

April 2024

Core customer information guidance decision document

Ofwat

About this document

This document summarises the responses we received to our consultation '[Core Customer Information – Ofwat's draft guidance on core information companies should clearly provide to their customers](#)', and our decisions on our final guidance.

In our consultation, which we published in November 2023, we set out our proposed guidance for all water companies in communicating to customers key information which they need to know and understand. The consultation closed on 29 January 2024. We received 20 responses to the consultation, including from water and wastewater companies, CCW and customer charities.

Below we summarise the responses we received to our consultation questions and how we have considered these in [our final guidance](#).

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Question 1: Do you agree with our proposal not to prescribe how, where and when to communicate the core customer information?

What respondents said

Seventeen out of the 20 respondents agreed fully with our proposal. The remaining three agreed in principle but suggested enhancements for us to consider.

One of the respondents that fully agreed with our proposal, a charity organisation, asked for the information to be displayed in clearly presented locations on companies' websites thereby removing the need for multiple clicks to access it. It further asked companies to consider inclusiveness in the design and presentation of the information. One respondent requested that water companies should be encouraged to track customer journeys and gain an understanding of customers' preferences in terms of how they like the information to be presented and which communication channels they prefer.

Of the three respondents that agreed in principle with our proposal, one asked Ofwat to provide further details on how companies can demonstrate compliance with the guidance. The other two were of the view that Ofwat should specify minimum standards in relation to how and where companies display this information, for example signposting the information on bills could be specified as a minimum standard.

Our decision

In relation to how companies demonstrate compliance with the guidance, we will be monitoring this our broader approach to monitoring licence Condition G: Principles of Customer Care. For this, we are taking a proportionate and targeted approach to monitoring, enhancing our customer research function and working closely with CCW and wider customer stakeholders. Through this work, we will consider customer experiences, including accessibility and transparency of core customer information.

Question 2: Do you agree with our proposed changes as summarised in Table 1?

What respondents said

The majority of respondents agreed with our proposed changes. However, four respondents raised concerns over the expectation that companies set out clearly to customers how customers can identify staff online. One company provided an example of how they communicate only through their online corporate accounts. Another company, one of the smaller ones, expressed a concern about the potential cost implications currently to smaller companies of securing an IT system that would enable customers to identify water company staff when communications take place online.

Two companies said that the draft guidance contradicted expectations set by CCW in relation to companies setting out the full complaints process.

CCW and one company raised concerns about not including information related to charges within the core customer information. CCW of the respondents was of the view that charges information should be subject to the same communication expectations as other core customer information. It suggested ways in which this could be achieved. The other respondent pointed out that charges schemes are by their very nature legal documents which may not allow for charges information to be presented in an effective, accessible, clear, and simple format. It stated that it will continue to provide simple information on charges in its core customer information document.

Our decision

We have maintained our original text in relation to expectations on companies to ensure that their staff, including those online, are easily identifiable. We believe this is important to build and maintain trust and confidence in the sector, including during incidents. We note the examples that some respondents gave as to how they are meeting this expectation, including for example only communicating through official social media channels.

In relation to communicating the complaints process, we believe companies should ensure customers are informed of the end-to-end complaints journey to enable them to easily navigate and empower them. However, we recognise that the recent changes to the complaints process means that there is no need for companies to reference ADR as that is now integrated into the CCW process. We have amended the core customer information guidance to reflect this and ensure it is aligned with expectations of CCW.

Within the guidance we state that core customer information should include the services which a company provides and have expanded this to include the associated service charges, so that customers can understand what the services, and associated charges means for them, consistent with Ofwat's charging rules.

Question 3: Do you agree with the proposed scope for the core customer information? In your view, is anything missing or should be excluded?

What respondents said

All 20 respondents generally agreed to our proposed scope for the core customer information. 10 of them believed the areas we specified represent the full core information a customer can ever need. The other 10, while they agreed in principle, suggested ideas and changes which they believe can enhance the core customer information and make it more complete.

For example, five respondents suggested that Ofwat should consider including information on bills, such as, why they may rise, opportunities to reduce them and charging options, and availability of financial support for customers who struggle to pay or find themselves in vulnerable circumstances. Two of them asked for information on priority services register (PSR) to be included in the core customer information, with one of them going further to state its belief that it is a requirement to include such information. One respondent advised that the information should be presented in a form devoid of technical barriers which will prevent some customers from understanding it. One respondent asked us to consider how companies can set out their statutory obligations within the core customer information.

One company was of the view that information on the following qualifies to be in scope: data privacy/sharing; water quality; water conservation and background; as well as the environment.

One NAV suggested that information on the support available should be included as part of the advice on what customers should do in an emergency.

Our decision

Having considered the feedback, we have expanded our expectations of what is core customer information in the guidance to include support services available for vulnerable customers. We have also amended our expectations so that companies

consider the charges for services as core customer information, consistent with Ofwat's charging rules. These should be communicated in a manner that customers can understand what it means for them.

Our core customer information guidance relates to condition G of the licence, so its scope is not wider than that of condition G. For that reason it will not cover issues such as water quality, for example, which is related through separate arrangements.

We haven't specified information on bills as a core customer information. We recognise that CCW work directly with companies to review customer bills, and the information included and presented on bills. We also recognise that bills are a significant form of communication for companies and as such will be considered as part of Condition G3.1 of licence Condition G: Principles for Customer Care: "The Appointee is proactive in its communications so that its customers receive the right information at the right time, including during incidents". We work closely with CCW on the monitoring of this licence condition, including the communication of bills.

Question 4: Do you agree with the proposed approach for companies reviewing their core customer information?

What respondents said

15 out of the 20 respondents indicated their full support for the proposed approach. The remaining five companies, while also in support, either expressed a concern about aspects of the proposal or asked for further clarification on some of our expectations.

Four out of these five respondents were concerned with the expectations on companies to inform customers of all changes they make as well as for them to continually improve the presentation of their core customer information. The reasons they gave for the former concern include: changes not being significant; challenges involved in informing all manner of customers of the changes; and the possibility that customers may not want to know about the changes at that time. The latter concern stemmed out of the likely implications on costs and resources.

The other respondent asked for clarity on: what would make Ofwat request a review of the core customer information; what Ofwat would consider to be a significant change to the core customer information; and, the timescales that Ofwat would expect customers to be notified directly of the changes.

Our decision

We recognise that it is not proportionate, nor in the best interests of customers to inform them of all changes to core customer information, for example minor amendments to presentation. We have amended the guidance to include an expectation that affected customers should be informed of significant changes to the core customer information. Such affected customers should directly notified of the changes in a form appropriate to their varying individual needs.

We don't believe it is necessary to prescribe the timescales in which customers should be notified of any changes. Instead that it is for the company to consider what is appropriate, considering individuals' circumstances and needs.

In relation to continually reviewing and improving the core customer information, we know that customer service including business practices and communications, and customer expectations, are continually evolving. Companies should be ensuring that their core customer information remains relevant. We therefore remain of the view that companies should continually improve the transparency and accessibility of their core customer information, as appropriate, and to ensure they are complying with Condition G. Condition G also requires companies to continually improve. For example, this could be informed by their own experiences, and customer information/intelligence such as complaints data along with experiences/information from relevant stakeholders, including in the form of customer research.

Question 5: Do you agree on the proposed areas on which companies should consult CCW? Are there any other areas on which CCW should be consulted in relation to core customer information and the customer focused licence condition?

What respondents said

All the 20 respondents fully agreed with this proposal. One respondent however pointed out that it may not be practical or feasible under some circumstances for companies to consult in advance. Another respondent reiterated its view for consultations to be mandatory only for significant changes.

CCW, while welcoming the additional areas identified for consultation, would welcome the addition of the following two areas on the list: company approaches to having a

customer-centric culture; and significant changes to the affordability support provided by companies to customers. For the former, it believes that its recent review of this issue makes it well-placed to help companies as they drive forward in this area. For the latter, it refers to the existing requirement for companies to consult CCW when they develop their social tariffs as well as the Paying Fair Guidelines expectation for companies to consult with CCW when they change their debt procedures.

Our decision

Within the core customer information guidance we cross-refer to that expectations set out in our Paying Fair guidance in relation to where companies should consult with CCW, and also in relation to the development of social tariffs.

We have considered the suggestion of including the expectation on companies to consult with CCW on their approaches to developing customer-centric culture. We believe this is an important focus area for the sector, and welcome CCW's work in this area. We will continue to work with CCW to improve customer-centric culture across the sector and look to include this area within the core customer information guidance when it is further progressed and established.

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is a non-ministerial government department.
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