are believed to be less critical on specific timings than voice channels. However, as part of our standard metrics, we review our contact rates across all channels and are always looking to improve these.*

*At present our PSR offering provides options for different bill formats in Large Type or Braille. Additionally Customers can call and speak to an agent in a language of their choice, using translation services and/or have their bill read out to them. This options are highlighted on our website under 'Register For Extra Help', and via our Section 5 of our Code of Practice for Household Customer 2023/24, Payment of Bills. We do not currently time communications based on Customer vulnerabilities*

*Once a recovery notice is issued to a customer through all channels, appropriate time is left to allow the customer to engage with us before any next recovery action is applied.*

*We contact customers via a range of methods (Telephony, email, SMS). Where a customer is getting debt advice we stop any debt collection activity and agree with the customer the best course of action for their individual circumstances such as low value plans, social tariffs or charitable trust activity to manage the debt. All attempted contacts made with the Customer are recorded.*

*Once we become aware a customer is actively seeking debt advice then we will suppress further debt recovery during this period.*

#### **We design communication around customers' needs by: (5.1 – 5.7 & 5.8x2)**

*The reminder will inform the customer of the implications of failing to pay, along with how we can support them through links to our website and freephone collections line.*

*We do not currently include the Code of Practice on debt or explicitly refer to where it can be obtained on reminders. We will look to update our approach at the latest by start FY 24/25.*

*Our Demand correspondence encourages our Customers to contact the Company and also signposts debt advice charities including StepChange, CAB and Money Advice Centre. Our Reminder correspondence encourages our Customers to contact the Company to discuss their circumstances. Our Bills and Billing Correspondence identifies support to pay, easy ways to pay and external help with paying.*

*'We're here for you' is positioned next to the bill amount on our bills. This states the many ways we can support, from discounted plans to flexible payment options, with a weblink and contact nr for applications.*

*Our bills and billing correspondence include sections for:*

- \* *Struggling To Pay*
- \* *Easy Ways To Pay*
- \* *We're here for you*
- \* *Save water and money*
- \* *Manage your account on the go*
- \* *Extra help*
- \* *Help with paying*

*Reminders and Demands contain clear timeframes within which Customers need to make payment and ways to contact the Company for further information.*

*Notices and letters list the customer's options for payment arrangements and also locations and methods to make payment.*

*The Company does not currently explicitly follow 'Inclusive Design In Essential Services' however we strongly believe that our approach already captures many elements of this guidance. Plain English approaches are used in the design of all communications.*

*SSC continues to use a variety of ways to engage with customer segments, including:*

- \* *Sending point of contact satisfaction surveys (administered by e-mail and SMS) following customers contacting the company for any matters relating to paying their water bill, requiring support or any other matters relating to their water account or services. Customers are asked a series of questions about their experiences (customer satisfaction, first contact resolution and effort, service agent performance (where applicable) and for bill payment surveys also asking what payment channel options they prefer to help build an evidence base to justify the launch of new payment options/services. The questions asked in point of contact surveys are refined over time to improve the quality of the insight to aid decision making. The insights are used on-going with the operational teams to identify improvements to the experience and prioritise action plans to target areas of greatest dissatisfaction. The c.sat programme also enables the views of customers of vulnerable customers to be assessed and compared to the wider customer base to enable tracking of satisfaction.*
- \* *Use of c.sat surveys on the company website to capture customer feedback about experiences of paying bills and online payment services. The company is planning to launch an improved website c.sat survey approach to improve the quality and quantity of feedback gained in the second half of 2023.*
- \* *Engaging with customers on the company's H2Online communities by running a series of activities (polls, surveys, discussion) on payment preferences and billing options to help track trends over time and identify new opportunities to improve the billing experience – examples include a poll on payment channel preferences, a series of activities on open banking services and asking Community members to critique FAQs related to billing services to ensure these are user friendly for customers, and reviewing web pages (e.g. payment and debt support) to ensure the information is clear and easy to access for customers.*
- \* *In Wednesbury the Community Hub allows customers who would not traditionally contact us to talk to our team about their payment options and capture this feedback.*
- \* *Making use of wider market reports, such as Echo's research report 'The Secrets of Better Billing' and insights from CCW's Household Water Matters tracker to monitor customer satisfaction and trends.*
- \* *Since the COVID-19 pandemic started SSC has also further increased the frequency at which it monitors best practice around billing services across water companies and wider retail sectors. For example, this market scanning led to the development of improved bill support services and FAQs.*
- \* *In 2019 SSC also undertook an extensive qualitative and quantitative customer research study, holding a series of workshop with customers in financially vulnerable situations to test communication*

*materials to raise awareness of financial support and to test new ideas on how to evolve the company's Assure social tariff. This led to the evolution of a new Assure tariff to support customers going through the universal credit application process. Follow up tests have been carried out in the H2Online Community, including reviews of application forms for support to help make these easier for customers to complete and improve the application process.*

*The Company is planning to actively incorporate 'Inclusive Design In Essential Services' guidance into the business during FY 23/24.*

*We have a register of multi-lingual speakers across our operation who we use to support our English only speaking agents, we offer a translation service Language Line which is a 24/7 service that all Contact Centre agents can introduce to their call. We offer bills in Braille, Large Print and audio format. We ensure the community team in both of our regions are fully utilised when we identify a need for a home visit, or for those closer to our Hub in Wednesbury this could also be a service for them to call into.*

### **We use enforcement action as a last resort by: (5.12 – 5.15)**

*Enforcement action will only be applied once all other recovery actions has been exhausted, and multiple notices have been issued to the customers through all available contact channels.*

*Charges related to enforcement action are either dictated by the court, or represent the costs involved in delivering the process and will be passed onto the customer. High court enforcement may be used where a customer has not engaged with us and it is determined that they have the ability to pay.*

*Enforcement action is only taken after the account has been reviewed to determine if any support schemes or other assistance is available to the customer, to confirm the customer is not on an arrangement to repay the debt & the customer has an ability to pay the debt.*

### **We agree realistic payment plans by: (6.11 – 6.17)**

*Once the customer actively engages with us, we will review their individual circumstances with them, offer any support schemes that may be available to them and agree realistic payment arrangement that they can afford, whilst ensuring their debt is cleared in an appropriate timescale.*

*Once the customer actively engages with us, we will determine if they can afford to pay their ongoing charges first before agreeing on a repayment plan for their arrears. If the customer cannot afford their ongoing charges, we may agree a low value plan based on their individual circumstances, and actively encourage them to re-engage once their circumstances change.*

*We will accept any realistic payment towards an outstanding balance, with a view to agreeing appropriate terms to repay the remaining debt over an agreed period.*

*The payment arrangements are agreed with the customer, ensuring the instalment amount, frequency, date of first payment and when the plan will be completed are explained and understood by the customer. The customer is also advised to contact us if their circumstances change and they are struggling to pay their next instalments.*

*If a customer engages with us, we will review their payment arrangement to reflect their current circumstances. If the customer fails to make their instalment on time, we will reach out to them through all available channels to prompt them to engage with us, so we can review their arrangement and see if any other support is available to them.*

### **We audit debt collection agents by: (7.3 – 7.6 & 7.7 – 7.8)**

*All external collections agents are subject to due diligence prior to being accepted onto our panel. Annual reviews, along with regular engagement sessions and training are in place to ensure quality standards are adhered to.*

*Annual supplier reviews to confirm appropriate accreditation, along with regular engagement sessions and training are in place to ensure quality standards are adhered to. Our expectations will be set out in the contractual agreement, with a process in place for dealing with any non-conformity to the terms.*

*Controls are in place to ensure the same debt is not placed with multiple debt collection agents.*

*Information required for the debt collection agent to engage with the customer is provided, with the ability to request further information as required as part of the recovery process.*

*We undertake regular client reviews with the DCAs to ensure the quality standards are adhered to.*

*Standard communications are held, with processes in place to obtain any information required from DCA on a case by case basis.*

**We make sure priority services customers get the support they need by: (7.2)**

*DCA will follow the same quality standards with respect to debt collection where the customer is registered on the PSR, and if required the account may be withdrawn from the DCA so the customer can engage with the water company directly.*

Please let me know if you have any further questions.

Regards,