

United Utilities assessment against Paying Fair

December 2022

Guidelines for water companies in supporting residential customers to pay their bill, access help and repay debts.

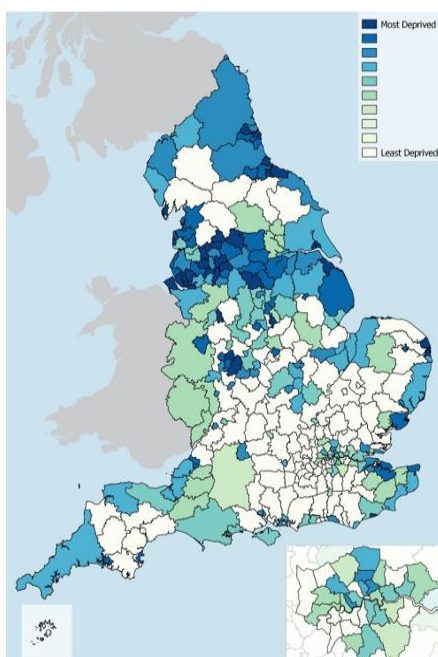
Introduction

United Utilities have completed an assessment of our operational practises against Ofwat guidelines contained in 'Paying Fair: guidelines for water companies in supporting residential customers to pay their bill, access help and repay debts'.

We are supportive of the principles, and the summary of minimum expectations set out in the document and agree that companies should be acting in line with these principles to ensure all customers are treated fairly and can access help where needed.

We believe United Utilities are already meeting, and in some cases exceeding the majority of recommended minimum service expectations. We have included a detailed list of comments against specific expectations in Appendix A of this response.

We believe that customers will continue to benefit from our wide range of payment plans and channels, and to know that if they do face payment difficulties they will be treated in a fair and understanding manner.



We have long recognised that the degree of socio-economic challenges in the North West means that the need for financial support for customers is greater than other areas of England. The North West region served by United Utilities has a diverse population and across the region there are specific affordability challenges.

Our region suffers from extreme deprivation; we supply 41% of the most deprived areas in the country and 18% of households are affected by water poverty (20% higher than national average).

The North West has the largest population of economically deprived households in the country. According to data compiled by Public Health England, the North West is below national averages for several other key indicators of deprivation, spanning not just financial, but also educational, physical and mental health indicators.

Analysis in the Centre for Cities – “Out of Pocket: The Places at the Sharp End of the Cost of Living Crisis.” details how the cost of living crisis is affecting different cities in different parts of England and Wales. This report shows that the cost of living crisis is hitting some places harder than others. It is the UK’s poorest cities – those that are the least able to cope – that are likely to be the most negatively impacted by the downturn in living standards.

This is because these areas are seeing higher increases in cost inflation (because household incomes are disproportionately spent on petrol and energy costs) and incomes are also being hit harder than many areas.

United Utilities assessment against Paying Fair

December 2022

Guidelines for water companies in supporting residential customers to pay their bill, access help and repay debts.

The three places that are expected to have the highest levels of cost inflation are all in the area served by United Utilities – Blackburn, Burnley and Blackpool.

This raises concerns that many United Utilities customers will be hit disproportionately hard, with above average price rises in the short to medium term.

This is why United Utilities has, and will continue to consistently place particular emphasis on delivering effective customer affordability assistance schemes, often in conjunction with other schemes to support people in vulnerable circumstances.

However, we also recognise the important role that effective debt management plays in keeping bills affordable for the totality of customers. To this end United Utilities has been continually developing our debt management practises, with good results.

United Utilities' approach to bad debt management

We believe that United Utilities is amongst the leading companies in the sector for bad debt management, as evidenced by our strong and sustained performance improvement over the course of AMP6 and AMP7 where we have reduced our annual regulatory bad debt charge from £74m to £42m.

This cost reduction has been achieved by engaging in continual debt management improvement practises. This programme has substantially enhanced our debt management systems, data and processes. We have made extensive improvements in the sharing and use of Credit Reference Agency (CRA) data and other third party data sets, and we have used this information to better understand our customers. This has enabled a tailored approach to engaging customers in debt, matching individual customer circumstances with the various support options we have available.

Equally, the ability to access and use CRA data has been crucial in identifying where customers may have the means to pay. Sharing payment performance data with Equifax, our CRA partner allows United Utilities to register a default on customer credit files. This is proving to be an effective prompt to payment for many customers. We use CRA data extensively to build customer scorecards, enabling the effective targeting of collection activities such as litigation and subsequent enforcement activity. The data is vital to helping us individualise the content of our debt recovery messages and selection of communication channels.

Our collection paths are tailored to a customer's ability to pay and the subsequent treatment and message content aligns to the customer segment and past payment behaviour. We integrate digital prompts and outbound dialling alongside more traditional lettering to optimise the opportunity to reach customers. Customer communications provide choice and flexibility on how to pay or include information on how to engage with a third party or us if they are experiencing financial difficulties.

United Utilities assessment against Paying Fair

December 2022

Guidelines for water companies in supporting residential customers to pay their bill, access help and repay debts.

Some of the key initiatives of our transformation plan include:

- **Debt Manager** – the largest transformation we’ve completed was the implementation of a new Debt Management system in 2019 and a subsequent upgrade in 2022. We successfully delivered a new debt management solution with improved collections strategies and processes, increased automation, embedded digital communications alongside conventional lettering and improved our analytical capability.
- **Moved to multi-bureau data sharing** – UU now shares its customer payment performance with two of the three Credit Reference Agencies and has plans to move to sharing with all three. Sharing data with multi-bureau’s is deemed best practice as it’s recognised organisations use different CRA’s when accessing bureau services to support core business decisions such as lending and tracing customers. Accessing bureau services operates under the principles of reciprocity, by sharing our data with multiple CRA’s we can access a wider range of data on our customer base helping us make more targeted interventions. This approach provides UU with access to new streams of data and products to help us enhance our scorecards and develop new ones to continually improve our debt collection effectiveness.
- **Enhanced data and analytics** –The credit performance and insight team was created in 2017 to develop and implement the use of predictive data modelling and enhanced data analytics into the United Utilities income operation, including predictive scorecards for early intervention with vulnerable customers and identification of customers where specific affordability tariffs may be suitable. Scorecards have also been implemented to enable the use of intelligent recovery strategies, targeting the most appropriate recovery interventions. Reporting has been put in place to monitor the performance of the scorecards and to support the enhancement of the predictive strength of the scorecards where possible.
- **Increased use of digital contacts** –we’ve recently extended our use of digital contacts by integrating digital communication into our early collection strategies and payment plan follow up. In addition, supplementary activity such as our early intervention campaigns adopt a digital first approach. Digital communications are supplementary contact channels so as not to exclude customers from receiving communications.
- **Court Processes** –ensuring that we use the full powers of recovery available to us via the County Court and High Court. We have developed a litigation scorecard and are targeting customers who have the ability to pay and are choosing not to via these strategies.
- **Robotics** – We are increasingly using robotics to increase efficiency of our operational processes and free up our front-line staff to have more conversations with customers who need help and support. For example, using robotics to automate notifications from the DWP and returns from our affordability door-step visits delivered an equivalent head count saving of 6 FTE. The solution has also facilitated improvements in processing time, manual errors and a c.10% growth in successful applications.

A track record of affordability support

Making financial support schemes available is only half the task. Customers need to be aware of the schemes, aware of their eligibility for the schemes and persuaded that taking action to enrol will provide them with real benefit. We work hard to promote affordability support to customers who might benefit. In each year from 2022/23 to 2024/25 we expect to provide financial support to over 200,000 customers.

United Utilities assessment against Paying Fair December 2022

Guidelines for water companies in supporting residential customers to pay their bill, access help and repay debts.

Many customers only become aware of their eligibility because of our proactive approach to increasing awareness of schemes and our targeted communications approach. These includes the use of a variety of digital media channels, postcards, doorstep visits and indirectly promoting our schemes on our website and in various social media campaigns. We have also worked alongside trusted partners and money advice agencies who promote the support available to their clients.

We continually innovate to improve our ways of working. In March 2021 we were the first water company to begin data sharing with the Department of Work and Pensions (DWP), leveraging the new provisions under the Digital Economy Act to assist people living in water poverty. The new data share arrangement allows us to identify customers in receipt of benefits, enabling us to offer support to those customers who need our help the most. This data is particularly beneficial for identifying customers who are struggling to pay who are also often harder to reach and engage. It also gives us the ability to undertake a benefit check at point of re-application, meaning eligible customers can automatically continue to benefit from lower bill support. We've continued to explore ways to drive value from the data share arrangement, working with DWP to extend the data provision to Universal Credit claimant data, enabling us to extend the reach of the arrangement and support more customers

We are also leading efforts to ensure that, once those eligible for support recognise this and are in contact with us, they can get access to the support as soon as possible. We are minimising administrative or bureaucratic hurdles which might otherwise obstruct or slow down access. We have led the utilities sector by identifying and harnessing the potential of Open Banking. This provides us with the capability to assess eligibility immediately, through an initial enquiry, rather than through a series of discreet interactions with the customer. This transforms a process which used to require physical forms of verification and over a week of administration to one that can be completed within 15 minutes, there and then. Customers in need of financial support value the simplicity and immediacy this brings. Of those customers who are offered verification through Open Banking, over 40% successfully complete the process.

External assessment of our approach

CICM: United Utilities is the first UK Water company to obtain CICQM accreditation for Credit Management. Since achieving the coveted Quality Mark for best practice in Credit Management, CICMQ, in February 2019 culture and conduct has remained pivotal to our success and we recognise the importance of leadership from the top with an FCICM accredited leadership team.

CCW: In 2021 CCW published its affordability review and a summary of recommendations of good practice for supporting customers who find their water bill unaffordable. CCW surveyed all water companies to assess their level of compliance against best practice recommendations. We received a green assessment with no recommendations for improvement. From a review of CCW's own comparative data we are one of only two water companies to provide a full suite of affordability offerings and have a strong history of providing shareholder backed support to customers.

United Utilities assessment against Paying Fair December 2022

Guidelines for water companies in supporting residential customers to pay their bill, access help and repay debts.

The image below is taken from CCW’s Independent review of water affordability.

A detailed view: Support and assistance schemes

Company	Charitable Trust or in-house crisis Fund	Payment Matching to clear debt	Payment Breaks (Permanent schemes rather than as part of Covid-19 response)	Benefit entitlement checks	Water efficiency home audit	Lowest bill guarantee as part of meter option	Money / debt advice referral arrangement
United Utilities	✓	✓	✓	✓	✓	✓	✓

Credit Industry Awards

We continue to win awards and most recently our affordability and collections team have won Water Team of the Year and Best Vulnerable Customer Support team at the U&T Awards. We also won the inaugural Utility Week Cost of Living award, recognising our extensive approach to responding to customers’ needs as result of increasing cost of living pressures.

In total we have won over 20 awards since 2017, including the following:-

- Water Team of the Year for 5 out of the last 6 years at the Utilities and Telecoms Awards
- Best Vulnerable Customer Support team, U&T Awards 2022
- Cost of Living award, Utility Week 2022
- Utility Team of the year, Credit Awards 2021
- Consumer team winner, CICM British Credit Awards 2020
- Best use of technology, Credit Awards 2020

Delivering against Licence Condition G3.5 ‘Payment methods available to customers’

Offering tailored payment plans to suit all of our customers’ individual circumstances plays a vital role in supporting customers in avoiding falling into debt in the first place. Our extensive range of payment options already allow a lot of flexibility and allow our customers to control when and how they pay. We have one of the largest range of payment frequencies and methods within the industry (any day of the working week, weekly, fortnightly, four weekly, bi-annually, annually, on demand).

Customers are provided with a structured payment plan, and have the flexibility to make payments at a frequency that suits them as long as they meet their payment milestones. For example, customers who register for the United Utilities Mobile App or our MyAccount service can make a payment at a time and frequency that suits them.

We are undertaking a pilot “Pay as You Go” style payment plan to determine customer appetite and adherence to a more flexible payment arrangement. The pilot will provide insight into who it benefits and if it is better than a structured plan using current digital payment options. Outcomes will inform the feasibility of introducing additional payment plan options to customers.

We promote the various payment plan channels and frequencies on our website, <https://www.unitedutilities.com/my-account/your-bill/pay-your-bill/>. We also promote options on

United Utilities assessment against Paying Fair December 2022

Guidelines for water companies in supporting residential customers to pay their bill, access help and repay debts.

the back of our bills, and on our early recovery letters such as reminder letters and solicitor letters. In addition, when asking customers for payment, our debt management letters also promote the various payment methods available to customers.

Current Payment methods, as promoted through the United Utilities website include:

- Direct Debit
- Mobile App
- Online payment
- Cash
- Cheque
- Payment Card
- Standing order or BACS
- Automated telephone payment line

We continue to look to expand our offerings to customers, and are currently working on introducing Apple Pay and Google Pay options. We're also developing a solution to enable continuous card payments as a supplementary payment plan method.

Delivering against Licence Condition 'G4 - Guidance for customers who are having difficulty paying their bill and a description of the procedures to collect outstanding debt from those customers'

We publish and maintain a debt code of practice¹, which outlines the help available to customers and also provides details of the high level collection approaches we take as a company to recover outstanding charges.

We've gone one step further and developed a Fair Debt Collection Charter² which is also published on our website and outlines our collection approach. The document was created as an example of good practice collections, providing clarity to customers on what they can expect from United Utilities, as well as acting as a guide to our principles based approach to collections, allowing other organisations to understand our approach.

We complete an annual review of all our customer and charges-related processes and policies. This is undertaken by 31 March each year so that it is complete before each new charging year. In completing reviews we ensure all policies are checked for consistency with published charges schemes.

We would be happy to discuss further any of the comments or observations we have presented. Likewise, we always welcome collaboration and sharing of best practice within and beyond the sector and we will continue to pursue this going forward.

¹ <https://www.unitedutilities.com/globalassets/documents/pdf/9320-8395-debt-code-of-practice-booklet-acc.22.pdf>

² https://www.unitedutilities.com/globalassets/documents/pdf/8545_debt-collection-charter_a5-v8-web-acc.pdf

United Utilities assessment against Paying Fair December 2022



Guidelines for water companies in supporting residential customers to pay their bill, access help and repay debts.

Appendix A - PRINCIPLES

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

Companies should seek to understand what will make it easier for different groups of customers to pay. This includes providing a reasonable range of payment frequencies and methods, for all customers. The entire range of options should be properly and widely advertised to ensure that customers can select the arrangement which best suits their circumstances.

Summary requirement	Requirement number	Detailed requirement	UU response
Ensure information about customers is correct, up to date and is used	1.1	Have robust systems and procedures for establishing who is moving into and out of properties being supplied – and record accurate information about the occupant and account.	<ul style="list-style-type: none">• We have developed robust data led processes underpinned by Credit Reference Agency data (CRA's) that survey customer records on a monthly basis to identify potential movers. Using insight from the CRA's that is triggered by customers starting to transition their credit records to a new address we run monthly tracing extracts to identify change of tenancies. The process also identifies potential new occupiers enabling timely billing of new customer accounts and avoiding the creation of VOID accounts. This activity was designed us to keep billing records up to date where customers fail to notify us they have changed address.• In addition we have developed sophisticated processes for management of our VOID properties utilising data from various external sources to identify new occupiers including CRA data, Land Registry, Cabinet Office. We also have internal data led solutions that trigger occupier identification processes including monitoring for consumption on meters and our bespoke VOID App utilised by our field and network staff who report indications that a property is occupied properties when undertaking routine activities across the region.

United Utilities assessment against Paying Fair December 2022



Guidelines for water companies in supporting residential customers to pay their bill, access help and repay debts.

			<ul style="list-style-type: none"> • We make it easy for customers and third parties to notify us of a change of occupier, we have a dedicated Moving Home page on our website https://www.unitedutilities.com/my-account/moving-home/ that summarises all the different ways customers can tell us of their change of address. These include a dedicated phone line, webchat and MyAccount if they're a registered user. We also receive notifications via the Landlord Tap portal keeping us updated on movements within tenanted properties. • We recognise the importance of capturing and maintaining accurate data. Our billing system guides our agents through the moving home process capturing all required information fully and accurately relating to the house move including contact information enabling future proactive service messaging.
	1.2	Have robust systems and procedures for contacting customers and recording and recalling contacts with them. This should include maintaining up to date customer contact details with at least two methods of contact (where available) – and the customer's preferred contact times.	<p>We have robust systems and procedures in place for managing customer contacts:</p> <ul style="list-style-type: none"> • Our telephony platform has call recording capability enabling calls to be retrospectively reviewed for agent quality checks or service resolution. We also have call recording capability on our outbound system. • Our billing system allows customer advisors to capture detailed notes of any conversations and subsequent action taken, key changes to information are also automatically recorded providing an audit trail of amendments made. • Current practice is to attempt to capture two telephone numbers (mobile and landline) along with a customer specific email address. <ul style="list-style-type: none"> ○ Preferred contact times/call restrictions can also be recorded against each contact number.

United Utilities assessment against Paying Fair December 2022



Guidelines for water companies in supporting residential customers to pay their bill, access help and repay debts.

	1.3	<p>Where properties are rented, companies should:</p> <ul style="list-style-type: none"> • work with landlords – including make them aware of the Landlord and Tenant Address Portal (LTAP) – to establish tenant details, where tenants are expected to pay water charges; • explore data sharing arrangements to better understand which properties are rented; and • accept evidence provided by tenants to show who is responsible for paying bills. 	<ul style="list-style-type: none"> • We work with Landlords and utilise data sharing arrangements to improve our understanding of rental properties: • We promote LTAP to Landlords and Letting agents on our website, in ad hoc seasonal promotions and during conversations with them. https://www.unitedutilities.com/my-account/moving-home/landlords-and-letting-agents/ • We use data sharing arrangements with CRA’s to ensure we are quickly aware when a property has become occupied, as per 1.1 our residency validation process is utilised to proactively identify change of tenancies. The data we procure from our CRA partner includes mortgage information and property insights. Where information hasn’t been provided by the customer or Landlord previously we’ve developed a predictive model consolidating various data types to produce a homeowner scorecard that indicates whether a property is owned or tenanted. Development of additional data share agreements is something we have in plan to explore as we recognise the value of proactive notification from an efficiency and bad debt perspective. • We’ve recently sourced property type data for our VOID customer base which provides insight into the potential ownership type. This is being utilised to analyse property turnover and inform void strategy decisions. • Where a tenant is not responsible for the charges at their rented property, they can simply provide evidence of who is responsible and we will amend our records accordingly.
	1.4	Regularly quality assure their people, procedures and systems use customer	<ul style="list-style-type: none"> • We have a robust quality management framework that assures the activities completed by our people to ensure procedures and system updates are applied correctly. This includes the completion of regular quality checks of work completed by our agents that

United Utilities assessment against Paying Fair December 2022



Guidelines for water companies in supporting residential customers to pay their bill, access help and repay debts.

		<p>information correctly. They should:</p> <ul style="list-style-type: none"> • use customer contacts and feedback; • correct any errors from happening again; and • find ways to improve the quality of consumption, customer and asset data to improve the accuracy and helpfulness of bills and other communications to customers. 	<p>encompass a review of how the customer interaction was managed, completion of follow up actions and required system updates. Feedback of any learning or missed opportunities identified is provided via coaching sessions.</p> <ul style="list-style-type: none"> • A monthly analytics pack produced and shared with senior leaders from each business area summarising performance and highlighting key trends and opportunities. • A weekly quality briefing is attended by all operational leaders, the purpose of the meeting is to share information on new initiatives, process changes and re-brief of current processes that QA activity suggest needs re-briefing. • We utilise insight from our Rant & Rave customer feedback surveys. Results are shared across billing, debt and service recovery enabling responsible managers to target areas for improvement and provide more localised feedback. • We also review feedback from customer satisfaction surveys, C-MEX surveys and internal escalation meetings to identify areas of process improvement or where specific agent or operation re-briefs are required.
<p>Make payments possible in person from different locations</p>	<p>1.5</p>	<p>Review their network of payment locations at least once every two years to make sure that all customers have reasonable access to make payments. Companies will need to take account of the number and geographical distribution of locations and the</p>	<ul style="list-style-type: none"> • We regularly review the accessibility of our payment networks to ensure reasonable access for our customers. We partner with multiple organisations to optimise the accessibility of outlets at which customers can make a payment. • Customers can take their bill or payment card to any retail outlet that accepts Paypoint, Payzone including the Post Office. 96% of our customer base reside within 1 mile of one of these outlets. When looking specifically at our elderly demographic this increase to 96.5%.

United Utilities assessment against Paying Fair December 2022



Guidelines for water companies in supporting residential customers to pay their bill, access help and repay debts.

		demographic and social profile of their region. The network of available locations at which the customer can pay must accommodate both rural and urban customers.	<ul style="list-style-type: none"> In addition we offer a range of digital options including telephone, online at https://www.unitedutilities.com/my-account/your-bill/pay-your-bill/, UU App and My account.
	1.6	Review the charges, if any, for making payments at the network of locations offered and offer a reasonable range of locations at which customers can make payments free of charge. This should include frequent payments, in cash, for customers who would benefit from paying weekly or fortnightly.	<ul style="list-style-type: none"> All cash payments at retail outlets are free of charge to our customers. United Utilities never leverage a charge for payment
	1.7	If there is a charge then companies should be transparent to customers regarding what the charges for making cash payments are and which location options will make a charge.	<ul style="list-style-type: none"> As per 1.6 all cash payment options available are free of charge to our customers. United Utilities never leverage a charge for payment
Offer flexible payment and billing frequencies	1.8	Offer all customers at least the following payment frequencies:	<ul style="list-style-type: none"> We offer an extensive range of payment option which includes weekly, fortnightly, 4 weekly, monthly, quarterly, bi-annually and annual.

United Utilities assessment against Paying Fair December 2022



Guidelines for water companies in supporting residential customers to pay their bill, access help and repay debts.

to match customers circumstances		<ul style="list-style-type: none"> • fortnightly/weekly. • monthly; and • annual/half yearly/quarterly as appropriate on receipt of the bill. 	<ul style="list-style-type: none"> • Customers can pay on receipt of their bill and also set up variable direct debit arrangements as an alternative way to pay their bill in full.
	1.9	Where possible, be flexible about the date on which direct debits or standing orders are taken.	<ul style="list-style-type: none"> • All of our payment arrangements including direct debits/standing orders offer customer total flexibility with their payment dates. Customers can opt to pay on any day of the month that is most suitable to their personal circumstances.
	1.10	Offer or accept non-standard flexible payment arrangements so customers have the ability to make payments when they need and want to in ways that work for them. This is important for customers with irregular incomes – such as those in ‘gig’ employment or on zero hour contracts.	<ul style="list-style-type: none"> • In September 21 we introduced a new flexible PayAsUGo payment plan option designed to support customers with unstable incomes enabling them to spread their payments into more manageable amounts and to pay different amounts whenever they wish. https://www.unitedutilities.com/my-account/your-bill/difficulty-paying-your-bill/how-we-can-help/payments-that-fit-around-your-lifewith-pay-as-u-go/ • We also offer customers the option to request a payment break, this supports customer experiences a change of circumstances who as a result may need some breathing space in their payments. This was particularly effective during the COVID19 pandemic. https://www.unitedutilities.com/globalassets/documents/pdf/8485-7758-payment-break-2020-web-acc.pdf • Customers can also utilise the UUApp to make smaller more frequent payments aligned to their circumstances. We see customers from lower income groups utilising the UUApp effectively to make supplementary payments outside of their formal payment plan at a time that suits them.

United Utilities assessment against Paying Fair December 2022



Guidelines for water companies in supporting residential customers to pay their bill, access help and repay debts.

	1.11	Offer or accept more frequent billing frequencies to encourage customers to pay and avoid unexpected and unaffordable increases in their bills ('bill shock').	<p>We offer and accept a range of billing frequencies:</p> <ul style="list-style-type: none"> • Our measured customers are billed half yearly and our unmeasured customer are billed annually via 2 half yearly payment requests. • We've introduced a new quarterly billing proposition for our customers who meet specific criteria (paperless, DD paying and remote read meter) and have c130k customers on this billing frequency. • Our metered customers who have signed up for the UU APP or our MyAccount service have the option to submit meter readings at a frequency that suits them. This facilitates them receiving a bill every month or quarter if that would help them budget by breaking their bill down into more manageable amounts and avoid bill shocks.
	1.12	Make information about what customers owe accessible to them in a variety of ways, such as online, by telephone or other methods.	<p>We make balance information available to customer in a variety of ways:</p> <ul style="list-style-type: none"> • Customers can access their account balance by calling our automated payment line which is available 24/7 or they can call our contact centre. • Customers can also register for the UUApp or our MyAccount service which also includes the capability to check their balance.
Offer choice and availability of payment methods to suit customers' needs and preferences	1.13	<p>Offer instalment payments by at least the following methods</p> <ul style="list-style-type: none"> • mobile phone or mobile phone app; • cheque/debit card; • cash; • direct debit; 	<ul style="list-style-type: none"> • We offer an extensive range of payment options to our customers which includes all of the methods listed. • A listed of all the options available can be seen here https://www.unitedutilities.com/my-account/your-bill/pay-your-bill/. These include the use of digital methods including the UUApp, MyAccount if they've registered for this service.

United Utilities assessment against Paying Fair December 2022



Guidelines for water companies in supporting residential customers to pay their bill, access help and repay debts.

		<ul style="list-style-type: none"> • standing order; and • payment booklet / card. 	
	1.14	Review payment methods periodically so that any advances in technology which widen the range of options offered are considered.	<ul style="list-style-type: none"> • We regularly review the range of payment methods available to customers. In 2023 we are intending to extend the range of payment options to include ApplePay & GooglePay. • We're also developing a solution to enable continuous card payments as a supplementary payment plan method.
Encourage customers to use digital payment methods if they can	1.15	Encourage customers to use digital payment methods and support them to use them by providing guidance.	<p>We encourage customers to use digital payment methods recognising the growing trend toward self-service and the flexibility this offers. To facilitate this customers can pay via:</p> <ul style="list-style-type: none"> • Our UApp – this is utilised by a wide range of customers to make digital payments. Information about the app and an explanatory video is available on our website. https://www.unitedutilities.com/app/ • Our automated payment line is configured to allow customers to make digital payments through their phone with the facility to talk to an agent if they struggle to complete their transaction. • Payments can also be made directly on the website https://myaccount.unitedutilities.com/MakePayment. The web page is simplified into 4 key stages guiding customers through the process.
Advertise payment options to all customers in a variety of formats, languages and for those with specific communication needs	1.16	Advertise the available payment options within billing communications in a variety of formats, languages and for those with specific communication needs so that the customer	<p>We advertise payment options in a variety of places:</p> <ul style="list-style-type: none"> • Payment options are included on bills and reminder documents. For customers with specific communication needs documents are produced in braille, large print or coloured paper. • We also have specific web pages that outline all of the ways a customer can pay https://www.unitedutilities.com/my-account/your-bill/pay-your-bill/.

United Utilities assessment against Paying Fair December 2022



Guidelines for water companies in supporting residential customers to pay their bill, access help and repay debts.

		can choose the option which best suits their circumstances.	<ul style="list-style-type: none"> We provide accessibility help for all information on the website enabling customers to select a language or change the format to suit their specific communication needs.
	1.17	Companies should clearly set out the payment methods not incurring a transaction charge, and the option to pay on a frequent basis and, where possible, tailor these to individual customers' needs.	<ul style="list-style-type: none"> All cash payments made at retail outlets are free of charge to customers including Post office, retail outlets offering Payzone and Paypoint and digital options including the website unitedutilities.com, UUApp and our automated payment line.
	1.18	Companies should also take advantage of further opportunities to draw customers' attention to the range of options available.	<p>We promote all of our flexible payment options to customers in a variety of communications:</p> <ul style="list-style-type: none"> All available payment options are shown on our website on our pay your bill page https://www.unitedutilities.com/my-account/your-bill/pay-your-bill/ and in our difficulty paying your bill page https://www.unitedutilities.com/my-account/your-bill/difficulty-paying-your-bill/flexible-ways-to-pay/. We promote all the flexible ways to pay during our community Outreach activity. Events are attended by both customers and debt advice/community groups increasing awareness of the extensive financial support available. Our bill messaging is tailored dependent on how the customers pays, for non-Direct Debit customers their bill promotes payment options including Direct Debit, Bank Transfer, Cheque, card payment, cash over the counter outlets. Louise Beardmore (Customer Services and People Director and CEO Designate) also appears regularly on local radio programmes to discuss all aspects of water services directly with customers on air;

United Utilities assessment against Paying Fair December 2022



Guidelines for water companies in supporting residential customers to pay their bill, access help and repay debts.

			<p>this is also a key means of promoting support available to customers who are experiencing financial difficulty or who are in vulnerable circumstances.</p>
	1.19	Where the company is offering new payment methods, these should be advertised in billing communications at the earliest opportunity.	<ul style="list-style-type: none"> All new payment methods are included in all relevant customer communications and on our website https://www.unitedutilities.com/my-account/your-bill/difficulty-paying-your-bill/flexible-ways-to-pay/ when the new service goes live. For example, when we launched PayAsUGo as a new payment option it was promoted on our website, via direct customer campaigns and is included in various customer communications.
	1.20	Use messages on envelopes to raise awareness of financial support to customers.	<ul style="list-style-type: none"> We currently utilise envelope messaging for more generic promotions such as water efficiency and metering (lowest bill guarantee), whereas affordability messaging is currently targeted at a subset of our overall customer base. In addition we undertake specific campaigns promoting affordability with tailored envelopes designed to encourage customers to read the content of the letter. We recognise the value of raising awareness of the support available. We utilise our sophisticated customer segmentation models and customer insight to target envelope messaging. We use postcards to highlight support to customer identified as needing help. An example of where more direct messaging is effective was our use of a specific postcards designed to highlight that customers who receive Warm Homes Discount are also likely eligible for our social tariff. We also use postcards to pre-announce our doorstep affordability visits to customers’ homes and promote other financial support schemes. We also include information regarding financial support on our bills highlighting at the earliest opportunity that help is available if they are struggling to pay. Affordability messaging is prevalent on

United Utilities assessment against Paying Fair December 2022



Guidelines for water companies in supporting residential customers to pay their bill, access help and repay debts.

			<p>reminder and collections documents which is driven by customer segmentation and behaviour.</p> <ul style="list-style-type: none"> We also continually run a wide range of social media messaging highlighting the various financial support available and wide range of payment options if customers are struggling to pay.
<p>Use customers' bills and payment transactions to improve customer understanding of options</p>	<p>1.21</p>	<p>Where companies become aware that a different tariff, payment level, location, frequency or method may suit a customer better than the one they currently use, they should proactively offer the option.</p>	<ul style="list-style-type: none"> We are proactive in ensuring customers are on the lower possible tariff ensuring that the payment method and frequency suits their circumstances. We do this by: Training our agents to ensure the customer has the lowest possible bill and provide options based on their personal circumstances and payment patterns. We have a dedicated affordability team who customers are referred to if they need more specialist advice. We've also developed a number of "eligible for" flags for our range of financial support schemes including free meter option promotion. These flags are calculated using a customer's individual data and act as next best action prompts to focus our agents on having the right conversation with our customers. For hard to reach customers we take our payment support to the customers doorstep. Specially trained advisors undertake an affordability assessment with the customer checking eligibility for a lower bill tariff or water meter. They also agree the most suitable method of payment and frequency. We're advanced in our use of data analytics which provides insight into a customer's eligibility for different tariffs, arrears clearance schemes or DWP third party deduction. We utilise data to proactive apply tariffs and inform targeted campaigns increasing customer awareness of the support available.

United Utilities assessment against Paying Fair December 2022



Guidelines for water companies in supporting residential customers to pay their bill, access help and repay debts.

			<ul style="list-style-type: none"> We also utilise the DWP Data Share arrangement to proactively identify customers who qualify for our lower bill tariffs and apply those to customer accounts.
	1.22	Encourage customers to pay in bitesize instalments and offer more regular account balances to customers, particularly those with low and variable incomes.	<ul style="list-style-type: none"> We encourage customer to split their bill into manageable bitesize amounts making payments more affordable. Over 80% of our customer pay their water bill via one of our payment plan options. Customers opting to pay by direct debit receive a £5 annual discount off their bill. When customers change address and move into their new property we agree a payment plan with them recognising that this help make payment of their bill more manageable. Our wide range of payment frequencies support low income customers enabling them to pay more frequently aligned to their personal circumstances. Our new PayAsUGo plan and the UUApp provide additional flexibility to customers with unstable incomes enabling them to make payment in amounts and frequencies that suits their circumstances. Customers can access accounts balances at any time. They can do this via MyAccount, the UUApp or our automated payment line or calling our contact centre.
Respond efficiently to customer requests to change payment arrangements	1.23	Where a customer wishes to switch payment level, location, method or frequency, the company should try to accommodate any reasonable request as quickly as possible.	<ul style="list-style-type: none"> We always try and accommodate customers' requests to change their payment method, amount or frequency. We offer flexibility and choice to customers including opting for a payment method and frequency that best suits their circumstances. We discuss the options available with the customer and jointly agree the best plan for them.

United Utilities assessment against Paying Fair December 2022



Guidelines for water companies in supporting residential customers to pay their bill, access help and repay debts.

Seek better ways to engage with different customers	1.24	<p>Make information about services and bills more understandable for all customers – and make it available in a way that best meets their needs. This includes, for example, considering ways to:</p> <ul style="list-style-type: none"> • improve customer understanding of bills; • help customers check bills are correct; and • better explain in advance why the company is changing a customer's direct debit, how it has calculated the new level of payment and how the customer can change the amount or spread payment. 	<ul style="list-style-type: none"> • Our communications are designed to make information about services and bills understandable for customers. • We last redesigned our bills in 2018, significant bill changes are tested with our customer panel and their feedback incorporated. • Included in our bills are explanations of items including direct debit reassessment which outlines the basis for the required instalment payment e.g. based on meter read, number of occupiers etc. • The bill also explains their charges including a breakdown of the metrics used in the calculation. For measured customers we also include an illustration of their individual usage designed to improve their understanding of their usage by in converting it to comparable number of toilet flushes, baths, showers etc. • Our website https://www.unitedutilities.com/ contains extensive information to help customers with their bills. To help customers understand if they could save money on their bill we provide a water meter calculator to enable customers to see if they would be cheaper on a meter https://www.unitedutilities.com/my-account/all-about-water-meters/apply-for-a-water-meter/You-can-save-with-a-water-meter/, a Get Water Fit efficiency calculator to help them understand their usage https://www.unitedutilities.com/help-and-support/save-water/ and guidance if your metered and your bill is higher than expected https://www.unitedutilities.com/my-account/your-bill/is-your-water-bill-higher-than-you-expected/.
	1.25	<p>Work with other bodies – to reach customers in vulnerable circumstances, those in debt or at risk of</p>	<ul style="list-style-type: none"> • We recognise that working in partnership with communities and specialist advice organisation extends the reach of the support we can provide directly. • We employ dedicated outreach managers who liaise with organisations across our region raising awareness of our financial

United Utilities assessment against Paying Fair December 2022



Guidelines for water companies in supporting residential customers to pay their bill, access help and repay debts.

		<p>falling into debt, particularly those that:</p> <ul style="list-style-type: none"> • may find it harder to understand information shared by water companies as a result of their vulnerability; or • do not respond well to other efforts by the water company to directly communicate with them. <p>Other bodies might include other companies, charities, local authorities, health and social care or other third party customer advice and authorised debt advice organisations.</p>	<p>support schemes and PSR (Priority Service Register). Their role is to engage with organisations such as Housing associations, charities, debt advice organisations to identify opportunities for partnership working and potential data share agreements. They attend localised community events working alongside other service providers to provide holistic support to customers.</p> <ul style="list-style-type: none"> • We have a PSR data share framework has been developed between United Utilities (UU), Electricity North West (ENW), Northern Gas Networks (NGN) and Cadent known as “Utilities Together”, we’re working closely together and collaboratively for the sake of our customers that need extra support in the North West. We’re also in discussion with other organisation to develop further sharing arrangements. • We also host an annual affordability summit where we bring together front line representatives from NGOs, housing associations, local government and the money advice sector here in the North West. We know from past summits that we readily and reliable identify new ideas to improve our affordability offering for customers. • We co-created the North West Hardship hub with members of the advice sector providing a one stop shop of localised support for customers in the North West. The hub was designed to improve the accessibility of support by hosting all information in one place making the provision of debt advice more efficient enabling them to support a higher volume of customers. • We have a specific Affordability & Vulnerability Independent Challenge Group that consists of representatives from other utilities, charities, debt advice organisations. The group meets quarterly to share insight from their sectors, working collaboratively we identify
--	--	---	---

United Utilities assessment against Paying Fair December 2022



Guidelines for water companies in supporting residential customers to pay their bill, access help and repay debts.

			<p>examples of good practice, co-create solutions, work together on joint branded initiatives and review any new propositions that we are considering.</p>
<p>Show customers how their views on billing, payment and support are encouraging improvements to services</p>	<p>1.26</p>	<p>Use insight and intelligence to regularly monitor customer satisfaction with billing, payment, support and debt services, identify issues and target areas for improvement. This should include satisfaction among customers in vulnerable circumstances. Insights and intelligence might include:</p> <ul style="list-style-type: none"> • commissioning customer research; • identifying issues highlighted by customers in complaints with billing and charging; • testing customer understanding of information provided to them; • using data analytics from websites or apps on how easy or difficult it is for customers to find 	<ul style="list-style-type: none"> • We undertake extensive activities using insight captured during customer interactions and through targeted research to identify issues and areas for improvement. • We survey customers following an interaction with UU utilising Rant & Rave which enables customers to rate our service and provide feedback. Scores are reviewed and customers contacted where required to ensure any residual customer issues are resolved. Surveys are sent out across all telephony, contact us form and emails interactions. Survey results are shared across billing, debt and service recovery enabling responsible managers to target areas for improvement and provide more localised feedback. • Feedback on customer complaints is shared and acted upon to improve our billing and collection processes. • We capture customer views in relation to our website a number of ways including Hot Jar surveys, user research, customer panels alongside direct customer feedback. Analytics can also provide a view of customer behaviour when interacting with the website, this enable us to see how easily users are finding key information and make changes to improve the experience. • Our data analytics team undertake a range of analysis monitoring key performance indicators to aid cash collection and debt management. We utilise this insight to make improvements to our collection strategies and processes. • Customer research is commissioned to gain valuable insight into specific areas, we've also more recently started to survey customers

United Utilities assessment against Paying Fair December 2022



Guidelines for water companies in supporting residential customers to pay their bill, access help and repay debts.

		<p>information about billing, payment and support;</p> <ul style="list-style-type: none"> • extracting voice analytics from telephone calls on how easy or difficult customers find it to understand their bills and access support; • success rates of payment plans for customers in debt; and • how the company performs on bills, payment and help compared with other service providers in other sectors that customers may use. 	<p>to gain some specific feedback as to how a process is working to enable us to identify any areas for improvement.</p> <ul style="list-style-type: none"> • In 2021 CCW published its affordability review and a summary of recommendations of good practice for supporting customers who find their water bill unaffordable (https://www.ccwater.org.uk/affordability-review/affordability-review-recommendations/). CCW surveyed all water companies to assess their level of compliance against best practice recommendations. We received a green assessment with no recommendations for improvement. From a review of CCW’s own comparative data we are one of only two water companies to provide a full suite of affordability offerings and have a strong history of providing shareholder backed support to customers. • We benchmark ourselves against the best in the country not just the water sector. We’ve won a number of cross sector awards most recently our affordability and collections team have won Water Team of the Year and Best Vulnerable Customer Support team at the U&T Awards and Utility Week’s new Cost of Living award. These awards are judged by industry experts and recognise our approach to supporting vulnerable customers, our use of innovations and overall collections performance. We work together with WaterUK industry members sharing best practice and agreeing industry wide approaches, most recently supporting customers during the COVID-19 pandemic. • We utilise our WaterTalk panel - which consists of a cross representation of customers who volunteer to be involved - to gain feedback on specific customer issues that we ask for their views on, an example of this was when we redesigned our customer bills. We also undertake A quarterly ‘state of the nation survey’ via our
--	--	--	--

United Utilities assessment against Paying Fair December 2022



Guidelines for water companies in supporting residential customers to pay their bill, access help and repay debts.

			<p>customer panel to understand how customers are feeling and behaving with regards to household finances and bill payments, as well as looking at examples of great customer service across different sectors</p> <ul style="list-style-type: none"> • Our 'brand tracker survey' measures customer's perceptions of United Utilities and awareness of current affordability schemes and services.
	1.27	<p>Work in partnership with consumer and debt advice organisations to enhance understanding of different types of customer, best practice – and gather views on company proposals for improvements.</p>	<ul style="list-style-type: none"> • We work with a number of consumer and debt advice organisations to enhance our understanding of the differing sectors and identify ways we could further improve our service offerings. • We have a specific Affordability & Vulnerability Independent Challenge Group that consists of representatives from other utilities, charities, debt advice organisations. The group meets quarterly to share insight from their sectors and we work collaboratively to identify examples of good practice, co-create solutions, work together on joint branded initiatives and review any new propositions that we are considering. • The outreach activity that we undertake also enables us to gain real insight into specific customer needs from those organisations and community groups that have the best knowledge in this area. • We also partner with organisations who can offer specialist services for our customers enabling us to provide more holistic support, examples include Turn2Us for income maximisation and IEHUB for budgeting advice. We also refer customers to more specialised debt advice organisation such as MoneyHelper and StepChange. https://www.unitedutilities.com/my-account/your-bill/difficulty-paying-your-bill/debt-advice/

United Utilities assessment against Paying Fair December 2022



Guidelines for water companies in supporting residential customers to pay their bill, access help and repay debts.

			<ul style="list-style-type: none">• In the context of upward pressure on the cost of living we are also working with Local Authorities to directly engage at risk customers via community drop in events in response to the cost of living challenge. These events bring together housing providers, foodbanks, other utilities and debt advice groups to provide holistic financial support for financially at risk households.• We also host an annual affordability summit where we bring together front line representatives from NGOs, housing associations, local government and the money advice sector here in the North West. We know from past summits that we readily and reliably identify new ideas to improve our affordability offering for customers. It is through this kind of collaboration with partners that we identified the need for a holistic data solution for debt advice. We therefore invested in this capability and, together with members of the money advice community, we created the “Hardship Hub” - a “Trip Advisor” style website which provides a one stop shop for debt advice. The hub was co-created with money advice professionals and is the only product of its kind with a region specific focus. It hosts information on debt support schemes offered by councils, financial services, utilities and smaller local charitable organisation. It is regularly utilised by housing associations, money advice workers and wider support organisations, with around 600 registered advisors, and 200 organisations listing support schemes for users to access.• In the context of upward pressure on the cost of living we are also working with Local Authorities to directly engage at risk customers via community drop in events in response to the cost of living challenge. These events bring together housing providers,
--	--	--	--

United Utilities assessment against Paying Fair December 2022



Guidelines for water companies in supporting residential customers to pay their bill, access help and repay debts.

			<p>foodbanks, other utilities and debt advice groups to provide holistic financial support for financially at risk households.</p>
	1.28	<p>Show customers how their views on payment, help and debt are encouraging improvements to services. Companies will need to make sure any changes they make are inclusive by design (see expectation 1.29). Any changes to policies should also be reflected in their code of practice on debt recovery or other core customer information they are required to publish under condition G of their licence.</p>	<ul style="list-style-type: none"> • We seek to apply an iterative improvement process utilising rant and rave responses and complaints analysis. • WaterTalk panel - which consists of a cross representation of customers who volunteer to be involved - are our vehicle for seeking feedback and sharing proposals to improve processes and new propositions. One of the more significant changes we engaged with the panel on was the bill redesign project. • We regularly review our debt code of practice and any other sources of core customer information (leaflets and website pages) ensuring any changes we make or new service offerings are incorporated. This ensures published customer information remains up to date reflecting any changes we make.
Make payment, help and debt services inclusive by design	1.29	<p>Adopt an inclusive approach to designing products and services so they anticipate and address the needs of all customers, particularly accessibility for those in vulnerable circumstances, and reflect key guidance such as 'Inclusive design in essential services' principles</p>	<ul style="list-style-type: none"> • We design all of our services to be inclusive considering the needs of differing customer groups particularly those in vulnerable circumstances. • We are one of the first companies to achieve BSI18477:2010 accreditation (See Appendix B) for our vulnerable customer support services including the need to ensure communications and services are accessible. The BSI standard sets out comparable accessibility standards as those detailed in inclusive design and essential services principles.

United Utilities assessment against Paying Fair December 2022



Guidelines for water companies in supporting residential customers to pay their bill, access help and repay debts.

		<p>published by Fair by Design and the Money Advice Trust – or an equivalent publication that replaces it. For example, user-test new approaches or systems with diverse consumers, including vulnerable consumers. Companies should apply Inclusive design principles to different groups of customers, including customers:</p> <ul style="list-style-type: none"> • eligible for help • that have their accounts managed by third parties • in debt; and • facing debt enforcement action. 	<ul style="list-style-type: none"> • All communications are designed to be inclusive, financial support is signposted, language is clear and simple to understand. • Our website which includes core customer information offers accessibility help via Recite Me enabling customers to change the language, font, colours etc. to suit their individual needs. • Our WaterTalk panel are our vehicle for seeking feedback and sharing proposals to improve processes and new propositions. We engage with • We approve any communications utilised by third party organisations to ensure they are inclusive and consider the needs of different customer groups. • All collection letters are designed to be simple to understand offering support if the customer is struggling to pay, clearly explaining any ongoing consequences of non-payment including the proposed use of debt enforcement action. • We recently engaged our Affordability & Vulnerability Independent Challenge Group to support with the design of an outreach poster that can be used by organisations across the region to promote our affordability and vulnerability offerings.
<p>Consider how customers’ ability to pay affects their service experience</p>	<p>1.30</p>	<p>Use and recognise the Money and Pensions Service Standard Financial Statement (SFS) as a consistent means of establishing customer's ability to pay. Where companies do quick or initial affordability checks with customers, these should</p>	<ul style="list-style-type: none"> • We recognise the benefits of SFS as a means of establishing a customer’s ability to pay. Whilst we don’t expressly utilise a SFS we have a referral partnership in place with IEHUB who provide budgeting support to customers who need additional help. Their solutions captures customer income and expenditure in line with the SFS. IEHUB onward share the fully completed SFS with us where the customers consent is gained enabling us to assess their eligibility for support. • For customer who indicate financial difficulties we complete an income based affordability assessment aligned to the CCW

United Utilities assessment against Paying Fair December 2022



Guidelines for water companies in supporting residential customers to pay their bill, access help and repay debts.

		<p>also be consistent with the approach in the SFS. Companies should be transparent and publish the details of the methodology they use alongside their code of practice on debt recovery to allow other companies, customer and debt advice organisations to understand the approach they use. Companies should use best practice to make their assessments consistent with other companies.</p>	<p>definition of water poverty (water bill is >3% of net income after housing costs). If a customer’s circumstances meet our eligibility criteria and the customer is in water poverty then financial support via a lower bill tariff is provided. A subsequent payment arrangement is then agreed ensuring the customer pays sufficient to cover their current year’s bill and where applicable a minimum arrears contribution equivalent to the amount deducted under the DWP Third Party deduction scheme.</p> <ul style="list-style-type: none"> • The high level description of our lower bill tariffs along with terms and conditions are published on our website (https://www.unitedutilities.com/my-account/your-bill/difficulty-paying-your-bill/how-we-can-help/). We’ve introduced a single application form covering all schemes designed to simplify the level of understanding customers need to have of how the various schemes operate. We assess customers against all schemes upon receipt of their application and apply the lowest tariff that they qualify for. • For customers in multiple debt situations we refer customers for specialist advice where a detailed SFS assessment would be completed to gain a full review of their income and outgoings.
	1.31	<p>Review how customers' ability to pay affects their service experiences (for example, when chasing debt, or determining how long to spread repayment following payment breaks) and use these insights to improve outcomes for</p>	<ul style="list-style-type: none"> • We undertake a number of activities to gain insight into how customers’ ability to pay and personal circumstances impacts their service experiences. • We review feedback gained from our rant and rave and customer satisfaction surveys to ensure not only is the specific customer situation resolved but that any learnings can be applied to wider service propositions and collection methods. • We segment customers using bespoke household level data coupled with credit reference agency which enables us to tailor treatments

United Utilities assessment against Paying Fair December 2022



Guidelines for water companies in supporting residential customers to pay their bill, access help and repay debts.

		<p>customers. Companies should be mindful of the impact that vulnerability can have on customers' ability to pay.</p>	<p>to different customer groups. We recognise that the issues customers face are rarely confined to their water bill alone and the impact vulnerability can have on a customer's ability to pay. Our extensive range of financial support options are designed to provide both short and longer term interventions. The conversations we have with customers are specific to their individual circumstances and our agents are empowered to provide support that meets the individual customer's needs. For example, Payment Breaks are typically offered for up to 3 months, but if the customers' circumstances warrant longer then with approval up to a 6 months payment holiday can be granted. Repayment of the balance can then be extended over subsequent charging years.</p> <ul style="list-style-type: none">• We also strive to understand more about the wider financial challenges our customers face. We periodically commission research of our hard to reach customers talking customers about their experiences with UU and other organisation to gain insight into how we can work differently or develop future propositions.• We host an annual affordability summit where we bring together front line representatives from NGOs, housing associations, local government and the money advice sector here in the North West. We know from past summits that we readily and reliably identify new ideas to improve our affordability offering for customers.• Where customers have been referred to a third party Debt Collection Agency (DCA) we undertake regular call audits to ensure that the DCA are following the strategy that we have agreed and that customers identified with any form of vulnerability receive the same support they would if the account was being managed directly by UU.
--	--	---	---

United Utilities assessment against Paying Fair December 2022



Guidelines for water companies in supporting residential customers to pay their bill, access help and repay debts.

<p>Use best practice when using Credit Reference Agencies</p>	<p>1.32</p>	<p>Use credit reference agency data to help identify customers that:</p> <ul style="list-style-type: none"> • may qualify for support; • be at risk of falling into debt; and • can afford to pay and can be contacted for payment. 	<ul style="list-style-type: none"> • We are advanced users of credit reference agencies. We use their data extensively to drive our collection strategies, target our affordability support and inform wider customer management activities. • We have been sharing payment performance data with Credit Reference Agencies since 2014 and we're one of the first water companies to share data on our full customer base. Data sharing operates under the principles of reciprocity meaning you have to share your customers payment performance data to be able to access services that the CRA's offer. Use of data improves the efficiency and effectiveness of our collections and customer management journeys. • We have an established predictive analytics team who have developed models and scorecards that are used to drive our collection strategies, target our affordability support and inform wider customer management activities including propensity to have changed address or be deceased. • We've developed an early intervention scorecard utilising CRA data that indicates a change in a customer's circumstances. This enables targeted interventions and offers of support before the customer misses payments avoiding them falling into debt. • The output from scorecards are fed directly into our billing and collection system and are utilised to drive next best actions, customer eligibility for support and collections strategies. The ability to target support based on individual customer data means we can support those customers who need it the most. Indications of financial credit worthiness (can't pay/won't pay) inform the collection treatments and content of our customer communications including tailored promotional message.
--	-------------	--	--

United Utilities assessment against Paying Fair December 2022



Guidelines for water companies in supporting residential customers to pay their bill, access help and repay debts.

	1.33	<p>Communicate to customers:</p> <ul style="list-style-type: none"> • how and why the company uses credit reference agencies; • the benefits and safeguards for customers; and • what customers can do if they think companies have incorrectly negatively impacted their credit score. 	<ul style="list-style-type: none"> • We are transparent in our use of credit reference agencies, we share information with customer in a variety of ways ensuring they understand the benefits, potential consequences and what to do if they believe the data shared to be incorrect. • All bills and collection letters contain reference to the sharing of payment performance data with CRA's. We explain to customers in our collection letter the potential impact of non-payment on a customer's credit score. We also explain that a payment plan that extends beyond normal terms will be reported as an 'Arrangement to Pay'. • We also reference data sharing in our Privacy Notice policy (https://www.unitedutilities.com/privacy/), in our debt code of practice and fair debt collection charter (https://www.unitedutilities.com/help-and-support/contact-us/popular-leaflets/ - See Charges leaflets section). • On our website we have a guide to data sharing that covers the benefits of data sharing and the dispute process https://www.unitedutilities.com/data-sharing • Staff are trained to handle data share queries supported by our dedicated CRA team who provide expert advice where needed. • To help our customers understand more about the term credit score we created a dedicated page on unitedutilities.com https://www.unitedutilities.com/my-account/your-bill/difficulty-paying-your-bill/how-to-improve-your-credit-score/
	1.34	<p>Use credit reference agencies carefully to avoid negatively impacting customers credit scores through errors by the</p>	<ul style="list-style-type: none"> • We ensure our data share solution reports payment status's in line with published guidance as we recognise the impact data sharing can have on a customer's credit file. • We have a dedicated CRA team who are responsible for management of our monthly payment performance submission to

United Utilities assessment against Paying Fair December 2022



Guidelines for water companies in supporting residential customers to pay their bill, access help and repay debts.

		<p>company. Where companies make errors they should correct them immediately.</p>	<p>the CRA's. The team undertake a robust validation and sign off process prior to releasing the file to the CRA's.</p> <ul style="list-style-type: none"> • The team also provide expert advice to agents and manage any disputes raised directly with the CRA's. Any corrections to the status shared with the CRA's are undertaken by the team directly with the CRA's as soon as they become known. •
	<p>1.35</p>	<p>Identify and use best practice when using credit reference agencies.</p>	<ul style="list-style-type: none"> • When working with CRA's we adopt best practice ensuring that the customer data we share is accurate and the decisions we make on data purchased are optimised to deliver maximum value for UU and our customers. • Our data share solution aligns with the published SCOR Data Quality reference guidelines which outline how various scenarios should be reported and includes a specific section for Water Industry reporting. • We currently share data with two CRA's and are working towards sharing with the third as sharing with all CRA's is deemed best practice. • We have robust controls and checks in place for managing any reciprocal sharing and decision making on data provided to us by the CRA's. We also have process in place for any individual customer searches completed to ensure they are completed in line with permitted use. •

United Utilities assessment against Paying Fair December 2022



Guidelines for water companies in supporting residential customers to pay their bill, access help and repay debts.

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

Companies should establish and implement clear and effective policies, procedures and systems and a helpful culture to identify customers in vulnerable circumstances, including customers at risk of falling into debt and other life events such as financial abuse or a bereavement, and take proactive action to offer them support.

Summary requirement	Requirement number	Detailed requirement	UU response
Use all reasonable efforts to predict and support customers at risk of falling into debt	2.1	<p>Make efforts to predict where customers might be at risk of falling into debt, and proactively contact these customers with a support offer to help prevent this where possible. For example using data on redundancies in particular areas or a customer indicating they are rationing their water use to keep cost down. A support offer could include (for example only):</p> <ul style="list-style-type: none"> • checking account and billing information are correct; • checking consumption for signs of leaks and (if relevant) offering a free supply pipe repair and 	<ul style="list-style-type: none"> • We are advanced in our use of data to predict customer’s propensity to pay. We recognise the value of data and use it extensively to improve the effectiveness of our decisions. • We’ve developed an Early intervention model utilising CRA data where changes in customer payment performance or credit utilisation are identified indicating a change in their financial circumstances. We utilise this data to proactively contact customers offering tailored support both from UU and partner organisations. Specialist organisations can provide holistic support including benefit checks/income maximisation, budgeting advice and debt management support where the customer is in a multi debt situation. • Redundancy data for larger organisations has been used in the past for targeted interventions where customers can be identified, maybe via their email address, as working for that organisation. We also have the capability to boost social media post to specific customer groups to heighten the support available. • We utilise the DWP data share arrangement to identify and proactively apply social and WaterSure tariffs to customer. We also utilise the process to check ongoing eligibility for their current tariff meaning they can continue to receive support if their circumstances haven’t changed.

United Utilities assessment against Paying Fair December 2022



Guidelines for water companies in supporting residential customers to pay their bill, access help and repay debts.

		<p>signpost to the leakage allowance (as required by condition H of each water company's licence);</p> <ul style="list-style-type: none"> • checking for eligibility for discounts for surface water drainage; • targeted social tariffs; • tailored water efficiency home visits; • helping customers to do checks for financial and non-financial support provided by Government or others; • emergency social tariffs (supported by, for example, application for certain benefits); and • allowing customers to opt to receive reminder texts, e-mails or letters if they occasionally pay late). 	<ul style="list-style-type: none"> • We regularly review and update the eligibility criteria for our social tariffs. We extended the tariff eligibility criteria to support to customer whose income had been affected by the COVID-19 pandemic and more recently we've updated it again in response to cost of living pressures to support low income customers whose circumstances have changes resulting in a reduction in their income. • All of our collection letters contain promotional messages where the customer segment suggests the customer is struggling financially, we promote both internal and external support via specialist organisations. Our agents also proactively message customers with links to organisations that they identify maybe able to help them during their interactions with the customer • In addition to using the leak alarms available on our AMR meters we monitor consumption for signs of leaks and proactively reach out to customers highlighting that their maybe a leak at their property. • We've partnered with a specialist organisation enabling us to undertake tailored water efficiency home visits, we're also offering free leak repair in certain circumstances during those visits
	2.2	<p>Use targeted action and support that anticipates the needs of customers in vulnerable circumstances to help prevent them</p>	<ul style="list-style-type: none"> • We utilise data from various sources to gain insight and anticipate the needs of customers enabling us to make targeted interventions to prevent them falling into debt. • We've developed an Early intervention model utilising CRA data where changes in customer payment performance or credit utilisation are identified indicating a change in their financial

United Utilities assessment against Paying Fair December 2022



Guidelines for water companies in supporting residential customers to pay their bill, access help and repay debts.

		<p>falling into debt. This should be based on:</p> <ul style="list-style-type: none"> • customer contacts and feedback; and • customer insights from working with other external organisations – such as charities, local authorities, health and social care or other third party customer advice and authorised debt advice organisations. 	<p>circumstances. We've utilised the data as part of our cost of living response reaching out to over 200,000 customers offering tailored support both from UU and partner organisations who can provide more holistic support including benefit check/income maximisation, budgeting advice and debt management support where in a multi debt situation.</p> <ul style="list-style-type: none"> • We've introduced supplementary digital campaigns reaching out to customers who are new to debt who may not typically be aware of the support and payment options available. These communications are designed to increase awareness and encourage contact to avoid any adverse payment reporting and build-up of arrears. • We regularly review our rant and rave and customer satisfaction feedback to identify any new trends or customer sentiment. We then work with our data insights team to identify opportunities for process improvements. • The outreach activity that we undertake also enables us to gain real insight into specific customer needs from those organisations that have the best knowledge in this area. This insight enables us to consider if any additional interventions are needed. • We have a specific Affordability & Vulnerability Independent Challenge Group that consists of representatives from other utilities, charities, debt advice organisations. The group meets quarterly to share insight from their sectors and we work collaboratively to identify examples of good practice, co-create solutions, work together on joint branded initiatives and review any new propositions that we are considering. • We also partner with organisations who can offer specialist services for our customers enabling us to provide more holistic support, examples include Turn2Us for income maximisation and IEHUB for
--	--	--	---

United Utilities assessment against Paying Fair December 2022



Guidelines for water companies in supporting residential customers to pay their bill, access help and repay debts.

			<p>budgeting advice. We also refer customers to more specialised debt advice organisation such as MoneyHelper and StepChange.</p>
<p>Identify and support customers in vulnerable circumstances</p>	<p>2.3</p>	<p>Have specific policies, procedures and systems for proactively identifying and offering support packages for customers in vulnerable circumstances. These should:</p> <ul style="list-style-type: none"> • recognise the complexities of a customer's vulnerability in providing them support: that it can be temporary or lasting, mild to severe, and can have a significant impact on daily life or a minimal one; • be inclusive by design (see expectation 1.29); and • make support easy to access. 	<ul style="list-style-type: none"> • We have long recognised that the degree of socio-economic challenges in the North West means that the need for financial support for customers is greater than other areas of England. This is why United Utilities has consistently placed particular emphasis on delivering effective customer assistance schemes, often in conjunction with other schemes to support people in vulnerable circumstances. • Our Affordability Policy underpins our industry leading range of support schemes that can provide short (Payment Breaks) or longer term support to our customers depending on their need. We recognise that customer vulnerabilities can be complex and can offer payment breaks, lower capped bill tariffs and payment matching/trust fund grants to accelerate arrears clearance. • Our dedicated affordability team undertake affordability assessments with customers which includes the option to use open banking to simplify the process for the customer and improve the accuracy of the data provided. The team work alongside our priority service team to ensure any wider service needs are identified and that customers are register for PSR and recorded in our systems. • Utilising data led scorecards, customer eligibility for support is proactively identified in our systems, this can be utilised by our agents providing guidance on support options and drives targeted messaging and proactive application of support. • We've simplified our messaging, scheme names and descriptions and application process to improve accessibility for customers. •

United Utilities assessment against Paying Fair December 2022



Guidelines for water companies in supporting residential customers to pay their bill, access help and repay debts.

	2.4	<p>Make sure their policies, procedures and systems reflect the latest definitions, best practice and guidance from relevant charities and other expert bodies in supporting customers in vulnerable circumstances. For example, water companies should consider:</p> <ul style="list-style-type: none"> • helping their staff understand and support customers with both mental health and debt problems – including incorporating it into their training and their processes for handling problem debt; • offering specialised vulnerability training and/or have specialised teams to deal with customers with vulnerabilities; and • designing proactive interventions that minimise psychological distress for 	<ul style="list-style-type: none"> • In February 2019 we received the Quality Accreditation, CICMQ, granted by The Chartered Institute of Credit Management (CICM). We're the first and only water company to be given the accreditation. This represents formal recognition of our commitment to quality, continuous improvement and best practice in all aspects of credit management and collections. • We are one of the first companies to achieve BSI18477:2010 accreditation (See Appendix B) for our vulnerable customer support services including the need to ensure communications and services are accessible. • We have dedicated priority services and affordability teams that are specially trained relevant to their role. • Our priority services team receive additional vulnerability awareness training which combines the subjects of communication barriers, chronic illness, mental health, developmental conditions and dementia. • We've partnered with MIND to deliver training to staff relevant to their role. • We've simplified our affordability application processes consolidating multiple applications into one support booklet and application for to improve accessibility. • We were the first water company to utilise Open banking within our affordability assessments providing customers with the option to provide their income and expenditure information via this method reducing time and effort whilst improving accuracy of the data provided.
--	-----	--	---

United Utilities assessment against Paying Fair December 2022



Guidelines for water companies in supporting residential customers to pay their bill, access help and repay debts.

		customers with debt problems.	
	2.5	Make sure their policies, procedures and systems are compliant with all relevant legislation. This includes the Equality Act 2010 and the 'The Debt Respite Scheme (Breathing Space Moratorium and Mental Health Crisis Moratorium) (England and Wales) Regulations 2020'.	<ul style="list-style-type: none"> • Our policies and procedures are reviewed annually to ensure they remain compliant with regulations including the Equality Act 2010. • We introduced revised guidance and processes in 2020 to ensure we were compliant with new Breathing Space guidelines. Accounts are placed on hold in line with guidance to enable customers to access support.
Use data sharing arrangements to identify customers in vulnerable circumstances	2.6	Put in place and use data sharing arrangements with other bodies – for example, credit reference agencies, energy companies, charities or local authorities – to help identify people in vulnerable circumstances, including those at risk of falling into debt.	<p>We have in place a number data sharing agreements with different bodies to identify and enable the support of vulnerable customers:</p> <ul style="list-style-type: none"> • We share data with CRA's and utilise their data services to build predictive models and scorecards that are utilised to drive next best actions, customer eligibility for support and collections strategies. The ability to target support based on individual customer data means we can support those customers who need it the most. Indications of financial credit worthiness (can't pay/won't pay) inform the collection treatments and content of our customer communications including tailored promotional message. • We've been sharing data with the DWP under the new provisions provided by the Digital Economy Act 2017 to proactively identify customers in receipt of means tested benefits and directly apply support via a lower bill tariff.

United Utilities assessment against Paying Fair December 2022



Guidelines for water companies in supporting residential customers to pay their bill, access help and repay debts.

			<ul style="list-style-type: none"> We are developing a new data share agreement for use with local authorities to enable us to gain further benefits from the provisions introduced to help customers out of water poverty by the Digital Economy Act. Following on from the success of the data sharing activity with ENW, we (UU and ENW) have been working with Auriga services to develop a Priority Services Portal that is currently being trialled by Citizens Advice Manchester (CAM). CAM are registering customers to the new portal and the data is then automatically passed to both ENW and UU on a daily basis. The customer receives an automated email to welcome them to the scheme with details of the services that they will benefit from. This has reduced the numbers needed to share data as part of the weekly exchange, data is passed much more quickly and the portal acts a one stop shop for customers in the registration process.
	2.7	Make sure any data sharing arrangements meet high standards of ethical behaviour, rulings and code of practice guidance from the Information Commissioner’s Office (or equivalent document) and any legal requirements which apply at the relevant time.	<p>All of our data sharing agreements followed the required legislation:</p> <ul style="list-style-type: none"> Our data share solution aligns with the published SCOR Data Quality reference guidelines which outlines how various scenarios should be reported and includes a specific section for Water Industry reporting. Reporting is also in line with PRAAD issued by the ICO. Data sharing with the DWP is undertaken in line with the requirements and permitted use outlines in the Digital Economy Act 2017. All arrangements are compliant with Data Protection Regulations (GDPR 2018)
Communicate effectively and sensitively with	2.8	Communication methods and timing should take account of any additional	<ul style="list-style-type: none"> Our customer communication practices are compliant with the provisions of the Equality Act 2010.

United Utilities assessment against Paying Fair December 2022



Guidelines for water companies in supporting residential customers to pay their bill, access help and repay debts.

<p>customers in vulnerable circumstances</p>		<p>support requirements for those customers who are registered for priority services and for those who may need temporary support and should comply with the provisions of the Equality Act 2010.</p>	<ul style="list-style-type: none"> • All written customer communications allow 14 days for customers to respond or make payment and supplementary digital messages are sent. However for customers subject to our specific vulnerable customer collection strategy digital messaging is replaced with outbound calling activity providing the facility for us to talk customers through the payment support options available. • Additional customer support requirements for written communications to deliver in an alternative format (braille, large print etc.) are met. • Any customers taking advantage of a Payment Break receive a confirmation letter outlining the period for which payments have been paused. They also receive a payment schedule and are sent service messages as payments are required to restart once the break has ended. Customers can request a further break if their situation has not been fully resolved.
	<p>2.9</p>	<p>Make communications available to customers in accessible formats which they are able to use. Companies should offer customers with sight impairments large print or Braille bills where appropriate so that they are able to read their bills and notices. This is in line with our guidance to companies on services to customers with disabilities.</p>	<p>We offer a range of accessible communication formats to our customers:</p> <ul style="list-style-type: none"> • Written communications including bills can be provided to customers with sight impairments in Braille, large print and coloured paper. • We also offer the option of a talking bill where our agents contacts the customer and reads through the communication providing the opportunity to answer any questions they may have. • Our website offers Recite Me technology that enables users to change font, colours, language and switch on dictation.

United Utilities assessment against Paying Fair December 2022



Guidelines for water companies in supporting residential customers to pay their bill, access help and repay debts.

	2.10	Have systems in place so that customers who use British Sign Language, or do not speak English or Welsh, can communicate with the company.	<p>We have systems and procedures in place that enable us to communicate with customers in a variety of ways:</p> <ul style="list-style-type: none"> • All of our customer information films have subtitles added. Our most accessed films also offer British Sign Language (BSL) incorporation. • Our telephony agents can offer translation services via Language Line Solutions enabling communication in over 240 languages 24 hours a day, 365 days a year. We can also offer a Text Relay service for the hard of hearing. • The United Utilities website has the accessibility tool, Recite Me. • BSL can be provided at live customer events/shows.
	2.11	Design specific communications and approaches for customers with communication difficulties	<ul style="list-style-type: none"> • All of our communications both physical and digital go through extensive development and test to make sure they are as accessible as possible for wider customer groups. We are one of the first companies to achieve BSI18477:2010 accreditation (See Appendix B) for our vulnerable customer support services including the need to ensure communications and services are accessible. • Our website is accredited by Shaw Trust and Crystal Mark. • Our website also has Recite Me capabilities to which act as a conversion tool for digital and written communications ensuring customers requiring accessibility support can access digital content.
	2.12	Design communications for people who struggle with literacy and numeracy.	<ul style="list-style-type: none"> • See 2.11
	2.13	Have options for supporting customers who are not able to access or use digital services.	<p>Recognising that not all customers that need support can access digital services we offer a number of alternative methods:</p> <ul style="list-style-type: none"> • We have dedicated phone lines for both PSR and payment assistance meaning customers who are unable to contact us via digital means are able to access the help they need.

United Utilities assessment against Paying Fair December 2022



Guidelines for water companies in supporting residential customers to pay their bill, access help and repay debts.

			<ul style="list-style-type: none"> • We have also produced a paper version of our “Support with your bill payments” booklet, this is our new single application form that covers all schemes reducing the complexity and time it can take customers to apply for support. • In addition we work closely with third sector organisations within the region upskilling their staff in the support that we can offer so that they can provide assistance to customers that require it.
<p>Offer customers the option for their account to be managed by authorised third party individuals</p>	<p>2.14</p>	<p>Have an approach that protects customers from fraud while allowing properly authorised people or organisations – such as free, independent debt advisers – access to help operate accounts for people who need help managing their affairs. Companies should make customers aware of options for third party bill management. For customers who do not make their own decisions, companies can use our joint guidance with the Office of the Public Guardian and the UK Regulators Network on ‘Supporting customers who</p>	<p>We recognise that some customers need support when managing their account and as such we have systems and processes in place that offer a seamless but secure approach to third party involvement:</p> <ul style="list-style-type: none"> • Our billing system allows nominated third parties whether that be family members or independent advisors to be added to the account with the account holders’ permission. This enables the account to be accessed by properly authorised people or organisations helping the customer manage their affairs. • This is the same process our agents would follow if we received formal notification that a third party bill management company were supporting the customer. • We have billing arrangements in place with social housing providers where water charges are collected alongside rent.

United Utilities assessment against Paying Fair December 2022



Guidelines for water companies in supporting residential customers to pay their bill, access help and repay debts.

		do not make their own decisions' (or subsequent updates or an equivalent document). This is also relevant where companies are dealing with relatives or other parties that may need to manage a customer's account in event of their sudden incapacitation or death.	
Use approaches to debt management for customers in vulnerable circumstances that are appropriate to their circumstances	2.15	Tailor your debt management actions to be sensitive to the circumstances that make customers vulnerable.	<ul style="list-style-type: none"> Our collection strategies are tailored based on data led segmentation, data is combined from a number of internal and external sources enabling the most effective and efficient collection activity to be undertaken. Customers with low affordability or PSR needs that indicate they need alternative sensitive collection approaches receive affordability based collection activities. These are designed to raise awareness of the support available and encourage customers to contact us so we can help them get back on track with their payments.
	2.16	Offer customers access to holistic debt advice to help them maximise their incomes, and make them aware of other forms of support they may be eligible for through Government or other service providers –	<ul style="list-style-type: none"> Alongside promoting our own financial support schemes we include information on our collection letters of third party advice organisations like MoneyHelper or StepChange. The promotional message contains a link through to our webpage https://www.unitedutilities.com/debt-advice which contains additional information on where customers can access free advice. We also include information on how customers can check their benefit entitlement ensuring they maximise their income and access any other benefit related support. We work with Turn2Us a national

United Utilities assessment against Paying Fair December 2022



Guidelines for water companies in supporting residential customers to pay their bill, access help and repay debts.

		<p>particularly at the first indication that a customer is struggling to pay. This service can be provided by another organisation or third party that is authorised to give debt advice – and is provided that the customer gives their consent to be passed to this organisation or third party.</p>	<p>charity with a reputable benefit checker and grant search tool. We publicise the charity on letters, in our early intervention emails and directly with customers via a SMS link following a telephone conversation.</p> <ul style="list-style-type: none"> • We also work with IE Hub who provide budgeting advice and the facility for customers to share their income and expenditure with multiple creditors saving them time having to talk to multiple creditors about their financial circumstances. • We’ve recently redesigned our website to make accessing our and 3rd party support more accessible, we have a dedicated page that includes information on accessing free independent support and also links to the new Government Help for Households webpage https://www.unitedutilities.com/my-account/your-bill/difficulty-paying-your-bill/help-with-managing-your-money/. • We don’t currently warm transfer customers through to third party organisations we provide the information they need to make the introduction themselves. We used to offer this service however customer appetite for this service was low, however given the current cost of live pressures we are exploring as a potential extension to our affordability support.
<p>Make it easy for relatives to close or amend the accounts of a loved one who dies</p>	<p>2.17</p>	<p>Have a written plan that outlines how your company will treat bereaved customers with empathy and respect. For example, a written plan might include the following.</p>	<ul style="list-style-type: none"> • We have robust processes and procedures in place for handling customer contact regarding bereavements with empathy and respect: • We have a specialist bereavement customer care team who directly handle bereavement cases and avoid customers waiting on calls • We have a direct telephone number which is manned by specially trained agents, customers can contact us via alternative channels i.e. contact us form on the website or via web chat.

United Utilities assessment against Paying Fair December 2022



Guidelines for water companies in supporting residential customers to pay their bill, access help and repay debts.

	<ul style="list-style-type: none"> • Clear and simple advice on company websites on how to report a death. • An agreed timeframe for companies to respond to bereavement enquiries and settle outstanding customer balances. • A bereavement customer care team for each company, to directly handle such cases and avoid customers waiting on calls. • A direct telephone, email address or other channel for bereaved customers to contact companies more directly. • Standardising paperwork needed to close an account with other companies, with a view to accepting digital documents whenever possible. • Guidance or other support for customers who may be dealing with 	<ul style="list-style-type: none"> • We have internal documented guidance for handling bereavement calls in our knowledge site. • We have clear and simple advice on our company website on how to report a death https://www.unitedutilities.com/your-questions-answered/bills-payments/dealing-with-the-loss-of-a-loved-one-were-here-to-help/ • We have an agreed timeframe to respond to bereavement enquiries and settle outstanding customer balances. • We offer guidance or other support for customers who may be dealing with managing a household for the first time • We provide standardised letters to our agents to support them when responding to customer communications. • We do not as a company request any proof or documentation to support a customer's notification of bereavement
--	--	--

United Utilities assessment against Paying Fair December 2022



Guidelines for water companies in supporting residential customers to pay their bill, access help and repay debts.

		managing a household for the first time.	
	2.18	Train people who come into contact with bereaved people to know how to respond efficiently and with understanding.	<ul style="list-style-type: none"> Agents who answer calls on our dedicated bereavement line are fully trained in handling sensitive situations and the importance of showing empathy and understanding. Our bereavement team have received external training from our probate partner on best practice in handling bereavement calls and the probate process.
	2.19	Streamline your processes and procedures to be simple, pragmatic and risk-based. Avoid unnecessary steps and repetition. We would expect a water company to take a more risk-tolerant approach to requiring evidence of a bereavement than, for example, a life insurance company.	<ul style="list-style-type: none"> We always try to make the process of informing us of a bereavement simple and straightforward. We do not request any additional documentation or evidence to support a notification of bereavement.
	2.20	Ensure any forms are easy to follow and only ask for information that is needed. Pass on details of where people can get practical and emotional support.	<ul style="list-style-type: none"> We follow the Plain English policy to ensure our bereavement process is as simple as possible. Our agents are also able to talk to the customer about Cruse Bereavements Support. It's also visible at the PS page on our website. https://www.unitedutilities.com/priorityservices We constantly monitor customer feedback and where identified will make improvement to the process.

United Utilities assessment against Paying Fair December 2022



Guidelines for water companies in supporting residential customers to pay their bill, access help and repay debts.

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

Customers whose accounts are managed by local authorities, housing associations or some other form of billing agent should, wherever practicable, receive the same level of service and care as those whose accounts remain with the water company.

Summary requirement	Requirement number	Detailed requirement	UU response
Have clear agreements with agents	3.1	Companies that have agreements in place with local authorities, housing associations or other social housing providers should ensure that agreements are drafted in a simple way so that responsibilities are clear on how issues will be resolved in a well-managed way for tenants.	<ul style="list-style-type: none"> We currently have three such agreements in place with the longest being over 15 years. We believe our agreements are clear and transparent on the roles and responsibilities for both UU and our Social Housing partners. We have regular liaison meetings with our social housing partners and we have established effective day to day operational processes where they can raise any issues affecting customers so that they can be resolved quickly and effectively. This includes a dedicated mailbox for social partners to send queries that are answered by a dedicated team at UU.
Make customers aware of their rights	3.2	All customers billed by their local authority or housing associations should be made aware of their legal status in terms of which organisation they are the 'customer' of and the implications in relation to the rights they are entitled to when compared to directly billed water customers. This may be in	<ul style="list-style-type: none"> All new tenants who move into a property owned by one of our social housing partners are made aware that paying water charges is part of their tenancy agreement but that they remain a UU customer. Annual rent statements make it clear that water charges are payable and tenants are provided with a breakdown of their charges. Our partners look to align the information they send to their tenants with the information that we send to directly billed customers We publish an annual customer information leaflet for tenants of social housing schemes. As per the suggested guidance the dedicated leaflet contains information on the following topics:- <ul style="list-style-type: none"> The charges that are made in relation to their property

United Utilities assessment against Paying Fair December 2022



Guidelines for water companies in supporting residential customers to pay their bill, access help and repay debts.

		<p>the form of communications specifically designed for customers billed by their local authority or housing association. These customers should still receive all relevant information about:</p> <ul style="list-style-type: none"> • the water charges that the water company makes in relation to their property; and • how they can access financial support from the water company and other help to reduce their water bill such as, where appropriate, installing a meter, social tariffs and opportunities for accessing company financial hardship fund or other affordability schemes. 	<ul style="list-style-type: none"> ○ How they can access financial support including water meters and the Lowest Bill Guarantee Scheme, plus the support we offer on other affordability schemes. <p>In addition, the leaflet also contains information about:-</p> <ul style="list-style-type: none"> • Contact details for the Housing Association • Process for putting things right and service issues • Get water fit for metered customers • Leakage and how to stop/prevent it • How to read your meter • RV explanation • Stop blockages • GSS Priority Services • Managing personal details
	3.3	<p>Work with local authorities and housing associations to avoid the company's information to customers duplicating the local</p>	<ul style="list-style-type: none"> • No duplication of information takes place under our agreements. Our social housing partners have the direct relationship with the tenants for the purposes of billing and collection and undertake all direct communication to the tenants regarding this.

United Utilities assessment against Paying Fair December 2022



Guidelines for water companies in supporting residential customers to pay their bill, access help and repay debts.

		<p>authority or housing associations information. Under the water resale order (where that applies) some information will be provided by the re-seller (the re-seller is also obliged to provide detailed information about the calculation of charges upon request).</p>	
<p>Consult tenants where charges are collected as part of the tenancy</p>	3.4	<p>Where it is proposed that water charges are not collected by the water company directly, carry out a full and effective consultation with tenants before any new agreement starts.</p>	<ul style="list-style-type: none"> For all of our current agreements in place our partners have undertaken full consultation processes with tenants. Similarly, where agreements have come to an end, a full customer consultation and communication exercise took place to ensure a smooth transition of the accounts back to UU for direct billing.
<p>Act quickly to help to resolve disputes between customers and agents</p>	3.5	<p>Act quickly to help to resolve disputes between customers and agents. This includes:</p> <ul style="list-style-type: none"> helping to resolve specific complaints; and taking steps to help avoid similar disputes happening between customers and agents in future. 	<ul style="list-style-type: none"> We have a dedicated mailbox for our social housing partners to send queries and questions to help resolve any disputes they have with customers. We handle these quickly and effectively so that any issues can be resolved timely. We look to learn from any disputes and adapt our respective approaches to minimise any risks going forward. A good example of this is an initiative we are currently working on to intervene when we spot that a customers measured consumption levels have increased dramatically. Working with the social housing partner, we will arrange for a free water audit and leak check to take place, so

United Utilities assessment against Paying Fair December 2022



Guidelines for water companies in supporting residential customers to pay their bill, access help and repay debts.

			that any issues can be rectified quickly and customers' bills minimised.
--	--	--	--

4. Be proactive in contacting customers in debt

Companies should be proactive in making contact with customers to identify whether they are in payment difficulty. Companies should regularly review their contact methods to make sure they meet the needs of customers. Companies should use every contact as an opportunity to listen, gain more information about the customer's ability to pay and share ways they can be supported.

Summary requirement	Requirement number	Detailed requirement	UU response
Show customers empathy	4.1	<p>Treat customers fairly and in a way that is empathetic to their current situation. Companies could also use this as a further opportunity to:</p> <ul style="list-style-type: none"> • check customers' consumption, billing and account details to make sure they are correct; • check a customer's preferred contact method and time of day; and • make sure customers who are eligible for help receive it, and quickly. 	<ul style="list-style-type: none"> • All customer contacts are dealt with empathetically and our contact centre agents will treat each customer as an individual and tailor to their current situation. • Our agents are trained to verify and enrich customer data during all customer interactions to ensure the data we hold is up to date reflecting their current circumstances. • Current practice is to attempt to capture two telephone numbers (mobile and landline) along with a customer specific email address. Preferred contact times/call restrictions can also be recorded against each contact number. When talking to customers our agents ensure other account specific information is captured including the number of occupiers at a property, employment status and homeowner status as this information can be utilised in tailoring customer services and propositions. • Any customer who is identified as struggling to pay can be assessed for support at the point of contact. This could be via an affordability

United Utilities assessment against Paying Fair December 2022



Guidelines for water companies in supporting residential customers to pay their bill, access help and repay debts.

			<p>assessment or through more general advice regarding the benefits of water meters and water efficiency.</p> <ul style="list-style-type: none"> When talking to measured customers our agents are easily able to see if the consumption looks typical for their household composition and suggest interventions where an issue is identified.
Proactively offer other alternative payment options to customers in debt	4.2	<p>Highlight the available payment options in contacting customers in debt or further correspondence sent to them. The options can be either:</p> <ul style="list-style-type: none"> in the text of letters; or enclosed in a separate leaflet or the company's code of practice on debt recovery. 	<p>We take every opportunity when contacting our customers to make them aware of the available payment options that they can make use of:</p> <ul style="list-style-type: none"> We promote the various ways a customer can pay on our Website https://www.unitedutilities.com/my-account/your-bill/pay-your-bill/, on the back of our bills, and also with our early recovery letters such as reminder letters and solicitor letters. In addition, when asking customers for payment, our debt management letters also promote the various payment methods available to customers. We also have a dedicated page on our website that outlines all of the flexible ways a customer can pay https://www.unitedutilities.com/my-account/your-bill/difficulty-paying-your-bill/flexible-ways-to-pay/.
	4.3	<p>Proactively offer customers who are in debt and in receipt of eligible benefits the option to pay using the 'Third Party Deduction Scheme' (known as 'Water Direct' in the water sector) when all other avenues of recovery have been exhausted. Companies should explain how the</p>	<ul style="list-style-type: none"> For customers who are struggling to budget for payment of their water bill, we do offer the option for payments to be deducted direct from their benefits with the Water Direct scheme. Our agents would explain that payment would be taken to cover their ongoing consumption along with a fixed amount towards their arrears. The option to pay this way would be discussed as part of a wider payment conversation where the customer could choose to pay direct to UU via one of our other payment methods.

United Utilities assessment against Paying Fair December 2022



Guidelines for water companies in supporting residential customers to pay their bill, access help and repay debts.

		scheme works and make it clear to customers that other options are available.	
	4.4	Where companies themselves wish to apply for the 'Third Party Deduction Scheme' on behalf of a customer they must make reasonable efforts to inform the customer of their actions before doing so.	<ul style="list-style-type: none"> Where the application for third party deductions is made by the company a specific letter is sent to the customer informing them of the company's intention to apply for third party deductions.
	4.5	Work with local JobCentre Plus and Pension Service offices to build effective working relationships and contact with customers that may need support.	<ul style="list-style-type: none"> Our dedicated outreach team has regular contact with the regional job and pension centres building up good working relationships over a number of years so that we can work together to support those customers that need it. We undertake periodic training and upskill within the centres to ensure staff have a good understanding of UU support schemes so that they can be discussed with customers. Since 2018 we have convened the North West Affordability Summit. The fourth such summit will be held in January 2023 and will bring together front line representatives from NGOs, housing associations, local government and the money advice sector here in the North West.
	4.6	Once a customer has been placed onto Water Direct, freeze other debt collection activities.	<ul style="list-style-type: none"> Water direct is considered an official payment plan to the company which means that debt recovery action is suspended while the arrangement is in place.

United Utilities assessment against Paying Fair December 2022

Guidelines for water companies in supporting residential customers to pay their bill, access help and repay debts.

	4.7	Companies should engage directly with customers on the 'Third Party Deduction Scheme' – or about to be placed on it – to help explain the scheme (such as what will impact the length of time the plan is in place) and encourage customers to share information about their circumstances to avoid them getting further into debt.	<ul style="list-style-type: none"> • Written communication is sent to customers to inform them of our intent to apply for Water Direct. This communication informs the customer of the benefits of the scheme and that they will stay on the scheme until their arrears are clear. It also encourages customers to contact as they may be eligible for a lower bill tariff that would reduce the amount of deductions required.
Send clear reminders that provide advice and next steps	4.8	In a water company's first written or verbal communication with a customer, the company should prominently state that free debt advice services are available to customers and provide the customer with contact details for MoneyHelper or other free debt advice organisations. Where possible, companies should work with authorised debt advice organisations so	<ul style="list-style-type: none"> • Our early collection letters (reminders and legal notices) include information on how customers can contact specialist free debt advice. The message contained on the reminders directs the customer to MoneyHelper or StepChange and provides a link to our website which contains additional support information for the specialist organisations. https://www.unitedutilities.com/my-account/your-bill/difficulty-paying-your-bill/debt-advice/. • We've recently redesigned our website to make accessing our and 3rd party support more accessible, we have a dedicated page that includes information on accessing free independent support and also links to the new Government Help for Households webpage https://www.unitedutilities.com/my-account/your-bill/difficulty-paying-your-bill/help-with-managing-your-money/. • We don't currently warm transfer customers through to third party organisations we provide the information they need to make the

United Utilities assessment against Paying Fair December 2022



Guidelines for water companies in supporting residential customers to pay their bill, access help and repay debts.

		that, if the customer agrees, they can be passed directly to those organisations (a 'warm referral') to receive debt advice and other help.	introduction themselves. We used to offer this service however customer appetite for this service was low, however given the current cost of living pressures we are exploring as a potential extension to our affordability support.
	4.9	At least three prompts (including the bill) – using at least two communications channels – for the customer to contact the company before progressing to debt recovery action. Companies should first use a customer's preferred method of communication and (if relevant) time of contact – before trying other means if a customer fails to respond.	<ul style="list-style-type: none"> Customers receive a minimum of 3 prompts prior to progressing for debt recovery action. Our early collection strategies include a reminder and legal notice document. These are supplemented by multiple digital communications which includes SMS messaging, emails and outbound dialler call activity. Contact via our outbound dialler will be attempted at various times of the day to optimise our opportunity to contact the customer.
	4.10	Customers should be given reasonable time to pay their bill before a reminder is issued (this is especially important if using second-class post). Good practice would be to allow a minimum of 14 days	<ul style="list-style-type: none"> Our early collection strategies all allow customers at least 14 days to pay before generating reminder documents. Our collection paths are tailored taking into account the customers past payment behaviour which could mean a customer, whose missed payment may simply be an oversight, are not reminded as quickly as those customers who have a history of payment difficulties.

United Utilities assessment against Paying Fair December 2022



Guidelines for water companies in supporting residential customers to pay their bill, access help and repay debts.

		following the date the bill was due for payment before issuing a reminder.	
	4.11	Each reminder should set out what will happen and when action will be taken if the customer fails to respond. The various actions the customer can take should be set out along with a clearly signed contact number and website address. To encourage contact, companies should consider offering online chat and freephone debt helplines in addition to their standard geographic telephone numbers.	<ul style="list-style-type: none"> • All of our collection letters including early stage reminder and legal notices clearly outline the actions a customer needs to take with regards to the overdue payment of their bill. • All documents make reference to the current cost of living pressures customers are facing and encourage customers to contact us if they need support with their bill payment. Freephone numbers are included along with links to our website. • We also include tailored promotions regarding water meters, water efficiency and how to source external specialist debt advice and income maximisation checks. • Our website contains an online chat option to help customers if they choose to engage via an online route. • Early reminder letters contain 0345 numbers as opposed to standard geographical, once an account enters late arrears communications contain freephone numbers.
Contact customers using different methods and stop chasing them if they are getting debt advice	4.12	A variety of communication methods and times should be considered to establish contact (such as web chat, texts, telephone calls, letters and visits) if a customer fails to respond using their preferred	<ul style="list-style-type: none"> • We utilise a wide range of communication methods to engage with customers. Outbound methods include emails, SMS, Voice blast and dialler. • Customer can engage with us over the phone, via webchat or by using one of our online contact forms. Customers can specify their preferred time for contact if any follow up activity is required.

United Utilities assessment against Paying Fair December 2022



Guidelines for water companies in supporting residential customers to pay their bill, access help and repay debts.

		contact method or preferred time of contact.	
	4.13	The timing of attempted repeat contacts should be varied where possible (where the customer fails to respond during their preferred contact time or has not stated a preference).	<ul style="list-style-type: none"> When attempting to contact the customer via our outbound dialler calls are made at various times of the day to optimise contact levels and the opportunity for the customers to discuss their account and access support if needed.
	4.14	Communication methods and timing should take account of any special requirements for those customers who are registered for priority services and should comply with the provisions of the Equality Act 2010.	<ul style="list-style-type: none"> Written communications including bills can be provided to customers with sight impairments in Braille, large print and coloured paper. We also offer the option of a talking bill where our agents contacts the customer and reads through the communication providing the opportunity to answer any questions they may have. Our website offers Recite Me technology that enables users to change font, colours, language and switch on dictation. We have also developed a specialist vulnerable customer collection strategy for certain types of priority services customers. This strategy includes a specific extended debt collection agency placement allowing both the agency and customer the time to come to an arrangement that meets the customer's individual circumstances. Supplementary messaging is via an outbound call providing the customer with the opportunity to talk through their individual situation and agree a solution that suits their circumstances.

United Utilities assessment against Paying Fair December 2022



Guidelines for water companies in supporting residential customers to pay their bill, access help and repay debts.

	4.15	The timing, frequency and manner of contacts should not be oppressive, misleading or threatening, and should conform to accepted good practice, including that set out in the Financial Conduct Authority handbook.	<ul style="list-style-type: none"> • Our practice with regards to customer contact falls in line with guidance under Chapter 7 of the Financial Conduct Authority handbook. Outbound communications are designed to be inclusive and encourage customer contact. The timing of messages allows the customer time to respond before subsequent messages are sent. Message content is non-threatening and transparent to ensure the customer understands the next steps if they fail to engage to discuss options for support and repayment.
	4.16	Make sure that sufficient resources are available to handle any contacts received, particularly at times of bulk debt related mailings. Companies should also document all contact attempts made, regardless of whether or not the contact was successful.	<ul style="list-style-type: none"> • Our contact centres are supported by a dedicated workforce optimisation team who manage call demand and the resource profile to ensure contacts are answered in a timely manner particularly where bulk related debt mailings occur. • In times of unprecedented demand we can quickly move resource around to accommodate any extra contact so that customers are not waiting any length of time to speak with us. • All contact attempts are recorded in our billing or debt management system providing a full audit trail of customer interactions.
	4.17	Cease chasing contact with the customer where the company is aware the customer is actively engaging with a known debt advice provider. Companies should also encourage customers to agree to a referral to debt	<ul style="list-style-type: none"> • When we are made aware the customer has engaged with a debt advice provider or formally applied for breathing space we will place a hold on to the account to pause collection activity pending receipt of a repayment proposal from the advice provider. • Our agents, customer communications and website signpost customers to free support agencies recognising that specially trained staff can provide expert advice. Signposting includes Debt Advice, income maximisation, budgeting support and wider Government

United Utilities assessment against Paying Fair December 2022



Guidelines for water companies in supporting residential customers to pay their bill, access help and repay debts.

		advice by highlighting the benefits to customers of, for example, being able to access Breathing Space, income maximisation checks and other wider support.	advice. Links to our website for the full range of support are included in 4.8.
Make sure communications are friendly and company representatives are easy for customers to talk to	4.18	Any new approaches or systems should not reduce opportunities for customers to approach the company and should be inclusive by design (see expectation 1.29).	<ul style="list-style-type: none"> We recognise the importance of inclusivity and accessibility of our services. Any changes we make are to enhance and improve the customer journey by simplifying and extending opportunities for customers to contact us. We were early adopters of the principle of a single support application, we introduced a difficulty paying form on our website and have more recently introduced a single support booklet and application form.
	4.19	Communications should be friendly and company representatives should be easy for customers to talk to, to encourage customers to communicate effectively with their supplier or collection agency.	<ul style="list-style-type: none"> Our agents are all trained to be friendly, not to judge and to listen to the customer to ensure any solution we can offer is aligned to the customer's individual circumstances. Written communications reflect this same sentiment and are designed to encourage customer engagement and highlight the payment support options available. Our household charges scheme displays the Crystal Mark to show it is clarity approved by the Plain English Campaign.
Tailor debt recovery strategies and review them for suitability, fairness and empathy	4.20	Review debt recovery strategies on a regular basis. Where these reviews result in changes to a company's debt recovery	<ul style="list-style-type: none"> Collection strategies and their effectiveness are reviewed regularly to ensure they remain relevant and reflect current challenges facing our customers more recently the COVID-19 pandemic and current cost of living pressures. If strategies are changed we would reflect this in our code of practice and engage with CCW. Typically it's the

United Utilities assessment against Paying Fair December 2022



Guidelines for water companies in supporting residential customers to pay their bill, access help and repay debts.

		<p>strategy, the company must consult with CCW on changes to their code of practice on debt recovery. Billing systems, digital channels and incoming calls should be used, wherever possible, as an opportunity to identify customers in difficulty. This would include, for example, recording customer details that might indicate that the customer is vulnerable to falling into debt or flagging up where regular payers suddenly default.</p>	<p>content of messages that changes to reflect for example economic conditions or to include new service offerings.</p> <ul style="list-style-type: none"> Agents are trained to capture customer data and update core systems, these include items such as benefit receipt and employment status that feature in our collection strategy decisions and care indicators of potential vulnerabilities. We supplement customer provided information with CRA and bespoke household segmentation ensuring we can identify customers for early intervention who are showing signs or struggling to pay as well as those customers who have missed a payment and fallen into arrears.
	4.21	<p>Debt recovery strategies should include a consistent approach that clearly shows the actions the company will take as the level of a customer’s debt increases.</p>	<ul style="list-style-type: none"> Our debt recovery strategies are automated to ensure a consistent approach is taken whilst also ensuring we tailor to the circumstances of the individual. Communications encourage customers to contact us if they are struggling to pay so we can help them get back up to date with their payments. They are designed to be transparent to ensure customers understand what will happen next including the consequences of continued non-payment on their credit file.

United Utilities assessment against Paying Fair December 2022



Guidelines for water companies in supporting residential customers to pay their bill, access help and repay debts.

	4.22	Where information on individual customers' circumstances is unknown, segmentation of customers should be used wherever practicable, to tailor debt recovery to individual customers or particular debtor groups.	<ul style="list-style-type: none"> • Our debt recovery strategies are automated to ensure a consistent approach is taken whilst also ensuring we tailor to the circumstances of the individual. • We have an established predictive analytics team who have developed models and scorecards that are used to drive our collection strategies, target our affordability support and inform wider customer management activities including propensity to have changed address or be deceased and identification of customers for targeted early intervention support. • The output from scorecards are fed directly into our billing and collection system and are utilised to drive next best actions, identify customer eligibility for support and collections strategies. The ability to target support based on individual customer data means we can support those customers who need it the most. Indications of financial credit worthiness (can't pay/won't pay) inform the collection treatments and content of our customer communications including tailored promotional message. •
Demonstrate quality service	4.23	Keep records showing how many times you have tried to telephone, visit or contact individual customers (whether attempts were successful or not), and the dates of reminders and notices, along with any actions occurring as a result. Customers and CCW may	<ul style="list-style-type: none"> • Our systems enable us to keep a record of how many contact attempts have been made. • All outbound collection activity is recorded in our billing or collection systems providing a full audit trail of activity undertaken. • Outcomes of certain activities such as visits, dialler attempts etc. are also recorded. • Where activity is undertaken by a 3rd party including debt collection agencies equivalent data is recorded and can be obtained when required. • Full account history can be made available to customers upon request and details can also be made available to CCW for audit

United Utilities assessment against Paying Fair December 2022



Guidelines for water companies in supporting residential customers to pay their bill, access help and repay debts.

		wish to be assured that the water company has made a reasonable number of attempts to contact customers whilst at the same time adhering to the provisions of the FCA Handbook or equivalent publication.	purposes.
	4.24	Highlight customer outcomes and testimonies on resolving debt problems to encourage other customers to contact you.	<ul style="list-style-type: none">• We share a number of customer testimonies on our website and throughout our literature designed to encourage other customers in similar situations to make contact.• We've also introduced customer surveys into a range of our affordability processes in order to capture more outcomes and testimonies that we can share.

United Utilities assessment against Paying Fair December 2022



Guidelines for water companies in supporting residential customers to pay their bill, access help and repay debts.

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

All communications sent to customers in debt should be in plain language and numbers, be courteous and non-threatening. But the water company should clearly set out the action which they will take if the customer fails to make payment or contact the company, along with the possible consequences for the customer

Summary requirement	Requirement number	Detailed requirement	UU response
Design the content of communications around customers' information needs	5.1	All communications – such as texts, emails, letters and reminders – to customers who have fallen behind with payment should be clear about when payment is due and what will happen if the customer does not pay. Where possible, the correspondence should be tailored.	<ul style="list-style-type: none"> All communications irrespective of media type encourage customers to contact us if they are struggling to pay so we can help them get back on track with their payments. They are designed to be transparent to ensure customers understand when payment is due and what will happen next including the consequences of continued non-payment on their credit file. Communications are tailored to customer segment and are aligned to the current collection process the customer is in.
	5.2	The code of practice on debt recovery must be enclosed with reminders or details given on how a copy can be obtained.	<ul style="list-style-type: none"> The debt code of practice is referenced on the reverse of all bills & collection letters including a link where the document can be obtained on the website.
	5.3	Any correspondence should encourage the customer to contact the company and set out how	<ul style="list-style-type: none"> As per reply to 5.1 communications are designed to optimise customer engagement. Reference to free debt advice are included alongside tailored internal UU support options.

United Utilities assessment against Paying Fair December 2022



Guidelines for water companies in supporting residential customers to pay their bill, access help and repay debts.

		to get free independent debt advice.	
	5.4	Where communications are written, information on financial support available should be prominent and placed near to the amount owed on the bill. Where communications are posted, information on financial support should be on the envelope (see expectation 1.20).	<ul style="list-style-type: none"> Information regarding the support options we have available to help customers lower their bill and spread their bill payment into manageable amounts is positioned prominently near the top of the letter Envelope messaging for bills and general correspondence is used for more generic promotions such as water efficiency and metering (lowest bill guarantee). As outlines in our response to 1.2 dedicated affordability messaging is currently targeted at a subset of our overall customer base.
	5.5	Where one is available, the customer should be advised of a company's financial hardship fund or other affordability scheme.	<ul style="list-style-type: none"> We send targeted communications from our debt management system to customers who may be eligible for help from our financial hardship fund (UU Trust Fund). In addition to this all of our contact centre staff will promote the UU Trust Fund and other affordability schemes to customers they feel would benefit. All affordability support is also promoted through our outreach activity, via our website and social media.
	5.6	The customer should be given a clear indication of the length of time they have in which to act and a variety of ways to contact the company to use in the event of requiring further information.	<ul style="list-style-type: none"> All of our collections communications are designed to be transparent to ensure customers understand what they are required to do, and by when and what will happen next if they fail to engage including the consequences of continued non-payment on their credit file. Communications also reference the variety of ways in which customers can make contact.

United Utilities assessment against Paying Fair December 2022



Guidelines for water companies in supporting residential customers to pay their bill, access help and repay debts.

			<ul style="list-style-type: none"> • If customers are engaging more generally then our agents will agree timescales for providing any further information to ensure customers understand what's expected. •
	5.7	If notices or letters themselves do not list the customer's options for payment arrangements, they should be accompanied by communications which do, or should clearly detail where the customer can obtain this information.	<ul style="list-style-type: none"> • Our customer communications include information regarding the financial support options we have available to help customers lower their bill and spread their bill payment into manageable amounts. • Letters also include tailored promotion boxes to raise customer awareness of specific items including meters, water efficiency, new PayAsUGo plans and specialist external support organisations. • Links to our websites difficulty paying page which includes financial support and flexible ways to pay are also included. https://www.unitedutilities.com/my-account/your-bill/difficulty-paying-your-bill/ •
Tailor the language of communications to customer's needs	5.8	All communications – such text, emails, letters and literature – should be: <ul style="list-style-type: none"> • in plain language; • in plain numbers; • designed to be inclusive by design (see expectation 1.29); • seek to encourage customers to speak with the company through the design and use of clear and non-threatening language 	<ul style="list-style-type: none"> • All communications are designed to be inclusive. Messages are tailored to individual customer segments and use non-threatening language. We use plain language with a tone and style that is non-judgmental to encourage customers to contact us to discuss their bill and the support available. • Communications use colour to highlight key sections of the document including the use of tailored promotions, the use of colour also signifies an escalation in the importance of the document. • We are one of the first companies to achieve BSI18477:2010 accreditation (See Appendix B) for our vulnerable customer support services including the need to ensure communications and services are accessible.

United Utilities assessment against Paying Fair December 2022



Guidelines for water companies in supporting residential customers to pay their bill, access help and repay debts.

		<p>that minimises any psychological distress; and</p> <ul style="list-style-type: none"> • (where possible) be tailored in tone and style according to the individual debtor. <p>Make sure that the appropriate format is used for customers that:</p> <ul style="list-style-type: none"> • require priority services • do not use English as their first language; or • have communication difficulties. 	<ul style="list-style-type: none"> • Any requirement for documents to be delivered in a specific format to aid reading are met including braille, large print and coloured paper. • We also offer the option of a talking bill where our agents contacts the customer and reads through the communication with the customer. • In our written communications to customers we often provide links to relevant sections of our web-site for customers to obtain further detailed information. Our website also offers accessibility help via Recite Me enabling customers to change the language, font, colours etc. to suit their individual needs. • For customers whom by English is not their first language we have a partnership with Language Line Solutions to offer a translation service into over 240 languages.
<p>Use fair tools for encouraging payment</p>	<p>5.9</p>	<p>Do not threaten to disconnect (whether directly or by implication) for non-payment any property in which someone has their only or principal home. Particular care is needed when dealing with mixed-use premises so that customers' rights are respected.</p>	<ul style="list-style-type: none"> • We do not include any threat or reference to disconnection for non-payment of household charges relating to a customer's principle home in any of our communications.

United Utilities assessment against Paying Fair December 2022



Guidelines for water companies in supporting residential customers to pay their bill, access help and repay debts.

	5.10	Void property notices should not be used as a debt collection tool by companies or by debt collection agencies.	<ul style="list-style-type: none"> • Void property notices (intention to bill letters) are designed to encourage contact from a potential occupier to confirm occupation and make arrangements for payment, there is no threat of disconnection or non-payment consequences contained in this notice. • Waste shut off letters that reference disconnection are only utilised to prevent leakage at empty properties where consumption is being recorded on the meter. These are not used as part of our collection strategy. •
Explain the implications for customers at risk of enforcement action	5.11	If the customer is at risk of enforcement action after a judgment has been obtained in the county court, the company should explain the implications of such action simply, fully and jargon free but without being misleading. Many companies take enforcement action in relation to judgments obtained by applying third party debt orders, charges on property, order to obtain information, warrants of execution or attachment of earnings. In these cases, the company	<ul style="list-style-type: none"> • If a County Court judgment is unpaid an enforcement method is determined and a tailored pre-enforcement letter is sent advising the customer which specific enforcement action we intend to take to recover the debt. The letter contains a simplified explanation of the enforcement option and what it will mean for them e.g. an attachment of earnings will mean the court will contact your employer requesting payments be made direct from your salary. The letter contains a contact telephone number for the customer to obtain further information, arrange payment, request support or dispute their bill. • We utilise data and analytics to determine the most effective enforcement action for each customer. We have a specific enforcement scorecard that combines internal and external data to identify the most appropriate enforcement action.

United Utilities assessment against Paying Fair December 2022



Guidelines for water companies in supporting residential customers to pay their bill, access help and repay debts.

		<p>should explain the terms and processes and advise the customer that processes are subject to a court judgment first being made. The consequences of such action should also be clearly set out along with a contact telephone number for where further information can be obtained.</p>	
<p>Use enforcement action as a last resort</p>	5.12	<p>Use enforcement action as a last resort, once all other options for repayment have been exhausted. Companies can use enforcement action earlier in the debt management process where they can show evidence that:</p> <ul style="list-style-type: none"> • a customer routinely does not pay their bills; and/or • they have evidence that they have taken all reasonable steps to establish the customer doesn't have an underlying 	<p>County court and subsequent enforcement action is only used in circumstances where it is deemed the only feasible solution to recover debt. It is not an approach that we adopt without due consideration first:</p> <ul style="list-style-type: none"> • We have developed a range of sophisticated scorecards that inform our collection strategies and provide insight into a customers propensity and ability to pay. We utilise a specific litigation scorecard that combines CRA data, customer segmentation and internal customer provided information to identify customers where litigation would be an effective collection process. • Customers recommended for court action are only taken to court if they fail to engage with internal collection efforts including written and digital communications designed to encourage customers to contact us to discuss financial support or agree a payment plan. • Prior to any court action accounts are manually checked and if suitable for litigation a Pre Action Protocol letter is sent to comply

United Utilities assessment against Paying Fair December 2022



Guidelines for water companies in supporting residential customers to pay their bill, access help and repay debts.

		financial issue or other vulnerability that requires support before a customer can pay.	with court regulations providing a further opportunity for the customer to engage.
	5.13	Any enforcement action taken or charges added should be proportionate and reasonable in relation to the circumstances of the customer and the size of the debt. Where possible companies should avoid using high court enforcement, except in those cases where they can show customers are persistently and deliberately not paying.	<ul style="list-style-type: none"> • We only add the appropriate amount of statutory court fees and costs proportionate to the size of the customer's debt to customers' accounts. • We only undertake targeted and low volume high court cases where it is deemed necessary to do so. For these cases we don't charge interest only the statutory court fees.
	5.14	Exclude customers known to be in vulnerable circumstances from any form of enforcement action where the customer: <ul style="list-style-type: none"> • is eligible for help but have not yet received it; • is in the process of receiving help from the company or other bodies 	<ul style="list-style-type: none"> • Enforcement action is only undertaken if the judgment plan falls into arrears, if the customer plan is maintained no further action is taken. When it becomes known that a customer is in vulnerable circumstances then we will endeavour to support the customer and avoid taking further enforcement action. • If the customer has applied for breathing space or is seeking any other form of debt advice then action will be paused. • We apply individual enforcement debt thresholds which differ for each enforcement option, we consider the value of arrears compared with the additional potential court fees to ensure they are not disproportionate.

United Utilities assessment against Paying Fair December 2022



Guidelines for water companies in supporting residential customers to pay their bill, access help and repay debts.

		<p>that the company has partnered with;</p> <ul style="list-style-type: none"> • has applied or been accepted for the debt respite (breathing space) scheme; • is on a repayment plan already agreed by the company; or • where the cost of the enforcement is likely to exceed the possible revenue the company or its agents can recover. 	<ul style="list-style-type: none"> • All communications we send to customers encourage contact if they are struggling to pay, if a customer subsequently identifies as in financial difficulties then an affordability assessment can be completed with a view to lowering future bills and agreeing a suitable payment arrangement.
	5.15	<p>Put collection activity on hold immediately if companies or their agents become aware a customer is in vulnerable circumstances and should be receiving support from the company– and seek to support them in in line with our expectations under Principle 2 'Make sure customers who are eligible for help receive it when it is needed'.</p>	<ul style="list-style-type: none"> • If we receive notification that the customer has applied for breathing space or is seeking any other form of debt advice then action will be paused pending a recommendation from the specialist advice organisation. • In line with our response to principle 2 any customers that are deemed in need of company support are assessed for it at point of contact by our specialist teams.

United Utilities assessment against Paying Fair December 2022



Guidelines for water companies in supporting residential customers to pay their bill, access help and repay debts.

Respond quickly, fully and appropriately to disputes or queries about debts	5.16	Where debts are queried or disputed, the company should respond promptly, fully and appropriately to the customer's enquiries.	<ul style="list-style-type: none"> • If the customer raises a dispute with the company the account will be placed on hold whilst the dispute is investigated. Once the outcome of the investigation is known the customer will be notified. If an amendment to the charges is required a rebill will occur. If the charges are found to be correct the customer will be notified. The hold will be removed and a further delay will be applied for the customer to respond with further queries or settle any outstanding balance. •
	5.17	Collection activity should be put on hold whilst investigating a reasonably queried or disputed debt.	<ul style="list-style-type: none"> • See response 5.16 on query management process
Regularly review and update debt communications learning from feedback and complaints from customers	5.17	Regularly review and update debt communications using data, insights, feedback and lessons from complaints from customers.	<ul style="list-style-type: none"> • See response to 1.4
	5.18	Give CCW an opportunity to comment on the design and text of any substantive changes to debt recovery communications, and be prepared to outline all changes during CCW debt audits.	<ul style="list-style-type: none"> • For any substantive changes to our practices we would consult and engage CCW on our proposals. An example of this was our bill redesign programme in 2018.

United Utilities assessment against Paying Fair December 2022



Guidelines for water companies in supporting residential customers to pay their bill, access help and repay debts.

	5.19	Make sure that the code of practice on debt recovery is kept up to date, reflects operating practices and is available online or in hard copy – and reviewed at least once every three years. Companies should use customer insights and intelligence (see expectation 1.26-1.28) in making changes and make sure they are inclusive by design (see expectation 1.29). CCW must be consulted too.	<ul style="list-style-type: none">• We regularly review our debt code of practice to ensure it reflects current collection practices and includes all the ways customers can access support with their bill payment. The last substantial change was made in 2020 when we redesigned the document creating a more customer friendly document aligning it with the look and feel of other customer facing documents. The proposed changes were reviewed in conjunction with CCW and their feedback incorporated prior to publication. https://www.unitedutilities.com/globalassets/documents/pdf/9320-8395-debt-code-of-practice-booklet-acc.22.pdf
--	------	---	--

United Utilities assessment against Paying Fair December 2022



Guidelines for water companies in supporting residential customers to pay their bill, access help and repay debts.

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

When agreeing payment arrangements with customers, the customer’s circumstances should be taken into account wherever possible. Payments should be based on a consistent approach for assessing a customer’s ability to pay. Repayments should be understandable to the customer – and regularly reviewed as their circumstances change to make sure repayments are sustainable. And the customer should be re-engaged if the payments fail.

Summary requirement	Requirement number	Detailed requirement	UU response
Double check the customer is in debt	6.1	<p>Offer customers a way to check they are in debt. Before taking enforcement action, the company should carry out further checks to make sure the customer is in debt and that any figure they owe should not be adjusted or whether (for example) they:</p> <ul style="list-style-type: none"> • should have received help from the company earlier; • have a leak; or • there is an error in their account information. 	<ul style="list-style-type: none"> • Prior to County Court action commencing robust account screening is completed by a member of our court team to ensure that there are no issues with the customer account or bills, this includes checking accounts for high consumption, high volume of estimated readings and past account disputes that may remain unresolved. • In line with Civil Procedure rules we follow the Pre-action Protocol giving customers 35 days to formally acknowledge the debt and offer a payment plan or provide a challenge to the intention to issue a claim. • Once a claim is issued the customer has the opportunity to defend the claim if they dispute the charges, if no defence is filed and the debt remains unpaid then a County Court Judgment will be entered. • If the judgment is unpaid, a reminder is sent to the customer which makes them aware of which specific enforcement action we intend to take to recover the debt. This gives the customer another opportunity to contact us to arrange payment, request support or dispute their bill. • Our collection system monitors the customer’s account to check that the balance remains due prior to commencing enforcement action. If the status of the account changes as a result of the addition of query flags,

United Utilities assessment against Paying Fair December 2022



Guidelines for water companies in supporting residential customers to pay their bill, access help and repay debts.

			<p>deceased flags, bankruptcy flags then the account is put on an automatic hold whilst any corrective work is undertaken.</p> <ul style="list-style-type: none"> Any leakage that occurs after the claim is issued would not be part of the debt subject to court action and therefore wouldn't affect the validity of the claim. Customers are encouraged to contact us if they are struggling to pay all through the collections journey.
	6.2	Investigate and resolve any issues promptly and thoroughly where the customer disputes their debt.	<ul style="list-style-type: none"> If the customer raises a dispute with the company the account will be placed on hold whilst the dispute is investigated. Once the outcome of the investigation is known the customer will be notified, if an amendment to the charges is required a rebill will occur, if the charges are found to be correct the customer will be notified. The hold will be removed and a further delay will be applied for the customer to respond with further queries or settle any outstanding balance.
Establish each customer's ability to pay and allow customers to consider payment proposals	6.3	Make reasonable enquiries as to the customer's ability to pay when setting up instalment arrangements and take account of the information given. This should involve the company, customer or debt advisor completing the standard financial statement promoted by The Money Advice &	<ul style="list-style-type: none"> Whilst we don't expressly utilise a SFS as a means of establishing a customer's ability to pay, we have a conversation with the customer to understand their financial situation, asking questions including their homeownership, employment and benefit status. Based on the information the customer provides about their personal circumstances we negotiate a mutually acceptable payment arrangement. If the customer meets our eligibility criteria for financial support then a member of our affordability team will complete an affordability assessment. If the customer is in a multi debt situation we will also sign post them for specialist debt advice. Our advisors are empowered to agree payment plans with customers that cover their current year's charges and where applicable a contribution to

United Utilities assessment against Paying Fair December 2022



Guidelines for water companies in supporting residential customers to pay their bill, access help and repay debts.

		<p>Pensions Service to assess realistic payment options. Where companies adapt the SFS (for example, to do checks at scale), they should meet our expectation 1.30 in publishing their methodology ('Consider how customers' ability to pay affects their service experience').</p>	<p>their arrears aligned to the weekly DWP Third Party Deduction scheme amount.</p> <ul style="list-style-type: none"> • See response to 1.30 for further details
	6.4	<p>Retain an appropriate record of the completed standard financial statement and enquiries made to assess the customer's ability to pay.</p>	<ul style="list-style-type: none"> • If an affordability assessment is completed or the customer has completed a 'difficulty paying form' then a record of the information provided and recommended outcome is stored against the customer's account. • If an SFS is received via 3rd party advisors that will also be stored on the customer's account. • A record of a conversation with a customer that resulted in a payment arrangement being agreed is also noted against the customer's account and status information is also updated. •
	6.5	<p>Support instalment payment proposals, where the customer has worked with a debt adviser who has prepared a budget using The Standard Financial Statement (SFS).</p>	<ul style="list-style-type: none"> • If an independently verified payment proposal is received from the debt advice sector then we will accept this proposal.

United Utilities assessment against Paying Fair December 2022



Guidelines for water companies in supporting residential customers to pay their bill, access help and repay debts.

	6.6	Allow the customer sufficient time to consider any payment proposal and seek free and independent debt advice.	<ul style="list-style-type: none"> If the customer requests time to consider a proposal or seek financial advice then this will be allowed. We will agree to place a hold on the account for a specific period of time in which all activity will be paused pending their review.
Refer customers to company's financial hardship fund or other affordability schemes for help	6.7	Where a financial hardship fund or other affordability support scheme is in place, companies should, where appropriate, tell customers about them or refer customers to a relevant contact.	<ul style="list-style-type: none"> We send targeted communications from our debt management system that promote our financial hardship fund to customers who may be eligible. In addition to this all of our contact centre staff will promote the hardship fund and other affordability schemes to customers they feel would benefit. All affordability support is also promoted through our outreach activity, via our website and social media.
	6.8	Companies who do not have such schemes should consider the value of establishing them independently or jointly with other companies or utilities.	<ul style="list-style-type: none"> We have had a Trust fund in place since 1st April 2005. The trust is independently managed and typically supports over 3,000 customers per year. Since its launch, the UU Trust fund has helped circa 70,000 customers with an average grant awarded of c£847.
Help customers reduce future charges	6.9	Be able to demonstrate that consideration has been given to whether the customer would benefit from support measures (see support package suggestions in	<ul style="list-style-type: none"> During all conversations with customers agents will consider options to lower the customer's bill. Agents are trained to identify if a customer is eligible for a social tariff, would benefit from a water meter or qualifies for financial support to help clear their arrears. For metered customers who are already on the lowest tariff agents will discuss water efficiency, promoting our 'Get Water Fit' online calculator which enables customers to explore ways then can reduce their water

United Utilities assessment against Paying Fair December 2022



Guidelines for water companies in supporting residential customers to pay their bill, access help and repay debts.

		<p>expectation 2.1). For example:</p> <ul style="list-style-type: none"> • switching to a water meter; • applying for a social tariff where available, or other forms of affordability support or • implementing some water efficiency measures. 	<p>usage and order water saving devices.</p> <p>https://www.getwaterfit.co.uk/?utm_source=UUWebsite&utm_medium=GetWaterFitpage&utm_content=Button1#/</p> <ul style="list-style-type: none"> • We also undertake targeted campaigns to specific customer groups to promote the range of schemes we have. Where applicable take our affordability support to our customer doorsteps by carrying out an “affordability visit”. These visits are targeted to engage heard to reach customers and increase their awareness of support available.
	6.10	<p>Where relevant, the company should advise the customer that they may be able to reduce their future charges and offer information about these options.</p>	<ul style="list-style-type: none"> • For unmeasured customers billed on a standard tariff our agents will always consider if a water meter would be beneficial and help reduce their bill. We use simple guidance on if there are more bedrooms than people to encourage customers to consider a meter. We offer a 2 year lowest bill guarantee which enables customer to try & meter risk free as we guarantee they will pay no more than their unmeasured charges. If for any reason a meter can’t be fitted then the customer will qualify for an assessed volume charge. • For measured customers we will consider any additional factors influencing their usage such as large families or medical conditions that may mean they can be considered for WaterSure or if they are on benefits they may qualify for our social tariffs. We also discuss water usage and promote water efficiency as outlines in 6.9. •
Agree repayment levels that are realistic, understandable and regularly reviewed	6.11	<p>Set repayment levels which are realistic and sustainable given the customer's circumstances</p>	<ul style="list-style-type: none"> • All payment conversations are negotiated taking into consideration the customers circumstances. Agents ask relevant questions to assess the customers’ ability to pay and based on the information provided will agree an arrangement that is affordable meaning payments will be sustained by

United Utilities assessment against Paying Fair December 2022



Guidelines for water companies in supporting residential customers to pay their bill, access help and repay debts.

		<p>including taking into account all outgoings. Customers should not be pressured into paying the debt in full or in unreasonably large payments.</p>	<p>the customer. An upfront payment maybe requested if no payment has been made for some time or to help lower the remaining instalment amount, however this would not be insisted upon if it was unaffordable for the customer.</p> <ul style="list-style-type: none"> • For customers who indicate financial difficulties we complete an income based affordability assessment aligned to the CCW definition of water poverty (water bill is >3% of net income after housing costs). If a customer’s circumstances meet our eligibility criteria and the customers is in water poverty then financial support via a lower bill tariff is provided. A subsequent payment arrangement is then agreed to ensure the customers pays sufficiently to cover their current year’s bill and where they are in arrears a minimum arrears contribution equivalent to the amount deducted under the DWP Third Party deduction scheme.
	6.12	<p>Try to agree an instalment plan with the customer at a level which recovers the level of the current year’s charges and wherever possible also pays towards the previous years’ arrears (accepting that in most cases payments received will be used to pay off the arrears). This is so that the level of debt does not get progressively worse. However, companies may</p>	<ul style="list-style-type: none"> • Payment plans are typically agreed at a sufficient level to cover the ongoing charges amount to prevent the customer falling further into arrears. An arrears contribution is then negotiated with minimum levels aligned to the amount deducted under the DWP Third Party deduction scheme. • For customers with higher arrears levels payment matching can be agreed to accelerate their arrears clearance. Our payment matching scheme matches customer payments initially in equal measure to the customers payment and then after 12 months we double match payments until the arrears are cleared as long as the customer continues to make regular payments against their plan. • For customer who have experienced a significant change in circumstances which is materially impacting their ability to pay we would also promote the UU Trust fund as an option to consider to clear their arrears giving them a fresh start.

United Utilities assessment against Paying Fair December 2022



Guidelines for water companies in supporting residential customers to pay their bill, access help and repay debts.

		<p>need to take a long-term view of the period over which customers can clear their debt, based on their knowledge of the customer's circumstances. Wherever possible, they should try to avoid allowing the debt to increase unless they are convinced that in the customer's situation it is appropriate to accept any small amount in order to encourage a payment habit.</p>	<ul style="list-style-type: none"> • Our agents are empowered to agree an extended payment plan if that is the best option following discussion with the customer or authorised third party. Prior to agreeing the plan the agent will ensure the customer has the lowest tariff available to them to minimise the level at which arrears will grow.
	6.13	<p>Accept any realistic offer of payment that a customer or the customer's authorised money advisor makes. Call operators should have the authority to agree payment plans with customers over the phone. Any agreements made should then be confirmed in writing to remind the customer of</p>	<ul style="list-style-type: none"> • Our agents are empowered to agree an extended payment plan if that is the best option following discussion with the customer or authorised third party. Prior to agreeing the plan the agent will ensure the customer has the most appropriate tariff to minimise the level at which arrears will grow. • All payment plans are confirmed to the customer in a payment schedule which outlines the level of payment and due date, where the plan end date extends beyond the current financial year and significant arrears are carried forward we will also confirm whether this plan is deemed an 'Arrangement to Pay' for CRA reporting purposes. • Payment plans are typically agreed at a sufficient level to cover the ongoing charges amount to prevent the customer falling further into arrears. An arrears contribution is then negotiated with minimum levels

United Utilities assessment against Paying Fair December 2022



Guidelines for water companies in supporting residential customers to pay their bill, access help and repay debts.

		<p>the commitment made. The level at which direct payments from benefit are set can be a useful guide to setting an appropriate payment arrangement for some customers. However, in cases where the customer has multiple debts, liaison with or referring customers to local advice agencies will be important.</p>	<ul style="list-style-type: none"> aligned to the amount deducted under the DWP Third Party deduction scheme. Where customers indicate that they have multiple debts agents will share information regarding specialist debt advice agencies who may be able to support them more widely with managing their finances.
	6.14	<p>Companies are not expected to provide financial advice, but should make it clear to customers whether payments received will be used to pay current charges or towards arrears.</p>	<ul style="list-style-type: none"> When agents are agreeing repayment plans they will discuss with the customer how much they need to pay to cover their ongoing bill and how much has been agreed for the arrears and that the payments have been agreed to prevent them falling further into arrears. Whilst we don't explicitly tell customers that all of their payments will be allocated towards their arrears, by keeping up with the payment plan the customer will not fall into debt and they won't be pursued for any outstanding amount. Allocating cash to the oldest debt first. This allows any adverse CRA payment sharing or CCJ's to be settled at the earliest opportunity.
	6.15	<p>Ensure the customer understands their new payment arrangements (including when the debt</p>	<ul style="list-style-type: none"> When discussing and agreeing a plan with a customer our agents will confirm if the plan will clear the debt in the current financial year, agents will also encourage customer to get back in touch if the plan becomes unaffordable.

United Utilities assessment against Paying Fair December 2022



Guidelines for water companies in supporting residential customers to pay their bill, access help and repay debts.

		will be repaid and what to do if they experience difficulties with the arrangement).	<ul style="list-style-type: none"> All payment plans are confirmed to the customer in a payment schedule which outlines the level of payment and due date, where the plan end date extends beyond the current financial year and significant arrears are carried forward we will also confirm whether this plan is deemed an 'Arrangement to Pay' for CRA reporting purposes.
	6.16	Monitor arrangements after they have been set up to make sure the customer is content with them.	<ul style="list-style-type: none"> After a payment plan has been set up the plan is monitored for payment within our billing system. To help customer maintain their plan customer can opt for a pre-emptive service message to remind them when their payments are due. If the customer falls behind with their payments, reminders and digital messages are sent encouraging the customer to contact us if they are now struggling to maintain their agreed payment plan. Outbound dialling activity is also attempted as part of the payment plan follow up process with a view to re-engaging the customer and if applicable renegotiating their plan.
	6.17	Regularly review and adapt repayment plans as a customer's situation changes.	<ul style="list-style-type: none"> If a customer contacts us as they need to amend their plan then our agents will do that. They will talk to the customer about their circumstances and agree an appropriate plan with them. If a change to the plan is initiated by the company as a result of tariff change or change in consumption then the plan will automatically reassess and send the customer an updated plan schedule.
Refer customers to local advice agencies, charities or voluntary organisations for further help	6.18	Establish and maintain good relationships with local and national advice agencies, charities or voluntary organisations	<ul style="list-style-type: none"> Through our dedicated Outreach activity we actively pursue, build and maintain relationships with both local and national advice agencies, charities and other organisations. We work with these organisations to ensure they are aware of the support available to our customers so that in turn can be cascaded to customers seeking advice and support.

United Utilities assessment against Paying Fair December 2022



Guidelines for water companies in supporting residential customers to pay their bill, access help and repay debts.

		<p>(for example, by offering a dedicated helpline number or direct access for such agencies) and recommend customers consult these agencies where appropriate. Companies should have pro-active debt advice referral approaches in place that go beyond simple signposting which may include transferring customers, with their consent, to debt advice agencies. This is particularly important where company staff are not trained in debt counselling.</p>	<ul style="list-style-type: none"> • Alongside promoting our own financial support schemes we include information on our collection letters of third party advice organisations like MoneyHelper or StepChange. The promotional message contains a link through to our webpage https://www.unitedutilities.com/debt-advice which contains additional information on where customers can access free advice. • We also include information on how customers can check their benefit entitlement ensuring they maximise their income and access any other benefit related support. We work with Turn2Us a national charity with a reputable benefit checker and grant search tool. We publicise the charity on letters, in our early intervention emails and directly with customers via a SMS link following a telephone conversation. • We also work with IE Hub who provide budgeting advice and the facility for customers to share their income and expenditure with multiple creditors saving them time having to talk to multiple creditors about their financial circumstances. • We've recently redesigned our website to make accessing ours and 3rd party support more accessible, we have a dedicated page that includes information on accessing free independent support and also links to the new Government Help for Households webpage https://www.unitedutilities.com/my-account/your-bill/difficulty-paying-your-bill/help-with-managing-your-money/. • We don't currently warm transfer customers through to third party organisations we provide the information they need to make the introduction themselves. We used to offer this service however customer appetite for this service was low, however given the current cost of live pressures we are exploring as a potential extension to our affordability support.
--	--	---	---

United Utilities assessment against Paying Fair December 2022



Guidelines for water companies in supporting residential customers to pay their bill, access help and repay debts.

	6.19	Where a customer advises a company of their intention to approach a fee-charging company, the company should advise the customer of the existence of similar services that do not make a charge.	<ul style="list-style-type: none"> It is extremely rare that a customer advises us they are planning to approach a fee paying company. We are normally made aware after the engagement has commenced and an arrangement to pay agreed. All our literature and website only ever refers to organisations that provide free debt advice.
	6.20	Offer all customers in debt holistic debt advice. Refer customers to independent, non-charging debt advice agencies, and give full consideration to payment plans that such agencies offer. Where a customer has formally authorised a debt advice agency to negotiate on their behalf, the company should agree to this and should not bypass the agency by contacting the debtor directly.	<ul style="list-style-type: none"> Holistic debt advice is discussed with all customers. Where it is deemed appropriate to do so. Independent organisations are also referred to in many of our outbound communications. In our early intervention activity we refer customers to Money Wellness who offer free debt advice and are funded by the Money Advice & Pensions Service. In addition we've recently redesigned our website to make accessing ours and 3rd party support more accessible, we have a dedicated page that includes information on accessing free independent support and also links to the new Government Help for Households webpage https://www.unitedutilities.com/my-account/your-bill/difficulty-paying-your-bill/help-with-managing-your-money/. If an independently verified payment proposal is received from an external debt advice agency, then we will accept this proposal. We will also engage directly with the debt advice agency if that is the customers choosing.

United Utilities assessment against Paying Fair December 2022



Guidelines for water companies in supporting residential customers to pay their bill, access help and repay debts.

Re-engage with customers over missed instalments and make sure follow up action is proportionate	6.21	Make efforts to re-engage with the customer after an initial occurrence of a failed repayment arrangement	<ul style="list-style-type: none"> • If a payment arrangement fails we follow predefined follow up strategies that include written and digital communications (SMS, email, dialler). Outbound dialling activity is also attempted as part of the payment plan follow up process with a view to re-engaging the customer and if applicable renegotiating their plan. Communications are designed to encourage customer engage to prevent a build-up of arrears and keep their payments affordable. •
	6.22	Action taken when instalments are missed should be proportionate.	<ul style="list-style-type: none"> • Follow up rules for missed instalment payments include a tolerance for short payments to prevent plans being cancelled when customers may be able to bring the plan up to date in the short term avoiding cancellation. • Where it can be seen that a customer is trying to make payment then our part payment process can be invoked to acknowledge that the customer is making some payments and to reset their payment plan so that they are encouraged to continue to pay. • Where plans are cancelled follow up action is undertaken as outlined in 6.21. •

United Utilities assessment against Paying Fair December 2022



Guidelines for water companies in supporting residential customers to pay their bill, access help and repay debts.

7. Treat customers facing debt recovery action with care

Customers whose accounts are managed by debt recovery agents should, wherever practicable, receive the same level of service and care as those whose accounts remain with the water company. The potential consequences of having their debt managed by a third party should be no more severe than if the service was provided directly by the company.

Summary requirement	Requirement number	Detailed requirement	UU response
Treat customers facing debt recovery action with empathy, sensitivity and provide the same quality of service as other customers	7.1	Treat customers facing debt recovery action with empathy, sensitivity and provide the same quality of service as other customers – regardless of their payment and debt history.	<ul style="list-style-type: none"> Our ethos is that our 3rd party partners should operate in exactly the same way as our own internal operations here at UU ensuring quality customer service in an empathetic and sensitive manner. We undertake regular training activity with our partners to ensure that they are fully aware of all of our assistance schemes to help with affordability and also priority services. We undertake regular call quality and process audits on all debt placements to ensure customers are being handled in the correct way - showing empathy and understanding with customers. Any issues identified are fed back and rectified immediately. We monitor DCA related complaint levels closely and these are extremely low with only 0.04% of customers whose account is placed with a DCA in a year making a complaint.
Ensure the needs of priority service register customers are met	7.2	Those customers registered by companies as requiring priority services should not have their accounts passed to debt collection agencies where an agent is not able to provide the	<ul style="list-style-type: none"> All of our DCA panel have Vulnerability policies and have undertaken bespoke training to ensure that they can service Priority Services customers with the necessary level of care and understanding. We have also developed a specialist placement for certain types of priority services customers with one of our DCA panel. This agency has developed a bespoke recovery strategy for these customers. All communications sent to customers are "soft" in their nature and focus on how we can help them. This strategy involves a much longer

United Utilities assessment against Paying Fair December 2022



Guidelines for water companies in supporting residential customers to pay their bill, access help and repay debts.

		<p>service which the customer requires.</p> <p>Where a debt is passed to an agent and it becomes apparent that the customer requires priority services which the agent cannot provide, the account should be returned to the water company.</p>	<p>debt placement timescale, allowing both the agency and customer the time to come to an arrangement that meets the customers' individual circumstances.</p>
<p>Use reputable debt collection companies that treat customers fairly and in line with agreed levels of service</p>	7.3	<p>Where companies choose to use external collection agents, engage a reputable agent to carry out debt collection.</p> <p>Agents should abide by industry codes of practice, treat customers fairly and in line with agreed levels of service.</p>	<ul style="list-style-type: none"> • UU only employs reputable debt collection agencies. This is evidenced by the fact that of our seven DCA panel members - six have FCA licences and remaining one is part of a group that holds an FCA licence. The agency that does not hold an FCA licence nevertheless aligns its practices to that of an FCA regulated company. • All or agencies abide by the industry codes of practice on debt recovery and treat customers fairly. We monitor their conduct as part of performance management regime. We ensure that our panel of agencies treat customers fairly, and in line with agreed levels of service. •
	7.4	<p>It is expected that companies will have systems and processes in place to ensure that its contractors are acting in compliance with its code</p>	<ul style="list-style-type: none"> • We have explicit terms within our DCA contracts that set out our expectation that all activities undertaken must be compliant with all relevant legislation. This includes the FCA Guidelines, CSA code of practice, data protection legislation and PCI and security standards.

United Utilities assessment against Paying Fair December 2022



Guidelines for water companies in supporting residential customers to pay their bill, access help and repay debts.

		of practice on debt recovery and meet the standards set out in the Financial Conduct Authority handbook – or equivalent publication. We would expect companies to ensure that these requirements are reflected in the contracted terms and arrangements when employing any third party to act on their behalf.	
	7.5	Make sure that individual accounts are passed to one debt collection agent at a time. This will avoid confusion for the customer and potential duplication of effort by agencies.	<ul style="list-style-type: none"> • Full controls are in place to ensure that a customer account can only ever be placed with one of our DCA partners at a time. This is because each account going through our debt recovery strategy is controlled within our debt manager system. In debt manager, accounts can only be allocated to one debt placement type and agency at a time.
	7.6	Make sure that a full and accurate history of the debt is passed to the debt collection agent.	<ul style="list-style-type: none"> • We have developed a comprehensive account allocation placement file. This file contains up to 80 pieces of information to support the DCA in attempting to both make contact and collect the outstanding charges. We provide full contact information, balance information including a breakdown of whether the debt is current year, prior year or legacy debt, date of last payment information and associated customer detail we have on the account.

United Utilities assessment against Paying Fair December 2022



Guidelines for water companies in supporting residential customers to pay their bill, access help and repay debts.

<p>Regularly and robustly check customers facing debt recovery action are treated sensitively</p>	7.7	<p>Be able to verify on a regular basis that customers whose debt is managed by a debt collection agency are sensitively dealt with through a robust audit process. This may include regular reports from the agent on the progress of customers' accounts and payments.</p>	<ul style="list-style-type: none"> • We undertake regular audit activity on all agencies and debt types on a monthly basis. Under this audit process, we monitor both adherence to pre-agreed and signed off recovery strategies with the DCA. We also listen to their calls with customers, to ensure that they are being undertaken in a way in which UU expects them to be made in order to maximise the customer experience. • Regular performance reporting is also maintained.
	7.8	<p>To satisfy themselves that their customers are receiving the appropriate level of service, water companies are expected to hold copies of standard communications materials sent by debt collection agents and make sure that these conform to the standards expected of the water companies themselves.</p>	<ul style="list-style-type: none"> • All letters, emails, text messages, voice blast messages are signed off by UU prior to the DCA commencing activity on a UU account. These suites of correspondence are reviewed regularly, to ensure that they are up to date and reflect the wider economic situation. For example, we ensured all communications were changed to reflect the covid-19 pandemic and more recently, have removed references to covid-19 and replaced these with cost of living messages.
<p>Continue to communicate directly with customers facing debt recovery action</p>	7.9	<p>Make sure that customers whose accounts have been passed to debt collection</p>	<ul style="list-style-type: none"> • Prior to their account being placed with a DCA, all customers receive a letter, email or text message explaining that their account will be placed with an external agency. This correspondence asks the customer to get in touch with UU directly to discuss their account

United Utilities assessment against Paying Fair December 2022



Guidelines for water companies in supporting residential customers to pay their bill, access help and repay debts.

		<p>agents are kept informed of this action. Customers should not find themselves in a position where it is harder to agree payments than if they were dealing directly with the water company. The debt collection agent should offer the same range of payment options as the company wherever it is practical to do so.</p>	<p>within 14 days, otherwise the account will be placed with a DCA. All of our DCA panel offer a wide range of payment methods and frequencies, and this requirement formed part of our tender selection process.</p> <ul style="list-style-type: none"> • Once an account is placed with a DCA then payment plan negotiation will follow our own principles, including – where appropriate – consideration of affordability support.
	7.10	<p>In some cases, it may be necessary to treat a customer’s current charges separately from any arrears. The company may wish to agree payment terms for the current bill directly with the customer while leaving the collection of debt in the hands of the agent. If this is the case, it is important to make sure that the customer fully understands that payments are due to both</p>	<ul style="list-style-type: none"> • The only situation where a balance is separated in this way is when an account is placed with our High Court Enforcement Agency partner. Under these placements, we only send the judgement balance for the High Court Enforcement Company to transfer up to the High Court and start collections activity. In these instances, the billing information sent to customers clearly shows the split of the balance. For all other placements UU does not split customer’s balances in this way. When accounts are passed to an external debt collection agency, they look to recover the total balance outstanding including current year’s charges.

United Utilities assessment against Paying Fair December 2022



Guidelines for water companies in supporting residential customers to pay their bill, access help and repay debts.

		parties. Ideally, all charges should be collected together in order to avoid confusion for the customer.	
Retain access to the customer's account	7.11	Retain access to the management of the customer's account, should the need arise, as the debtor will typically remain the customer of the water company. Good practice will allow water companies to be able to obtain access to the customer's account and details such as the amount which a customer has agreed or has been asked to pay, should they be approached directly by the customer or by third parties acting on behalf of the customer, such as debt advisers. Regular and effective communication systems should be in place between the company	<ul style="list-style-type: none"> • UU has full visibility on the latest position of the account due to the integration we have with our DCA's and debt management system. UU agents are able to see which agency the account is with, the latest balance, any payments made and details of the payment plan the customer has agreed.

United Utilities assessment against Paying Fair December 2022



Guidelines for water companies in supporting residential customers to pay their bill, access help and repay debts.

		and agent to share information regarding payments made or other activity on the account when necessary.	
Allow customers to raise disputes involving the agent with the water company	7.12	<p>Make sure that customers who are unhappy with the way the agent has dealt with them are:</p> <ul style="list-style-type: none"> • aware that they can raise their concerns directly with the water company; • how they can do this; and • that it is easy for them to do so. 	<ul style="list-style-type: none"> • In the letter we send to customers explaining their account is with an external DCA we make it clear that they are always able to contact UU to discuss their account. We provide a phone number for them to contact us. In addition, our DCA partners have trained their staff to recognise any instance of dissatisfaction and say to customers that they can contact UU directly.
Speak to local authorities to find alternatives to evictions where non-payment of water charges could result in evictions	7.13	Where eviction for the non-payment of water charges is a possibility, companies should have effective channels of communication in place with local authorities to make sure that such cases are discussed with a view to alternative solutions being found.	<ul style="list-style-type: none"> • We have a dedicated team who liaise with our Social Housing partners to discuss individual cases and ensure that where there is a threat of eviction we can try and find alternative solutions. Our partners all have policies of not evicting customers for the non-payment of water charges only.

United Utilities assessment against Paying Fair December 2022



Guidelines for water companies in supporting residential customers to pay their bill, access help and repay debts.

Only sell debt to reputable parties and where other recovery activities have been exhausted	7.14	Companies that choose to sell debt to a third party should only do so when all other debt recovery activities have been attempted.	<ul style="list-style-type: none"> Debt sale is not something UU undertakes.
	7.15	Make sure that you only sell debt to a reputable agent who abides by industry codes of practice such as that of the Credit Services Association and the guidance on debt collection issued by the Financial Conduct Authority in its handbook.	<ul style="list-style-type: none"> Debt sale is not something UU undertakes.
Tell courts promptly when customers clear their debts	7.16	Notify courts promptly when customers in relation to whom court enforcement orders have been made clear all or a substantial part of their debts.	<ul style="list-style-type: none"> We notify the courts promptly when payments are made to enable them to update their records and if appropriate cease any enforcement action.
Demonstrate service levels to CCW	7.17	Show CCW that customers whose accounts have been placed with agents are not receiving a lower level of service than	<ul style="list-style-type: none"> UU has always been able to facilitate CCW having access to both the communication materials used by our panel of debt collection agencies and the account level information required to undertake a full audit of an account under its regular debt recovery audit assessment.

United Utilities assessment against Paying Fair December 2022



Guidelines for water companies in supporting residential customers to pay their bill, access help and repay debts.

		<p>customers whose accounts remain with the water company. CCW will also wish to confirm that companies have effective quality control arrangements in place. At audits it is desirable for CCW to have:</p> <ul style="list-style-type: none"> • access to the agent and their documentation, including copies of standard communications materials; and • the option to meet the agent, visit the agent's premises or look at individual cases as part of their regular assessments of companies' debt recovery operations. 	
	7.18	<p>The code of practice under which the agent operates and the service agreement or equivalent document should also be made available to CCW, provided there are no confidentiality concerns.</p>	<ul style="list-style-type: none"> • We are happy to share the code of practice that our DCA panel operate under and also provide summary details of the scope of services and corresponding service level standards that our DCA panel operate to.

United Utilities assessment against Paying Fair December 2022

Guidelines for water companies in supporting residential customers to pay their bill, access help and repay debts.



Appendix B – British Standard Verification

In 2020, we achieved verification for British Standards BS18477:2010 for consumer inclusion. Being one of our Outcome Delivery Incentives we achieved this a year early before the start of AMP7, the first to achieve an upgraded version of the standard. Since then, we have been annually re-verified twice with no non-conformances or recommendations for improvement needed.

In 2022, the BS verification evolved into an ISO22458:2022 standard. Now an international verification, the standards to follow are more rigorous. Under nine guiding principles, being verified for BS18477 evolving into ISO22458 kite mark has given us:

- Greater alignment with regulatory best practices
- Ensuring our services are accessible to greater number of customers
- Ensuring the quality of customer interactions
- Reduce the likelihood of problems and complaints
- Improve customer satisfaction and building trust
- Demonstrates ethical behaviour and social responsibility
- Wider compliance with regulatory and legal obligations