

REPORT TO: POLICY AND RESOURCES COMMITTEE - 19 JUNE 2000

REPORT ON: CONSULTATION PAPER ON CUSTOMER SERVICE IN THE WATER INDUSTRY

REPORT BY: DIRECTOR OF CORPORATE PLANNING

REPORT NO: 434/2000

1. PURPOSE

To advise members of a Consultation Paper issued by the Water Industry Commissioner for Scotland, and to recommend a response.

2. RECOMMENDATIONS

It is recommended that Committee:

- welcome the proposals contained in the Consultation Paper 'First Steps in Ensuring Improved Customer Service'
- note that the Consultation Paper does not directly address the issue of water charges, but take the opportunity in the Council's response to comment that the interests of consumers, particularly those on low incomes, should be fully taken into consideration as part of the Commissioner's Strategic Review of Charges.

3. FINANCIAL IMPLICATIONS

None

4. EQUAL OPPORTUNITIES IMPLICATIONS

None

5. LOCAL AGENDA 21 IMPLICATIONS

None

6. BACKGROUND

6.1 The Water Industry Commissioner for Scotland has issued a Consultation Paper entitled 'First Steps in Ensuring Improved Customer Service' The Consultation Paper invites comments by 30 June 2000 on a range of proposals under three main headings:

- guaranteed minimum standards
- other customer service failures
- compensation for major incidents

These proposals are summarised in Appendix 1 to this report. Essentially, the aim is to ensure that the water authorities provide a consistently high level of service, and to provide for compensation when they don't. Full details are set out in the Consultation Paper, a copy of which has been sent to each Group Secretary and is available in the members' lounge.

- 6.2 It is recommended that the Council support these proposals as a useful starting point in ensuring a high quality service to water customers. The Consultation Paper includes detailed questions on the proposals, on which comments will be obtained from consumer groups and the Consultative Committee for each water authority area. The Commissioner will also continue to work with these groups, and the water authorities, to improve customer service e.g. through comparing performance between the authorities and challenging each to offer best practice.
- 6.3 The importance of ensuring a high level of customer service has been brought into focus by the recent increase in water charges. These current proposals do not directly address the issue of charges, but seek to ensure that customers receive good value for the money they pay. It is suggested that members may wish to take the opportunity in the Council's response to comment that the interests of consumers, particularly those on low incomes, should be fully taken into consideration as part of the Commissioner's Strategic Review of Charge, which will form the basis of his advice to the Scottish Executive on future charges.

Director of Corporate Planning Date

Background Papers

'First Steps In Ensuring Improved Customer Service'
A Consultation Paper from the Water Industry Commissioner for Scotland.

'FIRST STEPS IN ENSURING IMPROVED CUSTOMER SERVICE'
SUMMARY OF PROPOSALS IN THE CONSULTATION PAPER ISSUED BY THE WATER
INDUSTRY COMMISSIONER FOR SCOTLAND.

1. **Guaranteed Minimum Standards**

It is proposed that your water authority will:

- Give you **48 hours notice of a planned interruption** likely to last more than four hours and restore your supply at a stated time
- **Restore your supply within 12 hours** of an unplanned interruption (48 hours for a trunk main)
- Clean up the mess, and **refund your full Annual Sewerage Charge** for each incident (up to £1000) (for business customers this excludes any trade effluent charges) **following sewer flooding** in your premises
- **Respond fully** in writing **to a written** complaint, **or to a telephone complaint**, where a written response is requested **within 10 working days**
- Respond to your request to **change your method of payment within 5 working days**, and to **other billing queries within 10 working days**
- **Keep appointments with you** for a morning or afternoon and **within a specified two hour time band** if you request this

These new Guaranteed Minimum Standards compare very favourably with the English and Welsh water companies and other utilities in Scotland.

If a water authority fails to meet these standards it will pay £20 except in the event of sewer flooding when your annual sewerage charge will be refunded (up to £1000 and excluding trade effluent charges).

2. **Other Customer Service Failures**

The existing system of ex-gratia payments and goodwill gestures should continue, being more appropriate to resolve less common customer service failures. There does not appear to be a case for being prescriptive, but Codes of Practice could be amended to reflect the responsibility and set a fixed sum. The Water Industry Commissioner could act as an independent arbiter if the complainant is not satisfied.

3. **Compensation for major incidents**

Compensation does have a place in cases where actual loss or significant inconvenience is caused to customers. Guidelines are proposed for when compensation is payable, what amounts should be payable and the degree of discretion left to the water authorities. Again, there may be a role for the Water Industry Commissioner in those circumstances.