



General Comments

We welcome the opportunity to respond to Consumer Scotland's Draft Work Programme and look forward to continuing to work together to improve outcomes for customers and communities. As raised in bilateral meetings we have some concerns about aspects of the work programme which we set out in the Detailed Response below.

Links to the bigger picture

We would welcome a clearer link between the work programme and the Water Sector Vision. We believe there is an opportunity for Consumer Scotland to outline the contribution they can make towards meeting the Vision's ambitions.

We would also welcome a link between the work programme and the SR27 Ministerial Objectives for the industry.

What's missing from the work programme?

We would suggest an outcome focused on empowering consumers to play their part in supporting the resilience of water and waste water services through smart water use and appropriate disposal of household waste. One of the key messages from our Long-Term Strategy is that we cannot address the challenges facing the water industry alone, particularly as extreme weather events become the norm rather than the exception. Whilst we recognise that we have a lead role to play in helping customers understand the importance of managing demand on water and waste water services, coordinated support from others can significantly increase the reach of these messages.

Supporting activities

In relation to the non-household water market, Consumer Scotland has added value in bringing the SME business customer voice to the fore, in water and in energy. This can complement the market regulatory functions of the Central Market Agency and WICS.

Please note the High-Level Group is referenced under 'supporting activities', this should be changed to reflect the new group name, the Water Industry Leaders Group. The Strategy Group has also been repurposed as the Strategic Review of Charges Group.

Detailed Response

We have included our thoughts and comments against each of the priority outcomes of the work programme for the water sector in turn:

Specific Comments

Supporting vulnerable water consumers

We do not agree that the energy sector's approach to building and maintaining a Priority Service Register (PSR), in isolation, provides a useful comparison of what is required in the water sector. Energy companies in the UK were incentivised to actively increase registrations for their PSR through the RII0-2 price control. The RII0-2 price control also created a mechanism for failures relating to PSR performance to be penalised. In recent years, Energy companies in the UK have been fined for failure to meet PSR obligations. We do not have the same regulatory requirements or incentives in the water sector, and do not believe that it is a beneficial approach for our customers to introduce a financial penalty mechanism. In considering the final work programme we ask Consumer Scotland to consider the following activities already in place at SW:

- We view all our household customers as individuals, and we aim to recognise, support, and meet our diverse customers' and communities' requirements in an inclusive and accessible way.
- As we increase our PSR, promoting the importance of taking individual responsibility to ensure personal resilience will become more critical, alongside increasing accessibility, prioritised care and tailored communications.
- As the Register grows, we will categorise customers' needs, prioritise assistance and ensure the most vulnerable are looked after first.
- The additional funding for PSR improvements proposed in the SR27 Business Plan is to support a PSR which grows at the current rate. The cost of servicing a significantly larger register is not accounted for within our SR27 Final Business Plan. Funding would need to be redirected from other areas of the plan to accommodate a significant growth in the PSR.
- We train our people to spot signs of vulnerabilities through phone calls and on the doorstep to enable them to sensitively signpost the customer to further support if necessary. We also make it easy for our people to serve these customers, allowing time for extra care and conversation.
- Advance notice goes to all customers during planned works, not just those on the PSR. The Proactive Communications Team in the Customer Engagement Centre also notify of incidents when we have

customer information. We are looking into adding PSR data into the proactive text messages that are circulated, and

- We have established meaningful partnerships with Age Scotland and other utility companies. This work will evolve as we ensure we reach all our customers who need some extra help.

We also note a couple of points for clarification that we hope CS will find useful:

- It would aid less informed readers if CS explained what is meant by ‘daily assistance’ under the desired outcome, and
- We note references to ‘power cuts’ and this should be changed to reference incidents that impact customers in the water sector.

We recognise that we have further work to do:

- To explore different options for data sharing and accessibility to enable more seamless support for vulnerable customers¹, and
- As our PSR grows organically, increases in registration numbers occur predominantly during operational incidents. This is one of the biggest challenges for us as it’s hard to provide the proactive service customers expect. We are working to systemise how we manage PSR sign-ups and bottled water requests during large-scale incidents to streamline prioritisation.

We would welcome further conversation with Consumer Scotland to explore these areas of service improvements relating to our PSR approach and ask that their work programme focus considers quality of service not just quantity of numbers on a register.

Specific Comments

Tackling Water Poverty

We are keen to support customers who may struggle to pay their water bills in taking up the support that is available, but we do not support the approach proposed in the work programme.

Consumer Scotland uses different types of active language for its proposed activity in the water and energy sectors, with a stronger emphasis on “tackling water poverty” despite the fact that fuel poverty is a far more pressing issue for households. We question the rationale behind this focus.

¹ This would be a huge change and is highly complex in terms of data compliance, security and data sharing process and infrastructure.

For example, the work programme states a priority of 'Tackling water poverty' for the water sector with the outcome of 'Water will be affordable for low-income consumers across Scotland and a sharp rise in the water poverty rate will be averted'.

In comparison, the priority for the energy sector is 'Advocating for more affordable energy bills with an outcome of 'A fair set of supports to ensure all consumers are able to meet a basic level of energy demand, without placing an undue burden on other consumers.

Further work is needed to understand the drivers of water poverty and eligibility for support schemes, as current analysis does not explain the observed gaps and inconsistencies.

We are keen to work together with Consumer Scotland to investigate opportunities to raise customer awareness and take up existing affordability support. This work should recognise, as has been noted for the energy sector, that any change to affordability support is funded by other customers.

Specific Comments

Preventing and Dealing with Water Debt

Regarding the desire to create clearer billing information, we ask Consumer Scotland to note that we work closely with Local Authorities (LAs) to ensure that customers can easily access information on their water bills. Through working with LAs, leaflets on customer charges are no longer provided in paper copy, all LAs now heavily promote e-billing, and signpost customers to Scottish Water's website for information on water and waste water charges. It is in the best interests of all LAs to make it clear that - although the recipient may be exempt from Council Tax - they may still be responsible for paying their water and waste water charges.

We want to work with Consumer Scotland to understand the research referenced in relation to debt, and where the analysis has been drawn from.

Specific Comments

Improving consumer outcomes in the non-household water market

Consumer Scotland's recent research delivered with small business customer groups has been very helpful in highlighting how the retail parts of the market are working for customers. We welcome Consumer Scotland's continued

engagement to help facilitate a market which works as well as possible for customers.

Specific Comments

Water Consumers at the heart of the Strategic Review of Charges 2027-2033

We were pleased to see this section of the work programme was updated, following initial feedback from Scottish Water. Consumer's Scotland's deliberative research is adding to an already very strong foundation of customer research which has informed Scottish Water's plans for 2027-2033.

We ask for this to be reflected in the final work programme.

Consumer Scotland's role is to confirm that customer priorities are reflected in the Business Plan, not to set those priorities. The opportunity, at this point in the process, is to provide the Water Industry Commission for Scotland with a view on whether there is informed consumer support for Scottish Water's Final Business Plan, so this can be considered alongside the wealth of customer research and research synthesis Scottish Water has conducted. In the round, this will allow WICS to make a judgement as to whether customer feedback has been taken into the plan, ahead of consultation on its Draft Determination. Scottish Water's Final Business Plan is being finalised ready for publication on 27 February.

We would welcome recognition of the key role the multi-stakeholder Research Advisory Group (RAG) has played in driving forwards the SR27 research programme, which has allowed for customer insights and feedback to be fully reflected in the SR27 Business Plan.

The robust evidence base in the Research Synthesis, plus the four additional research studies designed specifically to gain the views of our customers in the development of the SR27 Draft and Final Business Plans, has not been mentioned and we feel this should be highlighted.

As agreed within the Memorandum of Understanding for customer engagement in SR27, the Independent Customer Group (ICG) also played a key role in assuring the customer voice in the Business Plan. Their assurance statement reads:

"In its assurance role the ICG:

Is satisfied with the research samples, methodology and the rigour with which the research has been undertaken; and

Is satisfied that the views of customers have been reflected in and have influenced the Business Plan”

As part of their role, the ICG met with Consumer Scotland’s Board providing transparency and clarity on this Assurance process.

This should be reflected, and we believe it is important to acknowledge the significant volume of work that has been undertaken to ensure that ‘water consumers are at the heart of the Strategic Review of Charges’.

Specific Comments

A water system that responds to climate change

We believe the work programme should stress the need for collective responsibility when it comes to responding to climate change. Adapting to climate change requires a systems-based, cross-sectoral and national approach.

Specific Comments

Strengthening the evidence base on issues that matter for water consumers

Our biggest concern is that this outcome implies that customers aren’t at the heart of our business, we refute this implication. The work programme also fails to acknowledge the scale of efforts and activity carried out to engage, research, understand and act upon customers’ needs and expectations.

Regarding our customer research activity, we ask Consumer Scotland to note:

- We have a strong track record of understanding customers views through customer research,
- The Research Synthesis framework and process was developed in 2023 to help us manage and consistently analyse a wealth of customer insight (2,000 insights drawn from 60 research projects involving 24,000 customers over the last 10 years). Our research is now organised and stored in a way that enables us to generate insights transparently and consistently, and to facilitate the sharing of these insights with internal users and external stakeholders,
- As previously mentioned, and evidenced by our SR27 Final Business Plan and Technical Appendices, customer research and the customer voice is at the heart of our business planning decisions for 2027-2033, as it has informed the Long-Term Strategy and previous Business Planning Processes, and

- To better understand our customers' experiences and perceptions YouGov conduct a monthly survey on our behalf with approximately 500 customers per month. These results feed into our Customer Experience Measures.

In addition to the above customer research activity, we also undertake the following:

- Root Cause Analysis on any customer who scores us 4 or lower out of 7 in our customer experience survey to continually improve upon service delivery,
- GEM (Going the Extra Mile) awards, where customers nominate staff members helps us understand what matters to customers, and ensure we are delivering towards this,
- Customer behaviour change campaigns raising awareness, changing attitudes and enabling positive behaviours to reduce blockages and reduce demand,
- Text Alert service so customers are informed earlier of issues in their area so they can prepare (as mentioned under PSR above), and
- A customer events programme, which provides an excellent opportunity to understand what is important to customers. At the Royal Highland Show last year, we had an 'opinion wall' to ask customers for their views.

A Social Value strategy and delivery plan are also well underway – reflecting at a local level what is important to customers. We will be engaging Consumer Scotland on the development of this in the coming months.

Offer to data share:

- Like the Research Synthesis, we are happy to share the raw perception data from YouGov with Consumer Scotland on a regular basis. We can do this via the Customer Research Coordination Group, or with you directly, and
- We are developing an Awareness and Behaviour Change Measure (ABC Measure) to track customer consumption and flushing behaviour data and will share this with you, for your views, in due course.

Point of clarification:

- Scottish Water is working towards embedding the Consumer Duty, with impact assessments to evidence customer are at the heart of strategic decision making. This talks about planning and operations and Scottish Water would be keen to understand whether there is an

expectation that the Consumer Duty will be expanded to include tactical decisions.

- We are keen to understand any gaps you have identified that are not included within our current perception surveys, we want to minimise any risk of duplication of effort, so customers do not have to pay twice for this. This is in line with the purpose and remit of the of the industry wide Customer Research Coordination Group.

Consultation Questions

1.	Are you responding as an individual or on behalf of an organisation?
Organisation	
2.	In what capacity are you responding to this consultation on Consumer Scotland's work programme?
Government, local government or other public body	
3.	If responding as an organisation, please provide the name of the organisation you are responding on behalf of.
Scottish Water	
4.	If responding as an organisation, are you happy for your feedback to be attributed to your organisation in the published summary?
Yes.	
5.	Are there any specific issues of importance for consumers that Consumer Scotland should take account of within our proposed workstreams for 2026-2027?
6.	Are there any opportunities for collaboration that Consumer Scotland should consider in our approach to our proposed workstreams for 2026-2027?

7.	Are there any risks (e.g. duplication, practical barriers, others) that Consumer Scotland should be mindful of across any of our proposed workstreams for 2026-2027?
8.	Are there any other areas of activity you think Consumer Scotland should consider as part of our work programme for 2026-2027? If so, please provide as much information as you can.
9.	Do you have any other views on Consumer Scotland's proposed areas of work for 2026-2027?