

Customer care performance and improvements

July 2025

We want to provide high standards of customer service and support for all our customers. We're committed to providing a seamless service, to reduce the need for customers to contact us. If things do go wrong, we're here to help fix any problems.

To support customers struggling to pay their bills, we provide <u>financial support schemes</u>. Our <u>Priority Services Register</u> (PSR) provides an inclusive service for customers needing extra support.

Our performance is measured against Ofwat's principles of customer care which includes:

- Providing proactive communications
- Being easy to contact
- Providing appropriate support when things go wrong
- Understanding our customers' needs and providing appropriate support
- Helping customers struggling to pay their bills

The performance information is from April 2024 to March 2025.

Providing proactive communications

We've summarised our performance and the improvements we are making:

How we've performed

We recognise the importance of communicating price rises to customers so they can plan their finances. This is why we shared this information in a variety of ways. We added information to our website and wrote to 3.7 million customers by email or letter and published our charges scheme in a customer friendly format. We explained:

- The typical price rise that customers will experience to give some indication of the scale of the change
- Why bills are increasing
- When bills will change
- How customers' money will be used
- Financial support available

We also used social media to highlight the affordability support we have available.

Incidents

We've made improvements to our communications during incidents by:

- Introducing a brand-new Incident Communication team that are on hand between 7am and 9pm, 365 days per year
- Re-writing our incident communication templates and guidance documents, to provide more detailed information to customers by text message, on our website, and via our telephone IVR
- Enhanced our website updates to include more pictures and clear commitments on when customers will see the next update
- Adding guidance to our website for before, during, and after incidents

- Enabling customers to register for updates about incidents via SMS through digital channels. We're the first in the UK water industry to offer this
- Learning from previous incidents and what our customers tell us
- Launching an improved customer incident structure bringing together office and field roles under single leadership models

Water and wastewater

- Providing customers who contacted us about their wastewater services with updates.

 Over 88% of customers who contacted us about wastewater services received updates.
- Improving automated wastewater updates for customers
- Implementing new processes to contact customers following flooding from high rainfall. Providing help cleaning up where required.
- Providing customers who contacted us about their water services with updates. 87% of customers were notified that the work had been completed

What we're doing to improve

We're introducing a brand-new Incident Aftercare and Learning Manager role, to drive improvements to service and communication to customers after an incident, including apology letters and proactive outbound calls to customers who may need additional support. We'll also launch a new customer incident learning function, ensuring we learn from previous incidents and what our customers tell us.

Research carried out by Ofwat identified that we perform higher than average. This is regarding communications when compared to other water companies. Two-thirds of people who provided feedback felt communication was clear and proactive.

To help customers, we're working on enhancing customer notifications about leaks. This will help customers manage their consumption and lower their bills. In the future, customers will be able to access real-time consumption tracking. They'll also receive personalised recommendations on reducing their usage through their online account.

We know there is more we can do, and we are continuing to improve our processes.

Being easy to contact

We've summarised our performance and the improvements we are making:

How we've performed

We've got a wide range of communication channels. This means customers can contact us in the way that suits them.

Billing Contact Centre

In February and March 2025, we sent out 1.5 million unmetered bills, plus a further 800,000 metered bills. The bill included price increases for next year. This is a busy time for our Billing Contact Centre, who manage our email, WhatsApp, webchat, social media channels and take calls about customer bills and accounts.

It has been exceptionally busy due to the price increase. We received a significant amount of contact from these 2.3 million households. This included 264,000 calls, up 37% from a normal year, and 85,000 digital contacts, up 26%.

We anticipated that more customers would have queries about their bills and would require our support. To help with demand, we increased our team size by 20%.

Our preparation and planning meant, on average, we answered calls within 3 minutes. As a result, our abandoned call rate was only 4% in February and 5% in March. We met our performance targets despite the huge increase in customer contacts.

69% of customers who completed an Ofwat survey said contacting us about billing was quick and easy.

Operations Contact Centre

Our Operations Contact Centre receives contacts for water and waste water services. In the first half of the year, we answered calls within an average of 64 seconds, and our call abandonment rate was only 4%. This performance was achieved by focusing on training and development for all agents and managers, which had a very positive impact on our attrition rates.

In addition, we placed significant focus on improving the experience for customers reporting pollution incidents. We recruited Waste Virtual Technicians, which has enabled us to identify pollution incidents more accurately, quickly, and efficiently. As a result, field technicians are now able to attend more promptly. In the second half of FY2025, we began replicating this approach for flooding related contacts. This will continue throughout FY26

We have also identified opportunities to provide customers with more support with waste water issues which cannot be fully completed on the first visit.

Customer Strategy

We have also refreshed our Customer Strategy using insight from customers. We also worked with 30 leaders and stakeholders. Our focus is on making it easy for customers to get their issues resolved.

What we're doing to improve

Customers who took part in research carried out by Ofwat were positive about the ability to speak to a real human. They described interactions with our colleagues as 'polite' and 'professional'. Some highlighted inconsistencies in the time taken to respond and the information communicated. We'll be improving this through training.

Training

We have provided comprehensive retraining for all our frontline billing teams. This improved their understanding of complex processes and enhanced their skills when supporting our customers processes. It also emphasised the development of soft skills. To share knowledge and experience, we also delivered coaching. This will ensure we are able to resolve customer queries more efficiently and accurately.

Additionally, we're testing new technologies like Amazon Q which is a tool that provides our colleagues with the most relevant knowledge easily, thereby enhancing customer interactions. We have introduced a new 'customer support team'. We have 10 people dedicated to assisting our customers in situations that are particularly complex and/or require extra care. This team is highly skills and will support the customer until their issue is fully resolved.

Digital and online

Over the past year, we've made strong progress in improving how customers interact with us online, by phone, and through digital messaging. We've focused on achieving simplicity, accessibility, and responsiveness.

We've made it easier for customers to get help when they need it, with a dedicated <u>complaints</u> <u>page</u> on our website. We have simplified our phone system for billing and account queries, almost halving the length of our Interactive Voice Response (IVR) messaging. These changes help customers reach the right teams faster.

These updates are part of a wider refresh of the Thames Water website, now more intuitive and inclusive. We've redesigned key pages for clarity and ease of use, introduced a consistent tone and design, and improved content to boost searchability and readability.

Accessibility has been a priority throughout. We've followed Web Content Accessibility Guidelines (WCAG) 2.2 standards, run regular audits with our tool called Siteimprove, and built best practices into our design and content systems across web and email. Our team is 'Plain Numbers' accredited, and continue to keep up to date with best practice.

Our teams have delivered over 900 improvements based on customer feedback and the insight we are collecting from each platform, all designed to be easy to use and get customers the help they need.

We've also improved key customer journeys, including a smoother Pay by Card experience, new Property Searches website, and updates to the Online Account Management platform.

Providing appropriate support when things go wrong

Water and wastewater

We've summarised our performance and the improvements we are making:

How we've performed

Complaints

Our water and wastewater services complaint performance has significantly improved. We received 17,168 complaints, nearly 32% lower than last year. This decrease is due to improvements in our response to incidents and our proactive communications with customers during such events. We have continued engagement between the field and customer teams, ensuring that regular feedback is provided on complaints drivers, and customer verbatim. A reduction in time taken to respond to our customers, and first time resolution has had a significant impact on repeat complaints, and overall complaint volumes. The number of major incidents we've had has also reduced.

Water supply interruptions

Supply interruption performance is measured by the average length customers experienced an issue. This is only if the supply interruption lasted three hours or more. Our performance for this improved by over 7 minutes.

In December, we saw our best-ever supply interruption performance. Each property was without water for only 11 seconds. This beat our previous record of 16 seconds back in May 2021. This is much lower than Ofwat's monthly target of 25 seconds. Despite this, we still missed our target for this year.

We've compensated customers who've been impacted by a supply interruption. This is in line with our regulatory <u>Customer Guarantee Scheme</u> (CGS). We recognise the disruption caused and we'll continue to compensate customers.

We had one major supply interruption. This was when a large water main burst, disrupting customers in the Crystal Place area. During the incident, we sent over 70,000 text messages to customers to keep them updated, as well as over 3,000 outbound calls to customers on our Priority Services Register.

Following the incident, we wrote to all impacted customers to apologise for the disruption and explain what happened and arranged in-person visits to all schools and care homes. We chose to enhance the level of compensation provided to customers under CGS. We also proactively identified PSR customers who did not receive bottled water deliveries. They were provided with £40 bill credits.

Responding to issues

The wastewater network teams responded to over 87 % of customer issues on time. This was slightly below their target of 88%. High rainfall has remained a challenge. It causes debris to wash into the network during storms, increasing the risk of blockages. To prevent customers being impacted we've been proactively cleaning sewers.

Cleaning sewers

This year, we achieved a 16% increase in the length of sewers cleaned. We also increased the length of small-diameter sewers near customer properties cleaned by 100%. This has been achieved by optimising our planned maintenance and blockage hotspot programmes. We also use sewer depth monitors to identify problems earlier. We aim to take action to prevent blockages on average within 10 hours.

We've also implemented new virtual technicians who can assist customers over the phone. They can help diagnose and prioritise issues. To reduce the time it takes to resolve issues we've introduced a first-time fix programme.

In May, we completed the transition to our new work management system for our water network teams. On average, our response time to customers who reported having no water was 1.6 hours. This was 40 minutes quicker than our target.

What we're doing to improve

Improving supply

We're improving the resilience of Guildford's water supply by investing £93 million. We'll be upgrading water treatment sites and laying a new 9km water transfer pipeline. This will help keep the taps flowing for 9,000 homes. This project has passed its halfway mark with 5.8km installed to date.

Incidents

To help customers during water supply interruption, we've increased alternative water resources. We now have 29 tankers, which have increased from 11. These tankers can support service reservoirs or directly feed into the network. This removes the need for alternative supplies to be delivered. We also have dedicated courier vans on 24/7 standby. They help deliver bottled water during an incident.

We've made changes to our Operating Model. We've created a Customer Operations Manager role. They are responsible for driving improvements in how we support customers during and after incidents. We'll also re-write our aftercare processes to ensure that we provide comprehensive support to customers following an incident.

We aim to introduce "SmartValve". This has near-real-time status tracking of all our valves. It also enables remote-controlled operations of trunk mains valves so we can isolate bursts or reroute supplies. We're also considering the viability of "Smart Systems". This is a tool for enabling quicker identification of network issues.

To answer customer concerns about water quality over the phone, we'll add 20 more virtual technicians.

Smarter sewers

Over the past three years, we've been working hard to make our sewers smart. We've installed over 18,000 monitors that provide real-time data on the health of our network. These devices enable our teams to identify problems earlier. It will also help us take faster action to prevent blockages and pollution.

We plan to install a further 3,000 sewer monitors this year, to continue making our sewers smarter. The data will help show which areas need urgent upgrades and improvements. We will carry out more sewer cleaning to prevent blockages. We'll be increasing our target for next year by 1,000km. To help resolve issues with our wastewater network quicker we are increasing the number of tankers we have from 100 to 110.

Billing and metering

We've summarised our performance and the improvements we are making:

How we've performed

Complaints

Complaints regarding household bills reduced by 10%. Customer centric initiatives such as retraining our people, implementation of a dedicated support team for complex queries,

increasing our staffing levels and proactive communications have contributed to reducing billing complaints.

The number of meters that have not been read for over 13 months has fallen from 300,000 to 83,600, indicating that more customers are now being charged based on their actual usage. Improvements to how we manage customer queries about their bill have also helped us reduce complaints.

We've also achieved a decrease in the volume of second-stage complaints with a 34% reduction over the year. We recognise there is more to do in this area to improve performance.

Complaints regarding metering have decreased by 12%. This decline coincides with a rise in applications from customers for meters. This has been driven by price rise and campaigns promoting smart meters.

Enhancements to our processes have led to a reduction in complaints about installation quality. However, there remains room for further improvement in this area. We've launched new technology in the Home Counties, in partnership with Vodafone. This will significantly enhance the operability of metering systems, addressing existing challenges.

What we're doing to improve

Training

We're providing all our frontline service colleagues with five days of reskill training. Our Escalations Team made a huge impact, preventing 5,488 complaints since April 2024. This is an impressive 93% Complaints Prevention rate.

We've also introduced a dedicated Induction Champion and redesigned our Induction Training programme. This will help to increase the focus on customer journeys and experience.

Customer enquiries

We remain committed to enhancing both the speed and how effectively we resolve customer issues. We're also improving our communications so customers are being updated throughout the entire process of their enquiries. All interdepartmental transitions will be governed by established service-level agreements. It will also include escalation procedures addressing any shortcomings in meeting customer expectations.

Understanding our customers' needs and providing appropriate support

We've summarised our performance and the improvements we are making:

How we've performed

Helping customers in vulnerable circumstances

Our Priority Service Register helps tailor services for those needing extra support. This year we aimed to have 513,000 households registered. By March 2025, we had surpassed our target by 18%, with over 606,751 customers registered.

This has been achieved by leading the industry in adopting an innovative approach to data sharing. We've shared data with energy companies and the London Fire Brigade, for example.

The Inclusive Service Kitemark certification was also achieved. We have maintained an accreditation for inclusive service for the last 5 years. This shows our ongoing commitment to providing an inclusive service for everyone. 85% of PSR customers surveyed said they were satisfied with the service they received.

We also published our <u>Vulnerability Strategy</u>. It sets out our plans for 2025 to 2030 for providing extra help to those who need it. Ofwat rated our plans as exemplary, the only company to achieve this.

What we're doing to improve

Incidents

We've updated our website to provide clearer information about what support we'll provide during incidents.

Our <u>Customer Guarantee Scheme</u> has been updated. We've added commitments to credit customers' accounts with £40 if we do not provide PSR and bill literature in their required forma or deliver bottled water during an incident.

Welcome letters for PSR customers have been improved to be more personalised. We'll include their circumstances, registered services, and how we'll support during an incident.

We have also implemented a new process. Customers who need extra or bespoke help can contact us so we can discuss their requirements. Since its launch, 6 customers have contacted us. The majority of these have been to request adjustments in how we communicate with them.

Helping customers struggling to pay their bills

We've summarised our performance and the improvements we are making:

How we've performed

We continued to support customers with financial support. This is particularly important with the cost-of-living crisis and bills increasing.

We have introduced a web form that allows customers to complete an income and expenditure review without having to call us. The web form reduces effort for customers by making open banking available. It also identifies income maximisation opportunities and has a debt advice referral function. This goes to PayPlan – a free debt advice provider.

Last year, we completed 61,000 financial support reviews. This year, we have completed 84,985. This includes 37,000 in the last quarter alone. We increased awareness of support to customers receiving price rises through annual billing.

Customers on our social tariff have increased from 375k to 409k. We provide £78 million of support through our social tariff scheme. This year, our social tariff eligibility criteria evolved. It changed from low income to a more targeted 'water poverty' criterion. This was after a

successful pilot, in collaboration with Consumer Council for Water (CCW). The change will help us support those who need it most.

Last year, our Extra Support scheme delivered £3 million of support. This was for customers in arrears. It was forecast to be £7 million. But we were able to distribute £25 million with a proactive approach using credit rating data.

What we're doing to improve

As prices rise, we know that some customers are struggling to pay. We are piloting a proactive data-sharing approach with Policy in Practice. We'll be identifying customers eligible for our affordability support who have not applied. Following this pilot, around 1,800 households have automatically received our social tariff support, with an average saving of £360 per year. We now plan to help thousands of London households through auto-enrolment and expect to provide c.£10 million of financial support to a further 18 boroughs.

We will increase the amount of support distributed through our Extra Support Scheme. The aim is to be above the £25m distributed this year.