



Consumer Service Assessments

Guidelines

Consumer Relations - CCWater

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Introduction

The Consumer Council for Water (CCWater) consumer service assessments are highly regarded by water companies and serve as a valued element of the relationship between companies and CCWater improving the service received by water consumers. The information is more critically used by the companies, and CCWater, to drive activity within the companies to further improve customer service.

The revised assessment process introduced in 2008 has ensured consistency of approach and delivered many benefits to customers and companies. Assessments have also provided CCWater staff and members with the opportunity to visit companies and see at first hand the work they do. Scores for complaint assessments have increased as companies have adopted CCWater recommendations. In 2011's complaint assessments, some assessment panels identified only minor areas of concern rather than wider, process improvements. Therefore, in 2012 following consultation with the water industry the consumer services assessment process was changed to focus our resources on improving service by targeting companies that will benefit most from assessments.

The new risk based approach for complaint assessments is based on data from CCWater's annual Complaint Report, published in September each year. The selection of companies for a complaint assessment is based on, the companies with:

- High proportion of written complaints per 10,000 connections (the industry standard)
- Lowest first time written complaint resolutions
- Largest percentage increase in complaints on previous year.

As well as the usual selection criteria, we would also look to carry out an assessment should an immediate problem arise, such as a sudden surge in complaint numbers.

Selection for debt assessments based on available information is not as straightforward, because of factors such as the differences in socio economic profile of customer bases and variations in prices. Therefore, following a consultation with the Water Industry debt assessments will be carried out on a cyclical basis for each region and Wales rather than a risk based approach.

CCWater regions may assess companies in their area at the discretion of the Chair, providing there are sufficient resources.

Purpose of the document

The purpose of this document is to clearly set out how CCWater will undertake consumer service assessments of water and water & sewerage companies, and the procedure for undertaking the assessments.

The guidelines cover the following:

- The methodology of the assessment
- The pre-assessment procedure
- The assessment day process
- Post-assessment activity
- Risk-based approach
- Informal assessments
- Standardisation and moderation

The consumer service assessments will look at the application of company procedures for handling of written complaints on a risk based approach and debt management processes on a cyclical basis.

Application of the procedure

This procedure will be applied to all complaint and debt assessments undertaken by CCWater from 1 April 2013 onwards.

There have been cases where CCWater committees or companies have requested additional assessments for other areas of the company's business activities such as telephone handling, new water supply service provision and WaterSure. These will continue to be delivered to further support the companies in improving their service to consumers on an informal basis and separate to the formal complaint and debt assessments. CCWater committees also have the option to carry out non risk based assessments locally. Please refer to Chapter 5 of the procedure.

Chapter 1 - Methodology

The methodology for undertaking the assessments is detailed below. This guidance will in some cases be general and in these instances should be applied following the spirit of the assessment procedure.

1.1 Frequency

1.1.1 In every regulatory year CCWater's committees will undertake formal complaint handling assessments of those companies highlighted as at risk following the CCWater's annual complaints report (published in September). The assessments will be undertaken on a predetermined day at company premises where suitable facilities to support the delivery of the assessment are available.

1.1.2 Further assessments will be made in a number of situations. These include where:

- Cyclical debt management assessments. One company being assessed by each committee per year.
- Where resource allows committee may wish to continue assessing all their companies.
- a particular problem is highlighted through a company assessment,
- a request is made by the company and/or,
- CCWater assessment results raise significant concerns.

1.1.3 All formal risk based and cyclical assessments will be planned and organised by the CCWater Assessment Coordinator, working with the CCWater Consumer Relations team, in consultation with water companies, CCWater Local Consumer Advocates and other involved staff.

1.1.4 When arranging assessments the Assessment Coordinator will consider both seasonal peaks and events and their impact on company workload. Where decentralised operations exist it may be necessary to conduct assessments at these locations (i.e. remote call centres), particularly if there are concerns about the service they offer. The Assessment Coordinator should ensure that the assessment arrangements reflect the company's structure.

1.1.5 CCWater committees may, in liaison with the companies, undertake informal assessments relating to other elements of companies' service delivery. These will be advised to the Assessment Coordinator to ensure they do not conflict with formal planned assessments.

1.2 Cases for review

1.2.1 To ensure consistency the number of cases for each assessment will be 25. Experience suggests that this number is manageable in one day. The sample will be drawn from a list that enables a random selection of cases from the current regulatory year and which reflects the range of complaints dealt with

and, in the case of debt management, the various paths and stages of the company's debt procedures. Where fewer than 25 cases are examined during a visit, the committee will arrange to undertake a second visit during the reporting year.

1.3 Training

1.3.1 All CCWater staff and Local Consumer Advocates involved in assessments are required to undertake and complete consumer service assessment training. This is an additional step to further improve the level of consistency. Standardising the training delivered will ensure that all assessors have the requisite information and understanding to deliver a robust assessment of the company's procedures to the same principles and standard.

1.4 Assessors

1.4.1 Whilst it is desirable that all assessments have an adequate number of CCWater representatives (LCAs and Staff) present, the timing and size of the assessment panel will depend upon LCA and company staff's availability.

1.4.2 All assessments will be done by a minimum of three assessors. Comprising:

- A minimum of one Local Consumer Advocate, who will be the Chair of the assessment
- Consumer Relations Manager and/or Assistant Manager.
- Assessment coordinator or delegate

The Assessment Coordinator will ensure a consistent approach is adopted.

1.4.3 Any member of other CCWater committees or CCWater Board who has been fully trained in the consumer service assessment guidelines may attend the assessment as an additional member of the assessment panel. The Chair of the assessment for the day will facilitate and run the assessment.

1.5 Roles and responsibilities for assessments

1.5.1 Lead assessment LCA/nominated deputy

- Chair for the day of the assessment
- Facilitate assessment
- Overall decision of case markings
- Assessor of cases
- Provide verbal feedback to the company at the end of the assessment
- Approve final report
- Write letter to accompany final assessment report
- Report back to committee on the assessment

1.5.2 Local Consumer Advocates

- Assess cases

- Follow the guidelines of the assessment as delivered in the training

1.5.3 Consumer Relations Manager (Assistant Manager)

- Background knowledge of the company activity and application of policy and general information
- Assess cases

1.5.4 Assessment Coordinator

- Prepare/organise assessment
- Responsible for checking assessment markings
- Ensure consumer service assessment procedure and training is followed
- Draft assessment report
- Track company actions resulting from report recommendations
- Circulate report to other CCWater regions

1.6 Other issues

1.6.1 In some situations it may prove possible to undertake more than one element of the assessment in a single visit to the company. Where this is the case, LCAs and companies will ensure they are aware of the agenda for the visit and the assessments that are planned, allowing sufficient time to undertake the assessments in suitable depth and rigour.

1.6.2 The wider aspects of company procedures cannot be recorded on standard pro formas, as these procedures are likely to vary from company to company. The Committees are in day to day contact with their companies and will receive feedback from consumers on the service provided. They will, therefore, be able to identify the appropriate areas that need to be examined.

1.6.3 The Assessment Coordinator will liaise with the appropriate LCA and the company to see if undertaking more than one element of the assessment is feasible and will make appropriate arrangements where this is possible.

1.6.4 To understand fully how a company's complaint or debt procedure is operating, it is essential that the Committee examine the wider aspects rather than simply looking at individual case files. For example, staff training; procedures - e.g. systems for passing complaints to appropriate staff; and whether and how complaint management information is used by a company. This information will be given to the assessment panel through the pre-assessment questionnaire, further information on which is available in section 2.4.

Chapter 2 - Pre-assessment procedure

2.1 Assessment Dates

2.1.1 The assessment dates will be set as far in advance as practicable, in liaison with LCAs and the Assessment Coordinator. The Consumer Relations Managers (or Assistant Manager) and companies will be involved in the final agreement of dates.

2.1.2 Once all the dates have been agreed the Assessment Coordinator will place a copy of the annual calendar of assessments on the CCWater Intranet and Internet. This will allow visibility of both the work that is being undertaken and ensure where unplanned issues arise that a revised date can quickly be arranged.

2.2 Case Selection

2.2.1 The Assessment Coordinator will select cases for the complaints/debt assessment in advance of the assessment day, as detailed below.

2.2.2 Written Complaints

The following process will be used by the Assessment Coordinator when selecting written complaint cases for the assessments:

- The Assessment Coordinator will use CCWater's annual company written complaints report information for the previous year to determine how the 25 cases should be split to be representative of complaints the company received under the different categories and stages.
- The Assessment Coordinator will contact the company 30 working days before the assessment day to request a list of cases from the start of the regulatory year to the date of requesting the information.
- The company will have five working days to provide the Assessment Coordinator with the requested information.
- The Assessment Coordinator will randomly select cases to be assessed from the lists provided.
- The Assessment Coordinator will advise the company of the randomly selected cases and request that the following checks are made on the selected cases:
 - That there has been no CCWater or Ofwat involvement
 - That they have been correctly categorised
- The Assessment Coordinator and company will have 10 working days to finalise 25 cases for assessment.
- The company will then be given 15 working days to prepare the case files for the assessment and complete the summary sheet as shown in appendix 4.

2.2.3 Debt management

2.2.3.1 For cyclical debt management assessments the assessment panel will be looking at a company's debt management processes for the current regulatory year. The assessment panel will look at 15 cases where the debt is older than twelve months, 5 cases where the debt is less than twelve months old and 5 cases where the debt has been sent to a Debt Collection Agency (DCA) including internal DCA. For companies who do not use debt collection agencies the assessment panel will look at 20 cases where the debt is more than 12 months old and 5 cases where the debt is less than 12 months.

2.2.3.2 For the purpose of the assessment process 'debt' is defined as an amount of money owed to the company irrespective of whether they have any sort of payment agreement with the company.

The following process will be used by the Assessment Coordinator to select debt management cases for the assessment.

- The Assessment Coordinator will ask the company for a spreadsheet of accounts broken down by the three categories 30 working days before the assessment day:
 - Debt older than 12 months
 - Debt less than 12 months
 - Cases being dealt with by a DCA
- For companies who do not use debt collection agencies the assessment panel will look at 20 cases where the debt is more than 12 months old and 5 cases where the debt is less than 12 months.
- The Assessment Coordinator will ask that the spreadsheet provides cases where the debt was outstanding on the day that the information was requested.
- For most companies the spreadsheets will be very long and to ease the selection process the Assessment Coordinator will ask the company to provide 200 accounts for each criterion requested.
- The 200 cases for each category, where possible, should be representative of the outstanding accounts. E.g. if 50% of a company's older than 12 months debt is at enforcement stage, 25% is at payment plan and 25% is telephone campaign, the 200 cases the company provides should be proportioned accordingly.
- The company should provide the Assessment Coordinator with the spreadsheet within 5 working days of it being requested.
- The Assessment Coordinator then selects cases at random from the spreadsheet. These are then communicated to the company to ensure that they have all been correctly recorded. Where there is a need, additional cases will be randomly selected and advised to the company.
- The Assessment Coordinator and the company have 10 working days to agree on the final 25 cases for the assessment.
- The company will then be given 15 working days to prepare the case files for the assessment and complete the summary sheet for each case as shown in appendix 6.

2.3 Summary Sheets

2.3.1 Every complaint and debt management account selected for assessment should be presented by the company on the day of the assessment with a summary sheet. Example summary sheets for complaint and debt management assessment are shown in appendices 4 & 6.

2.3.2 Written complaints

- The summary sheet for written complaints should provide the following:
 - A brief summary of what the complaint is about.
 - Details of actions on the complaint in chronological order.
 - The company should provide all information from the time the complaint is received to the date of the substantive response. If the substantive response advises the customer of further works, details of the timescales of these works should also be provided.
- It is the discretion of the company on how much additional information they wish to provide the assessment panel.
- Example of a written complaint summary sheet is shown in appendix 4.

2.3.3 Debt Management

- The summary sheet for debt management assessments should provide the following:
 - Step by step action which has been taken on the account going back 18 months from the date the accounts was selected by the Assessment Coordinator.
 - If the account being assessed is debt greater than 12 months, the company should provide written commentary about the debt strategies historically used to collect the debt prior to the 18 months in the summary box.
 - Example of a debt management summary sheet is shown in appendix 6.

2.4 Pre-assessment questionnaire (PAQs)

2.4.1 Pre-assessment questionnaires are used to give the assessment panel prior indication of the company's approach to handling complaint/debt and their performance in that particular area prior to the assessments being undertaken.

2.4.2 Completion of Section 2 of the debt PAQ is not mandatory, however providing as much information as possible would be beneficial to the committee prior to the assessment.

2.4.3 Appendices 2 and 3 show the pre-assessment questionnaire for complaints and debt.

2.4.4 The process for the pre-assessment questionnaire is as follows (see Appendix 1).

- The Assessment Coordinator will send the company the pre-assessment questionnaire (complaint/debt) 30 working days before the date set for the assessment.
- The company will have 15 working days to fill in the questionnaire and return the completed form to the Assessment Coordinator.
- The Assessment Coordinator will then provide the assessment panel (LCAs and staff) with a copy of the completed questionnaire. This allows five working days for any points raised by the assessment panel to be raised through the Assessment Coordinator to the company for addressing on the assessment day.

2.5 Confirming assessment day

2.5.1 The Assessment Coordinator will send all assessment participants (LCAs, staff and company) an e-mail confirming the date of the assessment with the particulars for the day, 15 working days before the date of the assessment.

2.5.2 The e-mail will confirm the following:

- Date of assessment
- What topic is being assessed
- Location of assessment
- Timings of the assessment day
- Attendees of the assessment
- A copy of the report for the previous year/assessment
- Contact details of the company liaison and Assessment Coordinator

2.5.3 The company may also need to be reminded that the assessment is a focussed working day with a full, pre-planned agenda - it is not an opportunity to take up assessors' time with discussions or presentations that do not relate to the assessment.

Chapter 3 - Assessment day process

3.1 Pre-assessment meeting

- 3.1.1 Assessments will be arranged to meet LCA availability and the needs of the hosting company with approximate start time of 10:30 to ensure there is sufficient time to undertake the assessments.
- 3.1.2 The company will be requested to provide the assessment panel with a suitable room for the assessment. The room should also have means to contact the host for the day should the assessors need further information or have questions.
- 3.1.3 On arrival, where necessary and with discretion of the Chair, the assessment panel will be given 15 minutes together to discuss the details of the day before the start of the assessment.

3.2 Presentation

- 3.2.1 Following their private meeting, there is the opportunity for the assessors to receive a 15 minute presentation by the company. This will make particular reference to, if applicable, the questions raised by the assessment panel in advance as a result of the pre- assessment questionnaire.
- 3.2.2 During the presentation there will be an opportunity for the assessors to question the points raised in the presentation or the approach adopted by the company.
- 3.2.3 The presentation is not mandatory; the company should only give the assessment panel a presentation if they have additional information to give relating to the assessment topic and should not be a repetition of the information already provided through the PAQ.

3.3 Assessment

- 3.3.1 Following the presentation the assessment panel will begin the assessment of the selected cases.
- 3.3.2 The assessment of the cases will be carried out by the LCAs and Consumer Relations Manager (or Assistant Manager). Where appropriate the Assessment Coordinator will also assess cases.
- 3.3.3 For complaint assessments the company will provide the assessment panel with the information they will require to complete the assessment. This will include, where relevant:
 - Summary sheets with details of the consumer's complaint as shown in appendix 4.
 - Consumer's correspondence.

- Screen shots and notes, relating to the case.
 - Details of how the complaint was resolved i.e. copy of telephone conversation, letter to customer.
 - Standard letters or literature used by the company.
- 3.3.4 The company must also be prepared to provide the assessment panel with any additional relevant information they request on the day.
- 3.3.5 For debt assessments the following information will be provided:
- Case summary sheets which will include:
 - Customer reference number
 - Age of customer's debt
 - Payments customer has made (if any)
 - Details of the stage of the customer's debt and a list of recovery tools used to collect debt.
- 3.3.6 For all assessments, company staff must be readily available to answer questions and provide supporting information either by hard copy or by demonstrating on a computer system.
- 3.4 Listening to telephone calls**
- 3.4.1 If the assessment panel are intending to listen to telephone calls relating to the activity they are assessing, the Assessment Coordinator will advise the company in advance of the assessment date.
- 3.4.2 Monitoring telephone calls is not a required element of either assessment and as such will not be formally reported on following the assessment. The Chair of the assessment panel can verbally feedback to the company following any listening to calls, but this is informal and will not form part of the final written report to the company, but may be referred to in the covering letter.
- 3.5 Panel Discussion**
- 3.5.1 Once all cases have been assessed, the panel will discuss their findings as a group, with the Assessment Coordinator ensuring that decisions are based on the guidelines and are objective, appropriate and correctly recorded.
- 3.5.2 Any cases which have been marked as unacceptable/needs improvement will be discussed and checked by another assessor to reach agreement on the marking. If general agreement cannot be reached the assessment Chair will have the final determination of the case ranking.
- 3.5.3 The assessment panel will then be given the opportunity to discuss any findings from the information provided in the pre-assessment questionnaire, presentation given by the company and the assessment of the cases.
- 3.5.4 The assessment Chair will then discuss and agree the verbal feedback that will be made to the company along with any recommendations. This will form the

basis of the written report on the assessment drafted by the Assessment Coordinator.

3.6 Feedback

3.6.1 Feedback from the assessment will be given to the company verbally by the assessment Chair outlining the findings from the assessment. This will also specifically give confirmation, if appropriate, of any additional assessment to be undertaken on the basis of the risk criteria. Refer to section 5.1 for further details.

3.6.2 Feedback to the company will include the following:

- Breakdown of results following assessment of cases
- Findings from the assessment
- Any recommendations

3.6.3 The assessment Chair will offer the company the opportunity to photocopy the completed pro formas for their reference on the day of the assessment.

3.6.4 The assessment Chair will, if appropriate, comment on the telephone calls listened to. The assessment Chair will remind the company on the day of the assessment that this was an informal part of the assessment which does not form part of the formal report.

3.6.5 The assessment report will document the verbal feedback and be sent to the company within 15 working days of the assessment for any feedback or challenge. If no challenges are received a final report attached with a covering letter will be sent to the company within 25 working days after the date of the assessment. Refer to section 4.2 for details on the challenging process.

Chapter 4 - Post-assessment procedure

4.1 Assessment Report

4.1.1 After the assessment, the Assessment Coordinator will draft the report and forward it to the assessment panel. The Chair of the assessment will collate comments from the assessment panel and provide the Assessment Coordinator with a final report. The report will then be sent to the company (the senior manager responsible for the area assessed) within 15 working days of the assessment by the Assessment Coordinator.

4.1.2 The company will be asked to review the contents of the report. If any recommendations have been made by the assessment panel the company will be asked to provide the Assessment Coordinator with details of how they propose to implement the recommendations and complete the tracking sheet as per section 4.4.

4.1.3 The company response to the points raised will include details of any action they will undertake as well as timescales and the person responsible for delivery. Refer to 4.3 for further details.

4.1.4 The report will follow the outline below (an example of which is available in appendix 12):

- Introduction
 - Attendees' names and titles.
 - Description of the assessment being carried out and the reason for it.
- Case assessment
 - Results of case assessments, detailing the reasons for any cases marked as unacceptable or needs improvement.
- Findings/Recommendations
 - Bullet points of findings and recommendations.

4.2 Challenging results

4.2.1 If the company has a specific challenge with regards to the marking of a case the company will be asked to provide a written commentary for the reasons of the challenge. This should be done within ten working days of receiving the first report and within 25 working days of the date of the assessment. No final report will be issued to the company until the review has been completed.

4.2.2 The appeal process is set out diagrammatically in Appendix 12.

4.2.3 If the company challenge any of the assessment findings the Assessment Coordinator will advise the Chair of the assessment and arrange for a preliminary review to be carried out in case there had been an oversight or error on the assessment day.

- 4.2.4 Following the preliminary review the Assessment Coordinator will advise the company of the findings and if necessary offer a review by a Committee Chair.
- 4.2.5 If the company ask for a further review the Assessment Coordinator will arrange for a Committee Chair to review the case(s) and advise the company when their appeal will be heard.
- 4.2.6 The company will be advised that the reviewer of the appeal will only look at the information which was presented to the panel on the day of the original assessment.
- 4.2.7 Following the review the Assessment Coordinator will advise the Chair of the assessment of the appeal outcome and provide the Chair with an amended report to check before it is issued to the company with a covering letter written by the assessment Chair.

4.3 Tracking process

- 4.3.1 The CCWater Assessment Coordinator will maintain a master tracking sheet, which will allow an overview of how and when the company implements the actions from the assessment recommendations.
- 4.3.2 The tracking sheet will include the following:
- Recommendation made by the assessment panel.
 - Response to the recommendations by the company.
 - Proposed action the company will undertake and the responsible person.
 - Date the proposed action will be implemented.
- 4.3.3 A copy of the tracking sheet is available in Appendix 10.
- 4.3.4 The Assessment Coordinator will then monitor the progress of the actions agreed by the company and make the local Consumer Relations Managers and LCAs aware of any changes and the progress the company is making in delivering their actions.

Chapter 5 -Follow up assessments

Further assessment visits in respect to debt or complaints will be undertaken where either a particular problem has been highlighted, the company has requested an informal assessment or where the CCWater assessment results raise significant concerns.

5.1 Follow up assessments

5.1.1 Where the assessment results fall into one of the following categories, there will be a need to re-assess that particular element of the company's service delivery within the subsequent six months to determine if the issue has been satisfactorily resolved.

- Where the overall score of good cases, compared to prior years, has reduced by more than 50%
- Where the overall unsatisfactory (unacceptable/needs improvement) cases, compared to previous years, have risen by more than 33%
- Where the balance between the good cases and unsatisfactory cases is significantly in favour of the unsatisfactory cases (i.e. unsatisfactory cases outweigh good cases by more than three to one).

5.2 Additional assessments

5.2.1 Where the company has highlighted a risk to service through a review of their service delivery, they may invite CCWater to undertake an assessment of the company's procedures, following the principles and practice of consumer service assessments, but not being reported in the same manner. Similarly, the CCWater Committee may wish to investigate a particular area of service delivery.

5.2.2 The Committees and CCWater offices are in daily contact with their companies and will receive feedback from customers on the services provided. Committees will therefore be able to identify the appropriate areas that need to be examined.

5.2.3 When carrying out any of the assessments as described in 5.1 the Committee will follow the principles and practice of the consumer service assessments. However the information gathered will not be reported in the same manner.

5.3 Reports

5.3.1 When the CCWater committee is undertaking an informal assessment they will report on the findings of the day direct to the company and no formal report will be made.

5.3.2 If the committee undertakes any additional assessments, the findings will be documented in a formal report in the same manner as the original assessment.

Chapter 6 - Written Complaints Pro forma

6.1 Guidance on Written Complaints Pro forma

- 6.1.1 The questions on the pro forma have been designed to be as objective as possible. The forms work on a tick-box principle whereby the 'good' answers to each question will be a 'Yes'. A final score will then be allocated, depending on how many 'Yes' answers a case has achieved.
- 6.1.2 The revised pro forma uses three categories to assess the standard of performance for each case - 'good', 'acceptable' and 'not acceptable'. Each case examined will fall into one of these three categories depending on the answers to the questions given.
- 6.1.3 On the pro forma for written complaints the criteria are split into two categories - those that are considered 'essential' for each area and those which are considered 'beneficial'.
- 6.1.4 A case must satisfy all of the essential criteria in order to obtain at least an 'acceptable' ranking. If the case does not achieve 'yes' answers to all of the 'essential' questions (or N/A where some questions are not applicable) then this will push the ranking down into the 'not acceptable' banding - whatever the score achieved on the 'beneficial' section.
- 6.1.5 Where the company has achieved 'Yes' (including N/A where appropriate) answers to all of the 'essential' and 'beneficial' criteria the 'good' banding will be achieved.
- 6.1.6 At the assessment, the panel will gain an insight into how well a company is delivering against its procedures, and they may well pick up issues related to individual cases that they wish to raise later. The need for consistency and the use of a common pro forma across CCWater should not stop assessors from making comments on the assessment pro forma.

A copy of the written complaints pro forma is available in appendix 5.

6.2 Grading of pro forma - Essential

- 6.2.1 Question 1 - Did the company follow its procedure in dealing with this complaint?
- The company must respond to a customer's complaint in line with their policies and procedures. The assessor should mark this question as 'Yes' if the company have adhered to their complaint procedure and policies relating to the complaint type.
- 6.2.2 Question 2 - Has the company applied the Ofwat definition of a complaint to this case?

- The definition of a written complaint is set out in the April 2008 Ofwat June Return guidelines and is shown below.
- This covers any written communication from a customer or a customer's representative (e.g. Citizens' Advice Bureau, solicitor) alleging that an action or inaction of the company, or a service or lack of service provided by the company or agent/contractor has fallen below his/her expectation, even if written in mild and friendly terms. This includes any expression of annoyance or dissatisfaction by the customer, or disagreement with the company. Written complaints include those made by letter, fax and electronic mail and comments written on a piece of company correspondence, for example a bill, which is then returned to the company except, where it is offensive or abusive.
- **Exclusions:** Companies can exclude from the reported figures those written complaints that are:
 - anonymous;
 - about the activities of other undertakers or other utilities, for example signage around trenches;
 - not about the services or functions of the company, for example complaints about executive salaries, sponsorship activities and company advertising campaigns;
 - about non-appointed activities, such as plumbing services, consultancies etc;
 - about recreational and amenity activities which are not defined as duties imposed by the Water Act 1989, for example visitor centres at company sites, water skiing, angling etc.;
 - returned in response to/alongside customer satisfaction survey questionnaires/cards (such complaints could be said to have been initiated by the company and would not have arisen but for a prompt by the company);and
 - Any comments that is offensive or abusive.
- The assessor should ensure that they are satisfied that the correct definition to the customer's correspondence has been applied to mark this question as 'yes'.

6.2.3 Question 3 - Was a substantive reply issued within GSS (or company enhanced scheme) timescales?

- The revised GSS (April 2008) states that:
 - If a customer complains in writing to a water company about the supply of water, or to a sewerage company about the provision of sewerage services, the company must despatch a substantive response to the customer within ten working days of receipt of the complaint.
 - The reply to the customer can be written, telephone, or visit.
- If a company has a Customer Charter they may undertake to respond in less time. The assessor should ensure that where such a scheme/charter exists the company is adhering to it.

- For the pro forma to be marked ‘Yes’ the company should show that the complaint was replied to within ten working days of receipt of complaint (or less if their customer charter states so).
- The reply to the customer must be a substantive reply. This is defined as a response to a written complaint that does one or more of the following:
 - provides an explanation of the company's relevant policy or procedure and indicates why, in the company's opinion, no further action on the customer's complaint is required; or
 - informs the customer that action to resolve the complaint has been taken and identifies when the action occurred, for example flushing of mains; or
 - Informs the customer of when action to resolve his/her complaint will be taken if action cannot be taken immediately; for example, “programmed capital works are not scheduled until month and year, and should be completed by month and year”.

6.2.4 Question 4 - Was a copy of the company's complaint procedure provided or offered?

- Companies should (where applicable) offer the customer a leaflet explaining their complaint procedure with all replies to complaints.
- It should be clearly stated in the correspondence sent to the consumer that a complaint leaflet has been sent. It should not be presumed that a leaflet has been sent unless there is evidence to suggest it has.
- Where a complaint is received via email (and is responded to electronically), companies should adopt one of the two approaches:
 - Attach a computer file containing details of its complaints procedure to the response (and refer to it in the main body of the text); or
 - Provide a link to their web address where the complaints procedure is kept.
- Where a complaint is answered via the telephone or visit the consumer should be offered the company's complaints leaflet. All notes referring to the telephone conversation and/or visit should clearly state that the consumer was offered the leaflet.
- If the company's procedure states they will not offer a leaflet, the assessor should mark the question as ‘N/A’.

6.2.5 Question 5 - Was the response to the complaint proportionate, taking account of the nature of the issue, and the effect it has had on the complainant?

- In dealing with a complaint, all companies will be faced with choices in the type of process to apply, the resources to devote to the task and if appropriate

the particular form of redress to be considered. All of these should be proportional.

- The assessor should consider the following when deciding on the mark for this question:
 - Procedures need to be in place to ensure fairness of treatment, while recognising the need to comply with company policies and procedures.
 - The depth of the investigation and the time taken should be in proportion to the seriousness of the alleged failure.
 - Redress should reflect the maladministration that has occurred, and take account of the hardship or injustice suffered as a result.
- For example a consumer could write in and complain about a faulty manhole cover outside her house. The company then sends 5 different individuals out to the property to check what work needs to be done to fix the problem. The assessor should mark this question as no, as the company has spent extra resources on a job which could have been done by one person.

6.2.6 Question 6 - Were any applicable GSS payments made?

- This question will help identify whether GSS payments are due but have not been made by the company. Details of the Guaranteed Standards Scheme are available in appendix 9.
- Some companies may have enhanced GSS schemes separate to that which is required by them in law. If such a scheme or enhanced customer charter exists the company must be assessed against this.

6.2.7 Question 7 - Were all concerns in the consumer's letter addressed?

- For the assessors to mark this question 'Yes' all points in the consumer's letter should be acknowledged and addressed.
- In exceptional circumstances there is a possibility that points in some letters may be frivolous or vexatious - good practice suggests that even in these circumstances it is courteous to respond to them in the first instance. If such points are raised in subsequent letters then they need not be addressed again.

6.2.8 Question 8 - If the consumer was unhappy with the initial response was it passed to the review stage?

- Further contact will not always necessitate passing the complaint to the review stage (e.g. simple clarification of points in first reply). However, where the customer expresses dissatisfaction in a subsequent letter the complaint should be passed to the review stage.

6.2.9 Question 9 - Were the consumer's individual circumstances considered?

- For the assessor to mark this question as a 'Yes' they would need to consider whether the consumer's individuality was considered when replying to their complaint.
- This is a subjective question and the assessor would be required to give a reason for why they chose to answer the question 'Yes' or 'No'.

6.3 Grading of pro forma - Beneficial

6.3.1 Question 10 - Did the reply contain a named contact and how to contact them?

- This must enable the consumer to contact the person dealing with their complaint, by telephone if necessary.

6.3.2 Question 11 - Where required was an apology given?

- The company is required to apologise to a consumer for having given them the need to write to the company to complain. The apology is not an acceptance of failure, but rather acknowledging that the consumer has found need to write in and that this could have been prevented.

6.4 General details of pro forma

6.4.1 All of the following should be completed in full on the pro forma:

- For question 9, a full reason should be provided.
- A full and concise reason should be provided by the assessor for their overall case marking.

6.4.2 If a case has been marked as not acceptable then the assessor should ask another assessment panel member to review their case and mark their comments on the pro forma.

Chapter 7 - Debt pro forma

7.1 Debt pro forma

7.1.1 The debt assessment will have two pro forma's. One pro forma will assess the company's application of **Ofwat's Debt guidelines** and the other will assess how the company implements them Ofwat's 5 Debt principles in practice through its stated process.

7.2 Debt pro forma - Ofwat's 5 Debt principles

7.2.1 The debt pro forma which assesses the company's implementation of the Ofwat guidelines is available in appendix 8.

7.2.2 This form will be completed by the Consumer Relations Manager. The CRM will consider the opinion of the assessors and the information they have had throughout the year through complaints and contact with customers.

7.2.3 The Assessment Coordinator will then send all completed pro formas to Ofwat.

7.2.4 The guidelines to consider before completing the form are as follows:

General Expectations - This section covers any area the CCWater committee feels is relevant in relation to the company's management of its revenue and debt collection. Please ensure that comments are provided.

Issues to consider:

1. Is the company proactive in preventing customers getting into debt? Do new home owners get information on billing procedure, options for paying, followed by timely accurate bills? Customers should receive a bill within a month of the company being aware of their residence.
2. Staff training - are staff members aware of the company's debt recovery policies? Does the company provide regular training to those staff involved in debt recovery activities and to front line staff?
3. Does the Company have appropriate arrangements with debt organisations such as citizens' advice, money advice centres etc?
4. Company's collection arrangements through any Local Authority/Housing Association (LA/HA). Is the customer protected from any outstanding water and sewerage rates being taken into account in any eviction notice? Company's agreement with LA/HA should cover this point.
5. Has the company adopted 'good practice' in holding regular liaison meetings with local advice agencies and Department of Works and Pensions?
6. System/billing issues - does the company have comprehensive details of customers' accounts on their billing systems?

Principle 1 - Companies should be proactive in attempting to contact customers who fall into debt as early as possible and at all stages of the debt management process.

The following are the guidelines which should be followed:

- The customer has received at least two prompts (including the bill) to contact the company before progressing to debt recovery action.
- The customer has been given reasonable time to pay the bill before a reminder is issued. Good practice should allow a minimum of 14 days after the bill is issued.
- The reminder sent to the customer gives a clear indication of what steps the company will take if the customer does not respond.
- Companies should provide the customer with a free phone debt helpline in addition to their standard telephone numbers.
- A variety of communication methods should be used to establish contact with the customer (telephone, letters, e-mails, visits etc.). In doing so the contact method should take into consideration customers who are registered for special assistance.
- The timing, frequency and manner of contacts should not be oppressive, misleading or threatening and should conform to accepted good practice.
- Companies should have sufficient resources to handle customer contact.
- Debt recovery strategies should be reviewed on a regular basis.
- Billing systems and contact received from the customer should be used wherever possible to identify vulnerable customers.
- Where practicable the company should use segmentation of customers to tailor their debt recovery system.
- Any new approaches and systems implemented by the company should not reduce the opportunity for customers to approach the company.

The following marking guidelines should be used when completing the pro forma:

Adopted guidelines	The company has demonstrated that they have implemented all the above guidelines into their debt recovery procedure.
Adopted some guidelines	The company has demonstrated that they have implemented some of the guidelines.
Not adopted guidelines	The company has not implemented any of the guidelines.

Principle 2 - Companies should provide a reasonable range of payment frequencies and methods, for all customers. The entire range of options should be properly and widely advertised to ensure that customers can select the arrangement which best suits their circumstances.

The following are the guidelines which should be followed:

- The company should review their network of payment locations at least once every two years.
- The company should review the charges, if any, for making payments at the network of locations offered and offer a reasonable range of locations at which customers can make payments free of charge.
- Offer the customer at least the following payment frequencies:
 - .1 Annual/half yearly/quarterly
 - .2 Monthly
 - .3 Fortnightly/weekly (where felt to be beneficial to the customer)
- Offer instalment payment by at least the following methods:
 - .1 cheque
 - .2 cash
 - .3 direct debit
 - .4 payment booklet/card
- Offer or accept non-standard flexible payment arrangements where appropriate in order to encourage payment.
- Proactively offer customers who are in debt and in receipt of eligible benefits the option to pay using ‘Water Direct’.
- Advertise all payment options on bills so that the customer can choose the option which best suits them.
- Where the company becomes aware that a different payment instalment option may suit a customer better than the one they currently use, they should proactively offer the option.
- Review payment methods periodically so that any advances in technology which widen the range offered are considered.

The following marking guidelines should be used when completing the forma:

Adopted guidelines	The company has demonstrated that they have implemented all the above guidelines into their debt recovery procedure.
Adopted some guidelines	The company has demonstrated that they have implemented some of the guidelines.
Not adopted guidelines	The company has not implemented any of the

	guidelines.
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Principle 3 - All correspondence sent to customers should be written in plain language, be courteous and non-threatening but should clearly set out the action which the water company will take if the customer fails to make payments or contact the company, along with the possible consequences for the customer.

The following are the guidelines which should be followed:

- Letters and reminders to customers who have fallen behind with payment should be clear about when payment is due and what will happen if the customer does not pay.
- The company must provide their customers with a copy of their debt code of practice or give details of how a copy can be obtained. All correspondence should encourage the customer to contact the company and if necessary seek expert advice.
- The customer should be given a clear indication of the length of time they have in which to act and a contact number to use in the event of requiring further information.
- Letters and literature should be written in plain English.
- The company should no longer threaten to disconnect a domestic property for non-payment, as disconnection is no longer legal.
- Void property notices should not be used as a debt collection tool by companies or by debt collection agencies.
- If the customer is at risk of being subject to post-judgement court proceedings the company should explain them simply and fully.
- Any enforcement action taken or charges added should be proportionate and reasonable in relation to the circumstances of the customer and the size of the debt.
- Where debts are queried or disputed, the company should respond promptly, fully and appropriately to the customer’s enquiries. Collection activity should be put on hold whilst investigating a reasonably queried or disputed debt.
- Companies should give CCWater an opportunity to comment on the design and text of any substantive changes to debt recovery literature, and be required to outline all changes during debt assessments.

The following marking guidelines should be used when completing the pro forma:

Adopted guidelines	The company has demonstrated that they have implemented all the above guidelines into their debt recovery procedure.
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Adopted some guidelines	The company has demonstrated that they have implemented some of the guidelines.
Not adopted guidelines	The company has not implemented any of the guidelines.

Principle 4 - When agreeing payment arrangements with customers, the customer's circumstances should be taken into account wherever possible.

The following are the guidelines which should be followed:

1. The company should make reasonable enquiries as to the customer's ability to pay when setting up instalment arrangements and take account of the information given.
2. Set repayment levels which are realistic and sustainable given the customers circumstances including taking into account all outgoings. Customers should not be pressurised into paying the debt in full or in unreasonably large payments.
3. The company should be able to demonstrate that the customer has been informed about free meter options, Water Direct, WaterSure and water efficiency measures.
4. Try to agree an instalment plan with the customer at a level which recovers the level of the current years charges and wherever possible also pays towards the previous years arrears.
5. Call operators should have authority to agree payment plans with customers over the phone. Any agreement made should then be confirmed in writing to remind the customer of the commitment made.
6. Establish and maintain good relationships with local advice agencies, charities or voluntary organisations.
7. Where a charitable trust or a restart scheme is in place, companies should, where appropriate, tell customers about them or refer customers to a relevant contact.

The following marking guidelines should be used when completing the pro forma:

Adopted guidelines	The company has demonstrated that they have implemented all the above guidelines into their debt recovery procedure.
Adopted some guidelines	The company has demonstrated that they have implemented some of the guidelines.
Not adopted guidelines	The company has not implemented any of the guidelines.

Principle 5 - Customers whose accounts are managed by debt recovery agents or some other form of billing agent should, wherever practical, receive the same level of service and care as those whose accounts remain with the water company. The potential consequences of having their debt managed by a third party should be no more severe than if the service was provided directly by the company.

The following are the guidelines which should be followed:

- Make sure that the company engages a reputable company licensed by the Office of Fair Trading to engage in debt collection and who abides by industry codes of practice such as that of the Credit Services Association and by the guidance on debt collection issued by the Office of Fair Trading.
- The company should be able to verify on a regular basis that customers whose debt is managed by a debt collection agency are sensitively dealt with through a robust audit process.
- The company should make sure they retain access to the customer’s accounts which have been passed to debt collection agents.
- The company must ensure those customers who are unhappy with the agent can raise their concerns directly with the water company.

The following marking guidelines should be used when completing the pro forma:

Adopted guidelines	The company has demonstrated that they have implemented all the above guidelines into their debt recovery procedure.
Adopted some guidelines	The company has demonstrated that they have implemented some of the guidelines.
Not adopted guidelines	The company has not implemented any of the guidelines.

7.3 Debt Pro forma - Individual cases

- 7.3.1 The pro forma for marking individual cases is available in appendix 7.
- 7.3.2 Generally, a ‘good’ mark should only be awarded to an individual case where no areas are identified as requiring improvement, where company procedures have been followed, and where all file information is available.
- 7.3.3 This will require a degree of subjectivity however, cases where a very minor change might be useful they could still be awarded a ‘good’.
- 7.3.4 ‘Needs improvement’ should be awarded where the company does not follow the guidelines, where the effect on the customer as a result was significant, or where lack of file information prevents sound assessment.

7.3.5 If any case is marked as 'needs improvement' then another member of the assessment panel should review the case and add their comments on the pro forma.

7.4 Grading of Debt pro forma

7.4.1 Question 1 - Has the company adhered to their collection timescales in accordance with their processes?

- To mark this question as 'yes' the assessor should check that the company has adhered to the timescales set out in its collections process. E.g. if the company has said they will send all first reminders 14 days after the bill is due, the assessor should ensure this has happened.

7.4.2 Question 2 - Has the company adhered to their collections process?

- To mark this question as 'yes' the assessor should ensure that the company has followed their collection procedure. E.g. if the company state they will send a first reminder, second reminder, final reminder and solicitors letter, the assessor should ensure this has happened.

7.4.3 Question 3 - Is there evidence that the company is continuously using different strategies and techniques to chase debt?

- The assessor should ensure that the company is continuously chasing the debt irrespective of how old it is. In line with the company's current debt processes the assessor should check whether there are any long periods of inactivity.

7.4.4 Question 4 - Did the company use all appropriate methods available to contact the customer when pursuing the debt?

- When asking this question we are trying to ascertain whether the company used different communication methods to chase the customer. These would include letters, telephones, text messaging etc.
- We do not expect all these options to be used but expect the company to use the methods they detail in their processes and those which are feasible for them.

7.4.5 Question 5 - Where applicable, has debt segmentation taken place according to the knowledge of the individual's circumstances?

- The majority of companies carry out segmentation of customers to enable more effective debt routes to be followed to chase the debt. This question asks the assessor to check previous information about the customer to see if the company has followed a different debt strategy (according to their processes) to collect the debt.
- In many cases the segmentation of the customers will be very high level and the assessor should be satisfied that the company has followed their process of segmentation when chasing this customer's debt.

7.4.6 Question 6 - If the customer has queried or disputed the bill has the company responded promptly, meeting all regulatory requirements and carried out appropriate action on the account to reflect the query or dispute?

- Principle three of the Ofwat's Debt guidelines requires the companies to deal with disputes and queries promptly and expects the company to hold activity whilst this query is being dealt with. The company should ensure that once the query has been resolved the hold should be removed. The debt recovery should continue according to the company's processes and the outcome of the dispute/query.
- The assessor should identify whether the company has dealt with the dispute/query in a regulatory timescale and continued debt action accordingly. Please see appendix 9 for details of GSS standards.

7.4.7 Question 7 - Was the referral to the debt recovery agent/tracing/third party appropriate? If no state reason.

- Yes/No - if No, why not? For example, referral to agent made too soon, customer had already shown a willingness to come to a payment arrangement. If the company has a policy on when debt recovery agents are used, did it follow the policy?

7.4.8 Question 8 - Is there evidence that the customer attempted to contact the company directly after the account was referred to an agent?

- For example, the company was not able to give relevant details to the customer and demonstrate that they were aware of any agreed payment plan etc. A contact may include a complaint against the third party.

7.4.9 Question 9 - If the answer to question 9 is 'Yes', then did the company deal with the customer appropriately? If not, please state reason.

- The assessor should answer this question as yes if the customer was treated in the same manner as they would have had they originally contacted the company.

Appendices

List of appendices

8. Timetable of activity for assessments
9. Written complaints pre-assessment questionnaire
10. Debt management pre-assessment questionnaire
11. Written complaints assessment summary sheet
12. Written complaints assessment pro forma
13. Debt management assessment summary sheet
14. Debt management assessment pro forma (individual cases)
15. Debt management assessment pro forma (company process)
16. Guaranteed standards scheme
17. Recommendation activity tracking sheet
18. Glossary of terms
19. Appeal Process

Timetable of activity for assessments

WD	CCWater activity	Company activity
30	Assessment Coordinator confirms dates for the cases to be selected from and forwards the information to the company representative for action	
	Assessment Coordinator forwards pre-assessment questionnaire to the company for completion and response 15 working days before assessment	Company will complete the pre-assessment questionnaire.
25		Company representative sends back the list of cases for the period selected in a spreadsheet
24	Assessment Coordinator selects the cases for review at the assessment day	Company representative checks the cases to ensure they are all correctly recorded and not already had CCWater involvement (complaints only)
20	Finalised cases agreed with company	Finalised cases agreed with CCWater
		Company begins to prepare the summary sheets for the cases selected for use on the assessment day.
10	Assessment Coordinator sends assessment panel and company confirmation e-mail of assessment day.	
0	Assessment day	Assessment day
+10	Draft report	
+15	Preliminary report is forwarded by Assessment Coordinator to the company representative for any challenge or comments against recommendations/findings.	Company will have ten working days to challenge contents of report.
+25	Report is finalised unless there is a review of the findings.	

Written complaints pre-assessment questionnaire

The following questions and table should be completed as fully as possible and returned to the CCWater assessment co-ordinator 15 working days before the assessment is undertaken. The return should be checked and signed by the senior responsible manager for written complaint management.

Complaints

Complaint Volumes		Current year		
Total number of written complaints	YTD			
	Total			
• Billing & Charges	YTD			
	Total			
• Water Supply	YTD			
	Total			
• Sewerage	YTD			
	Total			
• Metering	YTD			
	Total			
• Other	YTD			
	Total			
Total number of written complaints per 10,000 connections	YTD			
	Total			

1. What are your internal targets for written complaint management?
2. What emerging trends have you identified for written complaints?
3. What are your priorities for improvement over the coming year?

Recommendations

Please give details, where applicable of the steps you have taken to implement any previous recommendations made by the assessment panel.

Debt management pre assessment questionnaire

The following questions and information should be completed as fully as possible and returned to the CCWater assessment co-ordinator 15 working days before the assessment is undertaken. The return should be checked and signed by the senior manager responsible for debt management.

Section 1

1. Please provide a table of the payment methods and frequencies that you offer your customers.
2. What are your internal targets for debt management?
3. What emerging trends have you identified for debt management?
4. What are your priorities for improvement over the coming year, and what changes have been made since last year?

Section 2

Using details from your debt management processes please give details of the different activities (pre claims notices, Charging orders etc.) you undertake and the volumes.

Debt Activity	YTD			% Difference
	YTD			
	Total			

Recommendations 2009-10

Please give details, where applicable of the steps you have taken to implement any previous recommendations made by the assessment panel.

Written complaints assessment summary sheet - example

Assessment Date		Company	
Selection Date		Complaint ref	

Summary of Complaint

The customer's daughter is complaining about her mother being billed for charges when she has previously advised us that her mother has moved into a nursing home.

Details of the complaint should be included below in chronological order, please refer to the Customer Service Assessment guidelines.

Date	Detail	Contact
14/12/07	Background to complaint <ul style="list-style-type: none"> Ms Smith the daughter of our customer Mrs Johns telephoned our call centre to advise that her mother had been taken into a nursing home and no water would be used in the property. She had a power of attorney and wanted the account to be transferred into her name. Customer advised to send in power of attorney so account can be actioned. 	Telephone (Appendix 1)
08/04/08	Customer complaint dated 04/04/08 received 08/04/08 <ul style="list-style-type: none"> Daughter of customer complaining that account details not changed. Disconnection of supply requested Copy of power of attorney received. 	Letter (Appendix 2)
08/04/08	System screen shot to confirm details of complaint logged onto billing system.	System screen shot (Appendix 3)
10/04/08	Disconnection requested	Internal E-mail (Appendix 4)
11/04/08	e-mail from disconnection advising date of disconnection	Internal e-mail (Appendix 5)
13/04/08	Response to complaint letter sent to Ms Smith <ul style="list-style-type: none"> Confirmed receipt of letter and copy of power of attorney. No record of original letter Date of disconnection Account information changed 	Company Letter (Appendix 6)
20/04/08	Confirmation from contractor that disconnection has taken place	Internal Memo (Appendix 7)

Written complaint assessment pro forma

Company		Assessment Date	
Assessor		Company reference	
Date complaint received		Date of substantive response	

Essential features	Yes	No	N/A
7. Did the company follow its procedure in dealing with this complaint?			
8. Has the company applied the Ofwat definition of a complaint to this case?			
9. Was a substantive reply issued within GSS (or company enhanced scheme) time-scales?			
10. Was a copy of the company's complaint procedure provided or offered?			
11. Was the reply to the complaint proportionate, taking account of the nature of the issue, and the effect it has had on the complainant?			
12. Were any applicable GSS payments made?			
13. Were all concerns in the consumer's letter addressed?			
14. If the consumer was unhappy with the initial reply was it passed to the review stage?			
15. Were the consumer's individual circumstances considered?			

To receive a 'Good' score questions 1-11 should be marked as 'Yes' or 'N/A'

If questions 1-9 are marked as 'yes' or 'N/A' and questions a 'No' is given to questions 10-11 the score will be 'Acceptable'

If any questions 1-9 are marked as 'No' the case ranking will be 'Not Acceptable'

Give detail of marking for question 9

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Beneficial features

16. Did the reply contain a named contact and how to contact them?			
17. If required, was an apology provided?			

Good		Acceptable		Not Acceptable	
Reviewed By					

If the case has been marked as 'Not Acceptable' please give commentary in the box overleaf providing your reason for the case ranking.

Written complaints assessment pro forma - page 2

Additional comments on 'Not Acceptable' cases:

Additional comments:

Debt management assessment summary sheet - example

Assessment Date		Company	
Selection Date		M/UM	
Stage of case		Reference	

Pre 01/04/09 Summary

Customer has historically paid all bills on 10 month payment plan. No previous arrears history.

Detailed summary post 01/04/2009

Details of the customer's debt should be included below in chronological order please refer to the Consumer Services Assessment Guidelines.

Date	Detail	Amount	Total	Contact
01/04/08	Invoice	£250	£250	Letter (Appendix 1)
07/04/08	Payment received	£10	£240	Bank Giro
14/04/08	First reminder			Letter
28/04/08	Second reminder			Letter
08/05/08	Call from customer to setup payment plan. Payment plan set at £26 a month to be paid by water card. Payable first of every month. First payment due 1 st June 2008.			Telephone (Appendix 2)
09/05/08	Water card issued to customer			System
01/06/08	Payment due			System
02/06/08	No payment received. Defaulted payment plan			System
01/07/08	No payment received. Defaulted payment plan, payment plan cancelled.			System
10/07/08	Solicitor letter			Letter
20/07/08	Pre Judgement letter			Letter
01/08/08	Call attempted to customer			Telephone (Appendix 3)
01/09/08	CCJ			System
01/10/08	Date of assessment - still no contact from customer			

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Debt management assessment pro forma (individual cases)

Company		Assessment Date	
Assessor		Company reference	
Stage of Case?		Amount outstanding?	

	Yes	No	N/A
1. Has the company adhered to their collection timescales in accordance with their processes?			
2. Has the company adhered to their collections process?			
3. Is there evidence that the company is continuously using different strategies and techniques to chase the debt?			
4. Did the company use all appropriate methods available to contact the customer when pursuing the debt?			
5. Where applicable has debt segmentation taken place according to the knowledge of the individual's circumstances?			
6. If the customer has queried or disputed the bill has the company responded promptly meeting all regulatory requirements and carried out appropriate action on the account to reflect the outcome of such a query or dispute?			
7. Was the referral to the debt recovery agent/tracing/third party appropriate? If no state reason.			

Explain your reasoning for question 7.

8. Is there evidence that the customer attempted to contact the company directly once the account was referred to the debt recovery agent?			
9. If the answer to question 8 is yes, then did the company deal with the customer appropriately? If not, please state reason.			

Explain your reasoning for question 9.

Overall case ranking

Good		Reviewed by
Needs Improvement		

If the case has been marked as 'Needs Improvement' please provide commentary in the box overleaf giving your reasoning for the case ranking.

Debt management assessment pro forma (individual cases) page 2

Additional comments on 'Needs Improvement' cases:

Additional Comments:

Appendix 8

Debt management assessment sheet (company process)

This form is to be used in conjunction with the guidelines for assessment of a company's policy for customer debt management/recovery. It provides an insight to the company's level of compliance with Ofwat's Guidelines on dealing with Household Customers in Debt. It will also identify any company specific good practice and record the adoption of any previously identified good practice. (Please provide detailed comment in the boxes provided).

COMPANY

.....
.....

PRINCIPLE 1: CONTACT WITH CUSTOMERS

Adopted guidelines
Adopted some guidelines
Refinement to policy or application necessary/not adopted the guidelines

Comments:

PRINCIPLE 2: PAYMENT OPTIONS

Adopted guidelines
Adopted some guidelines
Refinement to policy or application necessary/not adopted the guidelines

Comments:

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PRINCIPLE 3: INFORMATION FOR CUSTOMERS IN DEBT

Adopted guidelines
Adopted some guidelines
Refinement to policy or application necessary/not adopted the guidelines

	Comments:
--	------------------

PRINCIPLE 4: PAYMENT ARRANGEMENTS FOR CUSTOMERS IN DEBT

Adopted guidelines
Adopted some guidelines
Refinement to policy or application necessary/not adopted the guidelines

	Comments:
--	------------------

PRINCIPLE 5: DEBT RECOVERY AGENTS (IF APPLICABLE)

Adopted guidelines
Adopted some guidelines
Refinement to policy or application necessary/not adopted the guidelines

	Comments:
--	------------------

GENERAL/OVERALL VIEW:-

Adopted good practice previously highlighted
Further good practice highlighted at this company
No adoption of good practice or evidence of innovation/flexibility

	Comments:
--	------------------

CHARITABLE TRUSTS/HARDSHIP FUNDS

Please indicate whether the company:

Has a charitable trust/hardship fund
Is planning to have a charitable trust/hardship fund
Does not have a charitable trust/hardship fund and does not plan to have one

**Guaranteed standards scheme (GSS)
(Extract from Ofwat GSS document)**

Applicable to England and Wales from 1 April 2008

Customers of water and sewerage companies are entitled to guarantee minimum standards of service, as laid down by the Government. Where a company fails to meet a standard then it is required to make a specified payment to the customer affected. We monitor the scheme and recommend changes. Each year Ofwat publish the number of payments made under the scheme.

Customers' rights

The scheme applies to all customers of water and sewerage companies. The water and sewerage companies must inform billed customers of their rights under the scheme every year.

If a company fails to meet any of the guaranteed standards, customers are entitled to a payment. Details of these are shown under each service standard.

Some companies operate schemes that go further than the GSS. For example, where a reply to a complaint letter is required in ten days under the GSS, the company may raise this standard to five days. In other cases, a higher amount is paid than the minimum amount set out in the GSS Regulations.

The standards which companies must meet are as follows:

1. Making appointments (GSS Regulation 6)
2. Keeping appointments (GSS Regulation 6)
3. Low pressure (GSS Regulation 10)
4. Notice of interruption to supply (GSS Regulation 8)
5. Supply not restored (GSS Regulation 9)
6. Account queries and requests about changes to payment arrangements (GSS Regulation 7)
7. Complaints (GSS Regulation 7)
8. Flooding from sewers - internal flooding (GSS Regulation 11)
9. Flooding from sewers - External flooding (GSS Regulation 12)

1. Making appointments (GSS Regulation 6)

If an appointment is made with a customer, the company must give notice to the customer that its representative will visit during the morning or the afternoon. The company must specify to the customer the times it considers to be the morning or afternoon. If the company fails to do this, the company must automatically make a GSS payment.

If requested by the customer the company must give notice to the customer that its representative will visit within a specified two-hour time slot. If the company fails to do this, the company must automatically make a GSS payment.

The company must make the GSS payment within ten working days of the payment becoming due. If the company fails to do this and the customer makes a claim for an additional penalty payment within three months of the GSS payment becoming due, the company must make the additional penalty payment.

GSS Regulation	GSS Payment		Late payment penalty	
	Domestic	Business	Domestic	Business
Appointments not made properly	£20	£20	£10	£10

2. Keeping appointments (GSS Regulation 6)

If an appointment is not kept because:

- The company representative did not visit on the appointed day;
- The company representative did not visit during the morning or the afternoon (in accordance with the appointed time specified);
- The company representative did not visit within the appointed 2-hour time slot; or
- The company cancelled the appointment but did not give the customer at least 24 hours' notice

A GSS payment must be made automatically.

The company must make the GSS payment within ten working days of the payment becoming due. If the company fails to do this, and the customer makes a claim for an additional penalty payment within three months of the GSS payment becoming due, the company must make the additional penalty payment.

There are exceptions to the requirement to make a GSS payment if an appointment is not met. These are:

- The customer cancels the appointment;
- The company cancels the appointment giving at least 24 hours' notice;

- It is impracticable to keep the appointment due to severe weather;
- It is impracticable to keep the appointment due to industrial action by the company's employees; or
- It is impracticable to keep the appointment due to an act/default of a person other than the company's representative.

GSS Regulation	GSS Payment		Late payment penalty	
	Domestic	Business	Domestic	Business
Appointments not kept	£20	£20	£10	£10

3. Low pressure (GSS Regulation 10)

The company must maintain a minimum pressure in the communication pipe of seven metres static head (0.7 bar). If pressure falls below this on two occasions, each occasion lasting more than one hour, within a 28-day period, the company must automatically make a GSS payment.

There are exceptions to the requirement to make a GSS payment if the pressure standard is not met. These are:

- A payment has already been made to the same customer in respect of the same financial year;
- It is impractical for the company to have identified the particular customer as being affected, and the customer has not made a claim within three months of the date of the latter occasion;
- Industrial action by the company's employees makes it impracticable to maintain the pressure standard;
- The act or default of a person other than the company's representative make it impracticable to maintain the pressure standard; or
- The pressure falls below the minimum standard due to necessary works taking place or due to a drought.

GSS Regulation	GSS Payment		Late payment penalty	
	Domestic	Business	Domestic	Business
Low water pressure	£25	£25	-	-

4. Notice of interruption to supply (GSS Regulation 8)

Where it is planned that the supply will be materially interrupted or cut off for more than four hours to carry out necessary works the company must give written notice to affected customers at least 48 hours before the supply will be interrupted or cut off, including notification of the time by which the supply will be restored.

If the company fails to do this, the company must automatically make a GSS payment. Where the supply is interrupted or cut off to carry out necessary

works in an emergency the company must, as soon as is reasonably practicable, take all reasonable steps to notify affected customers:

- That the supply has been interrupted or cut off;
- Where any alternative supply can be obtained;
- The time by which the supply will be restored; and
- Of the phone number of an office from which further information may be obtained.

Where a customer was not given the correct notification for a planned interruption lasting more than four hours caused by necessary works, but the company does not make an automatic payment to the customer within 20 working days of this event, the company must automatically make an additional penalty payment to the customer.

There are exceptions to the requirement to make a GSS payment if the correct notice of interruption to supply is not given. These are if:

- industrial action by the company's employees makes it impracticable for the company to give the correct notice at least 48 hours before the supply was cut off;
- the act or default of a person other than the company's representative made it impracticable for the company to give the correct notice at least 48 hours before the supply was cut off; or
- It is impractical for the company to have identified the particular customer as being affected, and the customer has not made a claim within three months of the date on which the supply was cut off.

GSS Regulation	GSS Payment		Late payment penalty	
	Domestic	Business	Domestic	Business
Incorrect notice of planned interruptions to supply	£20	£50	£20	£50

5. Supply not restored (GSS Regulation 9)

The company must automatically make a GSS payment to affected customers if:

- The supply is interrupted or cut off to carry out necessary works, and the supply is not restored by the time stated in the written notice given to affected customers;
- the supply is interrupted or cut off in an emergency due to a leak or burst in a strategic main and is not restored within 48 hours of the company first becoming aware of the interruption or that the supply was cut off; or
- The supply is interrupted or cut off in an emergency for any other reason and is not restored within 12 hours of the company first becoming aware of the interruption or that the supply was cut off.

A further automatic GSS payment must be made for each full 24-hour period that the supply is interrupted or cut off. If the company does not make an automatic payment for which it is liable to the customer within 20 working days of the interruption to supply, the company must automatically make an additional penalty payment to that customer.

There are exceptions to the requirement to make a GSS payment if supply is not duly restored. These are if:

- Industrial action by the company’s employees prevented the supply being restored;
- The act or default of a person other than the company’s representative prevented the supply being restored;
- Severe weather prevented the supply being restored;
- where the supply was interrupted or cut off due to a leak or burst on a strategic main, or for any other unplanned reason, the circumstances were so exceptional that it would be unreasonable to expect the supply to be restored within the relevant period;
- It is impractical for the company to have identified the particular customer as being affected, and the customer has not made a claim within three months of the date of the supply not being duly restored; or
- The regulation does not apply where supply is interrupted or cut off due to a drought.

GSS Regulation	GSS Payment		Late payment penalty	
	Domestic	Business	Domestic	Business
Supply not restored - initial period	£20	£50	£20	£50
Supply not restored - Each further 24 hours	£10	£25		

6. Account queries and requests about changes to payment arrangements (GSS Regulation 7)

If a customer queries in writing the correctness of an account, the company must despatch a substantive reply to the customer within ten working days from the receipt of the query. If the company fails to do this, the company must automatically make a GSS payment.

If a customer requests, in writing, a change to a payment arrangement and the company is unable to agree to the request, the company must despatch a substantive response within five working days from the receipt of the request. If the company fails to do this, the company must automatically make a GSS payment.

The company must make the GSS payment within ten working days of the payment becoming due. If the company fails to do this and the customer makes

a claim for an additional penalty payment within three months of the GSS payment becoming due, the company must make the additional penalty payment.

There are exceptions to the requirement to make a GSS payment if the company does not respond to account queries or requests in the given time frames. These are if:

- The customer informs the company that they don't wish to pursue the query or request;
- In the case of a query the company reasonably considered a visit to be necessary, but severe weather made it impracticable to make the visit;
- Industrial action by the company's employees made impracticable to despatch a substantive response within the relevant period;
- The act or default of a person other than the company's representative made it impracticable to despatch a substantive response within the relevant period;
- The query or request was not sent to an address notified in writing by the company to its customers as the appropriate address for such queries or requests; or
- In the case of a query, it is frivolous or vexatious.

GSS Regulation	GSS Payment		Late payment penalty	
	Domestic	Business	Domestic	Business
Written account queries	£20	£20	£10	£10

7. Complaints (GSS Regulation 7)

If a customer complains in writing to a water company about the supply of water, or to a sewerage company about the provision of sewerage services, the company must despatch a substantive response to the customer within ten working days of receipt of the complaint. If the company fails to do this, the company must automatically make a GSS payment.

The company must make the GSS payment within ten working days of the payment becoming due. If the company fails to do this and the customer makes a claim for an additional penalty payment within three months of the GSS payment becoming due, the company must make the additional penalty payment.

There are exceptions to the requirement to make a GSS payment if the company does not respond to written complaints in the given timeframes. These are if:

- The customer informs the company that they don't wish to pursue the complaint;

- Industrial action by the company’s employees makes it impracticable to despatch a reply within the relevant period;
- The act or default of a person other than the company’s representative made it impracticable to despatch a reply within the relevant period;
- The complaint was not sent to an address notified in writing by the company to its customers as the appropriate address for complaints of that nature;
- The complaint was frivolous or vexatious; or
- The company reasonably considered a visit to be necessary, but severe weather made it impracticable to make the visit.

GSS Regulation	GSS Payment		Late payment penalty	
	Domestic	Business	Domestic	Business
Complaints	£20	£20	£10	£10

8. Flooding from sewers - Internal flooding (GSS Regulation 11)

If effluent from a sewer, which is vested in a sewerage company, enters a customer’s building, the company must make an automatic GSS payment of the sum equal to the customer’s annual sewerage charge up to a maximum of £1,000. If the amount the company is required to make is less than £150, the company must pay the customer £150.

If the company does not make an automatic payment for which it is liable to the customer within 20 working days following the date on which the effluent entered his building, the company must automatically make an additional penalty payment to that customer.

This payment must be made for each incident.

There are exceptions to the requirement to make a payment if effluent enters a customer’s building. These are if:

- The entry of the effluent was caused by:
 - Exceptional weather conditions;
 - Industrial action by the company’s employees;
 - The actions of the customer;
 - A defect, inadequacy or blockage in the customer’s drains or sewers; or
- It is impractical for the company to have identified the particular customer as being affected, and the customer has not made a claim within three months following the date on which the effluent entered his building.

GSS Regulation	GSS Payment		Late payment penalty	
	Domestic	Business	Domestic	Business
Internal Sewer Flooding	Payment equal to annual sewerage charges (Minimum payment of £150. Maximum of £1000)		£20	£50

9. Flooding from sewers - External flooding (GSS Regulation 12)

If effluent from a sewer, which is vested in a sewerage company, enters a customer's land or property, the company must make a GSS payment of the sum equal to 50% of the customer's annual sewerage charge up to a maximum £500. The customer must claim the payment from the company within three months of the incident. If the amount the company is required to make is less than £75, the company must pay the customer £75. This payment must be made for each incident.

If the company does not make a payment for which it is liable to the customer within 20 working days following the date on which the claim is received by the company, the company must automatically make an additional penalty payment to that customer.

There are exceptions to the requirement to make a payment if effluent enters a customer's building. These are if:

- The entry of the effluent was caused by:
 - Exceptional weather conditions;
 - Industrial action by the company's employees;
 - The actions of the customer;
 - A defect, inadequacy or blockage in the customer's drains or sewers;
- The company has made a payment to the same customer in respect of the same incident for internal sewer flooding;
- The customer was not materially affected by the incident; or
- The customer has not claimed the payment within three months following the date on which effluent entered the customer's land or property. In deciding whether a customer has been materially affected by the incident companies must take into account:
 - What parts of the customer's land or property the effluent entered;
 - The duration of the flooding;
 - Whether the flooding restricted the access to the land or property;
 - Whether the flooding restricted the use of the land or property; and
 - Any other relevant considerations of which the company is aware.

GSS Regulation	GSS Payment		Late payment penalty	
	Domestic	Business	Domestic	Business
External Sewer Flooding	Payment equal to 50% of annual sewerage charges (Minimum payment of £75. Maximum of £500)		£20	£20

Recommendation activity tracking sheet

Company name: _____

Assessment Recommendation	Company Response	Proposed company action	Action by whom	Date of action to be completed

Glossary of terms

Complaints

If a customer complains in writing to a water company about the supply of water, or to a sewerage company about the provision of sewerage services, the company must despatch a substantive response to the customer within ten working days of receipt of the complaint.

If the company fails to do this, the company must automatically make a GSS payment. GSS payment is £20 for domestic and business customers.

The company must make the GSS payment within ten working days of the payment becoming due. If the company fails to do this and the customer makes a claim for an additional penalty payment within three months of the GSS payment becoming due, the company must make the additional penalty payment. Late payment penalty is £10 for domestic and business customers.

There are exceptions to the requirement to make a GSS payment if the company does not respond to written complaints in the given timeframes.

These are if:

- the customer informs the company that they don't wish to pursue the complaint;
- industrial action by the company's employee's make it impracticable to despatch a reply within the relevant period;
- the act or default of a person other than the company's representative made it impracticable to despatch a reply within the relevant period;
- the complaint was not sent to an address notified in writing by the company to its customers as the appropriate address for complaints of that nature;
- the complaint was frivolous or vexatious; or
- The company reasonably considered a visit to be necessary, but severe weather made it impracticable to make the visit.

Payment and claims

If a customer is entitled to a GSS payment and the company has not made the payment automatically, the customer can claim the payment within three months of the incident.

If, at the time of the incident, the customer owes money to the company, and has done so for more than six weeks, the company will normally credit the customer's account rather than make payment by cheque.

Debt

Bill - either a rateable value or measured account stating the basis of charging and the amount owed to the water company.

First Reminder - the initial reminder to the customer about an overdue bill

Second Reminder - second reminder about the overdue bill

Personal Contact - either telephone call or visit to the customer

County Court Claim - Formal document sent to inform the customer that a creditor has begun legal proceedings against them. The customer is given 14 days to respond to the form. Ignoring the claim will result in a Judgment being registered by default and an order to pay the whole amount immediately.

County Court Judgement - If the customer does not pay the full amount of a claim issued by the County Court within 28 days or applies for settlement by instalments, or files a defence the company will apply for judgement to be lodged against the customer. If the customer does not pay the account in full after the judgement has been obtained, the company will normally ask the Court to enforce judgement. This can involve any of the following: -

- Requesting the customer attends Court for an "Oral Examination" the customer would have to answer questions under oath by a court officer about their financial affairs; failure to attend may result in imprisonment.
- Issuing a "Warrant" where for the County Court bailiff would collect money owed, or seize goods for sale by auction.
- Applying for an "Attachment of Earnings", if the customer is employed information would be sent to their employer to confirm that an amount of money would be taken from their earnings each pay day.
- Obtaining a "Charging Order" which would prevent the customer from selling any assets (such as property, land or investments) without paying what money is owed.

Once a county court judgement has been issued the company can use the follow procedures to recover debt.

Attachment of Earnings - if the customer is employed information would be sent to your employer to confirm that and payment will be taken from the customer's wage.

Oral Examination - the customer will be required to attend court to discuss their financial circumstances.

Charging Order - if the customer owns a property, the company will ask the judge to make an order which prevents the customer selling, re-mortgaging or taking out a loan secured on it. If the customer has a mortgage this will involve the lender being aware of the details of their debt and of the county court judgment against them.

Garnishee Order - the court will order funds to be taken directly from the customer's bank account.

Warrant of execution - a bailiff is ordered to call at the address to seize property to the value of the debt.

Appendix 12

