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BY EMAIL ONLY

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Ofgem Consumer Standards Statutory Consultation Response

We welcome Ofgem's different approach to this consultation and the multiple opportunities to hear what other stakeholders are saying and provide verbal evidence which is often a much less time intensive means of responding to important consultations.

Ofgem's current consumer standards statutory consultation seeks to improve outcomes for customers, particularly those in vulnerable situations. It seeks to improve customer service particularly around ease of contact. We broadly welcome the proposals.

However, Coalition members back the comments and concerns provided by the Centre for Sustainable Energy (CSE). CSE is a charity supporting people to take effective action on energy in their homes. Through its advice line, home visits and one to one support, it supports around 15,000 people a year to reduce their bills and make their homes more energy efficient.

The case studies CSE have provided to Ofgem clearly make the case for the need for an improvement in consumer standards and the examples of good practice make it clear that energy firms are capable of improving standards should they wish to.

One crucial aspect of the consultation is **“how suppliers identify and prioritise domestic customers in vulnerable situations who may require immediate assistance, or representatives acting on their behalf.”**

For many of our members, offering advice and support services, this is the most significant area which could be improved.

It's important that any definition of customer representative is inclusive and allows vulnerable households to access the support they need, not just being limited to one advice provider.

[DWP use the following definition:](#)

- advice or welfare rights organisations
- professionals such as social workers, community nurses or doctors
- family members or friends

A consistent approach is needed to gain authority from energy companies for advisers or family / friends which would save time and frustration for advisors, customers, and suppliers.

Energy firms should also ensure that there is a clear place in energy company records for the advisor's name to be added. This would prevent advisors from having to repeatedly call up to be added to vulnerable customers accounts. It also prevents advisors being chased by bailiffs because their details were recorded in the wrong place on the customer's account. If a customer changes supplier, this contact information / authority should be transferred.

As well as providing guarantees of response times, energy firms should focus on ensuring that enquiries are dealt with in a single call or contact session and - ideally - from a single point of contact for the consumer or the adviser.

Therefore, in addition to these general comments, there is more detail on two areas of particular concern highlighted below.

Question 1: Do you have any comments or questions on our proposed licence changes to improve supplier contact ease?

Our response is based on the premise that Ofgem's new licence conditions and guidance, as per the consultation, reduce call wait times to less than three minutes. This is hugely welcomed by the advice sector and will significantly improve contact ease, but they need to be supported by the additional measures described below.

Free enquiry services should be a basic level of provision that all energy suppliers should provide and available for a minimum of 15 hours per day via phone, email and other contact methods. It also means that customers who are vulnerable, but do not self-identify as such, won't face an additional economic burden if they contact their energy supplier.

The reality is that energy firms have multiple contact numbers or departments for handling what should be routine enquiries, e.g. General enquiries/customer helpline, complaints, collections, PSR/social support, metering issues, moving home, supply issues, prepayment meters.

Systems should be upgraded and staff training provided by energy firms to ensure that most of these enquiries are handled by one member of staff.

Therefore, as well as "contact ease" being measured and published, the regulator should also consider "contact success" and "contact empathy" as a measure of performance for energy firms. This would ensure transparency on how easy it was for a customer to successfully resolve an issue in one call and how empathetic the contact is (either phone, email, written, social media or in person).

While we appreciate that on some occasions one member of staff may not be able to do everything in the short-term, energy firms should then look at an easy way for more vulnerable customers to access enhanced support should be available. For example, a main menu option to go through to an Extra Care Team for those on the Priority Service Register, those in debt to their energy firm or those who are thought to be digitally excluded.

For these digitally excluded customers, a freephone contact is vital. In cases where customers spend lengthy periods on the phone to their provider it could prove cost prohibitive, particularly for those older people who are digitally excluded and disproportionately use the telephone to speak with customer services. While Ofgem has rightly proposed that financially vulnerable customers will be able to ring for free, we support calls from Age UK and others that this should be extended to digitally excluded customers.

We share concerns that Ofgem needs to more fully consider access to alternative language lines and standardised formats for energy bills.

Question 3: Do you have any comment or questions on our proposed licence changes to better support customers struggling with their bills?

There is an urgency to infuse empathy, flexibility, and comprehensive understanding of consumers' circumstances into energy debt management and collection practices.

Given that energy debt is now at such levels due to the massive increases in energy prices in recent years and the wider cost of living crisis, energy suppliers do not fully understand the reality of people's financial situation and therefore there is a risk that repayment amounts are not set at an appropriate level.

There needs to be less blame and more compassion in pursuit of energy debt and for suppliers to approach clients in a compassionate manner. Difficult situations are hugely helped by named, well trained and empathetic advisors.

In terms of additions to the proposed changes proposed by Ofgem, as a minimum, there needs to be an end to additional charges and late payment fees. We also need to see suppliers have a greater understanding of the wider financial context of the household.

A set minimum repayment amount that increases with energy prices is unfair and should be replaced with a more flexible system. A household with a low fixed income, such as one relying solely on a fixed disability benefit is unlikely to see an increase in household income that keeps pace with an increase in fuel prices. They therefore are more likely to get into energy debt.

While minimum repayments remain high they will have to pay disproportionately higher repayments towards their energy bills than towards any other non-priority debts they have which don't have a minimum repayment amount.

The more flexibility and adaptability to circumstances of vulnerable customers the better. People have complex financial needs that are best met by a detailed thorough examination of their finances and particularly debt repayment amounts, payment terms and the dates they are working to.

If there are higher priority debts to pay, these should take precedence over a higher payment to a lower priority debt such as energy bills, and that lower priority debt should have the ability to be paused and deferred.

Energy companies need to undertake significant work to reassure the public and organisations working with people in debt that they will cease pursuing debt retrieval on vulnerable customers that may contravene the enforcement guidelines of their licence agreement.

Ofgem should ensure that all energy firms are paying due regard to the [Court of Appeal's recent ruling](#) in *Helen Timson, R (on the application of) v The Secretary of State for Work and Pensions* that Third Party Deductions to recover energy debts are unlawful because the current process allowed deductions to be made without first giving the person affected by the deductions a chance to have their say.

Unsuccessful recovery often still brings stress, anxiety and fear to clients (see "contact empathy" comments above) and as Channel 4 Dispatches programme revealed, the threat of energy supplier enforcement had pushed a vulnerable customer with mental health issues to the brink of suicide.

Energy firms must ensure they take full responsibility for any debt collection agencies they subcontract and that they are held to the same high standards we are calling for from energy firms.

About the Coalition

The End Fuel Poverty Coalition campaigns to influence government and other bodies to take action to end fuel poverty and thereby improve people's health and quality of life as well as seeking to reduce the cost of living, create jobs and negate carbon emissions in the process. It is a broad coalition of over 70 anti-poverty, environmental and health campaigners, local authorities, trade unions and consumer organisations.

Members of the Coalition include: [Action with Communities in Rural England](#), [ACE Research](#), [Advice for Renters](#), [AgeUK](#), [All Birmingham's Children](#), [Austerity Action Group](#), [Association of Green Councillors](#), [Association of Local Energy Officers](#), [Association for Decentralised Energy](#), [Asthma + Lung UK](#), [Beat the Cold](#), [Brighton & Hove City Council](#), [Bruton Town Council](#), [Camden Federation of Private Tenants](#), [Child Poverty Action Group](#), [Church Poverty Action](#), [Chartered Institute of Environmental Health](#), [Chartered Institute of Housing](#), [Community Action Northumberland](#), [Centre for Sustainable Energy](#), [Climate Action Network West Midlands](#), [Disability Poverty Campaign Group](#), [Disability Rights UK](#), [E3G](#), [EBICO](#), [End Child Poverty Coalition](#), [Energy Saving Trust](#), [Energy Cities](#), [Fair Energy Campaign](#), [Epilepsy Action](#), [Foster Support](#), [Friends of the Earth](#), [Fuel Poverty Action](#), [Fuel Poverty Research Network](#), [Generation Rent](#), [Good Law Project](#), [Greenpeace](#), [Groundwork](#), [Hackney Foodbank](#), [Home Start Oxford](#), [Independent Age](#), [Inner City Life](#), [Joseph Rowntree Foundation](#), [Lambeth Pensioners Action Group](#), [London Borough of Camden](#), [London Borough of Lewisham](#), [Mayor of London](#), [Moorland Climate Action](#), [National Pensioners Convention](#), [National Union of Students / Students Organising for Sustainability](#), [NCB](#), [National Energy Action](#), [New Economics Foundation](#), [National Federation of Women's Institutes](#), [Northern Health Services Alliance](#), [Oxford City Council](#), [Positive Money Tower Hamlets](#), [Redcar & Cleveland Council](#), [Repowering London](#), [Retrofit Bruton](#), [Right To Energy Coalition](#), [Ryecroft Community Hub](#), [Save the Children](#), [Scope](#), [Shaping Our Lives](#), [Social Workers Union](#), [South East London Community Energy](#), [Southwark Group of Tenants Organisations](#), [South West London Law Centres](#), [Stonewater Housing Association](#), [Stop The Squeeze](#), [Uplift](#), [UNISON](#), [Warm & Well North Yorkshire](#), [Warm & Well in Merton](#).

The coordination for the [End Fuel Poverty Coalition](#) is provided by social enterprise [Campaign Collective](#). In Scotland we work closely with [Energy Action Scotland](#). In Wales, we work with [Climate Cymru's Warm This Winter](#) activity and in Northern Ireland with the NEA-backed [Fuel Poverty NI coalition](#).

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