

By email: customerfocus@ofwat.gov.uk

22nd November 2023

Customer Licence Condition Consultation
Ofwat
Centre City Tower
7 Hill Street
Birmingham B5 4UA

Dear Customer Policy Team

Statutory consultation under sections 13 and 12A of the Water Industry Act 1991 on proposed licence modification to introduce customer-focused principles for all water companies.

Affinity Water is committed to providing high standards of customer service for all customers and meeting customer needs, particularly those who are vulnerable or who have different requirements.

As set out in our response to Ofwat's previous consultation published in May 2023, we support the introduction of a newly defined licence condition, together with a principles-based approach. We believe that this will focus companies on delivering the best service for customers whilst giving them sufficient flexibility to develop their own policies and processes to meet customers' needs. We also support the proposal to modify licences to delete condition J.

We have set out some detailed comments on the proposed licence modifications in the attached table. In general, we support the amendments made to the new licence conditions since the consultation in May 2023, which have added more clarity and set out a clear set of principles.

We welcome the proposal to consult on new Core Customer Information guidance in Autumn 2023. As set out in our response to the May 2023 consultation, we still consider that Ofwat should focus on consolidating its existing guidance alongside the development of the new guidance. Having multiple guidance documents risks conflicts and makes it more difficult and confusing for companies to understand its various obligations. We also propose that Ofwat commit to a periodic review of the guidance, to ensure that it remains up to date. A mechanism or process for customer, stakeholder, and company views to be sought and considered would mean that the guidance always meets the diverse needs of customers, whilst giving more certainty to companies.

We continue to have concerns around the timescale for implementation and we consider the expectation of full compliance in Q3/Q4 2023/24 will be challenging. We strongly suggest a period of time to allow companies to fully assess the licence condition and guidance and implement any necessary changes to its policies and processes prior to the modification taking place. This would also provide Ofwat with time to develop the Core Customer Information guidance which is due to be consulted on in Autumn 2023. We believe that this approach will ultimately benefit customers and give companies sufficient time to ensure all customer journeys and processes are analysed, evaluated and any necessary changes are made. Alternatively, we suggest that Ofwat allow for a period of time following modification of the licence conditions, during which appropriate guidance and support can be given to companies to ensure they meet compliance without recourse to enforcement action.

Yours sincerely



Director, Customer Experience

Comments on proposed Licence condition amendments.

For the most part, we do not have any comments on the proposed modifications of condition G and the proposed deletion of Condition J. We have set out below some comments on particular conditions:

Condition	Proposed wording	Affinity Water's Comments
G2.3	explain in a manner that is effective, accessible and clear how it is meeting the principles set out in paragraph G3.	It is not clear whether this condition conveys a general requirement to have effective, accessible, and clear policies and processes or whether this requires an additional document from companies setting out how it is meeting compliance with the principles.
G.3.4	The Appointee learns from its own past experiences, and shares these with relevant stakeholders. The Appointee also learns from relevant stakeholders' experiences and demonstrates continual improvement to prevent foreseeable harm to its customers.	The consultation document indicates that this could include learning that generated from outside of the sector and which may be of benefit to this sector – therefore this suggests that the term is to be taken very broadly. It would be useful to have more clarity around who is considered to be a "relevant stakeholder" and it would be useful to have more guidance around Ofwat's expectations regarding how proactive companies will be expected to be to comply with this principle.