

Re – Stakeholders Consultation Process

With regards the Stakeholders Consultation Process, please find our responses to the questions asked. We have picked out the questions that we feel important and essential to consider as the funding rounds go forward.

1. Do you consider the funding split between the Main Fund, Innovation Fund and Decarbonisation Fund to be appropriate?

We would consider the current percentage split to be appropriate as we see the Main Fund as the most important aspect of gauging fuel poverty and providing support. During the recent lockdown situation, we have found more and more households need support, with funding being reduced from other sources used previously. This main fund we see as being an essential lifeline going forward

Here at the Groundwork Trust, we have found that the criteria of the Innovation Fund is much too demanding with regards focus on products and/or services which are not accessible to energy consumers. Our combined belief is that Fund requirements should be widened to include innovative application or adaption of products & services, which are accessible to energy consumers at this present time

Question 2. Do you consider the proportionate funding split between vulnerable consumers and all energy consumers to be appropriate? I.e. 70% to vulnerable consumers and a total of 30% to all energy consumers.

Groundwork CLM believe that vulnerable communities should continue to be the priority with possibly more than 70 % of the funding in place to support vulnerable groups. The current lockdown situation has shown that vulnerabilities are increasing due to the Pandemic; and we see this rising even more once the furlough scheme and other support measures are no longer in place. At this time, it may be pertinent to look at increasing the 70% to a higher figure, to account for the extensive problems we see the most vulnerable facing in the coming months/years.

Question 3. Should a fuel voucher fund remain a permanent feature of the overall Energy Redress Scheme, so that it can react quickly to specific crises?

The voucher scheme has proved to be a lifeline for many households and we can see a need for this essential support going forward. This is the area where support is really needed. We also see concerns where new boilers are sourced and the funds that need to be provided by the householder to top up the grant received, is prohibitive. This situation; and of course because debt is increasing is preventing households from obtaining a replacement boiler.

The Administration costs we receive to account for the time involved with voucher delivery are quite low, considering the amount of work that needs to be done to get the vouchers redeemed on occasions. We come across many problems with shops having concerns about the financial implications & potential frauds, which may be present in redeeming the vouchers; and therefore quite a few telephone conversations are sometimes needed. We would also welcome a consultation process that includes PayPoint, the Post Office and the voucher suppliers, to make sure everyone works together in delivering vouchers successfully and with little additional problem to the household. We sometimes see additional stress added to the process for the vulnerable, when shop training is minimal or a voucher code is refused whilst redeeming the vouchers.

We would very much like to see a time when every partner works together in issuing 'every' voucher efficiently and first time. On far too many occasions, we come across problems redeeming vouchers.

By all partners working together, we could envisage this serious problem being averted. We would hope that Ofgem could play an influential part in gathering partner organisations together in realising that the current voucher distribution process is flawed at present. The process could be vastly improved by working together.

Question 4. If a fuel voucher fund is set up, what type of consumer should be eligible to apply for these vouchers? E.g. vulnerable consumers, pre-payment meter consumers.

Households on pre-payment meters should be able to apply for vouchers. We also see a need for financial support for households on a credit meter.

2. Widening the eligibility scope to other organisations

Question 5. What are your views on expanding the applicant scope beyond charities and organisations that partner with charities? If you think the scope should be expanded, do you have any suggestions for how eligibility should be defined? (E.g., what legal structures/status should qualify? Should there be other qualifying criteria?)

We are not of the opinion that the applicant scope should be expanded beyond charities, as we are the people who see the true need of each individual. Our work is purely on a 'not for profit basis and we wouldn't want to see a situation where support is offered for financial gain. We have seen the households in need increasing in recent months and as a charity, we are able to delve deeper into the issues and provide extensive support to help each household get beyond their problems.

The current structure of the scheme allows charities to partner with other organisations, whilst the charity is able to use that expertise, with a total focus on supporting the most vulnerable without profit entering the equation. By looking at it this way, we believe that the reputation of Ofgem, EST/Energy Redress remains intact, as making profit from other people's misery is totally off grid.

As a charity, we also have opportunity to seek match funding to bolster our support from Energy Redress. This facility would add value and provide extra benefits to vulnerable households in need.

Without the need to make profits, charities are more easily placed to adapt to changing circumstances. This has proved evident throughout the pandemic, as Green Doctor has managed to shift from home visits to providing phone consultations in order to offer support to the most vulnerable. The overall funding that we work through as a charity allows this flexibility and gives rise to us being able to offer support under changing circumstances.

3. Experience of charities applying to the Energy Redress Scheme (this section is for charities which have applied to the Redress Scheme only)

Question 6. How did you find the application process?

Generally, we find the application process to be very straightforward however; we would like to suggest a few areas for improvement:

Can you please change the budget to increase the number of budget lines, or so that new lines/rows can be added by the applicant? Applicants currently have to amalgamate numerous budget lines, as we are unable to add rows to the budget. This inevitably causes confusion and a lack of clarity, which we feel could be easily avoided.

We would also suggest increasing the word counts for the staffing section to 100 words per staff member, as we find 50 words to be too limiting.

4. Other feedback

Question 9. Should we consider any other areas regarding the Energy Redress Scheme? If so, please provide an outline explanation of your suggested area(s). If possible, please outline any associated benefits and costs with your suggestion(s).

Please see response to question 1 around protection of the main fund and widening the scope of the innovation fund.