

## Phil Marshall reflects on the first year of the water market

Last month I had the pleasure of speaking at the inaugural Future Retail #1 conference. It was a great opportunity for all of us involved in the market to share our reflections on the past 12 months and discuss the challenges that lie ahead.

Naturally, delegates expressed differing viewpoints but there appeared to be a consensus that the first year of the market had been a success. It opened on time, there were no problems that created unwelcome news headlines, and today we have a market that is functioning well - which is credit to everyone's hard work in getting it up and running.

The experience for some consumers has not been entirely positive though. A number of conference delegates highlighted issues including incorrect or confusing bills and poor customer service from some retailers. This reflects many of the concerns we've heard from businesses which have turned to us for help.

In the past year the complaints we've received from non-household consumers have more than tripled. That might seem alarming - and it's certainly not good news for consumers - but my message at the conference was that it's not all doom and gloom.

Firstly, it was anticipated that complaints would rise as the new market found its feet - although the increase has been much higher than expected. Secondly, we received very few complaints about the retail market itself - and that's very encouraging. The majority of aggrieved customers were complaining about the same billing issues and poor service highlighted by conference delegates - and the good news is that retailers have the power to put these problems right. Moreover, it's not a reflection on the performance of all retailers; many have delivered good service and successfully avoided the problems experienced by a small number of their competitors.

Around 80 per cent of the complaints we received in the first year of the market related to Castle Water, Water Plus and Anglian Water Business (now part of Wave) which account for around 60 per cent of the market. We expect these retailers to address the high number of complaints they've been receiving and the complaints being escalated to us. If they do, and other retailers also perform well, we will have even more reason to celebrate cutting the second anniversary cake next year!

Finally - here's the challenge for all retailers and brokers as we head into year two: raising awareness and engagement among small and medium-sized businesses. With just four out of ten SMEs telling us they are aware they can switch retailer or renegotiate with their existing retailer - and with many SMEs who do know about the market keen to find out more about what's on offer - there's a golden

opportunity for retailers and brokers to sell the benefits of choice. Improving the visibility of retailers' price and service offerings and sharing stories of small businesses switching or renegotiating are just two of the ways they can help convince more SMEs that this market has something to offer everyone.

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