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Customer Protection Code of Practice for the non- household retail market

Ofwat

About this document

Ofwat has a legal duty to make sure that eligible non-household customers are protected in the non-household retail market. To help achieve this, we have a Customer Protection Code of Practice (CPCoP). The CPCoP sets out the minimum standards that all retailers must comply with in their dealings with customers. It also sets out the minimum standards of behaviour that we expect from retailers at every step of the customer's use of services (the 'customer journey'). That includes:

- sales and marketing activities;
- contracts and information;
- switching suppliers;
- billing and data; and
- handling complaints and disputes.

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Change History

Version Number	Date of Issue	Effective from Date	Reason For Change	Change Control Reference	Sections Affected
1.1	17 March 2017	1 April 2017	Consistency with legal framework and minor housekeeping		1.1, 2.1, 2.2, 3.1, 5.1.2, 7.9.2.3, 9.3.1, 9.3.2
1.2		28 February 2019	Amendments to align Customer Protection Code of Practice with Wholesale Retail Code.	CP0001	1.1, 9.3.1
1.3	6 June 2019	13 June 2019	Enabling Micro-business Customers to conclude contracts orally	CP0002	6.1, 6.1.2, 6.1.3, 6.2.1, 6.2.2, 6.2.3
	6 June 2019	6 September 2019	Additional changes to Customer Protection Code of Practice following resolution of the inconsistency regarding back-billing	CP0003	1.1, 7.1.3, 7.1.4, 7.1.5, 9.2.3, 9.3, 9.3.3
1.4	6 April 2020	8 April 2020	Customer Protection Measures during Covid-19 Pandemic	CP0006	7.1.6, 7.1.7, 9.4, 9.5, 9.6
1.5	1 June 2020	1 June 2020	Customer Protection Measures during Covid-19 Pandemic	CP0007	1.1, 7.1.6, 7.1.7, 7.1.8, 9.4.1, 9.4.2, 9.5.1, 9.5.2, 9.6
1.6	16 December 2020	21 December 2020	Customer Protection Measures during Covid-19 Pandemic	CP0009	7.1.6
1.7	23 March 2021	26 March 2021	Internal Meter Reads in the business retail market: Customer Protection Change Proposal – CP0008	CP0008	1.1, 9.2
1.8	25 January 2022	20 April 2022	Customer Credit Protection	CP0010	1.1, 7.1.9, 7.1.10,

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					9.2.6, 9.2.7
1.9	1 February 2024	1 March 2024	Amendments to consultation requirements for Housekeeping Changes. Removal of redundant Covid-19 sections.	CP0012	1.1, 1.2, 5.1, 5.2, 7.1, 9.2, 9.4, 9.5, 9.6
2.0	17 October 2024	17 November 2024	CPCoP review Tranche 2 changes	CP0013	1.1, 4.1, 4.2, 5.1.2, 6.4, 7.1.7, 7.3.1, 10.5
2.1	17 October 2024	17 January 2025	CPCoP review Tranche 2 changes	CP0013	1.1, 7.1.4, 7.1.9, 7.3.1, 7.4, 8.3
2.2	17 October 2024 and 27 November 2024	17 April 2025	CPCoP review Tranche 2 changes and Customer Credit Balances changes	CP0013, CP0014	1.1, 4.2.3, 6.3.2, 6.4.3, 7.1.6, 7.1.7, 7.1.8, 7.1.10, 9.2.4, 9.2.6, 9.2.7, 9.2.8, 9.2.9, 9.2.10, 10.3.5

1. Definitions and interpretation

1.1 In this code, unless the context otherwise requires:

Term	Definition
1991 Act	means the Water Industry Act 1991;
2014 Act	means the Water Act 2014;
Advance payment	Where customers make payments towards their bill before a water and/or sewerage service is actually received
Appointment	means the instrument of appointment granted to a relevant undertaker under section 6 of the 1991 Act;
Back-bill	means a recalculated bill or invoice for water supplied and/or services provided in the 24 Months preceding the date of that bill or invoice;
Business day	the period of 08:00 to 18:00 hours on any day other than a Saturday or Sunday, or Christmas Day, Good Friday or any day which is a bank holiday in England and Wales under the Banking and Financial Dealings Act 1971;
Cancellation Request	has the meaning given in the Wholesale–Retail Code;
Cancellation Notice	means a notice to cancel Terms and Conditions of Supply issued by a Micro-business pursuant to Section 6.2;
Code Principles	means the principles of this code set out in Section Error! Reference source not found. ;
Complaints Handling Process	means a procedure which sets out how a complaint from a Non-Household Customer can be made to, handled and progressed by a Retailer;
Customer Protection Code Change Proposal	means a proposal in respect of a change to this code, made in accordance with Section 5.1;
Delivery hours	means 09:00 to 17:00 on a day which is not a Saturday or Sunday or Christmas Day, Good Friday or any day which is a bank holiday in England and Wales under the Banking and Financial Dealings Act 1971;
Eligibility Guidance	has the meaning given in the Wholesale–Retail Code;
Eligible Premises	has the meaning given in the Wholesale–Retail Code;
Exit Regulations	means The Water and Sewerage Undertakers (Exit from Non-Household Retail Market) Regulations 2016;
Final Settlement Report	has the meaning given in the Wholesale–Retail Code;
Incoming Retailer	has the meaning given in the Wholesale–Retail Code;
Invoice Period	has the meaning given in the Wholesale–Retail Code;
Licence	means a Water Supply Licence or a Sewerage Licence;
Licensee	means the holder of a Licence;
Market Operator	has the meaning given in the Wholesale–Retail Code;
Material Terms	means the provisions of any Terms and Conditions of Supply which meet the requirements set out in Section 6.1.1(a) to (g) inclusive;
Metered	Has the meaning given in the Wholesale Retail Code;
Meter Read	Has the meaning given in the Wholesale Retail Code
Micro-business	means a Non-Household Customer where the number of employees is less than ten (10) on the earlier of the date on which a relevant Transfer

	Registration Application is submitted and the date on which Terms and Conditions of Supply are agreed;
Minimum Information Requirements	<p>means the following information:</p> <ul style="list-style-type: none"> (i) the Non-Household Customer's SPID(s); (ii) the tariff and details of how the bill has been calculated, including, for example, a summary of the basis for estimation where the bill is based on estimated consumption; (iii) whether the Terms and Conditions of Supply are pursuant to a Scheme of Terms and Conditions or the statutory duties of a relevant undertaker; (iv) any expiry date of the applicable Terms and Conditions of Supply; (v) ways to pay any outstanding debt; (vi) details of the relevant Retailer's Complaints Handling Process; (vii) contact details for the relevant Retailer; (viii) other useful third party contact details, including the Authority and the Council; <p>(ix) general information that water is a competitive market and customers may be able to switch Retailer or renegotiate their terms of supply with their Retailer and may benefit (including financially) from doing so. There shall be a link to the Open Water Website.</p>
Month	has the meaning given in the Wholesale-Retail Code;
Non-Household Customer	means a person who may be identified as the customer of a Retailer for any Eligible Premises in light of any relevant Eligibility Guidance;
Non-Primary Charge	has the meaning given in the Wholesale-Retail Code;
Non-substantive Change	changes or proposed changes to this code, that are non-material and do not impact existing underlying obligations;
Open Water Website	<p>https://www.open-water.org.uk/</p> <p>Or any subsequent website address as notified by the Authority from time to time.</p>
Outstanding Debt	has the meaning given in the Wholesale-Retail Code;
Outgoing Retailer	has the meaning given in the Wholesale-Retail Code;
Post RF Settlement Report	has the meaning given in the Wholesale-Retail Code;
Primary Charge	has the meaning given in the Wholesale-Retail Code;
Reasonable Repayment Plan for a Back-bill	<p>means a process for repayment of a Back-bill which meets the following criteria pursuant to Section 9.3.2:</p> <ul style="list-style-type: none"> (a) it does not incur interest on the amount due; (b) it offers the relevant Non-Household Customer time to pay that amount by agreed instalments, over a period nominated by the Non-Household Customer being no longer than: <ul style="list-style-type: none"> (i) the period during which the debt accrued, if it accrued over a period of less than 12 Months; or (ii) 12 Months; or (iii) At the discretion of the Retailer, over a period up to 24 months.

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Reasonable Repayment Plan for an Outstanding Debt	means a process for repayment of an Outstanding Debt pursuant to Section 7.1.5 which offers the relevant Non-Household Customer time to pay that amount by agreed instalments, over a period nominated by the Non-Household Customer being no longer than: (i) the period during which the debt accrued, if it accrued over a period of less than 12 Months; or (ii) 12 Months, in any other case;
Renewal Notice	means a notice to renew Terms and Conditions of Supply issued by a Retailer containing the information set out in Section 7.1.4(a) to (g) inclusive;
Redress Scheme	means a scheme under which a complaint from a Non-Household Customer can be made to and determined by an independent person;
Retailer	means either: (i) a relevant undertaker who does not hold an Appointment in relation to a retail exit area; or (ii) a Licensee;
Scheme of Terms and Conditions	means one or all of the following (as the context requires): (i) a scheme containing terms and conditions which, in the absence of agreed terms and conditions are to apply to a supply of water and/or provision of sewerage services and which is required to be made by a Licensee pursuant to the Exit Regulations; (ii) a scheme containing terms and conditions which, in the absence of agreed terms and conditions are to apply to a supply of water and which is required to be made by a Licensee pursuant to section 63AE of the 1991 Act; and /or (iii) a scheme containing terms and conditions which, in the absence of agreed terms and conditions are to apply to the provision of sewerage services and which is required to be made by a Licensee pursuant to section 110N of the 1991 Act;
Settlement Report	has the meaning given in the Wholesale-Retail Code;
Supply Point Identifier or SPID	has the meaning given in the Wholesale-Retail Code;
Terms and Conditions of Supply	means the terms and conditions on which a supply of water or sewerage services are provided or are to be provided by a Retailer pursuant to: (i) an agreement between the Retailer and a Non-Household Customer, including a special agreement; (ii) a Scheme of Terms and Conditions; or (iii) the statutory duties of a relevant undertaker;
Trading Party	has the meaning given in the Wholesale-Retail Code;
Transfer	has the meaning given in the Wholesale-Retail Code;
Transfer Read	has the meaning given in the Wholesale-Retail Code;
Transfer Registration Application	has the meaning given in the Wholesale-Retail Code;
Unplanned Settlement Report	means a Settlement Report carried out following a WRC Dispute or a Post RF Settlement Report;
Vacant Premises	has the meaning given in the Wholesale-Retail Code
Wholesaler	has the same meaning as Contracting Wholesaler given in the Wholesale-Retail Code;
Wholesale-Retail Code	means the code of that name issued by the Authority under sections 66DA and 117F of the 1991 Act;
WRC Dispute	has the same meaning as 'Dispute' in the Wholesale-Retail Code.

- 1.2 In this code, unless the context otherwise requires:
- 1.2.1 references to 'this code' are to this Customer Protection Code of Practice;
 - 1.2.2 references to 'the Authority' means to Ofwat
 - 1.2.3 references to 'the Council' means to the Consumer Council for Water
 - 1.2.4 references to 'Sections' are to sections of this code unless otherwise expressly stated;
 - 1.2.5 references to a Retailer will refer to all Retailers, unless otherwise specified;
 - 1.2.6 words imparting a gender include every gender and references to the singular include the plural and vice versa;
 - 1.2.7 words denoting persons include individuals and bodies corporate, partnerships, unincorporated associations and other bodies (in each case, wherever resident and for whatever purpose) and vice versa;
 - 1.2.8 save as otherwise expressly provided references to time are to local time;
 - 1.2.9 references to 'writing' or 'written' shall include email;
 - 1.2.10 references to 'day' and 'calendar day' mean the same as one another;
 - 1.2.11 references to the Customer Protection Code of Practice or any other document are to this Customer Protection Code of Practice or that document as in force for the time being and as amended, supplemented, varied, modified, renewed, replaced or extended from time to time in accordance with the requirements of this Customer Protection Code of Practice or that document (as the case may be);
 - 1.2.12 a reference to any body is:
 - (a) if that body (statutory or otherwise) is replaced by another organisation, deemed to refer to that replacement organisation; and
 - (b) if that body (statutory or otherwise) ceases to exist, deemed to refer to that organisation which most substantially serves the same purposes as the original body;

1.2.13 a reference to a statute or statutory provision shall, save as otherwise expressly provided, be construed as including:

- (a) a reference to any orders, regulations and subordinate legislation (as defined by section 21(1) of the Interpretation Act 1978) made from time to time under the statute or statutory provision whether before or after the effective date; and
- (b) a reference to that statute, statutory provision or subordinate legislation as in force at the effective date and as from time to time modified or consolidated, superseded, re-enacted or replaced (whether with or without modification) after the effective date;

1.2.14 references to a person shall, except where the context requires otherwise, include its successors in title and permitted assignees;

1.2.15 a reference to a particular condition of a Licence and/or Appointment shall be construed at any particular time as including a reference to any modification of that condition in force at that time;

1.2.16 any words or expressions used in the 1991 Act or the 2014 Act shall, unless the contrary intention appears, have the same meaning when used in this code;

1.2.17 headings and the contents table in this code are for convenience only and do not affect its interpretation;

1.2.18 the words 'other', 'includes', 'including' and 'for example' do not limit the generality of any preceding words, and any words which follow them shall not be construed as being limited in scope to the same class as the preceding words where a wider construction is possible; and

1.2.19 the words 'for the time being' mean at the relevant time now or in the future.

2. Purpose of this Customer Protection Code of Practice

- 2.1 This is the Customer Protection Code of Practice issued by the Authority pursuant to standard condition B2 of the Licence and condition R5 of the Appointment. This code should be read in conjunction with the relevant provisions of the Wholesale–Retail Code and the Exit Regulations.
- 2.2 The purpose of this code is to place obligations on Retailers in relation to the following five areas of market activity in order to protect Non-Household Customers and to further the Code Principles:
 - 2.2.1 sales and marketing;
 - 2.2.2 the provision of information to Non-Household Customers;
 - 2.2.3 the Transfer of Non-Household Customers;
 - 2.2.4 billing; and
 - 2.2.5 complaint handling and dispute resolution.

3. Effective date of this code

- 3.1 This code will take effect from 1 April 2017 notwithstanding its date of issue.

4. Principles

4.1 General Principles

4.1.1 Primary Principle:

This code shall be maintained, operated, or and developed in a manner that best seeks to protect and promote the interests of existing and future NHH customers.

4.1.2 Supporting Principles:

Efficiency: This code and arrangements established by or under it should support the efficient discharge by the Retailer of its Licence obligations, and promote the efficient, economic and coordinated operation of the water and wastewater sector.

Proportionality: This code and arrangements established by or under it should be proportionate to the competitive market and the purpose of the code.

4.2 Principles of Retailer-Customer Interaction

4.2.1 All Retailers shall comply with the following Code Principles when dealing with Non-Household Customers:

4.2.2 Retailers shall be fair, transparent and honest; while putting the customer at the heart of their business;

4.2.3 Communication with Non-Household customers shall be in clear and plain language. Where a communication approach can reasonably be made more accessible for a specific Non-Household Customer, this should be used;

4.2.4 Retailers shall ensure they provide appropriate and timely information to Non-Household Customers to enable them to make informed choices;

4.2.5 Any information provided to Non-Household Customers shall be complete, accurate and not misleading;

4.2.6 Retailers shall respond to Non-Household Customers in an appropriate and timely manner; and

- 4.2.7 Customer service arrangements and processes shall be accessible to and effective for Non-Household Customers.

5. Code governance arrangements and modification

5.1 Who may make a Customer Protection Code Change Proposal?

- 5.1.1 The Authority may propose a change to this code at any time by consulting with each affected Retailer and any other person the Authority considers appropriate. Any such consultation shall contain the same information as a Customer Protection Code Change Proposal (see 5.1.2 below for details).
- 5.1.2 Where any Retailer or any other person the Authority considers appropriate wishes to propose a change to this code, such party shall submit a Customer Protection Code Change Proposal. A Customer Protection Code Change Proposal should be sent to codechange@ofwat.gov.uk and should contain and/or be accompanied by the following information:
- (a) the name of the person or persons proposing the change;
 - (b) a description (in reasonable but not excessive detail) of the enhancement, issue or defect which it seeks to address;
 - (c) a description (in reasonable but not excessive detail) of the change proposed, its nature and purpose and the likely impact of the change on Retailers and Non-Household Customers, including confirmation of how it is consistent with the Code Principles;
 - (d) whether the Customer Protection Code Change Proposal is considered urgent and, if so, why;
 - (e) whether the Customer Protection Code Change Proposal is a Non-substantive Change;
 - (f) a description of any consultation carried out or supporting evidence gathered in advance of submitting the Customer Protection Code Change Proposal; and,
 - (g) an explanation of how the change is consistent with the Primary Principle, and whether it is consistent with any of the Supporting Principles and Principles of Retailer-Customer Interaction.

5.2 What happens when a Customer Protection Code Change Proposal is received by the Authority or the Authority consults on its own proposed changes?

- 5.2.1 The Authority will consider responses to the consultation under Section 5.1.1 or any consultation carried out under Section 5.1.2. The Authority will consider and evaluate each Customer Protection Code Change Proposal to decide whether or not:
- (a) it agrees with the Customer Protection Code Change Proposal;
 - (b) the Customer Protection Code Change Proposal is urgent or a Non-substantive Change;
 - (c) to propose amendments to the Customer Protection Code Change Proposal; and
 - (d) to seek further information from Retailers, the Council, experts or other relevant persons, conduct research or commission reports before making a decision; and
 - (e) whether the Customer Protection Code Change Proposal furthers the Primary Principle and any relevant Supporting Principles and Principles of Retailer-Customer Interaction.

in each case having regard to whether its decision is consistent with its wider statutory duties.

- 5.2.2 The Authority will notify persons they consider appropriate upon receipt of a CPCoP Change Proposal. This notice will be provided in advance of any consultation.
- 5.2.3 The Authority shall consult on its proposed decision to accept, reject or amend each Customer Protection Code Change Proposal for a proportionate period of time taking due account of the subject of the change and its urgency.
- 5.2.4 The consultation period under Section 5.2.2 will generally last for a minimum period of 28 days, except for urgent Customer Protection Change Proposals or Non-substantive Changes whereby the Authority may consult for a shorter period.

- 5.2.5 A consultation under Section 5.2.2 will be issued to each affected Retailer and any other person the Authority considers appropriate. Such consultations will have a clear mechanism for responding, and raising queries. In certain circumstances, in particular in relation to a decision pursuant to Section 5.2.1(d), the Authority shall support processes which enable users to discuss and develop complex modifications as well as collect and share any evidence with the Authority.
- 5.2.6 Following consultation responses, the Authority will issue a final decision as soon as reasonably practicable including, where appropriate, the date on which the proposed change to this code shall take effect. The Authority's decision shall include the following:
- (a) the parties who raised the change proposal;
 - (b) the reasons for the proposed changes;
 - (c) the scope and impact of the potential change, including consideration of potential risks;
 - (d) an evaluation against the Authority's statutory duties and Code Principles;
 - (e) any relevant evidence considered (including consultation responses received);
 - (f) implementation timescales, which will take into account the likely impact on Retailers' existing systems and processes;
 - (g) the date from which the change will take effect; and,
 - (h) whether the change is an urgent or Non-substantive Change.

6. Obligations in relation to sales and marketing activities

6.1 Communications with Micro-businesses prior to submission of a Transfer Registration Application.

6.1.1 Before submitting a Transfer Registration Application in respect of a Micro-business or agreeing Terms and Conditions of Supply with a Micro-business (whichever is earlier), a Retailer shall provide the following information to the relevant Micro-business in writing or, where the Micro-business agrees, orally:

- (a) details of applicable prices, charges and/or tariffs (including whether or not they are inclusive of all costs and taxes and any assumptions underlying the proposed prices, charges and/or tariffs) being offered by the Retailer to the Micro-business;
- (b) service levels that would apply in the Terms and Conditions of Supply being offered by the Retailer to the Micro-business;
- (c) the type, frequency of bills and payment methods available;
- (d) the duration of the Terms and Conditions of Supply being offered by the Retailer to the Micro-business, in particular the proposed expiry date (if any);
- (e) contact details of the Retailer (including full name, address and a non-premium rate telephone number);
- (f) any rights that the Micro-business would have to cancel the Terms and Condition of Supply without any cost to them;
- (g) any rights that the Micro-business would have to cancel or terminate the Terms and Conditions of Supply that would incur costs or fees if exercised, including details of any such costs or fees and applicable notice periods;
- (h) a comparison between the Material Terms being offered under the proposed Terms and Conditions of Supply and either:
 - (i) the Retailer's Scheme of Terms and Conditions required by the Exit Regulations (where the Retailer is a Licensee and is

required to have in place such a Scheme of Terms and Conditions); or

- (ii) the Retailer's statutory duties to supply (where the Retailer is a relevant undertaker); or
- (iii) the Retailer's "standard" terms and conditions (where the Retailer is a Licensee but is not required to have a Scheme of Terms and Conditions pursuant to the Exit Regulations, if different.

6.1.2 Where the Retailer has provided the information pursuant to Section 6.1.1 orally to the Micro-business, it shall, as soon as reasonably practicable, also provide this to the relevant Micro-business in writing along with a copy of the Terms and Conditions of Supply. The provision in writing of the information and the Terms and Conditions of Supply under this subsection shall be considered to be the provision of a notice for the purposes of Section 11.

6.1.3 Before submitting a Transfer Registration Application in respect of a Micro-business, the Retailer shall ensure that it:

(a) Either has:

- (i) a clear audio recording of the full conversation with the relevant Micro-business including its oral acknowledgement that it has heard and understood the information provided to it pursuant to Section 6.1.1; or
- (ii) written acknowledgement from the relevant Micro-business that it has read and understood the information provided to it pursuant to Section 6.1.1; and

(b) Either has:

- (i) a clear audio recording of the full conversation with the relevant Micro-business including its oral acknowledgment that it accepts the Terms and Conditions of Supply; or
- (ii) written acknowledgement from the relevant Micro-business that it accepts the Terms and Conditions of Supply; or
- (iii) a copy of the Terms and Conditions of Supply, signed by or on behalf of the relevant Micro-business.

6.2 Cooling off Period for Micro-businesses.

6.2.1 Other than where the Terms and Conditions of Supply are a Scheme of Terms and Conditions or the statutory duties of a relevant undertaker, a Micro-business shall be entitled to cancel or terminate the Terms and Conditions of Supply acknowledged or agreed pursuant to Section 6.1.3 at no cost to the Micro-business by serving a Cancellation Notice on the Retailer. Where the Section 6.1.1 information has:

(a) been provided orally, the Micro-business must serve the Cancellation Notice within seven calendar days of the date on which the Micro-business is deemed to have received the relevant information and a copy of the Terms and Conditions of Supply provided to it pursuant to Section 6.1.2; or

(b) initially been provided in writing rather than orally, the Micro-business must serve the Cancellation Notice within seven calendar days of the date on which the Micro-business provided written acknowledgement that it accepted the Terms and Conditions of Supply or signed a copy of the Terms and Conditions of Supply (whichever is the earlier).

6.2.2 Where the Retailer has provided the Section 6.1.1 information to the Micro-business orally, the Retailer shall not submit a Transfer Registration Application in respect of that Micro-business within seven calendar days of deemed receipt by the Micro-business of the Section 6.1.1 information and the Terms and Conditions of Supply.

6.2.3 Where the Retailer initially provided the Section 6.1.1 information to the Micro-business in writing, a Retailer shall not submit a Transfer Registration Application in respect of a Micro-business within seven calendar days of receipt by the Retailer of the written acknowledgement of the Section 6.1.1 information and either written acknowledgement that they have accepted the Terms and Conditions of Supply or a copy of the Terms and Conditions of Supply signed by or on behalf of the relevant Micro-business.

6.3 Third parties acting for Retailers.

6.3.1 Where Retailers use third parties to represent them in sales and marketing activities, they shall be responsible for the actions of those representatives and shall take all reasonable steps to ensure that these third parties are aware of, understand and comply with, the provisions of this code and the Principles of Good Practice.

6.3.2 The Principles of Good Practice under section 6.3.1 are:

- a) Third parties shall be fair, transparent, and honest, and shall treat customers with respect.
- b) Communication with customers shall be in plain and clear language.
- c) All information provided to customers by a third party shall, to the best of the third party's knowledge, be reliable, accurate, complete, timely and not misleading. Such information shall be made through appropriate channels and enable customers to make informed choices.
- d) Third parties shall respond to customers in an appropriate and timely manner.
- e) Third parties shall not sell, or introduce to, a customer a product or service that is not fully understood by that customer, nor sell a product or service that is inappropriate for that customers' needs and circumstances.
- f) Third parties shall inform customers of relevant rights under the CPCoP including any cooling-off period;
- g) Third parties may only promote or represent products or services where they have the written agreement of the providing Retailer.
- h) Where a third party has used a tender process, TPis should provide customers with all proposals that have been received by them as part of the process, and should clearly explain the differences in price and service offering between proposals.
- i) Third parties should declare all business associations or relationships with Retailers when recommending their services.
- j) Third parties should declare any commission that it will earn to customers prior to the customer entering into a contract with the third party or contracting with a Retailer from which the third party will financially benefit. This information should also be given on request of the customer. If the commission fee is based upon consumption figures, third parties should take steps to ensure estimates of total costs are as accurate as possible. If the

customer is entering a contract with the third party over multiple years, total earnings should be declared.

- k) Customer service arrangements and processes, including a complaints process, shall be accessible to and effective for customers.

6.4 Third parties acting for Non-Household Customers

6.4.1 Where Non-Household Customers have any third party acting on their behalf, Retailers shall obtain written confirmation – known as a letter of authority – signed within the preceding 3 years, from the relevant Non-household Customers that:

- (a) the named third party is acting on their behalf;
- (b) the extent of the third party's authority; and
- (c) how the third party's fees are being paid.

6.4.2 Where the Non-Household Customer is also a Micro-business, the written confirmation shall be in the form of a template issued by the Authority from time to time.

6.4.3 Retailers shall co-operate with a third party that is representing a customer unless they have good reason not to do so.

7. Provision of information by a Retailer to its Non-Household Customers

7.1 Provision of information to Non-Household Customers about Terms and Conditions of Supply.

- 7.1.1 Retailers shall be transparent with their Non-Household Customers about the Terms and Conditions of Supply which apply to them and any proposed changes to those Terms and Conditions of Supply.
- 7.1.2 Where Terms and Conditions of Supply are in writing, Retailers shall ensure they are in plain and clear language.
- 7.1.3 The Retailer must include in the Terms and Conditions of Supply details of how it will comply with the obligation in paragraph 9.3.3 to pass on any payment from a Wholesaler to the Retailer following a recalculation of the Primary Charge or Non-Primary Charge;
- 7.1.4 If the Terms and Conditions of Supply are due to expire, Retailers must write to the relevant Non-Household Customer at least 30 calendar days prior to the expiry date advising them of the following:
 - (a) the upcoming expiry of the Terms and Conditions of Supply and the expiry date;
 - (b) if applicable, the date which the Non-Household Customer's Terms and Conditions of Supply will automatically be renewed following a former agreement with the Non-Household Customer;
 - (c) If 7.1.4 (b) is not applicable, whether the Non-Household Customer can renew the Terms and Conditions of Supply on the same basis and, if so, how;
 - (d) other Terms and Conditions of Supply available from the same Retailer (if any), in particular the Retailer's current charges and whether the Non-Household Customer is on the Retailer's cheapest deal available for that Non-Household Customer;
 - (e) whether the Non-Household Customer will be moved onto any other Scheme of Terms and Conditions
 - (f) the Minimum Information Requirements;

- (g) if the Non-Household Customer is in a retail exit area, that the Authority can direct a Licensee other than the Non-Household Customer's current Retailer to supply them on the terms contained in a Scheme of Terms and Conditions; and
- (h) if the Non-Household Customer is not in a retail exit area, that a relevant undertaker may provide Terms and Conditions of Supply.

7.1.5 Retailers shall inform their Non-Household Customers of their right to raise a formal dispute with them in relation to sums due under the relevant Terms and Conditions of Supply, how to do so, the deadline by which such a dispute must be raised, whether a Reasonable Repayment Plan for an Outstanding Debt is available and the consequences of failing to pay or raise such a dispute, in particular that the Retailer may submit a Cancellation Request in certain circumstances.

7.1.6 Information relating to Credit Balances

- (a) Where a customer has agreed to pay for services in advance, the Retailer is required to advise the customer ahead of agreeing the terms and conditions of supply that they could potentially lose any credit accrued against their account should the Retailer become insolvent.

Retailers are required to include the following standard text when clearly communicating this information to their customers:

"Advance payment arrangements can provide customers with a useful way to manage their bills and customers may benefit from improved terms if they pay in advance.

However, advance payment customers should be aware that any credit accrued for services that have not yet been delivered might not be recoverable in the unlikely event that their Retailer becomes insolvent.

Your Retailer may not be able to refund any credit you are owed in the unlikely event that you move into or out of premises, switch to another Retailer or cease trading without notifying your Retailer of your updated contact information and bank details.

There are a number of payment arrangements available in the market. Customers can therefore explore what type of available payment arrangement best meets their needs"

- (b) Retailers are required to communicate the standard text to all of their Advance Payment customers at a minimum of once every 12 months.

7.1.7 Where a customer has accrued credit against their account Retailers are required to clearly communicate the following information to the customer in writing, at a minimum of once every 3 months:

- a) the amount of credit that they have accrued against their account; and
- b) what the credit relates to (e.g., Security deposit, an allowance refund, money paid in advance of services delivered, etc.); and
- c) the customer can contact the Retailer should they wish to explore alternative payment terms or if they can obtain a credit refund (if available); and
- d) subject to contractual terms and conditions, customers can switch to an alternative Retailer if they are not satisfied with the terms on offer; and
- e) That there is a risk of the Non-Household Customer losing credit accrued against their account, including in the unlikely event that the Retailer becomes insolvent, or the Non-Household Customer moves into or out of premises, switches to another Retailer or ceases trading without notifying their Outgoing Retailer of their updated contact information and bank details.

The requirements under section 7.1.7 do not apply to Unmeasured Non-Household Customers where the credit on their account relates only to payments which were knowingly collected in advance by the Retailer and knowingly paid by the Non-Household Customer to pay for future water or sewerage services which had not accrued at the time the Advanced Payment was requested or made.

For the avoidance of doubt, the notification requirements under section 7.1.7 will continue to apply for Unmeasured Non-Household Customers where the credit on their account has accrued for reasons other than

their decision to pay in advance, for example due to billing errors, overpaying for services which they have received or where a credit is due to the Unmeasured Non-Household Customer under the GSS Regulations.

7.1.8 Retailers shall display, in a prominent place on their website, general information that water is a competitive market and customers may be able to switch Retailer or renegotiate their terms of supply with their Retailer and may benefit (including financially) from doing so. There shall be a link to the Open Water website.

7.1.9 When a Non-Household Customer enters into or changes Terms and Conditions of Supply, Retailers shall disseminate a summary of this code, as produced and amended from time to time by the Authority, to their Non-Household Customers. The foregoing does not apply to customers who are currently on a Scheme of Terms and Conditions, and are moving to a new Scheme of Terms and Conditions.

7.1.10 Retailers shall publish information on their website which provides instructions on how current or former Non-Household Customers could request and obtain a refund for credit accrued against their account. The information should clearly outline the steps in the process and expected timescales and should be displayed in a prominent place.

7.2 Provision of additional information to Micro-businesses about Terms and Conditions of Supply.

7.2.1 If the Terms and Conditions of Supply which are applicable to a Micro-business are changed, a Retailer shall ensure that the Micro-business is provided with the information listed in Section 6.1 as soon as reasonably practicable following the implementation of the change.

7.2.2 If a Micro-business requests to receive any information in writing, the Retailer shall provide this information as soon as reasonably practical.

7.2.3 If a Micro-business renews Terms and Conditions of Supply on their expiry, or the Terms and Conditions of Supply renew in accordance with Section 7.3.1, a Retailer shall ensure that the Micro-business is provided with the information listed in 6.1 as soon as reasonably practicable following the implementation of the renewal.

7.3 Terms and Conditions of Supply to Micro-businesses applicable for a fixed term only.

7.3.1 If a Retailer's Terms and Conditions of Supply to a Micro-business are for a fixed term:

- (a) the relevant Terms and Conditions of Supply may not be renewed automatically, without the written consent or request of the Micro-business served during the 30 day period of a Renewal Notice under 7.1.4 above . Any rollover agreed is required to be for a maximum period of one year from the expiry of the initial fixed term period. Moving a Micro-business to a Scheme of Terms and Conditions or other Terms and Conditions of Supply is not prohibited pursuant to this Section 7.3.1 provided that the Non-Household Customer will pay no more than what would be allowable under the relevant statutory Scheme of Terms and Conditions.
- (b) there shall be no charge or fee payable by the Micro-business for early termination of the Terms and Conditions of Supply if those Terms and Conditions of Supply have been renewed pursuant to Section 7.3.1 or the customer provided the agreed termination notice.

7.4 Terms and Conditions of Supply to Non Micro-businesses

7.4.1 For the avoidance of doubt, none of this section 7.4 applies to Micro-businesses or customers served pursuant to a Scheme of Terms and Conditions;

7.4.2 The relevant Terms and Conditions of Supply shall not contain terms which provide for the automatic renewal of the Terms and Conditions of Supply without the written consent of the Non-Household Customer, except where this is agreed verbally and the Retailer retains a recording of the Non-Household Customer's agreement and provides a written copy of the agreement to the Non-Household Customer as soon as reasonably practicable;

7.4.3 Where the relevant Terms and Conditions of Supply have expired and the Non-Household Customer has not freely negotiated new Terms and Conditions of Supply or agreed to the automatic renewal of the contract, they shall be placed onto the relevant Scheme of Terms and Conditions, or any other Terms and Conditions of Supply provided that the Non-

Household Customer will pay no more than what would be allowable under the relevant statutory Scheme of Terms and Conditions;

7.4.4 Except for the duration of a fixed term contract, the relevant Terms and Conditions of Supply shall not contain terms which:

- (a) require the Non-Household Customer to provide notice before switching their Retailer; or
- (b) require the Non-Household Customer to pay a fee to terminate the relevant Terms and Conditions of Supply or to switch Retailer.

8. Transfers of Non-Household Customers

8.1 Prevention of Erroneous Transfers.

- 8.1.1 An Incoming Retailer shall take all reasonable steps to prevent an erroneous transfer by ensuring they have valid Terms and Conditions of Supply with the relevant Non-Household Customer before they submit a Transfer Registration Application.

8.3 Switching

- 8.3.1 Retailers shall support Non-Household Customers if they choose to switch their Retailer. If an issue arises which prevents a Non-Household Customer from switching, the Outgoing Retailer shall proactively work with the Non-Household Customer, the Incoming Retailer, and if applicable any third party acting on behalf of the Non-Household Customer to resolve the issue.
- 8.3.2 Where an Outgoing Retailer submits a Cancellation Request regarding a Non-Household Customer's request to switch Retailer, they shall, as soon as possible:
- (a) write to the Non-Household Customer to explain the reason for blocking their request, setting out the steps the customer can take to resolve the issue; and
 - (b) how the customer can make a complaint if they believe the reason for the block is invalid.

9. Billing

9.1 Information to be provided on each bill.

- 9.1.1 Each bill issued to a Non-Household Customer by a Retailer shall contain the Minimum Information Requirements.

9.2 Billing accuracy and frequency.

- 9.2.1 Retailers shall issue at least one accurate bill or invoice each year. This bill or invoice must use a Meter Read where the supply is Metered.
- 9.2.2 Retailers can choose to accept Meter Reads, including any Transfer Read taken by the relevant Non-Household Customer.
- 9.2.3 Any final bill to be issued to a Non-Household Customer shall be issued within six weeks of the earlier of the Transfer or the termination or expiry of the Terms and Conditions of Supply.
- 9.2.4 A final bill issued under section 9.2.3 must clearly communicate:
- a) an estimate or confirmation of the final credit or debit against the Non-Household Customer's account; and
 - b) any additional information the Retailer requires from the Non-Household Customer in order to issue a credit refund (where applicable).
- 9.2.5 Retailers, where they can do so, are required to refund credit balances within 60 calendar days of issuing the final bill, as per the conditions under section 9.2.5.

Retailers are required to retain a log of instances where they have not been able to refund credit balances within 60 calendar days of the final bill being issued. Each Retailer's log should clarify the reason why the refund was late or unsuccessful.

- 9.2.6 If a Retailer is unable to refund credit against a Non-Household Customer's account following the final bill, the Retailer should consider the level of credit on the account:

- a) If the credit against the Non-Household Customer's account is equal to or greater than £50, the Retailer should within 60 days of the initial attempt make at least one further attempt to refund the Non-Household Customer;
- b) When reattempting to refund the Non-Household Customer under section 9.2.6(a), if the Retailer holds details of more than one method by which it could refund or contact the customer, it should use a method different to the initial attempt used under section 9.2.5;
- c) If the credit against the customer's account is less than £50, the Retailer is not required to make further attempts to refund the Non-Household Customer.

9.2.7 Retailers are required to retain a log of instances where they have not been able to refund credit balances within 60 calendar days of the final bill being issued. Each Retailer's log should clarify:

- a) The reason why the refund was late or unsuccessful;
- b) The number of times the refund was attempted;
- c) What alternative contact methods were used to re-attempt to refund the Non-Household Customer; and
- d) The value of the refund.

9.2.8 Retailers shall send credit refunds within 20 working days upon a Non-Household Customer's request. This section does not apply where:

- a) The Non-Household Customer fails to provide the necessary information to enable the Retailer to issue the refund, or has not used the prescribed refund process; or
- b) The sum requested is legitimately disputed on the grounds that the Non-Household Customer has outstanding charges due to the Retailer which may lawfully be set-off against the credit balance; or
- c) There is a lack of consumption data to accurately calculate the refund amount due; or

- d) The total balance of multi-utility or multi-site accounts is not in credit.

9.2.9 Where a Non-Household Customer has requested a refund of credit accrued against their account and that has been refused by the Retailer because section 9.2.8 does not apply, the Retailer shall write to the customer within 20 days of the request to:

- a) Explain the reason that their request cannot be granted; and
- b) Explain any steps the Non-Household Customer can take to resolve the issue so that their request can be granted.

9.2.10 Once the Non-Household Customer has resolved the issues preventing a refund from being issued under section 9.2.8 the Retailer shall send the credit refund to the Non-Household Customer within 20 working days

9.3 Retrospective Amendments

9.3.1 Retailers shall not bill or invoice a Non-Household Customer for or recover charges in respect of water supplied or sewerage services provided to that Non-Household Customer for any Invoice Period for which a Final Settlement Report has been provided by the Market Operator unless the following circumstances apply:

- (a) the bill or invoice is for a negative sum; or
- (b) where:
 - i. the Market Operator has issued an Unplanned Settlement Report in respect of the relevant Invoice Period;
 - ii. the bill or invoice is in accordance with the Unplanned Settlement Report; and
 - iii. the bill or invoice is issued within the eight (8) Month period following the issuing of the Final Settlement Report.

9.3.2 Retailers shall offer a Micro-business a Reasonable Repayment Plan for a Back-bill.

9.3.3 Where the Retailer receives a payment from the Wholesaler following a recalculation of a Primary Charge or a Non-Primary Charge the Retailer is obliged to pass on this payment on to all Non-Household Customers in the same proportion to which the recalculation has affected their invoices or bill.

10. Complaint handling and dispute resolution

- 10.1 Retailers must have in place at all times a readily accessible and effective Complaints Handling Process at no cost to Non-Household Customers.
- 10.2 Each Retailer must comply with its Complaints Handling Process in relation to each complaint received from a Non-Household Customer.
- 10.3 A Complaints Handling Process must:
 - 10.3.1 be in plain and clear language;
 - 10.3.2 allow for complaints to be made orally and/or in writing;
 - 10.3.3 describe the steps each Retailer will take with a view to investigating and resolving a complaint and the timescales within which each step is expected to be completed;
 - 10.3.4 describe any remedies available to the Non-Household Customer on resolution of a complaint. Such remedies must include but are not required to be limited to:
 - (a) an apology;
 - (b) an explanation;
 - (c) remedial action;
 - (d) compensation payable to the Non-Household Customer where remedial action is not possible or is insufficient to deal with the complaint; and
 - 10.3.5 describe any right to refer the Non-Household Customer's complaint to the Council or a Redress Scheme
- 10.4 All Retailers shall have in place or participate in a Redress Scheme that is readily accessible to and effective for its Non-Household Customers.
- 10.5 All Retailers shall publish the details of their Complaints Handling Process on their website.

11. Notices

- 11.1 All notices to be given under this code shall be marked for the attention of the person or persons notified for that purpose from time to time.
- 11.2 All notices to be given to any party under this code shall be in writing.
- 11.3 A notice shall be treated as having been received:
 - 11.3.1 if delivered by hand (including courier) within Delivery Hours, when so delivered; and if delivered by hand outside Delivery Hours, at the next start of Delivery Hours;
 - 11.3.2 if sent by first class pre-paid post, guaranteed next day delivery, post with delivery confirmation or receipt (for example, special delivery) on the later of actual receipt and 9.00 am on the Business Day after posting if posted on a Business Day, and on the later of actual receipt and 9.00 am on the second Business Day after posting if not posted on a Business Day; and
 - 11.3.3 if sent by e-mail, or any other electronic means during a Business Day it is received on that Business Day and if it is sent outside of a Business Day it is received on the following Business Day.
- 11.4 In proving that a notice has been given it shall be conclusive evidence to demonstrate that delivery was made, or that the envelope containing the notice was properly addressed and posted (as the case may be).

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