

Consultation on proposed licence modifications to introduce customer-focused principles for all water companies

About Mencap

Our vision is for the UK to be the best place in the world for people with a learning disability to live happy and healthy lives. We do this by supporting the 1.5 million people with a learning disability in the UK and their families, improving access to health and care services as well as education and employment. We directly support over 5,000 people with a learning disability to live their lives the way they want.

A learning disability is caused by the way the brain develops before, during or shortly after birth. It is always lifelong and affects intellectual and social development. Those people with a learning disability with eligible needs for care and support will therefore likely need to access support for their entire adult lives.

Improved support for people with a learning disability

We welcome Ofwat's recognition that there is a distinct lack of customer service requirements within current water company licences. Resultant poor standards of service can disproportionately impact people with a learning disability due to their additional needs, higher water use and accessibility barriers.

Many people with a learning disability use significantly more water than non-disabled households: they may need to bathe more frequently or manage extra laundry, and many will need constant fresh water as part of their medication, relating to health conditions. Recent increases to utility costs have disproportionately impacted this group due to their increased need, with many going without essentials to pay their bills. CCW research indicates that disabled households are significantly more likely to say that their bills are unaffordable¹ and 70% of bill payers who have a long-term illness, health problem or disability, or who live with someone who does, reported struggling to pay bill 'sometimes' or more often.² Furthermore, almost half of all households with a disabled person are in arrears with at least one household bill since Winter 2022.³

Affordability challenges are compounded by the lack of appropriate contact from many water companies; Scope research showed that only 47% of disabled people were satisfied with the communication from their water company.⁴ This figure is likely to be lower for people with a learning disability due to the accessibility and digital exclusion barriers they typically face. Poor customer service can be particularly dangerous during incidents: the same research found that only 21% of disabled respondents said that their water supplier had contacted them during the COVID-19 lockdown. Affordability challenges can be partly mediated by good industry support, however, this needs to be improved significantly; only 7% of water bill payers reported having received financial support from their supplier.⁵

We are hopeful that the proposed replacement of Condition G in company licences with a new customer focused licence condition will improve standards of service and support for people with a

¹ CCW, <https://www.ccw.org.uk/publication/water-matters-2022/>

² Ofwat, May 2023, <https://www.ofwat.gov.uk/only-3-in-10-customers-aware-of-financial-support-available-from-their-water-company/>

³ Joseph Rowntree Foundation, <https://www.jrf.org.uk/blog/our-social-security-system-must-support-households-disabled-person-afford-essentials#:~:text=Almost%20half%20of%20all%20households,households%20without%20a%20disabled%20person.>

⁴ Scope, Experiences with utilities during the pandemic

⁵ Ofwat, May 2023 [https://www.ofwat.gov.uk/only-3-in-10-customers-aware-of-financial-support-available-from-their-water-company/#:~:text=Seven%20in%20ten%20\(70%25\),reported%20having%20received%20financial%20support.](https://www.ofwat.gov.uk/only-3-in-10-customers-aware-of-financial-support-available-from-their-water-company/#:~:text=Seven%20in%20ten%20(70%25),reported%20having%20received%20financial%20support.)

learning disability. The proposed changes also align with the UK Government's Strategic Policy Statement for Ofwat⁶ which states that water companies should be challenged to meet the needs of vulnerable customers.

By meeting the principles of the new licence condition, companies will be required to put the customer experience at the heart of any decision they make and, in the process, deliver the good service that people with a learning disability want but rarely receive. In doing this, suppliers should tackle systemic barriers and poor behaviour in relation to their treatment of disabled customers and hence the licence condition provides an important level of protection. As well as adding an important new tool to Ofwat's enforcement action measures, the new licence condition could also empower charities to challenge companies on how they improve their support for vulnerable customers, in particular people with a learning disability.

However, to do this fully, Ofgem needs to go further. We would like to see more prescriptive guidance on how suppliers should comply with some of the principles of customer care, in particular new requirements that they are proactive in their communication (G3.1), make it easy for its customers to contact them (G3.2) and understand the needs of its customers (G3.5).⁷ To draw an accurate and representative view, any assessments of these principles should analyse the extent to which they meet the needs of disabled customer specifically.

⁶ Strategic policy statement to Ofwat, Feb 2022, <https://www.gov.uk/government/publications/strategic-policy-statement-to-ofwat-incorporating-social-and-environmental-guidance/february-2022-the-governments-strategic-priorities-for-ofwat>

⁷ Table 1, Proposed principles of customer care for Condition g, pg. 13 <https://www.ofwat.gov.uk/wp-content/uploads/2023/10/Consultation-under-sections-13-and-12A-of-the-Water-Industry-Act-1991-on-proposed-licence-modifications-to-introduce-customer-focused-principles-for-all-water-companies.pdf>