

## **Utility Week ‘I am the customer’ column – Household competition.**

Most eyes in the water sector have been fixed on the opening of the non-household retail water market in England on April 1. But if you blinked you might have missed the news that we will have to wait until at least the end of this Parliament before Government decides whether to give households the same choice. We welcome this delay which suggests that ministers – much like CCWater – need more assurances.

Many water customers like the idea of choice and we believe a very active marketplace could deliver tangible benefits. But there remains a gulf between what customers expect to save and what the water retail market is likely to deliver. A large majority of customers tell us that an annual saving of perhaps £10 from retailers would not be enough. Most expect to pocket at least four times that amount.

Even bundling water with other utilities, which could potentially shift savings closer to customers’ expectations, would fall short of the £200 plus that has previously failed to tempt many energy customers. Bundling would also add to the Pandora’s box of policy issues, such as disconnection, that need to be addressed.

We can now learn valuable lessons from the non-household water market that can help shape a more watertight case for pursuing, or abandoning, household competition. It will also be useful to see whether initiatives arising from the Competition and Markets Authority’s review of energy prompt greater customer engagement.

Through our commitment to closely monitor the experience of micro and small businesses in the non-household market, we can better understand if choice can really deliver what households want.

**Tony Smith**

**Chief Executive**

**Consumer Council for Water**