



Independent Networks
Association

Proposed modifications to introduce customer-focused principles

Ofwat

Centre City Tower

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Birmingham, B5 4UA

Email: customerfocus@ofwat.gov.uk

23 November 2023

Dear Ofwat,

Re: Proposed licence modifications to introduce customer-focused principles

I am writing on behalf of the Independent Networks Association (INA) 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.

The INA represents the UK's independent network operators, which are vital in connecting and adopting gas, electricity, water and wastewater distribution networks. These networks serve homes, businesses, generation, and EV charging facilities throughout Great Britain. Our members have delivered significant improvements in competition, choice, and service for customers in the independent network operation of utility markets and, together, own and operate utility infrastructure and networks that provide energy, power, water and wastewater services to over four million GB households and thousands of businesses. In the water sector this change has been delivered through the New Appointments and Variations (NAVs) Licences'.

We welcome Ofwat's proposed changes to water and waste company's licences to introduce more customer-focused principles in their business operations. We agree 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 three 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 are identified, understood and met by companies in the services and extra help they provide. We understand and support Ofwat's proposal to extend the revised licence condition to all companies, including NAVs.



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In September 2023 all members of the INA signed the external Customer Commitment¹. As the industry matures, we're leading the charge in elevating customer service standards across the UK's independent network sector. This pioneering charter is a testament to our members' commitment to excellence, not only in powering Britain's infrastructure but also in ensuring every customer experience is second to none. Our members are committed to delivering outstanding service, enhancing communication, and swiftly addressing issues.

We agree that the process of learning from other sectors, such as the Financial Conduct Authority is a sensible one and demonstrates that Ofwat is following others in its steps to put customers' needs first without following a set path by adopting a principle based approach to implementation. We note that the proposed customer focused licence principle will address the perceived 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, in summary, support the new licence condition, as it will empower Ofwat further to challenge companies in how they improve their support for customers.

Your Sincerely



**Independent Networks Association
Chair Water Sub Committee**

¹ <https://ina.org.uk/ina-customer-commitment/>