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Proposed modifications to introduce customer-focused principles  
Ofwat  
Centre City Tower  
7 Hill Street  
Birmingham, B5 4UA

Email: [customerfocus@ofwat.gov.uk](mailto:customerfocus@ofwat.gov.uk)

23 November 2023

Dear Ofwat,

**Re: Proposed licence modifications to introduce customer-focused principles**

I am writing to you on behalf of independent Water Networks Limited (“IWNL”), part of the BUUK Infrastructure Group of companies, in response to your consultation on [Proposed licence modifications to introduce customer-focused principles for all water companies](#), published 12 October 2023. This letter presents a summary of our views on the proposals set out in the consultation. I can confirm that this response is not confidential and can be published on the Ofwat website.

We agree with Ofwat’s view that there are substantial benefits to end-customers if water companies are bound by a customer focused licence condition. It would be a key tool for driving up performance for the full diversity of customer’s needs, as well as a useful lever for Ofwat to hold companies to account. We also agree with the 3 outcomes Ofwat aspires to achieve: namely that customers are well informed; that when something does go wrong affected customers have confidence their company will put it right; and, that the full diversity of customers’ needs is identified, understood and met by companies in the services and extra help they provide.

We note that the proposed customer focused licence principle will address a gap in your toolkit, where you cannot enforce any obligations on incumbents in relation to customer service and support, other than in isolated, very specific circumstances. We therefore support the new licence condition, as it will empower Ofwat to challenge companies in how they improve their support for customers. We think the process of learning from other sectors, such as the Financial Conduct Authority (FCA) is a sensible one and demonstrates that Ofwat is following others in its steps to put customers’ needs first.

Furthermore, we agree with the removal of Condition J from the licence conditions, as we can appreciate that this condition overlaps with others without adding any substance. This will simplify matters and will allow Ofwat to request necessary information from water companies more easily.

Additionally, we have recently undertaken a review of our progress regarding the 'Paying Fair' guidelines. We are on target to be compliant by the end of the year in the following areas: billing on demand; flexible payments phase 1 and 3. We are also due to complete development of both our 'Online income & expenditure' and 'Multiple 3<sup>rd</sup> party PoA' programmes within the next month. To ensure our continued compliance with the 'Paying Fair' guidelines we will review our progress during 2024 as well.

I hope that this letter is helpful. We would very much appreciate the opportunity to discuss these issues with Ofwat in more detail; if this would be of interest, please get in touch via email [REDACTED] or phone [REDACTED]

Kind regards,

[REDACTED]

[REDACTED]  
**Group Regulation Director**