Office of the CEO of Pennon Group
Peninsula House, Rydon Lane, Exeter, EX2 7HR
T: 01392 443381 www.pennon-group.co.uk

Alistair Carmichael MP
Chairman
Environment, Food & Rural Affairs Committee
House of Commons
London
SW1A 0AA

22nd December 2025

Sent via email

Dear Alistair,

Thank you for your letter dated 26 November 2025 regarding South West Water's debt collection practices.

We absolutely acknowledge the challenges around water affordability and the importance of ensuring customers are aware of available support. Across the Pennon Group, tackling affordability means focusing on two core priorities: driving efficiency to keep bills as low as possible and providing meaningful support to those who need it most.

Over the past decade, we have expanded support to over 150,000 customers across all our brands. By unlocking £200 million in financial support, we met our pledge to eliminate water poverty in the South West by March 2025.

As providers of essential services, we recognise that we play a vital role in the health and economic wellbeing of our communities, and we are committed to delivering excellent customer experiences while keeping bills affordable. Our household and business contact centres focus on providing seamless, end-to-end support and we provide affordability advice at events we attend across the region.

The attached appendix produced by CEO Retail & Customer Markets, Ian Cain, responds to the questions in your letter, outlining our ongoing commitment to affordability and the support we provide to all our customers, particularly those who are vulnerable.

Yours sincerely,

Susan Davy
Chief Executive of Pennon Group

Appendix from Ian Cain, CEO Retail & Customer Markets, Pennon Group

Affordability and Support for Vulnerable Customers

We have made significant investments to ensure that customers facing financial challenges receive the help they need. We have pledged £200m of support which includes tailored affordability schemes, dedicated support programs, and unique offerings designed to ease financial pressure such as 'Freshstart', our debt clearance grant. Our investment reflects our belief that every customer should have access to essential services without undue hardship. We have produced a leaflet to inform customers of the support available. You can download a copy by clicking here.

Debt Code of Practice and Customer Support

Our Debt Code of Practice ensures fairness and transparency throughout the entire process from frontline engagement to debt recovery and litigation. We provide comprehensive training for our teams to handle sensitive situations with empathy and professionalism, ensuring customers are supported at every stage. We have published a booklet detailing support offered to customers in debt. You can download a copy by clicking here.

Accreditations and Standards

We are proud to hold accreditations such as BSI ISO 22458, for Inclusive Service which demonstrate our commitment to best practice and continuous improvement in customer care and operational standards. We have also joined as members for the institute of National Customer Service and are accredited with their ServiceMark to show our commitment to providing excellent customer service.

Litigation as a Last Resort

Litigation is always the final step in our debt pathway. Our approach prioritises early intervention, clear communication, and collaborative solutions to resolve issues before they escalate. This ensures that customers have every opportunity to engage and find a resolution before legal action is considered.

Turning to the specific questions you've raised, please find our responses below:

1. **Cases where enforcement agents were sent to homes for debts under £1,000**

   We have a clear process to help support customers who need it and signpost clearly throughout our communications. We have summarised the process below, which is available publicly in our Debt & Recovery booklet, which can be found by clicking here.

   If we do not receive a payment when we would normally expect one, and the customer has not been in touch with us to let us know why, we will send reminder letters and try calling and texting them to offer help and support. If we still do not hear from the customer, we will send them a letter advising that they may be visited by one of our team. The point of this visit is not to collect money, but to recommend the best support for the customer.

   If contact still has not been made, we will send out a letter advising the customer ahead of court action. The letter will give the customer a timeframe of when the court proceeding will take place. Once a judgment has been made, the customer has 30 days to satisfy the claim against them. We do not take any recovery action before the County Court judgment. We want to give the customer plenty of opportunity to contact us before this.

   We can still help after a Court Judgment. We will send letters, asking the customer to contact us to set up a payment plan. If we still do not hear from them at that point, then they could receive a charging order against their home, or an attachment of earnings as the court gives us permission to contact their employer, and payments towards the debt will be taken directly from their earnings.

Year	No. Accounts Esc	<£1,000.00	Average Debt
2016	199	0	£5,896.03
2017	1199	52	£2,865.38
2018	3060	1095	£1,650.38
2019	3580	1439	£1,656.16
2020	413	124	£2,065.49
2021	4239	1552	£1,850.12
2022	4335	1458	£2,098.42
2023	3031	1015	£2,052.83
2024	3047	1116	£1,883.76
2025	2704	1036	£1,763.60

2. **Suspended Committal Orders (SCOs)**

   SWW does not seek SCOs. These are issued solely by the courts when a person fails to comply with a court order. SWW does not instruct or initiate this process. In our enforcement activity, SCOs may only arise during an Attachment of Earnings process, as we do not use Orders for Questioning.

3. **Debtors in receipt of means-tested benefits**

   Unfortunately, we are not able to provide figures for as our billing and CRM systems do not record this information at a level that can be reported.

4. **Complaints that were made to the Consumer Council for Water relating to Enforcement and failure to follow Ofwat's Paying Fair Guidelines on recovering debt?**

   The Consumer Council for Water cannot help customers with certain types of complaints. Within this are complaints relating to Court Proceedings to recover debt. (Appendix 4). I can confirm that nothing has been received either regarding Ofwat's Paying Fair Guidelines.

5. **Assessment of vulnerability prior to enforcement**

   Before initiating High Court Enforcement (HCE), we conduct a full review of each customer account. Customers receive a High Court Warning letter explaining that escalation will occur only if no response is received within 14 days. The letter emphasises that enforcement is a last resort and provides contact details for arranging payment plans or discussing affordability tariffs. Our review includes all account notes, correspondence, and indicators of vulnerability. Customers aged 75+ are automatically excluded. Other triggers include domestic violence, disability, mental health conditions, medical issues, young children, and bereavement. Where relevant, we adjust balances (e.g., for leaks) before considering enforcement. If vulnerability is identified, we either exclude the account or apply temporary holds and make additional contact attempts via calls, texts, emails, and home visits. Temporary vulnerabilities (e.g., injury or bereavement) prompt a review after 3–6 months. We also use the Water Direct scheme to prevent enforcement where possible. When escalation occurs, we notify our enforcement partner (Court Enforcement Services) of any vulnerability indicators and request their Welfare Team's involvement. CES agents are trained to identify vulnerability and may return cases to us if enforcement is inappropriate. We include CES's Fairness Charter and vulnerability process for reference.

   CES - Vulnerability.pdf

   CES-Group-Fairness-Charter.pdf