

The Water Redress Scheme (WATRS)
PUBLICATION OF THIRD INDEPENDENT REVIEW

Dear Reader

The independent Water Redress Scheme (WATRS) is nearly 3 years old and this is the third review by the Independent Oversight Panel. Since it began WATRS has made over 350 decisions on unresolved complaints and required companies to pay over £75,000. The service is free of charge to customers, and if a customer accepts the decision it is binding on the company. Water companies have cooperated constructively with the scheme, and some have told the Panel that it has prompted them to improve their own complaint handling. WATRS has evolved over its life with procedural and communications changes to improve its user-friendliness. The provider, CEDR, has adopted several improvements suggested by the Panel, and this process continues.

All this is positive, and WATRS has proved a significant addition to consumer protection for water customers in England & Wales. But WATRS was an add-on stage to an existing complaints structure. Our main recommendation now is to revisit, by summer 2018, whether the *overall complaints structure in the water sector* is as good as it could be. CEDR's contract has been extended to 30 September 2019. This will allow such a review to be completed by summer 2018 and any changes to be incorporated in the specification for the next Water Redress Scheme from October 2019. The review should consider:

- Potential length of overall complaints journey. The Panel has seen a handful of complaints to and fro between company and customer for many months. By contrast several UK industries give access to Alternative Dispute Resolution if a complaint is not resolved in 8 weeks.
- The cliff edge between the Consumer Council for Water (CCW) and WATRS. Only 12% of eligible customers choose to go forward from CCW to WATRS. Reasons for this may include that a fresh application form is needed, whereas schemes in some other industries offer mediation and adjudication under the same roof so it is seamless for the customer.
- Decision-making process. WATRS closely mirrors the small claims court but an alternative model – perhaps more accessible for customers – could be more like an ombudsman service, which is neutral but ‘helps’ the customer by interacting and asking questions. To quote from user feedback:

“WATRS just look at what is written on paper.... they didn't give me a chance to answer their questions....”

“The water board has a solicitor and I didn't have any help... I didn't know what to provide, I provided what I thought was relevant.... they should have asked questions rather than just ask me to make a statement.”

“Assumes some level of expertise in structuring a case, not an average member of Joe Public. [Company X's] representation made far better reading than the wishy-washy account of a stay-at-home mum.”

The Panel is pleased that the water industry is positive about reviewing the overall complaints structure. To inform the review of the “cliff edge” mentioned above, the Panel has set up a 3-month pilot from January 2018 where CCW will offer to assist eligible customers with filling in their WATRS application form.

Our other main recommendations are all in hand by the time this report is published:

- WATRS to make further customer service improvements and review the “burden of proof”, especially where the amount of water used by the customer is in dispute
- companies should respond to WATRS within a strict 10 working days (this will give companies more time to review each case thoroughly); and
- this Panel should make (anonymised) decisions more accessible online and should review end to end correspondence in a further sample of 3 cases.

Sandra Webber

Chair, WATRS Independent Oversight Panel

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