

Citizens Advice response to CCW's Strategy 2021-24

February 2021



Introduction

Citizens Advice provides free, independent, confidential and impartial advice to everyone on their rights and responsibilities. It values diversity, promotes equality and challenges discrimination. From 1 April 2014, Citizens Advice took on the powers of Consumer Futures to become the statutory representative for energy consumers across Great Britain.

The service aims:

- To provide the advice people need for the problems they face
- To improve the policies and practices that affect people's lives.

Citizens Advice is a network of nearly 300 independent advice centres that provide free, impartial advice from more than 2,900 locations in England and Wales, including GPs' surgeries, hospitals, community centres, county courts and magistrates courts, and mobile services both in rural areas and to serve particularly dispersed groups.

We give advice to people through our network of local Citizens Advice and through our national consumer service helpline. Between these 2 services, last year we advised over 130,000 people, solving 100,000 problems. Over 25,000 people saved money because of our advice. We also offer specialist support to the people who need our help most through the Extra Help Unit, where we dealt with over 15,000 cases.

Since April 2012 we have also operated the Citizens Advice consumer service, formerly run as Consumer Direct by the Office for Fair Trading (OFT). This telephone and web chat service covers Great Britain and provides free, confidential and impartial advice on all consumer issues.

This document is entirely non-confidential and may be published on your website. If you would like to discuss any matter raised in more detail please do not hesitate to get in contact.

Summary

We welcome the opportunity to respond to this consultation. As the statutory representative for energy consumers across Great Britain, our response is informed by our insight from providing advice to people through our network of local Citizens Advice and through our national consumer service helpline.

Water is an essential service. In the 12 months to July 2020, Citizens Advice advised over 74,000 people in person, by phone or by email about water supply and sewerage debts, and the relevant advice pages had over 220,000 unique web page views.¹ Our data shows that the most common reasons people come to us for advice on water are those that impact their household finances. This mirrors the trend in written complaints by household customers to water companies, where over half are about charging and billing issues.²

In its draft strategy CCW has set out work in some important areas that we are keen to support where possible. We have also set out where we think CCW could most helpfully focus within the current priorities, and areas of importance that we think it should also cover.

Response

We would like to respond to strategic campaigns 1, 2 and 4, on ending water poverty, complaints and accessing the PSR.

Strategic campaign 1: End water poverty

We strongly support action to improve water affordability, and welcome the CCW independent review.

Support for people struggling to pay their water bills is currently patchy and underfunded. We'd like to see data sharing and data matching used to provide automatic support for people struggling to pay water bills, with consistent provision across companies. We also think it's important for there to be a process to help ensure that all companies pay their fair share towards social tariff schemes. Similar arrangements already exist in energy, and are being improved through changes announced in the recent energy white paper.

¹ Citizens Advice (2020) [Redetermining Water](#)

² <https://www.discoverwater.co.uk/complaints>

Strategic campaign 2: CCW: A voice for your complaint

We agree that complaints and how they are handled should be a priority for CCW. However, we're concerned that the current aims in the strategy are too narrowly focused on improving awareness of CCW and satisfaction with its performance within the complaints process. We think there should be greater focus on two other key areas.

Driving improvements in company performance

In addition to the actions to share best practice that are identified by CCW in the strategy, reputational regulation can be a powerful tool to improve company performance. CCW is already publishing a range of performance data, but the strategy could have a clearer articulation of how this will develop and improve in the coming years.

Based on our experience of publishing customer service data through our [energy supplier star rating](#), we would suggest that CCW pursue the following aims for its reporting:

- Improve its impact by enhancing the usability and visibility of performance data. For example, as well as ranking companies, adding a lead metric/overall score to CCW's [company performance tables](#) to enable clearer understanding of absolute, as well as relative, performance.
- Publishing data about the performance of a wide range of service and complaints channels. This should include rapidly moving to publish company-level performance for complaints made by telephone, given this is the most widely used channel by complainants.

Making the complaints journey easier

Complaint processes ensure consumers get a good resolution in a timely manner, and with a high level of service, including when these are passed to third party bodies to deal with. Last year we published research which identified dissatisfaction with key aspects of the complaints customer journey in energy.³ Some improvements can be made within existing frameworks by companies and third party bodies, but we think that changes to fundamentally simplify the journey may also be needed.

In water, we're concerned that the current four stage complaints journey is overly complex and lengthy, and likely to be off-putting to many consumers. It's also not clear whether specialist support is available for people in vulnerable circumstances, like that provided by the Extra Help Unit in energy. We think CCW

³ Citizens Advice (2020) [Future Proof](#)

should include a strategic aim to develop and campaign for a simpler water complaints journey which takes more account of vulnerability.

Strategic campaign 4: "Be in the know" about available help

The coronavirus pandemic demonstrated gaps in information about people who needed most help from their essential services. Priority Service Registers play an important role in ensuring companies provide extra support to customers who need it. However, we think CCW should be bolder in its aims over the course of the strategy. While we support CCW's call to increase PSR awareness, this will not be sufficient to lead to greater sign up and better ongoing management of the PSR.

There are two main changes that we think are needed:

- At the back end, we agree with CCW that there needs to be better data sharing and matching between government and sectors, but progress on this has been painfully slow.
- At the front end, we think there need to be easier routes for consumers to sign up for and manage the support they need across sectors, with more consistent support available to demonstrate clear benefits of signing up.

We've called for a government-led taskforce to develop this approach⁴ and will continue to engage with CCW as we continue this work.

We think there is scope for better collaboration between utility providers in providing support to consumers, particularly those in vulnerable circumstances. This could be coordinating site visits or priority service support in emergencies where multiple utilities are involved.

Net zero and the impact on water consumers

We were surprised to see that net zero and the impact achieving this target will have on water consumers was not mentioned in the strategy. The water industry has set itself a 2030 target to achieve net zero emissions and water leakage targets which will help contribute to this goal.⁵ Achieving these goals will presumably entail changes for consumers - including potentially greater use of smart metering, which could also have the benefit of cutting costs for many consumers.

⁴ Citizens Advice (2020) [Getting support to those that need it](#)

⁵ Water UK (2020) [Water industry plans to reach net zero carbon by 2030](#)

We'd be interested to understand more about CCW's approach to these changes, and how it will support customers through the net zero transition over the coming years.

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Published February 2021

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Registered charity number 279057.