The voice for water consumers
Llais defnyddwyr dŵr

CCW's response to

BEIS consultation on Reforming Competition and Consumer Policy

September 2021

1. Introduction

1.1 The Consumer Council for Water (CCW) is the independent voice for water consumers in England and Wales. Since 2005, we have helped thousands of consumers resolve complaints against their water company, while providing free advice and support. All of our work is informed by extensive research, which we use to champion the interests of consumers and influence water companies, governments and regulators.

1.2 We welcome the opportunity to respond to BEIS's consultation on reforming competition and consumer policy.

1.3 We have only responded to the questions that could influence water policy.

2. Executive Summary

2.1 We make five key points during this response:

- ADR providers should be asked to prioritise consumers in vulnerable circumstances cases.

- ADR providers should be required to use an accessibility tool that allow the customer to select text which is then read out loud, and provide its web site information in alternative languages.

- When dealing with a complaint case, we would want the 4 week point to be where consumers are informed about their right to escalate their case to CCW (ADR in other sectors), so they can make an informed decision, rather than this being a mandatory CCW/ADR intervention point.

- In any scenario, communication is the key to good customer satisfaction. Customers should have regular update calls from the companies, particularly when cases stretch beyond 5 working days.

- We support BEIS' intention to set a higher minimum standard for all ADR schemes. To improve transparency all KPIs should be publically reported, not just the outcomes.

3. Response to specific questions

Q65. What more can be done to help vulnerable consumers access and benefit from ADR?

CCW has a statutory role to have special consideration of consumers in vulnerable circumstances. We have a wealth of information on how water companies can help consumers in vulnerable circumstances, and made several recommendations in our recent Water Affordability Review (here).

In terms of helping consumers in vulnerable circumstances when they have a complaint we have two main ways of helping. These are:

- to help consumers access the water ADR scheme WATRS, we offer to make a direct referral to WATRS for them.
- by prioritising the consumer in vulnerable circumstances complaint cases when they ask CCW to mediate with the water company on their behalf.

ADR providers could be asked to prioritise consumers in vulnerable circumstances cases. This can be done if the consumers identifies themselves as needing additional help on a webform, or if those needs are identified through written or telephone correspondence.

We use ‘recite me’ on our website, which allows consumers to have the text read aloud, including our complaint referral webforms. WATRS uses ‘browsealong’, which offers the same function. All ADR providers should provide this function, if they don’t already. Similarly, we have the ability to change our text into a variety of languages. If consumers aren’t able to read the support available, then it would mean they are in a vulnerable circumstance. Asking ADR providers to provide this functionality would enhance helping consumers in vulnerable circumstances access and benefit from ADR.

We are also working with Ofwat to identify the experience a consumer in vulnerable circumstance gets at the company level. We have found that many companies are committed to improving training or gaining BSI vulnerability accreditation – but we found it was unclear how they would know if this had made an impact on the complaint service provided. We also found there were gaps in how companies track and compare the experiences of vulnerable complainants. This maybe an area that BEIS want to consider exploring with energy companies.

Q66. How can regulators and government balance the need to ensure timely redress for the consumer whilst allowing business the time to investigate complex complaints?

In the water sector, water companies formally signpost to CCW at (currently) eight weeks, but don't made an automatic escalation. Although in practice, consumers are actually aware of CCW from stage one of the process (when they first complain to the company), as the company provides a leaflet (or verbally explains) the process. Therefore consumers are aware of their rights from the start of the complaint journey.

We support the ambition in the consultation to move from formal signposting of the ADR process at eight weeks to four weeks. However, we'd want to ensure that there was an appropriate balance between speed and quality, so would want the four week point to be where consumers are informed about their right to escalate their case to CCW (ADR in other sectors), so they can make an informed decision, rather than this being a mandatory CCW/ADR intervention point. A premature escalation could result in an undesirable outcome, with the CCW decision being that the company should investigate the matter, which it may well have been doing anyhow.

In any scenario, communication is the key to good customer satisfaction. Customers should have regular update calls from the companies, particularly when cases stretch beyond five working days.

Legislation on what a 'complex case' is could be difficult and could differ from market to market. This means that making the legislation about informing the consumer about their right to escalate, rather than an automatic transfer puts the power with the consumer – rather than relying on a legislative definition.

We have also often found that a consumer's engagement in the complaint process will affect the time the case takes to resolve: we know in quite straightforward billing cases, getting a customer to evidence a financial situation to put them on an appropriate tariff can protract a non-complex case beyond four weeks (CCW and companies are trialling ways to reduce this burden for customers). Counting time when a case is waiting company action and not customer action could be complicated from a systems and regulatory performance perspective. We would advise against this route.

In water, we should note that in reality moving to a four week signpost won't affect the majority of consumers as the larger proportion of cases are resolved within days. Most companies within the water sector in England and Wales committed this year to respond to complaints within five working days, in response to a call from us to improve standards.

Q67. What changes could be made to the role of the “Competent Authority” to improve overall ADR standards and provide sufficient oversight of ADR bodies?

We support BEIS’ intention to set a higher minimum standard for all ADR schemes. Your examples are right to set clear expectations of the process; improve communication on case progression, prompt handling of straightforward cases promptly and reporting publically on outcomes. These are good basic standards to set. To improve transparency all KPIs should be publically reported, not just the outcomes.

An additional move to improve complaint handling would be for each sectors’ ADR provider to help the sector they work in improve complaint handling and prevent recurrence of common complaints. A requirement to report on, from its perspective, the most common causes of escalation could help all consumers, not just those who’ve made a complaint.

Enquiries

Enquiries about this consultation response should be addressed to:

[redacted]