

Ofgem consultation – Consumer Standards

Introduction

1. Mencap's vision is for the UK to be the best place in the world for people with a learning disability to live happy and healthy lives. We do this by supporting the 1.5 million people with a learning disability in the UK and their families, improving access to health and care services, education, and employment.
2. A learning disability is caused by the way the brain develops before, during or shortly after birth. It is always lifelong and affects intellectual and social development.
3. The energy requirements of households of people with a learning disability typically go beyond the needs of non-disabled households. Mobility and hygiene needs can require increased consumption of electricity, for example, to run electric wheelchairs and scooters, or frequent use of washing machines and tumble driers. Some people with a learning disability have additional health barriers, requiring medical equipment like oxygen concentrators, ventilators, sensory mats that detect seizures, feeding pumps, saturation monitors, or dialysis machines, which require constant charging. Other health conditions may require homes to be heated to a higher temperature to help with circulation.
4. Many people with a learning disability have also experienced barriers to adequate customer service from their supplier due to inaccessible information and a lack of targeted advice which accounts for their increased energy use and specific needs. Some have had to wait long periods of time for their call to be answered; other calls aren't answered at all. In a recent Mencap web survey, 49.5% of survey respondents said that they found speaking to their energy supplier difficult.¹
5. The current energy crisis and concerns about winter 2023 make being able to solve customer service or affordability issues all the more important for people with a learning disability, their families and carers. As such, we welcome the opportunity to feedback on this policy consultation.

Addressing Priority Consumer service issues

Do you agree with our assessment on what good looks like for the issues consumers are facing relating to the priority issues of contact ease and identification and support/advice for consumers struggling with their bills. Are there any issues missing?

Contact ease

6. We welcome many elements of Ofgem's assessment of how to improve contact ease for consumers. However, we would like to see additional standards that explicitly address the accessibility barriers to contact for disabled people. Whilst some existing SLCs aim to ensure contact ease, they are not robust enough so this issue continues to be a significant problem for disabled people and their families.
7. Firstly, we welcome Ofgem's assessment that good practice involves '*customers being able to easily and clearly identify methods of contacting their supplier.*'² Often supplier contact details and support services are located on supplier websites but many people with a learning disability cannot access this as they are more likely to experience digital exclusion.³ In addition, even if contact details are present they are often not in an accessible format. As

¹ Mencap, Social tariff survey, 2023

² Ofgem, Consultation on framework for consumer standards and policy options, May 2023

³ Bridging the Divide, Fabians Society

such, we strongly urge Ofgem to add the clause *'regardless of customers accessibility needs'* to their proposals, so that it is beyond doubt for all suppliers that they must make reasonable adjustments for people with a learning disability.

8. Secondly, we welcome Ofgem's assessment that good practice would include *'customers in vulnerable situations being able to identify a method of contacting their energy supplier that meets their needs'*.⁴ However, we note that the scenarios listed are situational vulnerabilities such as customers running out of credit, being subject to imminent disconnection or seeking help paying their bills. Ofgem should explicitly include customers who experience demographic vulnerabilities such as a learning disability under a wider category of disability and long-term health conditions. There should also be further clarification on what *'meet their needs'* means by adding an explicit reference to accessibility/communication needs.
9. Thirdly, Ofgem notes that good practice would include *'customers in vulnerable situations, being able to contact their supplier in a timely manner via their chosen contact method'*.⁵ However, for this to occur for many customers with a learning disability, call centre staff would need to be trained and resourced properly to support customers with additional needs.

Payment of bills

10. Some disabled customers struggling with their bills are not being identified adequately and are not reliably offered timely advice, accessible debt support or suitable repayment plans which account for their increased energy use. Given that 57% of disabled people report that their income does not, or only just, covers their energy bills,⁶ it is more important than ever that suppliers are able to offer tailored, compassionate, and accessible advice.
11. Mencap supports Ofgem's plans to ensure that *'suppliers make proactive contact with customers in payment difficulty through a range of communication methods'* and their assessment of good practice as *'consumers receiving a high quality of service, irrespective of the supplier they are with'*.⁷ However, as discussed in point 8 we urge Ofgem to add *'or the customer's accessibility needs'* to this new standard.
12. We welcome Ofgem's proposal to require suppliers to offer default payment plans for consumers early and prevent suppliers from requiring a minimum repayment. Mencap also supports Ofgem's proposal that all suppliers should *'provide consumers with tailored support to meet their needs (e.g. signposting to charities, appropriate repayment plans, provision of credit and hardship funds).'*⁸ However, we are keen that this does not lead to outsourced work for already strained charities. All suppliers must concurrently develop their internal support offer for vulnerable customers and work in close partnership with charities and consumer groups.
13. Finally, it is vital that *'suppliers make use of data and customer interactions to identify customers who may be struggling with their bills.'*⁹ The poor data collection on disabled customers is a structural barrier to improved customer service - if suppliers do not know who disabled customers are and record their needs, how can they adequately provide customer service standards that meet the Equality Act and ensure that disabled consumers are not disadvantaged? Staff at all points of the customer retail journey should be trained so that they can support people with a learning disability.

⁴ Ofgem, Consultation on framework for consumer standards and policy options, May 2023

⁵ Ibid

⁶ Scope, 2022, Cost of Living report

⁷ Ofgem, Consultation on framework for consumer standards and policy options, May 2023

⁸ Ibid

⁹ Ibid.

Do you have any views on potential options to address priority issues and do you agree with the extra requirements we are proposing?

14. Overall, Mencap welcomes many of Ofgem's potential policy options to address priority issues. We support the proposed requirement of a free phone number from landline and mobile that is easy to locate on a main website, app and which is prominent on bills.
15. We also strongly support the provision of a customer service pathway which can distinguish customers that identify as being vulnerable and require help as they could be at risk of issues such as: going off supply, running out of credit, having an affordability issue or requiring urgent debt advice and support. This will hopefully improve the prioritisation of customers so those in need get the help they desperately need. However, much like point 8, we urge Ofgem to make it clear that this group includes people who identify as vulnerable because of demographic factors, not purely situational by including an explicit reference to disabled people and those with long-term health conditions.
16. In addition, Mencap welcomes the fact that both policy options 1 and 2 propose that '*all requirements should be provided in line with accessibility needs of customers.*'¹⁰ However, we would urge Ofgem to add more detail to this point. Accessibility requirements should already be met within existing licence conditions but many suppliers provide inappropriate formats for people with a learning disability e.g. braille, large print, and BSL. We would welcome an explicit reference to the provision of EasyRead information, similar to that which is included in Ofgem's new PPM Code of Practice.¹¹
17. We also echo calls from other charities and consumer groups for an additional contact route dedicated to debt agencies and charities so they can more efficiently support vulnerable clients.

Do you have any evidence that suggests that we should be considering additional and/or different rules beyond what we have proposed?

18. Mencap survey evidence shows the drastic action that people with a learning disability have been forced to take as a result of energy affordability issues; over a third (38%) of survey respondents said they hadn't put their heating on despite being cold and over a quarter (26%) reported not switching the lights on to save money.¹² People with a learning disability and their carers evidently need to be prioritized and we urge Ofgem to introduce explicit and prescriptive guidance to ensure better customer service for disabled customers who are experiencing payment difficulty and supplier contact issues.
19. The ease with which someone with a learning disability can reach their supplier has very real consequences such as the length of time that they are sitting in a cold home after disconnection. This is all the more damaging for people with a learning disability, as research from Institute of Health Equity shows that disabled people are more likely to be impacted by the health consequences of fuel poverty and cold homes.¹³ Accessible information and ease of contact are therefore a matter of safety for many people with a learning disability and Ofgem's Consumer standards should therefore explicitly reference accessible information at every stage.

¹⁰ Ofgem, Consultation on framework for consumer standards and policy options, May 2023

¹¹ Ofgem, Code of Practice PPM

¹² Mencap, Cost of Living web survey, Dec 2022

¹³ Alice Lee, Ian Sinha, Tammy Boyce, Jessica Allen, Peter Goldblatt (2022) *Fuel poverty, cold homes and health inequalities*. ondon: Institute of Health Equity.

Do you agree with our proposed approach of introducing reputational incentives in our priority areas?

20. Yes, we agree with Ofgem's proposed approach of introducing reputational incentives in the identified priority areas, particularly new rules which could require suppliers to clearly display details of website hyperlinks to customer service data from a specified third-party organisation such as Citizens Advice, prominently on their website. We believe that this approach could drive better performance from suppliers to deliver better quality of service for disabled consumers when switching returns to the energy market.
21. However, these indicators need to be clear and accessible so they can be utilised by people with a learning disability and their families and carers. Failure to do so could mean that people with a learning disability are disadvantaged and blocked from making informed decisions, ultimately breaching Equality law.
22. We also welcome Ofgem's commitment to engage with other stakeholders to develop this requirement if it creates a new licence condition. However, it is vital that Ofgem explicitly seeks to gain insights from people with lived experience of energy issues and would gladly work with them to facilitate this.

Assessment and Monitoring of Options

Do you agree with what we have set out in the assessment chapter? Please provide supporting evidence with your views. For evidence regarding additional costs, please provide quantitative data.

23. We concur with most of Ofgem's assessments, particularly their view that introducing priority methods of contact such as a freephone number for vulnerable customers will make it much easier for people with a learning disability to contact their supplier and may lead to an increase in overall customer satisfaction.
24. Improved contact ease would also lower the burden on charities whose resources have been stretched to deal with vulnerable customers affected by the energy crisis. To deal with demand, Mencap's information and advice service has had to hire two full-time specialised advisers to support vulnerable energy customers with a learning disability.
25. Suppliers have raised concerns about the additional costs that will result from these new customer service standards through increases in customer call centre representatives and have suggested that the price cap may need to be adjusted to reflect this. However, good customer service standards are already included in the existing price cap costs to consumers so it is worth questioning how much suppliers should already have been doing to ensure good customer standards for disabled consumers.

Using the list of prospective data items we present in the monitoring chapter as a guide, what other additional data items could we aim to collect and from what data sources? Do you consider there are any challenges you may face when collecting/providing these? If so, please provide any supporting evidence you have.

26. We broadly support the list of prospective data items that Ofgem hopes to collect, particularly data that monitors advice and support for customers struggling with their bills, as this issue is more likely to impact people with a learning disability.

27. However, we think that it is vital that Ofgem uses the introduction of the Consumer Standards framework as an opportunity to collect data on the number of disabled energy consumers each supplier has. Whilst existing licence conditions require suppliers to identify vulnerable customers, (SLC 26) this does not give robust or detailed picture of what the vulnerable group consists of. Without improving their data collection on disabled customers, Ofgem cannot properly identify the extent to which they are protected and whether the new framework has improved customer service standards.
28. We also think that customer satisfaction ratings specific to the supplier's priority phone number should be delineated by situational issues or demographic factors so that Ofgem can see areas of progress and groups of customers where suppliers need to offer more support. This would also make Ofgem more proactive so they would not be reliant on media reports, charities or supplier self-reporting to identify issues or at-risk customer groups.
29. We also support the collection of data on customer perception of how easy it is to contact a supplier. However, it is vital to note that this will depend on the accessibility requirements of the customers - a one-size-fits-all approach is not appropriate. To be an accurate and representative assessment of how customer service has improved, Ofgem must actively seek out the views of people who face accessibility barriers like people with a learning disability.
30. This is also the case for the use of data which will confirm the availability and visibility of a priority freephone contact number on supplier websites, apps and bills. Mencap questions the validity of these judgements if they are not made by people informed by lived experience of accessibility barriers. At the very least, Ofgem should co-produce guidance informed by this group which could help them ascertain whether supplier details were accessible and easily identifiable or not.
31. Whilst we are pleased that Ofgem is considering collecting data on the training of staff on vulnerable customers, suppliers should have to provide more detail on the level of targeted training their staff have received and whether this translates to improved customer experiences for their disabled customers.

Consumer Standards Framework

Do you have any comments on the factors that should be considered in determining whether to use principle-based or rule-based approach to setting standards?

32. Firstly, we believe that in instances where poor consumer standards could lead to safety issues, more prescriptive rules should be used as they are best placed to prevent detrimental activity and instruct suppliers to act in a specific way. In this case, a rule-based approach would be more suitable as Ofgem intends to prevent harmful outcomes and consequences of poor customer service for vulnerable customers particularly.
33. Secondly, principle-based guidance should be considered in instances where a commonality in approach is necessary from all energy suppliers. The defined and measurable nature of these types of standards should ensure uniformity amongst the customer service of all suppliers, so consumers can expect at least a basic standard regardless of the energy supplier that they are with.

34. In contrast, principle-based standards do not detail how suppliers should achieve the outcome for disabled consumers; this group cannot afford for suppliers to be able to use regulatory loopholes. Principle-based guidance works best in instances where innovation is needed or if a significant change is expected in the future but good customer service should be standard and is unlikely to change soon.
35. We note that Ofgem's proposed approach for consumer standards is to have universal, common protections for all consumers, with enhanced protections where necessary for consumers with additional needs, such as consumers in vulnerable situations. We would urge Ofgem to increase clarity on this additional group so that it explicitly includes disabled consumers.

Do you agree with our early view of reputational based incentive options for winter 2023 and the potential incentive options for development over the longer-term? Please provide explanations to support your responses.

36. Yes we support the use of reputational-based incentive options for winter 2023 and hope that this will stimulate competition between suppliers to achieve higher quality of service standards for disabled consumers.