

18 October 2023

By email: customerfocus@ofwat.gov.uk

Thank you for the opportunity to review and respond to the Service for all – draft vulnerability guidance for water companies supporting customers who need extra help.

We agree with Ofwat that the development of specific vulnerability guidance will play an important role in improving outcomes for customers who need extra help by giving clarity and setting clear expectations, establishing a direction of travel for the sector and empowering water customer and the third sector.

We recognise that as the sole provider of a critical service, we must ensure that we serve all our customers, and meet all their needs. Our customer service and experience must always be reliable, consistent and provide extra help to customers who without tailored support may not be able to access and receive an inclusive service. This is at the heart of our approach.

Across all our brands, South West, Bristol, and Bournemouth we are proud of achieving the BSI Inclusive Service Provision accreditation and have renewed our commitment to maintain this as an independent way to demonstrate and to ensure we are delivering and innovating for customers who need extra support. This is detailed in Customer Care strategy to 2030 which sets out our vision of how we will continue to enhance, innovate, and provide tailored support and services for customers who need extra help whenever they need it.

We look forward to continuing to work with Ofwat, stakeholders, the third sector and our customers as we develop our detailed vulnerability strategy and commitments in readiness for publication in June 2024.

I have attached our response to each of the 12 questions in the Appendix which I hope are helpful and should you have any questions, please do not hesitate to contact me.

Yours sincerely

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Brett Conibere
Head of Data, Insight and Support Services (Customer and Retail Market)

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

We agree that this remains accurate, relevant and provides a clear and concise description of vulnerability. We also agree that the term vulnerability remains potentially divisive and support the use of the terms extra help and customers who need extra help in replacement of 'customers in vulnerable circumstances or situations of vulnerability.'

We have included the recommended definition in our Customer Care Strategy to 2030.

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

We support Ofwat's approach to nomenclature and have already adopted this wording across all our related literature whether accessed through digital platforms, detailed on bills, or included in our 'extra support' literature.

We have also adopted the CCWs recommendations in respect of common language and simplification and have redesigned our website and literature using the gold standard for web content accessibility guidelines and we will continue to work with the CCW, the industry and to be guided by the third sector to benchmark and mirror evolving best practice in respect of not only nomenclature but our complete extra support offering.

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

Yes, we agree with the proposed approach that the guidance should apply to new appointees and the Welsh non-household sector. The objectives and expectations in the draft guidance are relevant, beneficial and should be applicable to all customers.

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

The guidance will positively steer and further drive up performance.

By introducing clear expectations for customers who need extra help, which have been evolved to consider and include research, input, and learnings from the third sector, this will continue to protect the interests of customers and customer groups who need extra support.

The development of the guidance builds on the work undertaken over the last 10 years and by bringing this together in one document will provide clarity for all parties. This is particularly important given the development of the customer licence condition.

The guidance will also lead to more consistency across the industry better allowing for direct comparison of extra support provisions across companies and, for customers who themselves are not bound by the specific boundaries of a company's supply area, a clear and common understanding of the extra support services they can expect and are entitled to receive wherever they are.

Whilst there is more to do, we are proud of the work we have done in this area to date and welcome the guidance which will complement this and further guide us, particularly where it considers and reflects developing areas of vulnerability for the first time.

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

Whilst further lessons can always be learned, the guidance has incorporated inputs from other sectors with the outcome being the far-reaching draft which has been produced which will continue to place the industry and its customers positively at the frontier in respect of the extra support available and provided to customers whenever they need it.

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

We agree with the proposed approach to enforcing the customer-focused licence condition and that to evidence compliance the monitoring of company performance should be proportionate and not place an additional burden on companies and retail businesses.

To do this we welcome Ofwat's proposed use of existing data alongside the use of third party benchmarking exercises and evidence including the company's ability to evidence accreditation.

We are proud of achieving and holding BSI accreditation across our regions and have committed to achieving and maintaining the new BSI Inclusive Service Provision (Kitemark BS ISO 22458) to 2030 as an independent way to ensure we are innovating in this area.

The retention and continued reaccreditation of this standard will ensure that we are providing the best customer experience for our customers who need additional support and that we continue to look for ways in which we can develop our service further and demonstrate clearly to customers that we are committed to delivering high quality, inclusive service for all.

We also support Ofwat's requirement for each company to publish vulnerability strategies which sets out the information and data they will use to understand whether their strategies are on track, including clear measurable commitments and targets.

As a minimum we note that Ofwat will continue to collect priority services reach, attempted and successful contact. It is important that consideration is given to the increasing need for additional support when any new standards and expectations are set as well as the different scale or size of companies' ambitions which, could lend itself to targets of this nature being made uniform across the industry.

To ensure we are providing support to those who need it most, and that we understand the unique characteristics of our region, we have undertaken analysis of our customers which reflects higher than average levels of customers with characteristics that lead to additional service needs compared to all England average:

- Digitally disadvantaged
- Live in rurally making it more difficult to access amenities and services.
- Elderly
- On lower incomes.

In the development of our PR24 Business Plan we have used this data, which has also been validated with the National Grid to understand the volume of customers we can expect and should challenge ourselves to identify and registered for Priority Services. On this basis we can expect our PSR register to grow from 10% now to 25% in 2030 through cross industry data sharing as well as:

- The continued empowerment of our staff to identify all types of vulnerability, from transient to long-term, to find the right support for our customers.
- Further expanding our partnerships to build on our work with debt charities and organisations such as MIND and dementia friends to identify customers in need of extra help and to develop, innovative training and ongoing support for our staff.
- Innovative use of data and the extension of the data sharing agreements currently in place so we identify customers in need of extra support.
- Our largest ever community outreach program, working in communities where our data tells us that customers may be more vulnerable and in need of extra support.

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

Yes, we agree the draft objectives and their aims cover the broad areas of support activities and outcomes including High standard of service and support, inclusive by design, identifying customers, recording needs, and requiring companies to have strategies demonstrates and measures plans in place for the short medium and long term which deliver for all customers who need extra help.

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

We agree with all but one of the minimum expectations as set out below.

Safe and secure sharing of data across utilities reduces this burden, removes barriers to access and offers the opportunity for companies to offer seamless priority support. On the 1 April 2023, we joined other members of the water and energy industries and launched a two-way data sharing arrangement with the two principal energy network operators in our regions. This is an important first step in achieving the Ofwat vision of joined up vulnerability data across the water and energy sectors and beyond.

This and the established legitimate interest sharing approach potentially conflicts with minimum expectation 4.4 *“In designing their approach to recording and, where relevant, sharing customer vulnerability data, companies should take into account customers views on data protection and privacy. Companies should take steps to understand how their customers who need extra help feel about the use of their data.”*

We recommend that further consideration is given to this the expectation, its aims and the potential conflict with the cross sector Water and Energy PSR data sharing program which has established that there is a legitimate interest in sharing this data which serves to ensure that customers only need to register once, removes barriers to access and helps to ensure that customers who need extra help receive the support they need when they need it the most.

By seeking customers views on this implies that the agreements in place and established could be removed should customers not be supportive. We would appreciate clarification in respect of the aims and intention of asking this question before this or a similar question is added to our PSR satisfaction surveys.

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?

We are pleased to note that we currently offer or are working towards enhancing our strategy and service provision to meet the evolving needs and minimum expectations that have been outlined, and that the minimum expectations provide both clarity for customers, companies and stakeholders but are also not overly prescriptive as to not allow for different approaches, evolution of best practice or stifle innovation.

Whilst customers additional needs take many forms, and we know that some of our customers are not digitally enabled meaning we will need to continue to offer and develop bespoke customer journeys and services across all our channels, we see a future where digital innovation can and will enhance our service delivery, including that for customers who need extra support. This will be underpinned by the latest technological advancements.

Providing excellent customer care is an ongoing journey and we will look for ways to continually challenge thinking, build on achievements and make progress. We will use innovative schemes like WaterShare+ and our community outreach to ask what we're doing well and where we need to improve so that together, we can continue to build an excellent service that provides the very best care for those who need it most.

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

Yes. We agree that every company should set out their approach to delivering extra help and should explicitly set out how the company plans to meet each of the minimum expectations set out in the guidance.

We have provided detail of our overarching plan and approach in our Customer Care Strategy to 2030 set out in our Business Plan submission and will publish our Vulnerability strategy in June 2024.

11. Do you agree with our proposed approach to how water companies should use our guidance?

Yes, we agree the proposed outcomes focused approach which, whilst companies should deliver on all expectations in full, also allows for companies to innovate where they have evidence that shows that this alternative approach better meets the objectives detailed in the guidance.

12. 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?

We support the approach and timeline and agree that there is scope for and benefit in to developing a PSR standards document that clearly describes the expectations around how companies should operate their PSR, and the service customers should expect and be entitled to.

There may be opportunity to align this review to the CCWs review of the Guaranteed Standards of Service where it may be appropriate to have different standards or considerations for customers who are registered for PSR particularly for those who may require extra support during service interruptions or emergencies.