

22 December 20223

Ofwat
Centre City Tower
7 Hill Street
Birmingham
B5 4UA

By email:

Paying Fair Guidelines

We know that being in debt can have a significant impact on customers. We are also acutely aware that the cost-of-living crisis is leading to more customers struggling to pay, some who will find themselves in this situation for the first time.

We recently shared our wide ranging, creative and innovative approach to supporting all customers through the cost-of-living pressures' with Ofwat and the Consumer Council for Water (CCW). A strategy which has been enabled and supported by the 'Paying fair guidelines and the recommendations made in the CCW's independent affordability review, both of which encourage innovation, use of data, collaboration and best practice sharing whilst ensuring that minimum standards are set, adhered to and are clearly visible and accessible for customers.

We are proud of the services we provide to our customers, but of course there will always be room learn and improve. One of the ways do this is working by in collaboration with the CCW whose review and approval of our Debt Code of Practice (attached) has been extremely valuable in ensuring we are fully compliant with the 'Paying fair guidelines'.

I hope the short summary of South West Waters approach, which I have set out against each of the recommendations in the following Appendix, confirmation of details in relation to condition G3.5 and G4 of our licence and various attachments, including our completed Paying Fair Data RFI, provides Ofwat with the information required.

Should you have any questions or require any further detail please do not hesitate to contact me.

Yours sincerely

Condition G3.5 and G4

Companies should now use our updated guidelines, as well as other relevant best practice to update their policies and procedures. In particular, companies should submit the following updated core information to us, together with the links to the relevant web pages.

- Condition G3.5, verification of available payment methods is shown below and can also be accessed via our website through the following link <https://www.southwestwater.co.uk/your-account/bills/other-ways-to-pay/>

The screenshot displays the South West Water website interface. At the top, the logo is on the left, followed by navigation tabs: Household customers, Environment, Community, About us, Businesses, and Building & Development. On the right, there are buttons for 'Contact us' and 'MyAccount Login'. Below this is a secondary navigation bar with 'Your account', 'Report an issue', 'Your services', and 'Help and support'. A search bar is also present. The main content area is titled 'Home / Your account / Manage your bill / Other ways to pay'. It lists several payment methods: 'At a post office', 'By post', 'By telephone', and 'Paying at a bank', each with a brief description. A 'Message us' button is on the right. At the bottom, four large blue buttons with icons represent: 'Manage your bill', 'Pay by Direct Debit', 'Register for MyAccount', and 'Pay online'.

- Condition G4, customers who could be having difficulty paying their bills can locate assistance on the South West Water website <https://www.southwestwater.co.uk/help/need-help-paying-bill/other-support-available/> - also shown below.

South West Water

Household customers Environment Community About us Businesses Building & Development Contact us MyAccount Login

Your account Report an issue Your services Help and support Search...

Home / Help and support / Need help paying your bill? / Other support available

The right help for you

There's many ways we can help make your water bill work for you.

No one should worry about their water bill, that's why we've got a range of help available for those that need it. Everyone's different and that's why the support we offer is different. If you need help with your bill because things in your life have changed, or if you've fallen behind with your bill, we can and will help you.

We've got a range of support that you might not know about. Our payment plans spread the cost of your bill. ReStart is a payment matching scheme to help you get out of debt. You can pay your bill directly from your benefits. If you're new to debt, or are dealing with an extraordinary life event, our FreshStart Fund may be able to help you.

Alongside the support we provide, there's lots of independent organisations who offer free expert advice to help you with your money worries. Find out more below.

[You can check to see if you're eligible for benefits here.](#)

- Flexible payment plans
- ReStart
- WaterDirect
- FreshStart
- WaterCare+
- Other free independent money advice Services

Would you prefer to speak to us about the support we offer?

We've made it easier for you to contact us. Don't wait, send us a message on whatsapp, facebook, or twitter, and we'll get back to you. Or you can chat to us on webchat by clicking on the message us button to the right.

If you'd prefer to speak on the phone, please call us on 0344 346 1010. We're open 8am – 6pm Monday to Fridays and 9am – 1pm Saturdays.

- Chat with us on WhatsApp [WhatsApp](#)
- Send us a private message [Facebook](#)
- Direct message us on Twitter [Tweet us](#)

- WaterSure Tariff
- WaterCare Tariff
- Other support available
- Sign up for support online

Your Account

- Manage your bill
- Your water meter
- Moving home

- Our Debt Code of Practice, which has been reviewed and approved by the CCW, can be accessed and viewed on our website <https://www.southwestwater.co.uk/services/useful-information/standards-of-service/>



South West Water

Household customers Environment Community About us Businesses Building & Development

Contact us MyAccount Login

Your account Report an issue Your services Help and support

Search...

Home / Your services / Useful information / Standards of service



We believe you should receive the highest standards of customer service and we are committed to providing this.

Our Customer Promise fully explains our promises and the standards of service you can expect from us. Some of these are based on standards set by Government; we see these as a minimum requirement and, in many instances have improved on these or introduced additional standards demonstrating our commitment to providing excellent service. These promises cover a range of commitments including account queries, supply interruptions and sewer flooding.

Our Codes of Practice include information on the services we provide and our legal obligations and responsibilities as well as our rights and responsibilities.

We aim to always provide you with the highest possible service by treating you courteously, fairly, efficiently and making your contact with us as simple as possible. However, sometimes problems do occur and when they do, we want to know so we can put them right. Our Complaints and Compliments leaflet explains how we handle complaints.



- Our Customer Promise ▼
- Codes of Practice ▼
- Complaints and Compliments ▼

Compliance with 'Paying fair Guidelines'

Companies should also send us a summary document on:

- **The extent to which they comply with our guidelines**
- **Where they depart from them systematically, the justification for doing so and the evidence; and**
- **The areas where they are planning to change policies, procedures and systems and their implementation timings**

As set out below, South West Water is compliant with each of the seven principles and the underpinning minimum service expectations.

Principle 1. Help make it easy for all customers to pay their water bill

Minimum Service Expectations	Summary of SWW Service Provision
Ensure information about customers is correct, up to date and is used	Customers current details are confirmed on every phone call and bulk trace activity helps bridge disparities. Customer information is used to drive engagement and to offer all available support.
Make payments possible in person from different locations	To present as many payment options as possible, payments can be made at Post Offices and Banks.
Offer flexible payment and billing frequencies to match customers' circumstances	Flexible payment plans are available to all customers to help spread cost and to fully suit the needs of the customer.
Offer choice and availability of payment methods to suit customers' needs and preferences	To ensure ease of payment a full range of payment options are available. Customers can pay over our Freephone automated payment line, by post, in person at bank or post office, by direct debit or Standing Order.
Encourage customers to use digital payment methods if they can	Digital payment methods are promoted on all bills, reminder letters, our literature and on our website.
Advertise payment options to all customers in a variety of formats, languages and for those with specific communication needs	Large print and Braille bills are available, and a selection of leaflets are also obtainable on request in alternative formats, such as large print or audio CD formats. Our website incorporates Recite Software which offers both translation services and audio playback.
Use customer bills and payment transactions to improve customer understanding of options	All bills clearly detail a full list of payment options. The online payment page of our website also lists all alternative payment methods as does all relevant literature.

Respond efficiently to customer requests to change payment arrangements	Requests to amend payment arrangements are dealt within the established GSS parameters of five working days with the majority of requests, those that are received through real time telephony and webchat channels, processed on the day the contact is received.
Seek better ways to engage with different customers	We have launched WhatsApp as a communication channel for our customers alongside our online webchat service to further improve accessibility. Since April 2022 we have had over 100k digital conversation offering the same experience customers receive when contacting us by telephone.
Show customers how their views on billing, payment and support are encouraging improvements to services	Our ground-breaking WaterShare+ scheme gives customers a direct say in our business, offering the opportunity to attend public meetings to learn how we are performing. This alongside our research program and the use of Rant and Rave survey technology which allows us to listen and act on customer feedback in real time informs our continuous improvement program.
Make payment, help and debt services inclusive by design	Our debt team are first and foremost there to help the customer, rather than viewing themselves as a cash collections department. We treat every customer as an individual, conscious of the fact a one size fits all approach is not appropriate. Our collection letters use plain English, avoiding jargon and complex language. The website follows suit.
Consider how customers' ability to pay affects their service experience	We recognise there may be some reluctance or embarrassment to discuss financial matters, especially for those who maybe experiencing financial issues for the first time. Our staff are trained to aware of these scenarios and treat each customer with respect and empathy. Call feedback is monitored live to provide quality assurance, provide customer protection and ensure the highest levels of service are provided.
Use best practice when using credit reference agencies	N/A - we do not use agencies to determine the credit score of customers, nor do we relay customer payment history to credit agencies to influence credit scores.

Principle 2. Make sure customers who are eligible for help receive it when it is needed

Minimum Service Expectations	Summary of SWW Service Provision
Use all reasonable efforts to predict and support customers at risk of falling into debt	Through our multi-channel and proactive approach, we rapidly engage with any customer who demonstrates risk of falling into debt. Our 'seamless journey', credit cycle ensures equal and fair treatment to customers failing to pay bills and our use of data and suite of payment behaviour change indicators allow us to identify and reach out to customers who recent payment behaviour may indicate they are struggling to pay.
Identify and support customers in vulnerable circumstances	Discussions around our affordability tariffs take place at each contact point through a holistic review of a customer's circumstances. This is coupled with the promotion of our Priority Services Register. We use data sharing agreements with the DWP s combined with our innovative use of internal and external data to identify and auto enrol customers who are in Water Poverty onto support tariffs.
Use data sharing arrangements to identify customers in vulnerable circumstances	We have entered a data sharing arrangement with the DWP to help identify customers most in need of our support. The agreement will significantly increase our capacity to engage with customers who should be entitled to benefit from our affordability tariffs.
Communicate effectively and sensitively with customers in vulnerable circumstances	<p>Through the development of our affordability toolkit, we have empowered our staff to identify all types of vulnerability, from transient to long-term, to find the right support for our customers through enhanced, innovative training and ongoing support.</p> <p>We have been supported in the development of our Affordability and Vulnerability Training program, delivered to both Contact Centre and Field Staff, by external partners such as the mental health charity MIND and Dementia Friends. This has enabled us to provide additional insight and awareness for all customer service staff so that they are able to recognise potential and emerging vulnerabilities.</p> <p>Our retained accreditation of the BS 18477 standard for Inclusive Service provision was specific to the identification and responding to vulnerability.</p>

Offer customers the option for their account to be managed by authorised third party individuals	We are happy to deal with a third party on the provision that GDPR requirements. We are currently undertaking training to ensure a more proactive approach to the promotion of third-party account management is considered to reflect that this is detailed in our Code of Practice.
Use approaches to debt management for customers in vulnerable circumstances that are appropriate to their circumstances	Debt management that is bespoke and appropriate to the customer is the bedrock of our approach and we readily signpost to external agencies and charities, such as Christians Against Poverty, Step Change and Citizens Advice, who can offer further support
Make it easy for relatives to close or amend the accounts of a loved one who dies	We work with Life Ledger, a free service which allows relatives to notify multiple organisations about bereavement in one place. We also signpost to bereavement support charities.

Principle 3. Treat customers that have their accounts managed by agents as customers of the company

Minimum Service Expectations	Summary of SWW Service Provision
Have clear agreements with agents	We do not have any agreements in place with agents but do encourage customers whose accounts may be managed to contact us to discuss how we can help. Our code of practice states, "If your account is managed by an agent/landlord, and you have issues with your water charges, please give us a call to see how we can help".
Make customers aware of their rights	Our customer promise and Debt Code of Practice is available and accessible on our website.
Consult tenants where charges are collected as part of the tenancy	A variety of avenues for customer contact and consultation are promoted on our website.
Act quickly to help resolve disputes between customers and agents	We have a dedicated complaints escalation team who endeavour to rectify any dispute as quickly as possible

Principle 4. Be proactive in contacting customers in debt

Minimum Service Expectations	Summary of SWW Service Provision
Show customers empathy	<p>We have been supported in the development of our Affordability and Vulnerability Training program, delivered to both Contact Centre and Field Staff, by external partners such as the mental health charity MIND and Dementia Friends. This has enabled us to provide additional insight and awareness for all customer service staff so that they are able to recognise potential and emerging vulnerabilities and are empathetic and understanding of all circumstances.</p> <p>We ensure the approach is maintained by reviewing call recordings, provide regular coaching and refresher training and discussing individual performance in regular one to one's</p>
Proactively offer other alternative payment options to customers in debt	<p>As well as promoting all payment options on our website, when discussing payment plans with a customer all available options are highlighted and discussed to allow the customer to choose the option which works best for their circumstances, including Water Direct.</p>
Send clear reminders that provide advice and next steps	<p>All reminder letters are clearly written and stress the help on offer. The initial reminder letters do not detail subsequent consequences of non-payment as they are not intended to shock or cause unnecessary distress. All letters post the initial reminder stage do specify the consequences of non-payment.</p>
Contact customers using different methods and stop chasing them if they are getting debt advice	<p>We utilise all available methods of contact in our credit cycle, letters, text messages, outbound calls, and visits to the customers property. Holds are placed on accounts if we are advised debt advice is being sought. The number of holds on accounts, and the reasons for holds being in place, are reviewed each month.</p>
Make sure communications are friendly and company representatives are easy for customers to talk to	<p>Communications are written in plain English in a non-threatening tone which is open and approachable. Our dedicated phone support team have a wealth of experience and pride themselves in developing a rapport and understanding with our customers. Calls</p>

	are routinely monitored as is live customer feedback to ensure quality is maintained.
Tailor debt recovery strategies and review them for suitability, fairness, and empathy	Our seamless recovery journey is tailored to offer the customer the opportunity and time to engage across all mediums of communication. Empathy and understanding are the principal themes of our strategy and dictate the tone of our communications.
Demonstrate quality service	The Rant and Rave voice of the customer technology and process used to monitor to live call feedback demonstrates positive customers satisfaction scores. Any negative feedback, which is rare, is utilised to flag possible performance issues and addressed immediately.

Principle 5. Be clear, courteous, and non-threatening to customers in debt

Minimum Service Expectations	Summary of SWW Service Provision
Design the content of communications around customers' information needs	Communications are designed to be clear, precise, and open. Support is highlighted and third-party support networks are also referenced.
Tailor the language of communications to customer's needs	Careful consideration is given to the language of communication. Jargon is categorically avoided, and the tone of our communications encourages contact.
Use fair tools for encouraging payment	Alongside the varied communication platforms, we utilise our affordability tariffs, wider affordability toolkit and Water Direct as tools to encourage engagement and payment.
Explain the implications for customers at risk of enforcement action	Our 'Post Judgment Letter ' details possible enforcement activities and what this means in clear English. Letters warning of an impending Charging Order, High Court Enforcement and Attachment of Earnings are in place and utilised accordingly.
Use enforcement action as a last resort	Enforcement is used only as a last resort and where appropriate.

Respond quickly, fully, and appropriately to disputes or queries about debts	Disputes or queries are responded to in a timely fashion. Any complaint received would see a hold added to the account until the complaint was resolved.
Regularly review and update debt communications learning from feedback and complaints from customers	All communications are reviewed regularly using cross sector best practice and insight as well as customer feedback and complaint and contract trigger causation analysis.

Principle 6. Agree payments that are right for each customer in debt

Minimum Service Expectations	Summary of SWW Service Provision
Double check that the customer is in debt	A thorough account review is undertaken before every payment plan is set up.
Establish each customer's ability to pay and allow customers to consider payment proposals	A full understanding of a customer's circumstances is obtained prior to agreeing a payment plan. The discussion is a two-way conversation which listens to the customer's circumstances ensuring that where a plan is agreed that this is realistic and affordable.
Refer customers to company's financial hardship fund or other affordability schemes for help	Company support and affordability schemes are discussed before any payment plan is agreed. The number of referrals is closely monitored and discussed with agents monthly to ensure performance. The importance of these schemes cannot be overplayed. South West Water have made an industry leading commitment to eradicate Water Poverty by 2025, ahead of the industry's 2030 target. Currently over 38k of our customers benefit from a support tariff an increase of 16% from the start of the financial year. This is set to grow to c70k in 2025.
Help customers reduce future charges	Through our extensive research and customer engagement customers have told us that metering is the fairest way for households to pay for what they use; however, they still value the choice to switch. Metering saves customers on average 15%. This increases when customers are supported by water efficiency messaging, education and free water saving devices. This is a significant saving available to the majority of customers.

	<p>In part due to the historically larger charges in the South West over 87% of SWW customers are currently charged on a metered or equivalent basis through customer appetite alone.</p> <p>But there is more to do with our data telling us that 12k unmeasured customers will be brought out of Water Poverty just by having a meter installed. We are actively engaging with these customers promoting our lowest price guarantee which removes the risk and potential resistance to having a meter installed.</p> <p>Water saving and efficiency advice is routinely discussed with customers to help reduce ongoing charges, and as tool to drive engagement. We offer free water saving products to encourage further savings (shower heads, tap inserts, shower timers, toilet cistern bags and meter flow control devices). Both the advice and the option to order the devices are promoted on our website. This year to date we have provided over 75k free water saving devices.</p>
<p>Agree repayment levels that are realistic, understandable, and regularly reviewed</p>	<p>It is beneficial for both parties if repayment levels are set at an amount which is realistically affordable. Agents aim to set payment plans which cover ongoing charges plus 30% of arrears for pre claim customers. If circumstances dictate that the desired amount is unaffordable, then a lower temporary plan can be agreed which would be reviewed after 3 months. This approach encourages regular payment habits and open, honest dialog with the customer without applying any pressure.</p>
<p>Refer customers to local advice agencies, charities, or voluntary organisations for further help</p>	<p>We routinely signpost customers to charities and advice agencies, including Christians Against Poverty, Citizens Advice and Step Change. We have also recently begun to track a database of local foodbanks and have begun to direct customers to their local resource if necessary.</p>
<p>Re-engage with customers over missed instalments and make sure follow up action is proportionate</p>	<p>We proactively and automatically reach out and engage with each customer who has missed or defaulted on a payment plan. To do this we have built a reporting suite which highlights each failed payment which allow for rapid reengagement and assessment if there has been a change in the customers circumstances and / or if additional support is required.</p>

Principle 7. Treat customers facing debt recovery action with care

Minimum Service Expectations	Summary of SWW Service Provision
Treat customers facing debt recovery action with empathy, sensitivity and provide the same quality of service as other customers	Customers are treated with the same levels of empathy and sensitivity, regardless of their stage in the recovery cycle.
Ensure the needs of priority service register customers are met	The PSR is thoroughly promoted and utilised without fail when necessary. Currently over 7% of household customers are registered for PSR.
Use reputable debt collection companies that treat customers fairly and in line with agreed levels of service	Court Enforcement Services are a member of the Credit Services Association (CSA -member number 964). In addition, individuals in their team are also members of High Court Enforcement Officers Association, the Civil Enforcement Association (CIVEA), the Certificated Enforcement Agents Association (CEAA), the Chartered Institute of Credit Management (CICM), the Association of Credit Professionals, the Civil Court Users Association (CCUA). We have recently started a trial with a trace agency who provide FCA Approved debt recovery, underpinned by quality management systems ISO 9001 and 27001 and PCI Security Standards. The company have over 25 years' experience in the trade and work with other utility companies.
Regularly and robustly check customers facing debt recovery action are treated sensitively	Court Enforcement Services have quarterly review meetings to discuss performance, processes, and any customer concerns. If our trial with the trace agency develops into standard practice, a similar meeting will be scheduled.
Continue to communicate directly with customers facing debt recovery action	Channels for direct contact with the customer remain open. Court Enforcement Services have a portal that SWW can access which details information such as letter/visit/contact history so any direct contact can be dealt with quickly and accurately.
Retain access to the customer's account	As above, full access and details of the customer's account is always available.
Allow customers to raise disputes involving the agent with the water company	If customer makes a complaint we would review and feedback as necessary. We have an established complaints channel directly into CES for ease of process.

Speak to local authorities to find alternatives to evictions where non-payment of water charges could result in evictions	We are not aware of any such cases in our area but would certainly explore alternatives to eviction and would never consider eviction as a strategy.
Only sell debt to reputable parties and where other recovery activities have been exhausted	N/A we do not sell debt.
Tell courts promptly when customers clear their debts	The courts are always informed precipitously when a customer clears their debt.
Demonstrate service levels to CCW	For the 2019 CCW debt audit we provided full details of Court Enforcement Services (our High Court Enforcement partner) activities. CCW have not in the past asked for access to external agent's offices but if required could be arranged.

Paying Fair Data RFI

We would welcome feedback on our request for information on customer debt and responses on the following questions:

- 1. Do you have any comments on this information notice? In particular, we welcome comments on the debt metrics and units of measurement we are proposing.**

We are supportive of the debt metrics and units of measurement proposed.

In light of the deepening cost of living crisis this quarterly return may be an opportunity to measure at both a company and industry level the number of unique customers who have entered the recovery process for the first time both in the quarter and YTD. Consistency of reporting would be important to ensure accurate comparison with the clarification being any customer who had received a first reminder.

- 2. Is there any additional information you think it would be worthwhile for us to collect?**

Whilst not specifically debt related the RFI and the quarterly return process may be an opportunity to collect and share information in relation to the number of customers in Water Poverty (at the Water UK 5% of equivalised income rate) and the number of customers currently supported by a social tariff.

Attached documentation

- South West Water Debt Code of Practice
- South West Water Extra Support Literature
- South West Water Paying Fair Data RFI