



A Consumer Council for Water Consultation:

Collecting and publishing information from water supply and sewerage licence holders

Subject of consultation	Collecting and publishing information from water supply and sewerage licence holders.
Scope of consultation	The aim of this consultation is to agree an approach for the collection and publication of complaint data from water supply and sewerage licence holders by CCWater.
Who should read this	Water supply and sewerage licence holders and any other interested parties.
Duration	4 weeks. CLOSING DATE 24 MARCH 2017
Enquiries	For general enquiries relating to this consultation, please contact James Mackenzie, Policy Manager on 07810 815 756 or at james.mackenzie@ccwater.org.uk .
How to respond	Responses can be emailed to: marketreform@ccwater.org.uk or sent by post to: Market Reform, Consumer Council for Water, 1st Floor, Victoria Square House, Victoria Square, Birmingham B2 4AJ

Disclaimer

We will publish responses to this consultation on our website at www.ccwater.org.uk, unless you indicate otherwise. Information provided in response to this consultation, including personal information, may be published or disclosed in accordance with access to information legislation - primarily the Freedom of Information Act 2000 (FoIA), the Data Protection Act 1998 and the Environmental Information Regulations 2004.

If you would like the information that you provide to be treated as confidential, please be aware that, under the FoIA, there is a statutory 'Code of Practice', which deals, among other things, with obligations of confidence. In view of this, it would be helpful if you could explain to us why you regard the information you have provided as confidential. If we receive a request for disclosure of the information we will take full account of your explanation, but we cannot give an assurance that we can maintain confidentiality in all circumstances. An automatic confidentiality disclaimer generated by your IT system will not, of itself, be regarded as binding on the Consumer Council for Water.

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1. Introduction

- 1.1 The Consumer Council for Water (“CCWater”) is the independent and statutory water consumer body representing both household and non-household water consumers in England and Wales.
- 1.2 As part of our representational work we currently ask water and/or sewerage companies to provide us with information about their customer service and operational performance on a regular basis. We then discuss with the companies how they could improve those aspects of performance that give cause for concern. We publish some or all of this data in two annual reports:

- ✚ [Report on complaints](#) each September
- ✚ [Delving into Water](#) each November.

In all cases, the year-end data is normalised to allow for comparisons to be made between companies and across the years.

- 1.3 We consider that we should extend our information collection to water supply and sewerage licence (WSSL) holders (“retailers”) as they establish themselves in the new non-household (NHH) retail market in England. This would be complaints data only. Where we identify concerns we would discuss these with retailers directly. We would publish year-end data in our annual report on complaints to enable comparisons to be made between retailers.
- 1.4 The purpose of this consultation is, therefore, to set out our proposals on the scope of the data we propose to collect, and the frequency of its collection.
- 1.5 Paragraph 4.1 lists nine questions on which we seek your views. CCWater is committed to listening to feedback from all of our stakeholders. Once the consultation closes we will issue a response document that summarises respondents’ views to each of the questions, and sets out how we intend to proceed.

2. Background

- 2.1 Under Section 38B of the Water Industry Act 1991 (WIA), CCWater has a duty to publish “...such statistical information as it considers appropriate relating to complaints made by consumers about...licensed water suppliers...” Section 27 of the WIA allows CCWater to request and publish information from companies on consumer matters.
- 2.2 The Water Act 2014 extended these powers to cover WSSL holders in the new NHH market. Ofwat makes reference to these powers in its guidance accompanying the WSSL application form.¹
- 2.3 CCWater will continue to act on behalf of customers in the new NHH retail market in England. This will include dealing with complaints from customers about the service they have received from retailers (and, where applicable, from wholesalers). We, therefore, believe it is important that we collect data about the complaints that retailers are receiving directly. This will allow us to:
 - ✚ compare it to the complaints we receive directly from customers in order to identify issues of concern, and to resolve them as quickly as possible; AND
 - ✚ aid discussions with companies about current and future customer services.
 - ✚ inform our wider policy work.
- 2.4 We have taken into account the information Ofwat is proposing to collect (from its recent consultation on *Monitoring the Business Retail Market*) to ensure that there is no duplication of effort.
- 2.5 Some retailers have already held preliminary discussions with our regional policy colleagues and/or consumer relations team about our intentions to collect complaint data. This consultation is intended to provide more detail on our plans, and allow retailers the opportunity to provide formal feedback on our proposals.

¹ *The applicant is required to provide a declaration that, if granted a licence, it will work positively with the CCWater. CCWater has a duty to represent and provide information to consumers, including those supplied by a licensee. Applicants should be aware that CCWater will be able to direct licensees to provide information that it requires for the purpose of carrying out its functions.(See section 27H of the WIA91) The requirement for a declaration is intended to make the applicant aware of CCWater and its role and that they will need to work together. - [Application for WSSL; Guidance version 2, Ofwat October 2016](#)*

3. Proposal

- 3.1 The NHH retail market in England will open on 1 April 2017. Many eyes will be on it, all interested in the degree to which NHH customers are aware of the market, engage with it, and switch retailer or re-negotiate existing price or service packages. They will also be interested in ascertaining whether the market is running smoothly or whether it has intermittent, teething or systemic problems. Complaints to retailers and to CCWater will be one way of gauging the success or otherwise of the new market.
- 3.2 CCWater is, therefore, consulting with retailers and other stakeholders about the scope of the data we propose to collect and the frequency of its collection. In paragraph 4.1 we list nine questions. Our aim is to make sure that we:
- ✚ Only collect information which we will use, so as to not place an undue burden on retailers;
 - ✚ Collect consistent information that can be compared across retailers, and over time;
 - ✚ Make relevant, comparable information available to retailers quarterly; and
 - ✚ Publish annually audited non-commercially sensitive data for consumers and stakeholders.

Scope of data collection

- 3.3 Currently, incumbent water companies provide CCWater with a range of complaints data on a quarterly basis: total written complaints broken down into five categories - billing and charging, metering, water services, sewerage services, and administration, and they do so for both household and non-households. In addition, companies supply the number of customers served as this provides the denominator to allow for the normalisation of data.
- 3.4 Water companies also provide Ofwat with the total number of 'unwanted' contacts they receive from customers. The term 'unwanted' refers to a contact that the customer made even though s/he did not really wish to do.
- 3.5 Clearly, this level of information would not be appropriate for retailers as:
- ✚ The new market is for NHH only; and
 - ✚ Wholesalers have responsibility for three of the five complaint categories.
- 3.6 As such, we propose to limit the data requirements on retailers to:
- ✚ Number of customers served (denominator);
 - ✚ Total number of written complaints received;
 - ✚ Number of written complaints deemed to be caused by a wholesaler service failure; and
 - ✚ Total number of unwanted contacts received from customers.

- 3.7 We are asking retailers to identify which complaints are related to wholesale activities, because we believe it is important to identify where potential problems are originating, if not from retailers' service provision.
- 3.8 Retailers will be welcome to voluntarily provide additional information to explain the data they are submitting.
- 3.9 The data collected would relate to complaints received from customers about charges, services and operational activities in England and Wales, even if the originator of the complaint was based outside these two countries. Retailers also operating in Scotland do not have to provide us with complaints data about their activities in Scotland.
- 3.10 Our local teams may request a meeting or telephone conference with retailers to ask for detail behind the complaint data (for example the most common complaint categories). However, this would only be where we have a cause for concern.

Frequency of collection

- 3.11 At the outset, interest in the operation of the new NHH retail market will be high, especially from Government, regulators, and consumer groups. As such, we consider that:
- ✚ complaints data should be collected on a calendar month basis except for unwanted contact data which should be collected annually; and retailers should complete and send their data to CCWater, using a simple pro-forma, within four weeks of the end of the month to which the data refers.
- 3.12 Monthly submission of complaint data will allow us to get a picture of how retailers are operating and help to identify any problems quickly. We do not feel that quarterly data collection would give us this visibility.
- 3.13 Where retailers receive no complaints in any given month they will be able to file a nil return via email.
- 3.14 At the end of April 2018, retailers should submit complaints data for the full year 2017-18, explaining any variation between the year-end total and the sum of the monthly totals.
- 3.15 CCWater will review the scope of the data collected and the frequency of its collection towards the end of the financial year with a view to moving to quarterly data collection in subsequent reporting years. We will communicate our findings to all retailers, and other key stakeholders, before the start of the 2018-19 financial year.

Summary of proposals

- 3.16 From 1 April 2017, the Consumer Council for Water is proposing to collect the following complaints data from retailers operating in the non-household retail water market in England.

TABLE 1: FROM 1 APRIL 2017 TO 31 MARCH 2018

Data	Frequency
A. Total number of written complaints (inclusive of B).	Monthly
B. Total number of written complaints deemed to be caused by a wholesaler service failure (as a subset of A).	Monthly
C. Total number of customers served.	Monthly
D. Total number of unwanted contacts (which incorporates telephone complaints).	Annually
E. Total number of written complaints (to correct/adjust previously submitted data)	Annually

TABLE 2: FROM 1 APRIL 2018 ONWARD (PRESUMPTIVE)

Data	Frequency
A. Total number of written complaints (inclusive of B).	Quarterly
B. Total number of written complaints deemed to be caused by a wholesaler service failure (as a subset of A).	Quarterly
C. Total number of customers served.	Quarterly
D. Total number of unwanted contacts (which incorporates telephone complaints).	Annually
E. Total number of written complaints (to correct/adjust previously submitted data)	Annually

- 3.17 From time to time, CCWater may ask retailers to provide additional context to complaints data, for example, we may ask for further information on the types of complaints being received. Retailers can also volunteer more detail to explain variances in the data if they choose to.
- 3.18 We would expect retailers to supply the requested information to CCWater using the pro-forma template we will provide (see sample spreadsheet at Annex 2), or to provide a nil return as detailed below, within four weeks of the end of the reporting period (end of the calendar month).

Definitions

3.19 CCWater operates by definitions most recently outlined in Ofwat's Service Incentive Mechanism Guidance². (See Annex 1):

- ✚ Written complaints
- ✚ Unwanted contacts
- ✚ Wholesaler service failures (such those defined in the Wholesale Retail Code³)

Special consideration

3.20 CCWater will be making special consideration about data provision in these circumstances:

- ✚ Self-supply retailers will not be required to provide any data to CCWater.
- ✚ Retailers can report nil returns to CCWater by email to prevent undue burden. This would apply where their customer numbers have not changed since the last submission and they have received no complaints.

How CCWater will use the data

3.21 CCWater will collect and compile retailer data. We will treat data sensitively⁴ and use it in the following ways:

- ✚ Share it with Defra, Ofwat and MOSL on an in-confidence basis as part of the formal market monitoring regime⁵. We will make it clear that the data is unaudited when we share it.
- ✚ Share a quarterly report with all retailers that shows complaint performance on a normalised and anonymised basis. CCWater will work with any retailer to help them improve their customer service, by sharing good practice;
- ✚ Publish audited data annually in CCWater's report on industry complaints⁶ (starting September 2018, using data from 2017/18 reporting year).
- ✚ Use the data at an industry aggregate level in response to any media enquiries.

Why should retailers provide data to CCWater?

3.22 There are several reasons:

² [Service Incentive Mechanism - guidance for collating customer service information for calculating the SIM score. Ofwat March 2015](#)

³ [Wholesale Retail Code Subsidiary Document No002 Market Performance Framework](#)

⁴ The template we use to collect the data will include the following disclaimer: "The data presented in this report has not been subject to external review. CCWater respects the nature of the data provided and that the data presented may be revised as a result of companies' internal audit processes."

⁵ Please note that the data could be obtained from Defra, Ofwat or CCWater as a result of a FOIA request

⁶ [Consumer Council for Water 2015-16 Year End Report on Consumer Complaints and Enquiries](#)

- ✦ Section 27 of the Water Industry Act 1991 established the powers for the consumer representative body in the water industry to request (section 27H) and publish (section 27G) information about consumer issues.
- ✦ There is a reputational benefit to retailers in being seen as a good performer as measured by how few complaints they receive (and, as importantly, how they handle and resolve them).
- ✦ There is reputational benefit to the retail water market to be seen as transparent and joined up in its approach to protect customers and improve the overall service provision. This will help set the competitive water market apart from other sectors.
- ✦ CCWater's oversight of the industry and role as a "critical friend" will help retailers improve their overall service provision to customers, prevent complaints, shorten complaint handling times and lower the cost of serving customers.
- ✦ We believe that retailers' submission of this data to CCWater will also satisfy Ofwat's requirements to be able monitor the market in relation to customer complaints and enquiries.
- ✦ Retailers will receive comparative analysis of their performance relative to other retailers in the market on a quarterly basis which they may be able to use in their marketing material.

4. Consultation questions

4.1 We are asking respondents to answer nine questions.

1.	Will you be able to provide the data we propose to collect as detailed in tables 1 and 2? If not, please explain.
2.	Will you be able to provide the data at the frequency we propose as detailed in tables 1 and 2? If not, please explain.
3.	Will you be able to provide the data within four weeks of the end of the reporting period as proposed? If not, please explain.
4.	Do you agree with our rationale for collecting written complaints data on a monthly basis in the first year of the market and then moving to quarterly collection in subsequent years? If not, please explain.
5.	Do you support our proposal to share the data with Defra, Ofwat and MOSL on an in-confidence basis as part of the market monitoring framework? If not, please explain.
6.	Do you support our proposal to share anonymised data with all retailers on a quarterly basis? If not, please explain.
7.	Do you support our proposal to publish audited year-end data on a comparative basis? If not, please explain.
8.	Do you support our proposal that additional information may be requested from specific retailers on an as and when required basis? If not, please explain.
9.	Are there any other areas you consider would be beneficial for CCWater to collect comparable information from all retailers? If yes, please provide details.

5. Next steps and timing

5.1 We will publish a reply to any questions raised by retailers or other interested parties in response to this consultation. This response will set out our decisions on how we will collect complaint data after April 2017, including how retailers can submit the information to us.

5.2 Subject to the comments received in response to this consultation, we intend to begin collecting data from when the market opens in April 2017. This would mean the first set of data would be due four weeks after 30 April 2017.

- 5.3 We intend to provide anonymised data after the first quarter - so the first reports would be issued to retailers four weeks after the submission of the July 2017 proformas.

6. How to respond

- 6.1 The consultation will run for a period of 4 weeks. **The closing date for responses is 24 March 2017.**

- 6.2 For general enquiries relating to this consultation, please contact:

James Mackenzie, Policy Manager (Market Reform)

07810 815 756 or james.mackenzie@ccwater.org.uk.

- 6.3 Responses can be emailed to:

marketreform@ccwater.org.uk

or sent by post to:

Market Reform
Consumer Council for Water
1st Floor, Victoria Square House
Victoria Square, Birmingham, B2 4AJ

Annex 1:

Definitions (from [Service Incentive Mechanism - guidance for collating customer service information for calculating the SIM score. Ofwat March 2015](#)):

Written Complaints:

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 their 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 email, and comments written on a piece of company correspondence which the customer returns to the company, such as a bill, except where it is threatening or abusive to an individual. Companies should include complaints received via social media if it is advertised as a contact method for making a complaint. 'Advertised' includes: company sources (for example, letters, complaint leaflets, reports and website) and public sources of information (for example, printed and electronic directories)

Unwanted phone contacts:

This is the number of phone contacts received from customers that are 'unwanted' from the customer's point of view. This includes a contact about an event or action that has caused the customer unnecessary aggravation (however mild). It also includes repeat or chase calls by the customer to the company. This is determined by the subject matter of the call.

Annex 2: Sample Data Pro-forma:

REPORT TO THE CONSUMER COUNCIL FOR WATER
COMPANY NAME:
REGION/COMMITTEE
PERIOD:

DISCLAIMER: Not all of the data presented in this report has been subject to external review. We ask that CCWater respects the nature of the data provided and that the data presented may be revised as a result of companies' audit processes.

NOTES:

1. Information about connected properties is to be reported monthly.
2. Any 'annual' figures refer to the financial year (April - March).

		Total number of customers served	Total number of Written Complaints	Deemed to be caused by Wholesaler service failure	Total number of Unwanted Contacts (Including telephone complaints)	Total number of Written complaints (to correct/adjust previously submitted data)
2017	April					
	May					
	June					
	Q1 2017-18					
	July					
	August					
	September					
	Q2 2017-18					
	October					
	November					
	December					
	Q3 2017-18					
2018	January					
	February					
	March					
	Q4 2017-18					
2017-18	Annual					
<i>Note : The cells below are locked and will automatically populated from the cells above.</i>						
2017-18	Q1 2017-18	0	0	0		
	Q2 2017-18	0	0	0		
	Q3 2017-18	0	0	0		
	Q4 2017-18	0	0	0		
	Annual	0	0	0		