

MONEY
ADVICE TRUST



Consultation Response:

Ofwat Priority services registers—a consultation on standards for water companies

Response by the Money Advice Trust

Date: January 2025

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Introduction

About the Money Advice Trust

The Money Advice Trust is a charity founded in 1991 to help people across the UK tackle their debts and manage their money with confidence.

The Trust's main activities are giving advice, supporting advisers and improving the UK's money and debt environment.

In 2023, our National Debtline and Business Debtline advisers provided help to 127,390 people by phone, webchat and our digital advice tool with 2.38 million visits to our advice websites. In addition to these frontline services, our Wiseradviser service provides training to free-to-client advice organisations across the UK and in 2023 we delivered this free training to 800 organisations.

We use the intelligence and insight gained from these activities to improve the UK's money and debt environment by contributing to policy developments and public debate around these issues.

Find out more at www.moneyadvicetrust.org.

Public disclosure

Please note that we consent to public disclosure of this response.

Introductory comment

We welcome the opportunity to respond to the Ofwat consultation on priority services register standards for water companies in England and Wales.

We have set out our thoughts in our response to the individual questions below.

Responses to individual questions

Question 1: Are there any other relevant sources of insight or feedback we should look to as we finalise our standards?

- A. **New Money Advice Trust review guide on extra help and support needs in essential services** - in terms of actionable support needs (i.e. the extra help, reasonable adjustments, changes, and things that companies can do for a customer), **the Money Advice Trust will publish in Quarter 1 of 2025 a new short guide on support needs** based upon a review of what extra help and support actions are taken across multiple essential service sectors (including, but not limited to water or energy). We are willing to share this guide in draft form with Ofwat, as it will highlight a range of service needs that are already being used across a range of essential services (including, but also beyond, water), and which could potentially be included within any revised version of 'core' PSR service needs, or that water firms could adopt and/or meet separately outside of the PSR.
- B. **Lived experience advice on what extra help to provide** – throughout the PSR consultation document, multiple references are made to the sources used to develop the PSR standards. These are welcome, but these sources do not appear to include either individual consumers with lived experience of disability or vulnerability or the organisations that represent these individuals. This is partly understandable – after all, this PSR consultation has been set-up to solicit input from any interested party on what 'extra help' to provide (and lived experience representatives/experts can submit evidence and suggestions). However, **a clear need exists for people with direct lived experience of disability and vulnerability characteristics covered by the PSR to provide guidance on the extra help that is being provided or should be provided**. Without this input, assumptions may be made about what these consumers actually need on an everyday basis or during an incident from their water company.

For example, we know that many water companies allow consumers to nominate a third-party to receive communications and engage with the company. This is clearly welcome on a number of levels. However, we are also aware that in some water companies when this 'extra help' is given, it may lead to scenarios where during an interruption to supply only the nominated third-party will then receive SMS/email messages about this interruption (and not the consumer).

Here, an assumption has been made that the nominated third-party will always pick-up and pass on the message to the consumer.

Clearly there will be common situations where this will not happen (such as when the third-party or carer is working, shopping, on holiday or away, not checking messages, or out of contact from the consumer), and where the consumer will consequently be unaware/not updated on what is happening and potentially vulnerable to harm or detriment.

Critically, this ‘inadvertent consequence’ was not identified by the Money Advice Trust, but was highlighted to us by someone with lived experience of both disability and having third-party involvement in their life. This consumer explained that, in such a scenario, while they would still want to nominate a third-party to receive communications, they would also like to receive communications from their company during incidents themselves.

Examples such as these underline the importance of **systematic processes to design extra help and support needs** with these involving lived experience experts and their representatives. As part of the Money Advice Trust’s work in 2025, we will be focusing on this ‘extra help’ and lived experience dimension, and in addition to the short guide mentioned above, we will be undertaking further research and activity to:

- (a) critically ‘unpack’ existing extra help and support to establish whether this meets the needs of disabled and vulnerable consumers; and
- (b) identifying new or additional help and support that lived experience consumers also would like firms to meet.

It may be helpful to discuss this further with Ofwat, but in the interim we would also recommend engagement with [What We Need – Help Build a More Accessible World](#). This is an open-source initiative that:

- ✓ collates and lists some of the changes, reasonable adjustments, and support needs that disabled and vulnerable consumers want firms, businesses, and institutions to meet;
- ✓ describes them in such a way that organisations are able to act on them; and
- ✓ allows disabled and vulnerable consumers to add, contribute, and improve these lists so they cover a more accurate and wider range of needs and adjustments.

C. **Financial services’ firms have experience of not only routinely recording extra help requirements, but also evidencing when and where support has been given to a consumer.** Clearly, encouraging organisations to identify, understand, and record consumer extra help needs on the PSR is a critical activity. However, there is little point in recording extra help needs if:

- (a) these needs are not consistently and routinely met during every day or incident scenarios; and
- (b) there is not a mechanism to establish and record (in a way that allows data on this to be aggregated, and analysed and then reported on and acted-upon where gaps or inequalities in support provision exist) whether this help is actually being provided to consumers.

In short, the PSR cannot be allowed to be a register of people who need extra help, but where we do not have the data or insight to know if they are receiving this help in everyday or incident scenarios. In the financial services sector, work has been undertaken on addressing this question, and we would encourage Ofwat (and we could also facilitate, where required, conversations with selected firms) about how they have tackled this data recording, monitoring, and governance challenge.

- D. **A vision of the future, where the PSR has played a key part in shaping a much wider data-sharing landscape across multiple essential services.** In the PSR consultation document the importance of future innovation is stated at P5.

*“When we consulted our new vulnerability guidance, ‘Service For All’, we said that improving the reach, accuracy and utility of PSRs was an area with considerable scope for innovation. **This includes proposals to enhance and / or expand the sharing of PSR data between companies and organisations in different sectors.** We said that we did not want to stand in the way of this innovation, and that our outcome-focused approach to setting out our expectations would support future innovation in this area”.*

This is a critical paragraph. Ofwat and its regulated water companies clearly need to focus on ensuring how their current work on data-sharing across water and energy (and more recently, due to the previous Government’s exploration of a ‘Share Once Support Register’,¹ potentially telecommunications companies too) is effective and successful. However, everyone involved in this work is also aware that disabled and vulnerable consumers rely (on a daily basis) on the essential services provided by the banking sector, and also (particularly for disabled consumers) delivery services too.

Clearly, no-one would expect that the PSR remit be immediately expanded to incorporate such banking or delivery services. **However, there should be a strong expectation and responsibility to identify how in our work on the PSR we can act as a ‘catalyst’ to better align and standardise the definition and recording of data about consumer support needs across the different essential service sectors.** If we can do this, then the future desire to expand data-sharing across more sectors will be a more feasible and easier to operationalise one, rather than requiring the unpicking of existing systems, definitions, or ways of working that had already been developed from the outset without such wide-cross-sector collaboration in mind. In short, we need to future-proof and future-align the important work currently taking place on the PSR, remembering that our actions on the data-sharing challenges of today have direct consequences for overcoming those of the future too.

The Money Advice Trust have already written about this ‘design’ challenge in the 2024 document ‘A once in 25 years opportunity: ten principles for designing vulnerable consumer data-sharing programmes’,² and will be running a new programme of work on this ‘future-proofing’ in 2025, that we would welcome talking to Ofwat about.

¹ [Smarter regulation: delivering a regulatory environment for innovation, investment and growth - GOV.UK](https://gov.uk/government/consultations/smarter-regulation-delivering-a-regulatory-environment-for-innovation-investment-and-growth)

² <https://moneyadvicetrust.org/wp-content/uploads/2024/05/10-design-principles-consumer-vulnerability-data-sharing.pdf>

Question 2: Are there any additional areas that you believe should be covered by our PSR standards?

We would recommend that Ofwat include ‘reporting’ and ‘review and improve’ in the PSR standards.

- A. In terms of ‘**reporting**’ and building on point 1.C above (re: the importance of evidence and insight), it is vital that water companies are able to **routinely report** on the **satisfaction, experience, and outcomes their known PSR-registered, disabled, or vulnerable customers have compared to customers without these known characteristics**. Companies clearly need to ‘know’ the profile and composition of their customer-base, including characteristics related to the PSR, disability, or vulnerability to harm – and improved data-recording is required to capture and develop this insight. However, companies also need to use this information to help them compare both how these broad groupings of customers compare to other customers without these characteristics (e.g. satisfaction levels among disabled customers vs non-disabled), as well as how specific segmentations of customers with a particular characteristic compare to others (e.g. complaint levels among customers with a known mental health condition versus customers without this characteristic). This ability to have both ‘headline’ data and ‘drilled-down-into-segments’ should allow companies to direct their support and efforts more effectively and help them avoid inequalities of treatment or harm among different groups. Critically, this type of information needs to be routinely collected and reported on (rather than having to be specifically requested), and should involve co-ordinated activity across quality assurance, complaints, and other key measures, as well as ‘deep dives’ into data on specific groups of customers or support needs.
- B. Meanwhile in relation to ‘**review and improve**’, and touching on point 1.B, this is about recognising that consumer support needs and services are not a fixed or static category. Instead, these will need to be reviewed by individual water companies on at least an annual basis (to establish where improvements, new needs, refined needs, or changes are required). In addition, these should be reviewed by Ofwat on an annual basis. This will allow Ofwat to identify where an activity or support need should be ‘promoted’ into the core PSR set, rather than being an example of extra help that only a small number of companies are providing, but which all water companies across the sector should be incorporating into their work). Without doing this, regular opportunities for improvement and progress will be lost at the individual water company level, while consistent good practice across the water sector will not be achieved (and fragmented and irregular consumer experience will exist instead).

Question 3: Do you agree with our proposal to require all water and wastewater companies to have a PSR?

Yes, we agree with this proposal to require all water and wastewater companies to have a PSR.

Question 4: Do you agree with our proposal to require all water and wastewater companies to refer to their PSR as a 'priority services register' or 'PSR'?

Yes, we agree with this proposal, on the caveat that it is crystal-clear to consumers exactly what:

- (a) they will receive in terms of extra help from the service if they disclose their situation, characteristics, or support needs; and
- (b) where their information will go, who it will be shared with, for what purposes, and the choices/controls they have over this.

In short, while the name of the process should remain the same, the explanation of what the PSR is for and how it will affect the outcomes for consumers needs to be significantly improved.

Question 5: Do you agree with our overall approach to setting our expectations in this area, through non-exhaustive lists of needs and services we expect PSRs to cover?

In our experience, which we have gained across multiple sectors, where a regulator explicitly identifies needs and services to be met, then most companies will take steps to do this. Consequently, as noted in point 2 above ('review and improve') it is important that Ofwat routinely revisit and review – on an annual basis - their non-exhaustive list of needs and services to make it equally crystal clear what other key needs and services should, as a minimum, be added to this 'core set of PSR actions'.

Such regulator illustrations of good practice are critical. Although some individual water companies are likely to take steps to introduce and meet other needs, there is not (within the PSR consultation document itself) an immediately obvious incentive for companies to take additional 'extra help' actions for their customer base. And although there is an expectation from Ofwat for companies to recognise that as many as ~50% of their customer base may be eligible for PSR registration, this expectation only drives behaviours in the recording of consumers on the PSR, rather than as a measure of the range, relevancy or quality of the support these customers are given.

In addition to this, we would also like to see Ofwat pay additional consideration to the role of and communication with nominated third parties (as addressed in point 1.B.).

Question 6: Do you agree with the list of needs we have set out? Are there other needs we should include?

In the PSR consultation document, eleven different types of customers are identified as having potential ‘extra help’ needs (page 14). Building on point 4 above, it is important that water companies clearly explain what these customer groups:

- (a) will receive in terms of extra help from the service if they disclose their situation, characteristics, or support needs; and
- (b) where their information will go, who it will be shared with, for what purposes, and the choices and controls they have over this.

For example, customers with mental health conditions have historically low rates of disclosure to water companies. The Money and Mental Health Policy Institute (MMHPI) have reported that around 11% of surveyed consumers with mental health problems ever tell their water company about this.³ However, the MMHPI and Money Advice Trust have jointly identified that transparency, control, and the knowledge that **relevant support will be provided** following disclosure are key facilitators of sharing such information.⁴

Consequently, it is important that water companies and Ofwat work towards a range of relevant support and ‘extra help’ being available for consumers who represent significant groups on the PSR (which, here, would include the other ten different customer types listed by Ofwat), and that this is communicated to these customers.

In addition, as noted in point 5 above, it is again important that Ofwat routinely revisit and review – on an annual basis - their non-exhaustive list of needs and services to make it equally crystal clear what other key needs and services should, as a minimum, be added to this ‘core set of PSR actions’.

Question 7: Do you agree with the list of services we have set out? Are there other services we should include?

We have covered these points in our response to question 6 above.

Question 8: Do you agree with our proposed requirement that all companies should strive towards having as comprehensive a picture as possible of PSR service requirements of individual customers in their area?

Yes, we agree with this proposal. However, it is also important (as we note in our response to Question 13 below) that companies make it as simple as possible for customers to both initially disclose their situation and accompanying extra help needs, but also to be able to update, revise, and change (including revocation) this information at any point.

³2021 [The State We're In - Money and Mental Health](#) Policy Institute

⁴ 2022 [Disclosure-Guide-1-Disclosure-Environments.pdf](#) Money Advice Trust and Money and Mental Health Policy Institute

This is not only because some situations or conditions have support needs that fluctuate over time, but customers should (in most circumstances) be able to change their minds about the data that is held about them by a water company and have the access and control to change this information (ideally through both online consumer portals and other channels).

Question 9: Do you agree with our proposal to set an eligibility estimate, and require incumbent companies to grow their PSRs towards this each year?

Yes, we broadly agree with this proposal, although a key metric (as discussed in point 1.C.) is not just the number of customers on the PSR, but whether evidence exists that those customers on the PSR are consistently receiving the support they require in the circumstances and situations in which this support is needed by them.

In short, the number of PSR registrations is only truly meaningful if these customers are then receiving the right support, at the right time, in the right circumstances, and in the right way.

Question 10: Do you agree with our proposed eligibility estimate, and the method we have used to calculate it?

Yes, we welcome the estimate being made. It would be useful if the estimate were refined by introducing other factors (e.g. see the Department for Education Design manual calculator⁵ for other prevalence proportion values).

Question 11: Do you agree with our proposal to not expect new appointees to meet our eligibility estimate?

We have no comments to make in response to this question.

Question 12: Do you agree with our proposal to retain our expectations on data checking from our 2020-25 common performance commitment?

We understand the approach that has been taken, but wondered if data and analyses were provided to Ofwat by each water company that:

- (a) outlined the percentage of customers on the PSR who were not successfully contacted in a two-year period;
- (b) with these data then broken down by the customers situation and grouping (e.g. have a mental health condition); and
- (c) broken down again by the extra help they were receiving (e.g. arrangement of additional presence during visits).

⁵ <https://design.education.gov.uk/tools/how-many-users>

Such analyses may well be provided already to Ofwat, but would allow for insight into the customer groups which are the 'most difficult to contact' (and who may require alternative contact strategies to be employed in the future), as well as the type of support these groups are currently receiving.

Again, this may well be done already, but taking this step would allow an insight into customer groups where there is a known issue (given the PSR registration), but where there are systematic and consistent difficulties in establishing contact with them.

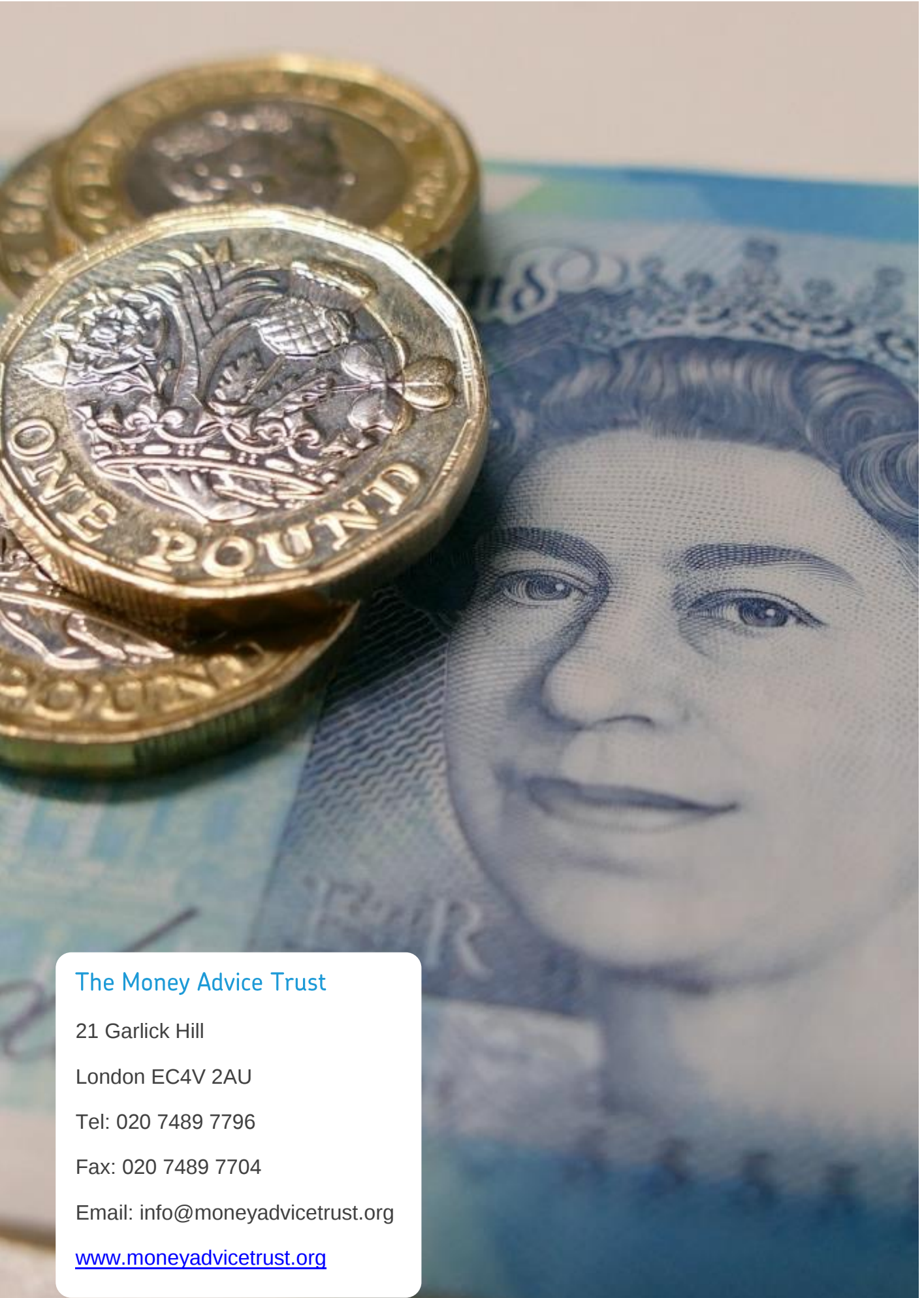
Question 13: Do you agree with our proposed standards on PSR registration?

We agree with the proposed standards on PSR registration.

Question 14: Do you agree with our proposals for implementation, monitoring, and reviewing our PSR standards?

We would recommend that – as noted in several of our earlier points – Ofwat should introduce an annual review mechanism that allows Ofwat to update, expand, and continually improve the standards and PSR data items that water companies were required to collect.

For more information on our response, please contact:



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