



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

Southern Water response


15/11/2023

Southern Water welcomes the opportunity to comment on the proposed modification proposals to Conditions G and J, and we continue to be supportive of a licence condition focused on customer services.

In our response to the initial consultation we set out our concerns about being required to comment on a new licence condition without absolute clarity on what is required for compliance and requesting an opportunity to comment on any new guidance before this statutory consultation on the proposed modifications. Whilst we have commented on the new Vulnerability guidance, we have not seen the proposed new Core Customer Information guidance so we remain concerned that changes are being made to a licence condition without companies having full understanding as to how they will be expected to comply.

Our other area of concern we highlighted in our initial response was in relation to the potential for additional annual reporting requirements, given that the volume of data now being reported as part of the Annual Performance Report has already increased significantly in the last few years and a number of additional reporting requirements have been added (for example the quarterly reporting on debt information). This has not been addressed in the current consultation document and we would urge Ofwat to consider carefully any reporting requirements associated with the new licence condition.

We continue to think it is imperative that companies are given sufficient time after publication of the final wording of the licence condition and all relevant guidance to undertake gap analysis and ensure the right internal structures are in place to ensure compliance. This would include working with our service delivery partners to ensure any contractual obligations reflected the new condition. As stated in our original response, we don't believe that the current proposed timeline would allow sufficient time for this to happen and continue to suggest that aligning the implementation with the new AMP would be an appropriate and logical timeline.



With regards to the detail of proposed Condition G we would like to seek Ofwat's assurance that the wording in 3.3 and 3.5, specifically "helps to put things right" and "appropriate support" does not compromise an undertakers position on legal liability (or absence of legal liability) in such circumstances. Whilst undertakers are always focused on doing the right thing for customers, they have an obligation to act in a consistent manner towards all customers and to behave in a fiscally responsible way.

We are happy with the removal of Condition J but, as per our above comment, are keen to see the guidance replacing this before the changes to the licence conditions are finalised.

Should you have any questions please contact 