

CONSUMER COUNCIL FOR



CYNGOR DEFNYDDWYR



# Water For All



Affordability and vulnerability  
in the water sector (2018-19)

# Overview

In this report we review the 2018/19 performance of water companies in England and Wales to support household customers who are financially vulnerable, and those that need extra help accessing their water and sewerage services. We also challenge water companies to improve their support to customers.

The data contained in this report is taken from our own customer research and from information provided to us by the water and sewerage companies, unless otherwise stated.

## Affordability

Almost 700,000 financially vulnerable water customers are now receiving help through reduced bills. The schemes currently in place are likely to leave more than half of the problem unaddressed, and the amount and type of help varies considerably from region to region.

Companies should do more to contribute to the funding of their social tariff schemes in order to help address this gap and enable greater consistency.

Customer awareness of financial support schemes remains low (WaterSure 12%, social tariffs 5%). We expect companies to continue to work with us, making use of the research insights and good practice we share, to make further progress in this area.

We also expect companies to make use of new data sharing powers to help them target support to the hardest to reach customers.

The level of ambition outlined in company business plans for 2020-25 is not consistently high. We will be keeping the pressure on all companies to deliver what they have promised, and, where appropriate, to go further.

## Vulnerability

Approximately 420,000 customers are signed up for water company priority services schemes. This represents good progress by companies in growing the number of customers registered to receive extra help with their services, but there is still a lot more work to be done.

Customer awareness of this assistance is higher than for financial support schemes but it has stabilised at 44% and further progress is still necessary.

Customers can move in and out of vulnerability. CCWater research into the freeze/thaw in March 2018 showed that more people than those who are registered for priority services need support during an incident. Companies still need to give increased focus to identifying and getting assistance to customers who suddenly face vulnerability.

Companies also need to have systems that are capable of allowing the recording, monitoring and refreshing of data relating to customers who need temporary support.

There is an enhanced focus within the industry on social value. The principles supported by social value build on many of the policies and principles that CCWater have adopted over the years. If social value is applied and implemented correctly by the sector then this has the potential to bring positive outcomes for customers.

We welcome the decision by Ofwat to introduce common Performance Commitments for vulnerability, but feel they don't go far enough in ensuring the help being provided is meaningful.

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## 1. Introduction

Water services should be affordable and accessible to all customers, whatever their circumstances. This report outlines the latest progress that the water companies in England and Wales have made in supporting customers who face vulnerability. It also sets out what more companies need to do.

One in eight customers tell us that their charges are not affordable to them. Household customers don't face the risk of losing supply if they fall behind with payments. However sliding into debt with water charges can accentuate their financial vulnerability, including through impacts on their credit rating or legal action for recovery of outstanding charges.

Conversely, some customers continue to pay for their water and sewerage services even when they are not affordable to them. In order to do so they sacrifice other necessities such as heating, clothing and food. It is essential, therefore, that companies provide help to customers who are experiencing financial difficulties.

Companies must also ensure they deliver services in a way that meets the needs of all their customers, whatever their circumstances. That should include offering additional assistance and keeping accurate

records of customers who may need that support. However they also need to make sure that, wherever possible, they design services to be accessible to all, and that all customers are aware of the assistance which is available in case they need help in the future.

Over the last decade the sector has made significant strides forward in meeting the needs of customers who are in vulnerable circumstances. However more can and must be done. CCWater has a key role in helping this to happen.

We will continue to drive improvements across the sector, using the intelligence we draw from our research, contact with customers and our engagement with water and sewerage companies at a local level.

# Affordability

## 2. The affordability problem

The average household water and sewerage bill across England and Wales is currently £415. But average bills do vary considerably between customers, based on water usage or property valuation, and between companies due to local differences in the cost of providing services. Average annual bills range from £106 to £255 (water) and £158 to £327 (sewerage). For customers receiving water and sewerage services from the same company the combined average bill ranges from £312 to £541.

Ofwat, the industry's economic regulator, sets limits on the charges that companies can levy. Its draft determinations for the next five-year period would, if confirmed, deliver an average £50 reduction in annual water and sewerage bills for customers in England and Wales by 2024. However that reduction is before inflation is applied to bills.

Bill movements during 2020 to 2025 will be different for each water and sewerage company. Moreover, bills to individual customers and their affordability to them, will continue to vary significantly from household to household based on individual circumstances.

There is no single government or industry definition of what constitutes water poverty. However our annual tracking research indicates that around one in eight customers (around 3 million households) consider their water and sewerage bills are not affordable. Ofwat's 2015 analysis found a similar number were spending more than 5% of their income, after housing costs, on water.

They also found that 24% of customers were spending more than 3% of income after housing costs.



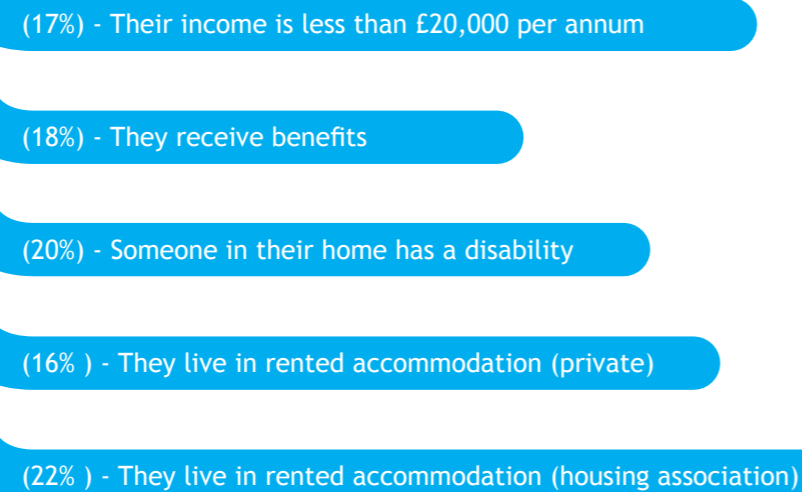
On 1 July 2018, Hafren Dyfrdwy replaced Dee Valley Water. As part of this process Severn Trent customers in Powys and Monmouthshire transferred to the new company and customers in Chester moved to Severn Trent Water. As a result, comparisons across years for these companies should be treated with caution.

<sup>1</sup> [www.ofwat.gov.uk/regulated-companies/price-review/2019-price-review/draft-determinations](http://www.ofwat.gov.uk/regulated-companies/price-review/2019-price-review/draft-determinations)

<sup>2</sup> [www.ofwat.gov.uk/publication/affordability-and-debt-2014-15](http://www.ofwat.gov.uk/publication/affordability-and-debt-2014-15)

## Insights from our Water Matters Research

Customers are more likely to consider their bills unaffordable when:

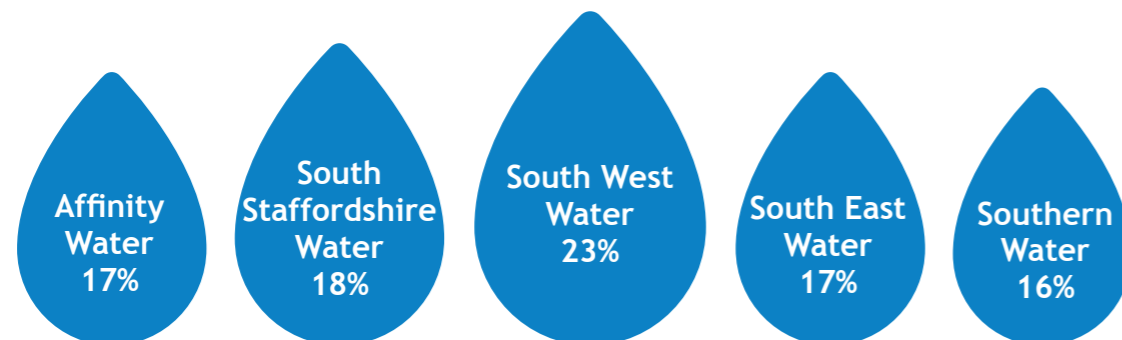


**Bill**  
**12%**

of customers across England and Wales consider their bill is not affordable.

Companies should ensure they take account of these factors in targeting the delivery of the support they offer.

The following water and sewerage companies have the highest proportion of customers who consider bills are not affordable:



## 3. How are water companies helping customers?

Financial vulnerability can arise for different reasons. It can be a long-term situation or more temporary. Some customers may continue to pay their water bill while facing financial hardship, but others may fall behind with their charges. Companies must identify the needs of their customers and meet these by offering a range of different support options.

Through our research and events such as our annual affordability and vulnerability seminar, we have also shared good practice in both the delivery of support, and engagement with hard to reach customers, to help ensure that appropriate assistance reaches those who are most in need.

We welcome the recent pledge<sup>3</sup> by the sector, through its representative body Water UK. It commits to making bills affordable by 2030 for all households currently spending more than 5% of their disposable income, and to develop a strategy to end water poverty in the longer term. However to meet this pledge, there is a lot that needs to be done. We will be monitoring companies' progress in delivering these outcomes.

We also welcome the additional visibility and prominence that Ofwat has given to affordability and vulnerability in the current

price review (PR19) process. However, we are disappointed that it did not require companies to set a common performance commitment to measure progress in delivering financial support, which we had called for. We also wanted to see company performance reporting used to encourage companies to make a greater contribution from profits towards supporting customers struggling with affordability issues.

The business plans for 2020-25 submitted by companies commit the sector to making further significant advances in the scope of their support for financially vulnerable customers.

We're pleased to see companies offering more support schemes and options like payment holidays and bill guarantees to help overcome concerns about switching to a meter to make savings. A number of companies detailed how they are putting the insights from CCWater's affordability work and research into practice to deliver support to the hardest to reach customers.

However, the level of ambition outlined in plans is not consistently high. We will be keeping the pressure on all companies to deliver what they have promised, and, where appropriate, to go further.

### WaterSure

The WaterSure scheme is offered by all companies. It limits metered bills for low income, high water users to, at most, the average for the region.

Customers qualify for help through WaterSure if they are:

- Metered;
- Receiving certain welfare benefits; and
- Receiving child benefit for three or more children under the age of 19, or have someone living at the property with a medical condition requiring high water use.

<sup>3</sup> [www.water.org.uk/wp-content/uploads/2019/04/Public-Interest-Commitment-2.pdf](http://www.water.org.uk/wp-content/uploads/2019/04/Public-Interest-Commitment-2.pdf)

### 3.1 WaterSure

The number of customers receiving help through WaterSure further increased in 2018/19.

156,347<sup>4</sup> metered customers were supported, an increase of 9% on the previous year (143,947). A further 17,334 unmeasured customers of Dŵr Cymru meeting the WaterSure qualifying criteria were also supported under a legacy scheme.

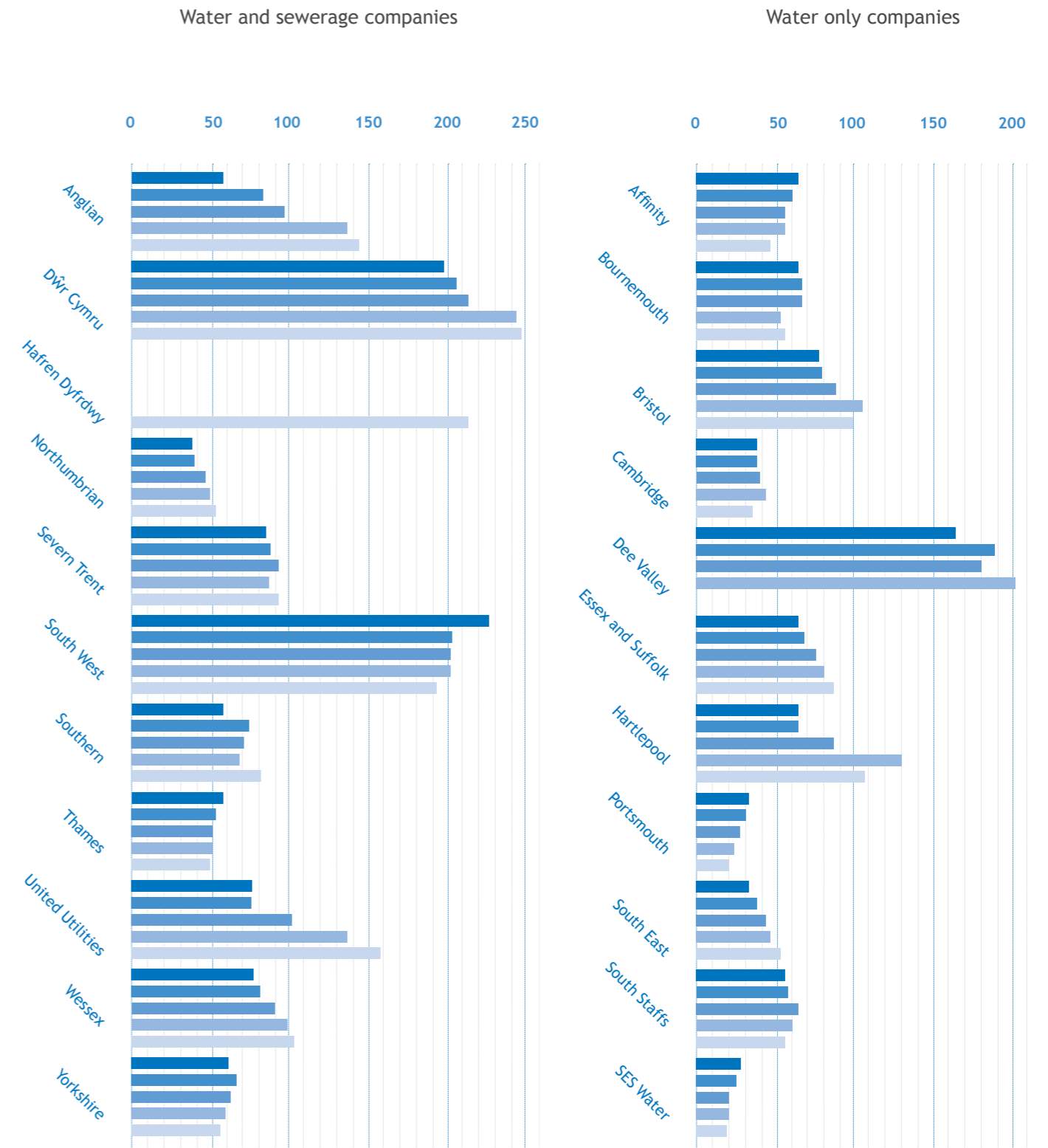
A number of factors can influence company performance in terms of take-up. These include differing bill levels, welfare benefit take-up and the proportion of customers metered through optional or compulsory metering and overlap with other available social tariffs, as well as what companies are doing to raise awareness of the scheme. We expect companies to work towards maximising take-up within their own areas. We have no way of knowing how many customers might be eligible in each region. However low levels of awareness among customers suggest (see the insights from our Water Matters research below) there is scope for further considerable growth in the number of households supported.

Based on current levels of take-up there seems to be particular need for Portsmouth Water, SES Water, Thames

Water and Cambridge Water to do more to ensure those who could benefit from the WaterSure scheme are registered for help.

Overall companies need to both raise awareness among customers as a whole and target information to households particularly likely to benefit. They should make use of the data sharing facilities provided by the Digital Economy Act 2017<sup>5</sup> to help them achieve this.

*Table 1: The number of customers per 10,000 household metered connections that are registered for WaterSure, by company.*



<sup>4</sup> Customers who are receiving help from both a water company and a water and sewerage company may have been counted twice within this figure.

<sup>5</sup> [www.legislation.gov.uk/ukpga/2017/30/part/5/chapter/1/enacted](http://www.legislation.gov.uk/ukpga/2017/30/part/5/chapter/1/enacted)



### The financial value of support delivered through WaterSure

In order to better understand the impact of the support which companies are providing to customers experiencing financial vulnerability, we now ask them to provide us with an estimate of the monetary value of that support.

During 2018/19 customers benefited from bill reductions of around £40m under the WaterSure scheme, around £4.5m more than the previous year. This assistance helped ensure customers could continue using the water they need without the fear of an unaffordable bill.

Table 2: Approximate Monetary value of the support provided through WaterSure schemes, by company

Water and sewage companies	2017-18		2018-19	
		Average bill reduction		Average bill reduction
Anglian	£7,218,257	£233.96	£7,752,462	£233.30
Dŵr Cymru	£4,687,271	£347.49	£4,615,535	£320.99
Hafren Dyfrdwy	N/A	N/A	£79,419	£72.00
Northumbrian	£282,442	£124.64	£489,884	£193.71
Severn Trent	£3,246,825	£255.82	£3,728,684	£269.41
South West	£4,535,670	£362.19	£4,121,602	£336.43
Southern	£3,546,464	£337.28	£4,653,609	£364.13
Thames	£2,936,539	£228.36	£2,978,894	£226.12
United Utilities	£4,860,847	£294.78	£6,325,510	£314.78
Wessex	£1,289,498	£174.40	£1,967,729	£245.32
Yorkshire	£2,717,600	£400.06	£2,814,000	£400.00
Water only companies	2017-18		2018-19	
Affinity	£733,000	£186.56	£722,000	£186.52
Bournemouth	£65,700	£92.67	£73,882	£92.93
Bristol	£245,000	£94.70	£264,000	£93.42
Cambridge	£33,918	£86.09	£27,030	£77.90
Dee Valley	£68,896	£49.07	N/A	N/A
Essex & Suffolk	£715,216	£188.71	£736,951	£177.96
Hartlepool	£17,457	£86.85	£16,700	£83.08
Portsmouth	£14,841	£70.67	£11,917	£61.43
South East	£171,984	£51.02	£450,624	£111.96
South Staffs	£166,349	£139.09	£156,067	£131.15
SES Water	£3,867	£13.66	£47,479	£147.91
<b>Total</b>	<b>£37,557,64</b>	<b>£260.91</b>	<b>£42,033,97</b>	<b>£268.85</b>

## Insights from our Water Matters Research

Customer awareness of the WaterSure scheme has shown an upward trend over the last 8 years, but still remains low. Across England and Wales 12% of customers are aware of the scheme. In Wales the position is better with 16% of those surveyed being aware of the scheme.

The following companies have the highest proportion of customers who are aware of WaterSure:

Hartlepool Water (21%)  
Affinity Water (East) (17%)  
South West Water (17%)  
Dŵr Cymru (16%)

Those with lowest levels of awareness were:

South East Water (5%)  
SES Water (8%)  
Portsmouth Water (8%)  
United Utilities (8%)  
Northumbrian Water (8%)

Those customers who had contacted their company during the last year were more likely to be aware (14%) than those who had not (10%).

These results seem to confirm that there remain customers who might benefit from the WaterSure scheme who are not currently being helped.

Those who generally have less direct engagement with their water company are more likely to be in that position.

Awareness levels of WaterSure should be much higher given that the scheme is available throughout England and Wales. Companies should consider collaborating on a national campaign to raise awareness.



of customers said they had not previously heard of WaterSure, but would like to know more about it.



of customers who consider their bills unaffordable would like to know more about the WaterSure scheme.

### Social Tariffs

Companies offer their own social tariff schemes which have the effect of limiting or reducing bills to some lower-income customers. In most cases the schemes are fully funded through other customers' bills. Companies must consult with CCWater and their customers in developing these tariffs, but are otherwise free

to determine the nature they will take. As such there is considerable variation in terms of the eligibility criteria of the schemes and the level and nature of the support which they provide.

CCWater's website has a guide which customers can use to identify what support is available from the company which serves them.

[www.ccwater.org.uk/households/help-with-my-bills](http://www.ccwater.org.uk/households/help-with-my-bills)

### 3.2 Social Tariffs

Water companies have made further strong progress in increasing the number of customers supported through social tariff schemes. At the end of 2018/19 there were 533,223 customers in England and Wales receiving help through social tariffs, a 36% increase on 2017/18. (393,143)<sup>6</sup>

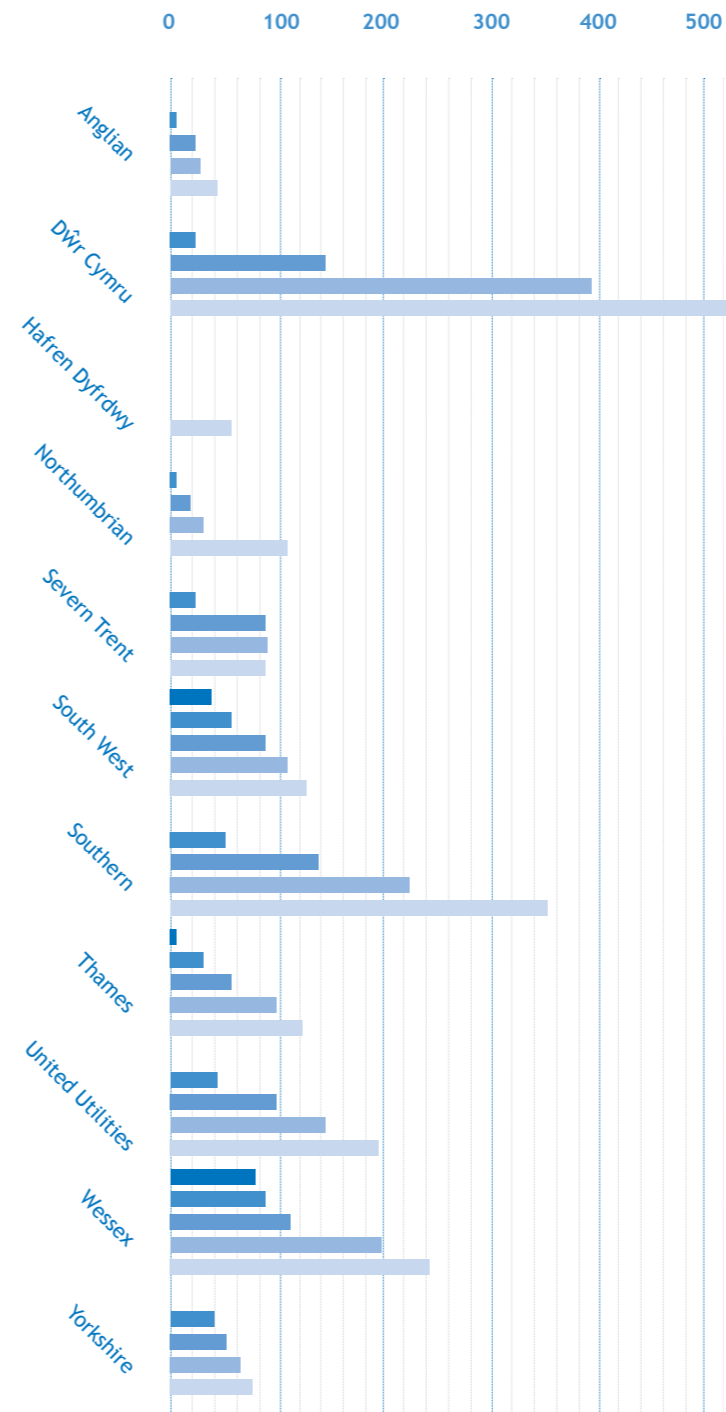
Companies have shown a willingness to collaborate and innovate in order to improve their performance in engaging and supporting financially vulnerable customers. CCWater has helped, encouraged and facilitated this work by bringing companies together, sharing good practice and insights and recommendations identified through our research. We've also promoted financial support through our media and social media work.

*Table 3: The number of customers registered for social tariff schemes, by company*

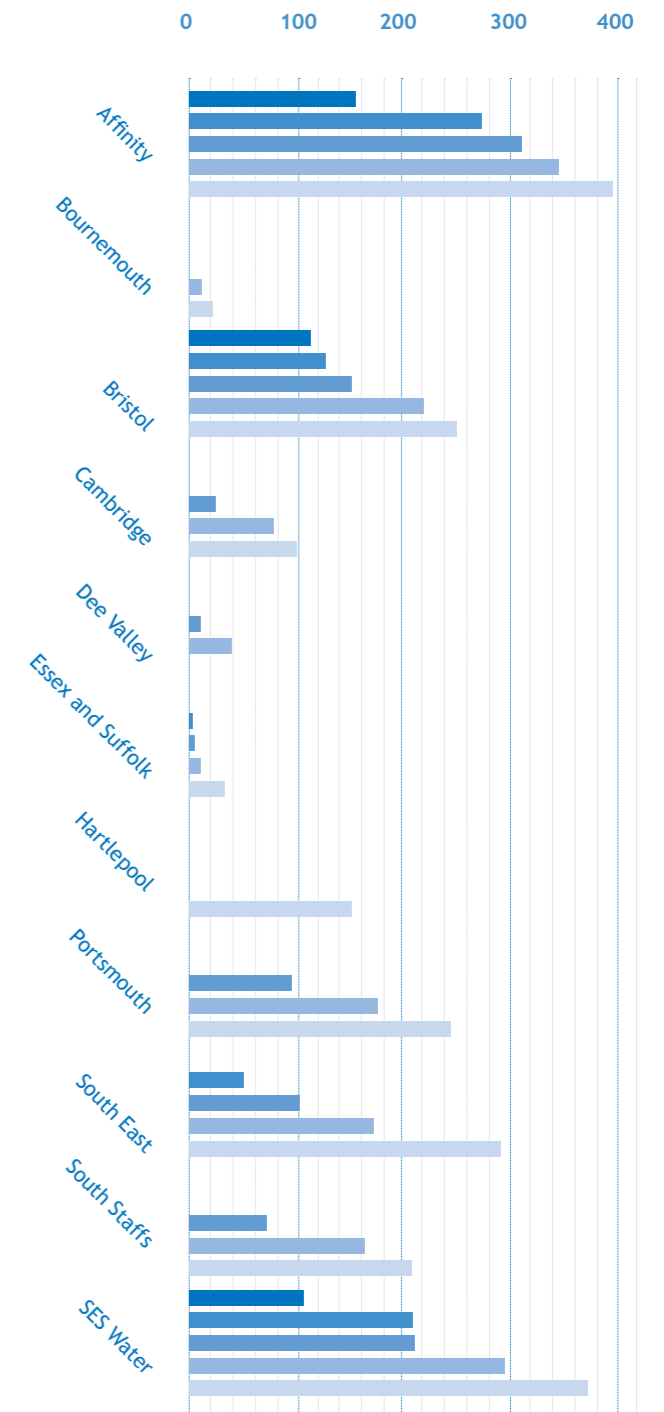
Water and sewage companies	2014-15	2015-16	2016-17	2017-18	2018-19
Anglian	N/A	1,500	6,162	7,713	12,136
Dŵr Cymru	N/A	3,242	20,811	57,118	78,438
Hafren Dyfrdwy	N/A	N/A	N/A	N/A	554
Northumbrian	N/A	833	2,374	3,378	13,211
Severn Trent	N/A	9,853	35,343	35,991	35,956
South West	2,677	4,219	6,419	8,185	9,821
Southern	N/A	9,453	27,337	44,932	72,875
Thames	2,682	19,170	30,877	48,957	69,191
United Utilities	N/A	12,985	30,607	46,158	62,767
Wessex	9,043	9,823	13,731	24,376	30,025
Yorkshire	N/A	8,984	12,943	14,323	16,688
Water only companies	2014-15	2015-16	2016-17	2017-18	2018-19
Affinity	20,873	38,649	44,101	49,137	56,558
Bournemouth	N/A	N/A	N/A	231	411
Bristol	5,453	6,183	7,676	11,120	12,794
Cambridge	N/A	N/A	320	1,037	1,330
Dee Valley	N/A	N/A	127	468	N/A
Essex and Suffolk	N/A	289	527	915	2,471
Hartlepool	N/A	N/A	N/A	N/A	640
Portsmouth	N/A	N/A	2,806	5,312	7,411
South East	N/A	4,581	9,471	16,548	27,860
South Staffs	N/A	N/A	3,746	9,094	11,685
SES Water	2,851	5,686	5,809	8,150	10,401
INDUSTRY	43,579	135,450	261,187	393,143	533,223

<sup>6</sup> Customers who are receiving help from both a water company and a water and sewerage company may have been counted twice within this figure.

Water and sewerage companies



Water only companies



*Table 4: The number of customers per 10,000 household connections registered for social tariff schemes, by company*

- 2014-15
- 2015-16
- 2016-17
- 2017-18
- 2018-19

### The Financial value of support delivered by the social tariff schemes

During 2018/19 financially vulnerable customers benefited from water bill reductions totalling around £70m, an increase of 13% on 2017/18 (£62m).

The average value of the bill reductions available to customers through different social tariff schemes varies considerably - between £19 per annum for Portsmouth customers and £272 for Dŵr Cymru customers. A key factor in this is that companies have different levels of funding available to them, as their research found the amount of money customers

were willing to contribute through bills varies. Currently only three companies make a contribution to the funding of their schemes from profits (Dwr Cymru, United Utilities and Yorkshire Water). More companies need to follow suit in order to share the responsibility with customers.

*Table 5: Approximate monetary value of the support provided through Social Tariff schemes, by company*

Water and sewage companies	2017-18		2018-19	
	Average bill reduction		Average bill reduction	
Anglian <sup>7</sup>	£1,997,830	£259.02	£1,989,604	£163.94
Dŵr Cymru	£15,397,362	£269.57	£21,326,212	£271.89
Hafren Dyfrdwy	N/A	N/A	£30,796	£55.59
Northumbrian	£453,264	£134.18	£1,605,944	£121.56
Severn Trent	£7,842,824	£217.91	£7,836,788	£217.95
South West	£813,940	£99.44	£814,374	£82.92
Southern	£2,439,445	£54.29	£3,264,974	£44.80
Thames	£5,212,757	£106.48	£6,654,805	£96.18
United Utilities	£9,311,680	£201.73	£13,670,340	£217.80
Wessex	£3,167,840	£129.96	£4,257,764	£141.81
Yorkshire	£1,229,074	£85.81	£1,770,055	£106.07
Water only companies	2017-18		2018-19	
Affinity	£4,177,000	£85.01	£4,590,000	£81.16
Bournemouth	£14,100	£61.04	£24,490	£59.59
Bristol	£297,000	£26.71	£337,000	£26.34
Cambridge	£89,910	£86.70	£106,002	£79.70
Dee Valley	£25,052	£53.53	N/A	N/A
Essex & Suffolk	£107,019	£116.96	£176,128	£71.28
Hartlepool	N/A	N/A	£103,000	£160.94
Portsmouth	£105,014	£19.77	£138,030	£18.63
South East	£381,650	£23.06	£1,596,671	£57.31
South Staffs	£843,313	£92.73	£1,015,057	£86.87
SES Water	£740,536	£90.86	£1,020,065	£98.07
Total	£62,298,14	£158.46	£70,338,49	£131.91

<sup>7</sup> Anglian reports that its Aquacare tariff (offering an alternative balance of standing and variable charges) also benefits customers by a further £7.4m

The data we report in terms of the proportion of customers supported and the average value of that support is useful to us in understanding outcomes for customers. However considerable caution is needed in using it to compare company performance.

The level of funding for schemes which companies were able to agree with their customers varies considerably from around £1 to £15 from everyone's annual bill. Moreover some companies may support a large number of customers but provide a relatively small average bill reduction, or vice versa.

Taking this into account we have the following observations in terms of the performance and challenges facing specific companies:

**Wessex Water** - Progress in increasing take-up continues to be quite slow given that there remains considerable unused capacity with its schemes.

**Severn Trent Water** - It is disappointing to note that the number of customers supported reduced slightly this year (even though boundary changes have increased the number of customers served).

**Anglian Water** is particularly notable in terms of the significant gap which exists between the capacity of its scheme (13,000) and the likely scale of the affordability problem in its region (based on Ofwat's 2015 analysis of water affordability).

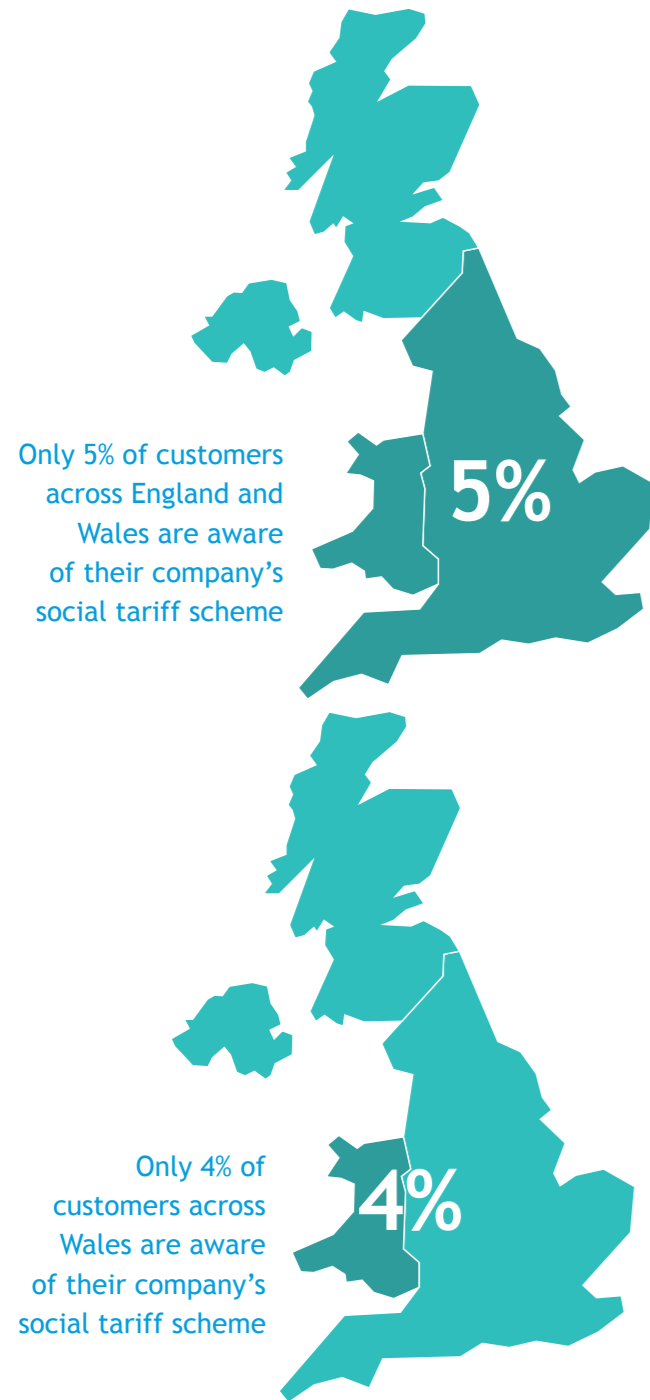
The following companies made particularly good progress in increasing the number of customers supported by social tariffs in 2018/19 - Thames Water, Dŵr Cymru, United Utilities, Southern Water, Northumbrian Water, Anglian Water, Portsmouth Water, Essex and Suffolk Water, Bournemouth Water and South East Water.



# Insights from our Water Matters Research

Almost three quarters of all customers say they would contact their company if they were worried about paying a bill.

However, 21% in England, and 31% in Wales said they would not.



Customers of the following companies are least likely to make contact in these circumstances:

- Severn Trent (33%)
- Dŵr Cymru (32%)
- Northumbrian Water (31%)

Customers who are not on welfare benefits (28%), those who are retired (30%) and those over 75 years of age (36%) are also less likely to seek help.

Customers who have contacted their company in the last year are significantly more likely to be aware of its social tariff scheme (8%) than those who haven't (4%). We have advocated for companies to make every contact with customers count in terms of opportunities to raise awareness. This finding seems to confirm companies are putting this into practice.

Households receiving benefits are more likely to be aware of the support (7%) as are those who rent their homes from private landlords (9%), and those with household income less than £20,000 (6%). This suggests companies are targeting information about their schemes to those most in need. However even among these groups awareness levels are far too low and companies need to deliver a step change in their performance in this area.

They also need to do more to reframe their relationship with customers in order to be seen as a source of help when they are in financial difficulty.

They also need to continue to do more to connect with their hardest to reach customers. This has often proved particularly effective where companies engage with customers face to face.

## 3.3 Other support schemes

In addition to helping customers through reduced bills companies also provide other forms of help, including for those who have already fallen behind with their water charges. Companies often give this support in conjunction with their social tariff or WaterSure schemes.

Chart 5 provides an overview of the key support measures provided by companies.

We think all these schemes can provide useful support. We expect companies to keep their offerings under review, and to add to these where that would help them better meet the needs of their customers.

### Types of additional help offered by companies:



**Charitable trusts and in-house crisis funds**  
These make awards of company funds to help customers facing financial crisis



**Payment matching**  
Where customers maintain regular payments against a debt the company will match those payments, usually with an equal payment or in some cases more than equal.



**Payment breaks**  
A facility to allow customers to defer payments by agreement to help them manage short-term financial stresses.



**Benefit entitlement checks**  
Supporting customers by helping them identify if they are claiming all the benefits to which they are entitled.



**Water efficiency home audits**  
Visits to customers' homes to help them identify how to save water and therefore reduce metered bills.



**Lowest bill guarantee**  
Schemes that allow customers to switch to a meter without risk, as the company guarantees it won't ask the customer to pay any more than they were before the meter was installed.



**Money/ debt advice referral arrangements**  
Companies have arrangements with advice agencies to transfer customers to them, in order that they can help them address their overall financial circumstances.

Water and Sewerage companies	Charitable trust or in-house crisis fund	Payment matching to clear debt	Payment breaks	Benefit entitlement checks	Water efficiency home audit	Lowest bill guarantee as part of meter option	Money / debt advice referral arrangement
Anglian	✓	✓	✓	✓	✓	✗	✓
Dŵr Cymru	✓	✓	✗	✗	✓	✗	✓
Hafren Dyfrdwy	✗	Coming Soon	Coming Soon	✗	✗	✗	✗
Northumbrian	✗	✓	✓	✓	✓	✗	✓
Severn Trent	✓	Coming Soon	Coming Soon	✓	✓	✗	✓
South West	✓	✓	✗	✓	✓	✗	✓
Southern	✗	✓	✓	✗	✓	✗	✓
Thames	✓	✓	Coming Soon	✓	✓	✗	✓
United Utilities	✓	✓	✓	✓	✓	Coming Soon	✓
Wessex	✗	✓	✓	✓	✓	✓	✓
Yorkshire	✓	✓	✓	✗	✗	✗	✓
Water only companies	Charitable trust or in-house crisis fund	Payment matching to clear debt	Payment breaks	Benefit entitlement checks	Water efficiency home audit	Lowest bill guarantee as part of meter option	Money / debt advice referral arrangement
Affinity	✗	✗	✓	✓	✓	✗	✓
Bournemouth	✓	✓	✗	✓	Coming Soon	✗	✗
Bristol	✗	✓	✓	✓	✗	✗	✓
Cambridge	✓	✗	✓	✗	✓	✗	✓
Essex and Suffolk	✗	✓	✓	✓	✓	✗	✓
Hartlepool	✓	✓	✓	✓	✓	✗	✓
Portsmouth	✗	✓	✓	✗	✗	✗	Under Trial
South East	✓	✗	✓	✗	✓	✗	✗
South Staffs	✓	✗	✓	✗	✓	✗	✓
SES Water	✗	✓	✗	✗	✓	✓	✓

Table 6 Summary of other financial assistance schemes offered by companies

It is clear that some companies currently offer a more comprehensive range of support options than others. In particular, United Utilities, Anglian Water, Thames Water, Wessex Water and Severn Trent Water are leading the way. Conversely Hafren Dyfrdwy needs to consider if there are too many gaps in terms of what it offers, and whether this impedes it in terms of providing tailored support to its customers.

### Water Direct

Water Direct is another scheme operated by companies which some customers can find helpful to their budgeting. It allows companies to arrange to take payments direct from a customer's benefits before they are paid. Customers generally have to be in debt for an arrangement to be set up. Limits apply to the amount which companies are permitted to collect from benefits.

By the end of 2018/19, 185,491 customers were paying water charges by Water Direct. This was down by 7% on the previous year (199,229), reflecting the fact that companies now offer a wider range of alternative support schemes that can often offer better support and more effectively meet individual customer circumstances.

### 3.4 Metering

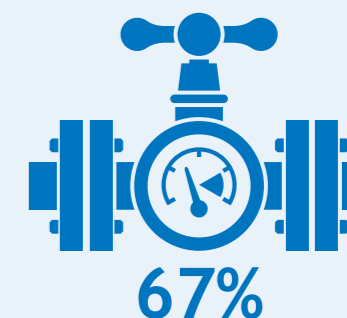
Opting to have a water meter installed can be a way for some customers, particularly single people, couples and small families to achieve bill savings. For some it can be the most effective way of improving the affordability of their bills. Around 55% of homes across England and Wales currently have a water meter.

Installation of the meter is free and, unless they live in an area where compulsory metering is being implemented, customers have the option to revert to their previous method of charging within two years.

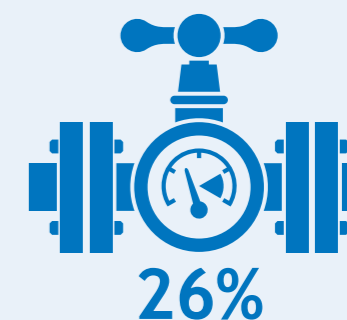
Household customers can find out if they could save money by switching to a water meter by visiting our Water Meter Calculator at: [www.ccwater.org.uk/watermetercalculator](http://www.ccwater.org.uk/watermetercalculator)

## Insights from our Water Matters research

Around two-thirds of unmetered customers in England and Wales are aware of the free meter option scheme (67%). However, only just over a quarter of customers (26%) know that a meter can be fitted on a trial basis.



of unmetered customers in England and Wales are aware of the free meter option scheme



of customers know that a meter can be fitted on a trial basis.

This is another area where a joint national campaign could help raise awareness. Companies should also continue to raise customer awareness when they have contact with them on other issues, in line with our call for them to make every contact count.

## 4. Affordability challenges

CCWater continues to highlight the challenges facing the Industry if it is to make a step change towards eradicating water poverty.

**Supporting the hard to reach** - Often those who most need help are least likely to be aware that support exists or to ask for it. Companies need to continue to find ways to break through these barriers. This includes doing more to gain the trust of those customers.

We continue to help companies achieve this by providing insights from our customer research and by sharing good practice from within the industry and other sectors. We have highlighted the role that behavioural insight techniques might play in nudging customers to seek and accept help. We also continue to use our voice as a trusted consumer representative to raise awareness of the support that is available.

We expect companies to make use of the data sharing facilities provided by the Digital Economy Act 2017<sup>8</sup> to help them identify customers who need help. We expect to see progress in the establishment of arrangements between companies and the Department of Work and Pensions during the current year. We will report on company implementation progress and share any good practice that emerges.

**Funding constraints** - The current social tariff schemes have capacity to support just over 1 million households. However, our research indicates around 3 million customers consider that their bill is not affordable. Even taking account of those who can be helped through WaterSure, there is a significant gap between the help available and what is needed, with around

half of the problem not currently able to be addressed. Moreover, the distribution of the help that is available, and the value of it, varies considerably due to the differing levels of funding agreed between companies and their customers in each area.

We continue to press companies to bolster the support that is available from customer funding by making a contribution from their own profits. Currently only three companies provide funding for their social tariff schemes. These are Dŵr Cymru (Welsh Water), United Utilities and Yorkshire Water. All three have agreed to increase their funding contribution during the next 5 years.

In the absence of funding being provided from other sources, such as Government making public funds available, more companies must take action to help fund the solutions to water poverty. Indeed, we believe this may be necessary in order for the Industry to meet the public interest commitments in relation to addressing and ultimately ending water poverty.

**Regional inconsistencies in affordability assistance** - The financial assistance available to water customers differs widely depending on where in England or Wales they live. A customer eligible for support from one company may not qualify for the social tariffs operated by other companies. Those who are eligible generally qualify for different levels and types of support depending on the scheme operated by their local company.

**This is unfair and should be addressed.**

The situation has arisen because schemes were developed at company rather than Industry level. We have called for companies

to consider opportunities to work co-operatively, and to align their tariffs where this would benefit customers.

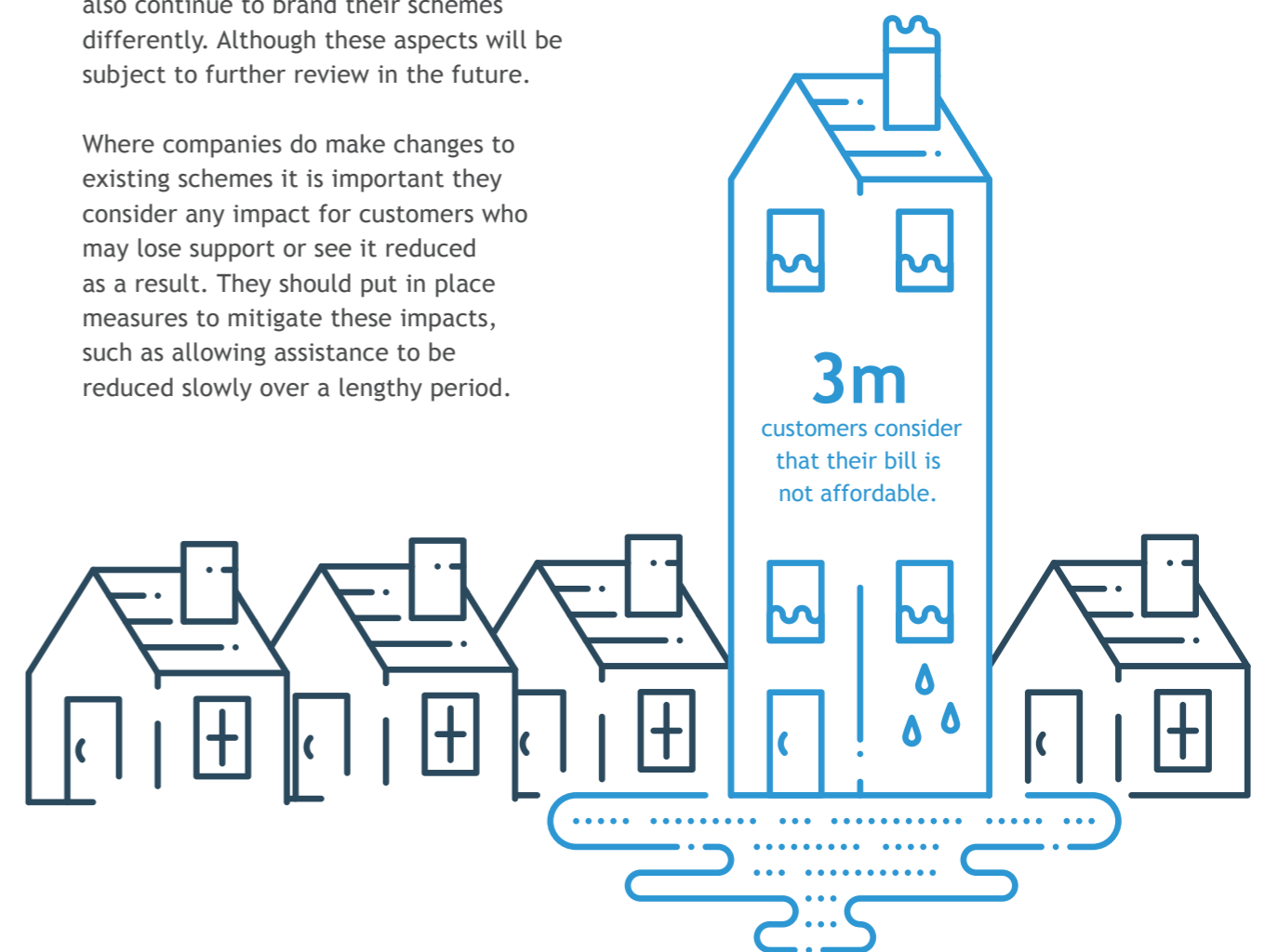
A group of companies in the South of England (Thames, Southern, Affinity, South East, Essex and Suffolk, Anglian, SES Water and Portsmouth) has now agreed to adopt a more consistent approach, including the alignment of qualifying criteria. This will apply from April 2020.

Due to differing funding constraints, the approach to discounts and level of bill reductions will not be aligned. For the time being companies will also continue to apply different approaches to taking account of family size, and the amount of income they need to live on, in determining eligibility. They will also continue to brand their schemes differently. Although these aspects will be subject to further review in the future.

Where companies do make changes to existing schemes it is important they consider any impact for customers who may lose support or see it reduced as a result. They should put in place measures to mitigate these impacts, such as allowing assistance to be reduced slowly over a lengthy period.

We have worked with Southern Water to ensure that it mitigates impacts for customers as it makes changes to its scheme as part of the alignment process.

Around 2,000 customers at the higher income range of those currently qualifying will no longer be eligible for support. As a result of our challenges the company agreed to spread the phasing out of the bill reduction to these customers over two years and to keep individual cases under review to ensure the avoidance of hardship.



<sup>8</sup> <http://www.legislation.gov.uk/ukpga/2017/30/part/5/chapter/1/enacted>

# Non-Financial Vulnerability

## 5. Addressing Non-Financial Vulnerability

Consumers sometimes need additional support to access their water and sewerage services. For example, some customers may find it difficult communicating or receiving information in the formats that companies usually use. Others may struggle to boil water during a water quality incident, so could need bottled water.

Depending on their individual circumstances, the support needed could be temporary or permanent in nature.

It is crucial that consumers are aware of the assistance that companies offer so that they can access the help when needed and that companies understand the needs of their customers.

### 5.1 Priority Services Registers

Priority services registers are one way that companies can help consumers who may find themselves in a vulnerable situation. They allow people to sign up for additional free help in accessing services, such as:

- Help reading a water meter;
- Registering a password to protect against bogus callers;
- Help during water supply interruptions; and
- Large print, Braille or talking bills.

The schemes are open to anyone who needs extra help regardless of age, health or disability. Our latest research shows that 44% of consumers are aware of these additional services, an increase of 1% from the previous year.

We believe it is possible for companies to raise customer awareness to over 60% by 2025. However, this will require national collaboration across sectors as well as regional awareness campaigns. Treating priority services as a brand and using brand-raising awareness principles will assist in regional, national and collaborative endeavours to significantly bolster awareness.

In our 2016 special assistance report we recommended that an annual national priority services awareness campaign should be undertaken. The campaign should reach out to national and regional media, as well as partner organisations and companies to promote the assistance available across utilities and other regulated industries.

This will assist companies' local efforts to engage with people on the assistance available. There is a real opportunity for this to happen when the water and energy priority services data share collaboration launches in April 2020.

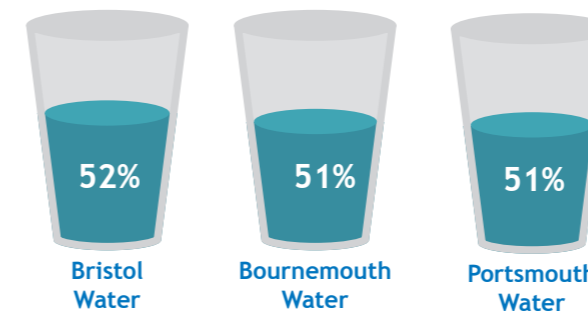
We will continue to challenge companies to do more to raise awareness of available assistance and to deliver meaningful help when it is needed. This is particularly important during incidents. It is therefore disappointing that three of the companies whose customers experienced difficulties accessing services during the 'Beast from the East' freeze/thaw of March 2018 still have customer awareness levels below the industry average, which demonstrates that lessons may not yet have been learnt and there is still work to be done:

- Southern Water	42%
- Thames Water	41%
- Severn Trent	41%

## Insights from our Water Matters research

Overall awareness of priority services has not changed significantly over the last 5 years. 60-74 year olds are significantly more likely to be aware than 30-40 year olds and 75+ (47% vs 38% and 41%).

The following companies have the highest proportion of customers who are aware of priority services:



4% of customers aged 75+ said they were unaware of priority services but would like to know more about them.

Approximately 7% of households where someone has a disability want to know more about priority service schemes.

Approximately 2% of households where someone has a disability are subscribed to priority service schemes.

### Good practice in raising awareness identified at CCWater's 2018 vulnerability seminar:

- Some companies have found that video adverts using real-life experiences on social media are useful to get messages about support available across to customers.
- New partnerships could be formed with community aid teams, such as "hail a ride" or drivers to medical appointments, to help raise awareness of the support on offer.
- Companies could promote priority services alongside how to prepare your home for winter advice at community autumn/winter events such as firework displays, Christmas fetes etc.

With lots of households facing problems with their own pipes freezing during severe weather, companies could demonstrate how to lag a pipe properly or consider providing lagging kits. This could help prevent customers being placed in a vulnerable circumstance of having no water due to the pipes being frozen.

- Partnership working to raise awareness - collaboration with Lions charity to include priority services promotional material in its "message in a bottle" campaign with pharmacies.

<sup>9</sup> [www.cwater.org.uk/research/water-matters-householdcustomers-views-of-their-water-and-sewerage-services-2018](http://www.cwater.org.uk/research/water-matters-householdcustomers-views-of-their-water-and-sewerage-services-2018)

<sup>10</sup> [www.cwater.org.uk/wp-content/uploads/2013/12/Special-Assistance-Schemes-Review.pdf](http://www.cwater.org.uk/wp-content/uploads/2013/12/Special-Assistance-Schemes-Review.pdf)

\* Customers who are receiving help from both a water company and a different sewerage company may have been counted twice within this figure if they are registered on both companies' schemes



## Numbers of customers signed up for priority services

This year, there has been a 22% increase in the numbers of consumers signed up for priority services.

We continue to see encouraging signs of year-on-year growth in the numbers of consumers signed up for priority services. Last year the number of customers registered increased by 22% from 344,827 to 420,392.

Chart 7 shows that the number of customers who have signed up for extra help has been increasing at a steady rate over the last five years, from 263,691 in 2014-2015.

This is an increase of 59% across the five-year period. We welcome the efforts that companies have made in promoting their schemes to achieve this.

*Table 7: The number of customers registered for priority services, by company*

Water and sewage companies	2014-15	2015-16	2016-17	2017-18	2018-19
Anglian	11,202	9,969	12,805	15,317	25,932
Dŵr Cymru	23,052	23,747	23,712	26,196	32,731
Hafren Dyfrdwy	N/A	N/A	N/A	N/A	765
Northumbrian	13,271	14,171	14,916	13,629	14,414
Severn Trent	29,260	31,820	35,579	38,922	43,607
South West	9,585	9,983	10,523	11,060	17,909
Southern	11,250	11,482	13,334	16,149	18,836
Thames	58,617	59,542	57,225	60,020	69,130
United Utilities	19,016	20,351	31,006	52,367	73,683
Wessex	4,706	5,622	6,684	8,474	9,717
Yorkshire	35,009	37,670	39,448	44,194	53,966
Water only companies	2014-15	2015-16	2016-17	2017-18	2018-19
Affinity	17,174	16,921	24,259	24,922	22,521
Bournemouth	884	856	779	757	702
Bristol	2,276	2,654	3,027	3,861	4,329
Cambridge	752	774	768	757	897
Dee Valley	807	872	143	151	N/A
Essex and Suffolk	3,803	4,184	4,791	5,237	5,695
Hartlepool	595	585	590	651	788
Portsmouth	226	205	225	315	419
South East	8,059	7,304	7,984	8,665	9,832
South Staffs	12,512	12,954	11,070	10,923	12,146
SES Water	1,635	1,559	1,449	2,260	2,373
<b>INDUSTRY</b>	<b>263,691</b>	<b>273,225</b>	<b>300,317</b>	<b>344,827</b>	<b>420,392</b>

However, the actual percentage of household customers signed up generally remains very low. Portsmouth Water has the lowest percentage with only 0.14% signed up and although Yorkshire Water has the highest percentage with 2.35%, all companies have work to do to reach Ofwat's target of 7% of household customers being registered by 2025.

Year	% increase since previous year
2014-2015	6%
2015-2016	4%
2016-2017	10%
2017-2018	15%
2018-2019	22%

*Table 8: Percentage of household customers registered for priority services, by company*

Water and sewage companies	PSR numbers as a % of total HH connections
Anglian Water	0.9%
Dŵr Cymru Welsh Water	2.24%
Hafren	0.78%
Northumbrian Water	1.18%
Severn Trent Water	1.03%
South West Water	2.30%
Southern Water	0.95%
Thames Water	1.22%
United Utilities	2.28%
Wessex Water	0.79%
Yorkshire Water	2.35%
Water only companies	PSR numbers as a % of total HH connections
Affinity	1.57%
Bournemouth Water Plc	0.36%
Bristol Water Plc	0.85%
Cambridge Water Company Plc	0.67%
Essex & Suffolk Water	0.74%
Hartlepool Water Plc	1.82%
Portsmouth Water Plc	0.14%
South East Water Plc	1.02%
South Staffs Water Plc	2.18%
SES Water	0.85%

## 5.2 What did we want to see in companies' business plans?

We have made strong representations throughout Ofwat's price review process that there should be common performance commitments for vulnerability and also that companies should adopt bespoke performance commitments linked to raising awareness of support and to customers' views on whether the support provided is meaningful.

In the initial assessment of company plans and in the draft determinations, Ofwat has directed companies to include the following common performance commitments in their business plans:

*Achieve a minimum level of 7% of households on the Priority Services Register by 2024-25*

We welcome steps to increase the number of customers registered for help. However, we are concerned that targets to simply increase numbers on priority services, on their own, can drive the wrong behaviours. The help offered must be meaningful for customers. As such, we will be closely monitoring the types of customers being registered on the scheme and what help they are signing up for. We will also be liaising with companies to understand which customers, who would benefit from being on the Priority Services Register, may be missing out.

*Achieve actual contact with 25% of households on the Priority Services Register in the first year of the 2020 to 2025 period (based on one year's data) and 50% of households on the PSR register every two years for subsequent years of the 2020 to 2025 period ; and*

*Attempt contact with 45% of households on the Priority Services Register in the first year of the 2020 to 2025 period (based on one year's data) and 90% of households on the PSR register every two years for subsequent years of the 2020 to 2025 period.*

<sup>11</sup> Source: CCWater reports as at 31 March 2019



Companies should collaborate with other sectors, such as energy, to make sure that the overall level of contact to a customer is minimised, as they will also be checking data. Timings and responsibilities should be discussed between the organisations to ensure the impact on the customer is minimised.

While we are pleased that Ofwat has now proposed common performance commitments for vulnerability, we do not feel they go far enough. There should be more focus on identifying and delivering support to customers in transient circumstances (see section 5.4). Raising awareness of the support available so that customers know what help they can access is a crucial part of this challenge.

Customers receiving the support, or their representatives, are best placed to advise if the help offered by companies is meaningful. We believe companies should give more focus to understanding and measuring their views in order to drive improvements. To support this a measure of customer satisfaction with services should be implemented.

**We are therefore pleased that the following companies have introduced a performance commitment to increase awareness of priority services by 2025:**

<b>Awareness of PSR</b>	
<b>Yorkshire Water</b>	<b>65%</b>
<b>Northumbrian and Essex and Suffolk</b>	<b>65%</b>
<b>SES Water</b>	<b>58%</b>
<b>Southern</b>	<b>50%</b>

<b>Satisfaction with PSR</b>	
<b>Yorkshire Water</b>	<b>95%</b>
<b>Bournemouth and South West</b>	<b>93%</b>
<b>Southern</b>	<b>90%</b>
<b>South East</b>	<b>90%</b>
<b>Northumbrian and Essex and Suffolk</b>	<b>88%</b>
<b>Bristol</b>	<b>85%</b>
<b>Portsmouth</b>	<b>85%</b>
<b>Affinity</b>	<b>82%</b>
<b>SES Water</b>	<b>80%</b>

The following companies have committed to having the support that they offer consumers independently assessed: Anglian Water, Hartlepool Water, Yorkshire Water, United Utilities, and Wessex Water. We believe that this is a positive commitment as it helps to keep support offered by the company meaningful.



### 5.3 Communication and engagement

Companies need to develop an effective understanding of the communication needs of all their customers, and to segment their customer base in order to help them engage with and target services to those most likely to benefit. Our research into the disruption sparked by the freezing weather and sudden thaw in March 2018 revealed that some companies were communicating in ways that work for the company and not for their customers. It is vital that this does not reoccur.

#### Good practice from within the sector

*South Staffs Water noticed a rise in bogus caller “Water Board” incidents so the company piloted sending a proactive text to older customers see if they want to register a password for use when water company staff need to visit them.*

*Out of 579 customers who responded, 144 of them have returned passwords and these have been updated on the customer’s account.*

Companies are continuing to develop effective collaboration partnerships with organisations to get the right help to the right people at the right time. This is a critical area that companies need to continue giving priority to. They should give particular focus to identifying consumers who have a temporary need for additional support.

#### Good practice from outside the sector

*Western Power has a suite of videos to help explain priority service registers, the support available, and how to register. They have also created an e-learning video for referral partners, which explains how referral partners can help promote*

*the registers and how to identify people who may need temporary support.*

*There is scope for the water industry to collaborate together to do something similar and to make the videos available to partnership organisations to raise awareness and to help identify people who may need temporary support during a water incident.*

### 5.4 Transient Vulnerability

Vulnerability in the water sector is best viewed, not as a permanent personal characteristic but rather as a situation that arises when services do not meet customer needs. A consumer can also be placed in a temporarily vulnerable situation due to a water company’s actions e.g. an incident causing a loss of clean water supply can suddenly create a temporary situation where people need additional support.

While priority service registers are effective when used for consumers who need additional support more permanently, they are less effective in identifying, recording and supporting consumers who need temporary support. If consumers do not know what help is available or how to get access to additional support, then they may struggle, and this is not acceptable.

Companies need to rise to the challenge of finding effective ways to identify customers who need temporary support (such as consumers who are recovering from an illness, have temporary mobility problems or are caring for newborn babies). They should also proactively plan for what support is needed by co-designing with consumers and third sector organisations a process for getting the right support to consumers and delivering that support at the right time. Establishing referral partnerships with local organisations is key to identifying those who may need temporary support, particularly during an incident.

Company systems should also be capable of allowing the recording, monitoring and refreshing of data relating to customers who need transient vulnerability support. We don't see companies giving this issue the priority it deserves.

**What we will be doing:**

*We will be continuing to challenge companies to give increased focus to transient vulnerability. We will bring them together to share ideas and to help achieve this.*

## 5.5 Delivering Social Good

Over the last couple of years, there has been an increased focus within the industry in relation to social value. This thinking falls under several banners: social contract, public interest commitments, and social responsibility.

We support the industry thinking in terms of social value as this builds upon many of the policies and principles that CCWater have adopted over many years. However, this must result in positive outcomes for customers and drive a real change. For this to be successful, companies must embed the principles into their organisation.

With the increased focus on social value and the pledge by the industry to tackle wider social challenges and deliver social good, water companies have an opportunity to take a broader role in society.

Water companies interact with customers on a daily basis, whether by face to face when carrying out work in a community or

in a customer's home, having a telephone conversation or communicating digitally. They can therefore play a crucial part in helping to identify (through their day-to-day interactions) consumers who may need support from other organisations and signposting people to that support.

*An example of tackling wider social challenges and delivering social good is that utilities are already taking active steps to becoming more dementia friendly. It's critical that organisations in the utility sector take steps to ensure they have the right policies, procedures and practices in place to support customers, their employees, and the people in the communities they work in and serve. In 2018, the utilities sectors collaborated with Alzheimers society to produce a Dementia Friendly Utilities Guide<sup>12</sup> and water companies have pledged to become dementia friendly organisations.*

**The guide has information on:**

- How dementia may affect people's use of utilities.
- How utility companies can make simple changes in their policies to support people with dementia.
- How utility companies can enable their staff to feel confident in supporting people with dementia

In 2019, utilities are once again collaborating, this time with Trading Standards to raise awareness of scams that could impact on consumers and employees. A Utilities Against Scams Guide<sup>13</sup> has been produced and we will be pressing water companies to become Utilities Against Scams organisations.

**We are also seeing companies seeking out other opportunities to do social good in their communities:**

- The majority of water companies have committed themselves to drive change and work collaboratively to attract, recruit and retain a more diverse talent in the sector by signing up to the Energy and Utilities Skills Partnership's Inclusion Commitment.<sup>14</sup>
- Twelve water companies have also committed to the Social Mobility Pledge.<sup>15</sup> Committing to the pledge demonstrates that a company is committed to accessing and progressing talent from all backgrounds, and highlights the companies work towards improving social mobility.
- Severn Trent are exploring how they can support the Government's Care Leaver Covenant.<sup>16</sup> The covenant is part of the Government's strategy to support people leaving care to become independent. It asks for public, private and voluntary sector organisations to pledge support.

By recruiting more diversity in the workplace this helps companies to consider the diverse needs of customers, which in turn will shape their policies and processes.

Companies need to work hard to make sure that social value is embedded within the sector and individual companies and delivers tangible improvements and real change for customers. Otherwise, pledges they make may just be a public relation exercise rather than anything that will actually improve outcomes for consumers.

**Good practice identified in CCWater's 2018 vulnerability seminar:**

*In Wales, carers reported that some clients with cognitive impairments/Dementia were leaving taps running so the carers arranged for push taps to be installed at the customers' houses to prevent this happening. Water companies could pass this advice onto customers as part of their Dementia Friendly Utilities Work.*



<sup>12</sup> [www.alzheimers.org.uk/get-involved/dementia-friendly-communities/organisations/utilities-charter](http://www.alzheimers.org.uk/get-involved/dementia-friendly-communities/organisations/utilities-charter)

<sup>13</sup> [www.friendsagainstscams.org.uk/UAS](http://www.friendsagainstscams.org.uk/UAS)

<sup>14</sup> [www.euskills.co.uk/the-sectors-inclusion-commitment/](http://www.euskills.co.uk/the-sectors-inclusion-commitment/)

<sup>15</sup> [www.socialmobilitypledge.org/aboutthepledge](http://www.socialmobilitypledge.org/aboutthepledge)

<sup>16</sup> [www.gov.uk/government/collections/care-leaver-covenant--2](http://www.gov.uk/government/collections/care-leaver-covenant--2)

## 5.6 Inclusive/Universal Design

Inclusive/Universal Design is the design and composition of a service, product or environment so that it can be accessed, understood and used to the greatest extent possible by all people regardless of their age, size, ability or disability.

This is an area that is ripe for innovation and one where it can be applied to make a material positive impact for consumers.

We challenge the water industry to take a leading role in this area of work. Much can be learned from the work of The Centre for Excellence in Universal Design (CEUD).<sup>17</sup> In particular, the Universal Design for Customer Engagement in Energy Toolkit<sup>18</sup> provides comprehensive best practice guidance on achieving better customer communication for all customers.

This includes guidance on points such as making documents, apps and websites easy to access and read and engaging with customers in person or on the telephone.

## 5.7 Incident management

Further severe weather events will affect England and Wales in the future. With this comes an increased risk of incidents such as floods, droughts and freeze/thaws.

In 2018, we recommended that companies needed to rise to the challenge of finding effective ways to identify customers who need temporary support, proactively plan for what support is needed by co-designing with consumers and third sector organisations a process for getting the right support to consumers and delivering it at the right time.

Water UK committed to carry out a wider 12-month review of what had been achieved in response to recommendations from the Ofwat Out in the cold report.<sup>19</sup> Water UK published the findings of its review<sup>20</sup> on 4th October 2019.

CCWater has evaluated the findings of the review to establish if the actions will deliver improved outcomes for customers. While there has been positive progress in many areas, we believe more still needs to be done to prevent a repeat of the negative experience many suffered in 2018.

In particular, we wish to see greater focus on informing customers. The industry should be working to deliver consistent messages, telling customers what they need to know at a time when they need to know and the message should be delivered via communication methods that customers use. Our research into the experiences of customers affected by the freeze/thaw disruption in 2018<sup>21</sup> found that most household and non-household customers considered the level of information during the mains supply interruption to be poor, and should have been better. A significant

minority received no information (from any source) while those that did, considered it reliable but felt it was not of value, i.e. the information did not say anything they did not already know and so was of little help.

There is also no mention of transient vulnerability in the report. No person operates with full capability for the duration of his or her lifetime.

Accessibility or usability can be affected by, for example, a medical injury or condition (temporary, long term or permanent), an unfamiliarity with a situation or environment, a lack of understanding (e.g. communications not in their first language), a recent life event such as birth of a child or a bereavement and so on.

Companies must try harder to make sure that during an incident these customers are effectively identified, made aware of the support available and receive the help they need. Referral partnerships can play a key role in achieving this.

### Good practice identified at CCWater's vulnerability seminar:

Local knowledge is crucial when planning for and responding to incidents. Local contacts help provide a real understanding of the area and the experiences of incidents and can be beneficial in sharing key messages on local social media groups, community centres, and/or help delivering bottled water etc. during an incident.

Companies could map where they currently have local presence through staff living in their region, partnerships already in place, local resilience forums.

This will help identify any gap areas where they need to develop a link to local knowledge.



<sup>17</sup> <http://universaldesign.ie/>

<sup>18</sup> <http://universaldesign.ie/Products-Services/Customer-Engagement-in-Energy-Services>

<sup>19</sup> [www.ofwat.gov.uk/out-in-the-cold/](http://www.ofwat.gov.uk/out-in-the-cold/)

<sup>20</sup> [www.water.org.uk/publication/learning-from-the-impacts-of-the-2018-freeze-thaw-4/](http://www.water.org.uk/publication/learning-from-the-impacts-of-the-2018-freeze-thaw-4/)

<sup>21</sup> [www.ccwater.org.uk/wp-content/uploads/2018/06/SYSTRA-CCWater-Freeze-Thaw-Research-Final-Report.pdf](http://www.ccwater.org.uk/wp-content/uploads/2018/06/SYSTRA-CCWater-Freeze-Thaw-Research-Final-Report.pdf)

## 6. What companies need to do on affordability and vulnerability

Companies continue to make good progress in expanding both the scope and reach of the assistance they provide to customers facing financial and wider vulnerability. However, there is much more they can do to move further towards ensuring all customers who need help actually receive it.

In particular, companies should:

### Affordability

- do more to contribute to the funding of social tariff schemes from profits, in order to close the gap between what can be achieved through customer funding and the full scale of the problem.
- ensure they have a comprehensive range of measures to support financial vulnerable customers whatever their circumstances.
- raise awareness of the support they provide, and reframe their relationship with customers - becoming seen as a source of help when it is needed.
- overcome the barriers which prevent customers realising the savings they could make by switching to a meter. They should do more to highlight the free trial periods and offer guarantees to protect customers from higher bills as a result of switching.
- make use of the Digital Economy Act data sharing provisions to help them target support to those who need it.
- work collaboratively to share good practice and identify options to align social tariff schemes where this would benefit customers.
- mitigate bill shocks if they implement changes to their social tariffs which mean some customers receive less help or lose access to support completely.

### Vulnerability

- collaborate nationally to help raise awareness through a national priority services awareness campaign. There is an ideal opportunity for this when the data sharing of priority services between energy and water companies launches in 2020 for utility companies to do a national campaign to build trust in a unified way.
- increase focus on finding effective ways to identify and deliver support to customers in transient circumstances.
- have systems that are capable of allowing the recording, monitoring and refreshing of data relating to customers who need transient vulnerability support.
- make it easy for customers to self-identify they need support.
- make it easy for friends, neighbours, relatives or third parties to notify the company that someone needs support.
- develop an effective understanding of the communication needs of all their customers, and segment their customer base in order to help them engage with and target services to those most likely to benefit.
- embed inclusive/universal design into the company's culture.
- explore opportunities to do social good that drives real change and tangible improvements for customers through their vulnerability work.



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