

PPM Statutory Consultation – Involuntary PPM

About Mencap

Our 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.

We welcome this opportunity to feed into this consultation, given the increased likelihood of PPM disconnection that disabled people face and the serious consequences it can lead to. We welcome the pace with which Ofgem has addressed this issue and the fact that legally enforceable protections will be in place for winter 2023/24.

Do you agree with our proposals to integrate the Code into the supply licence?

1. Mencap supported calls for a total ban on the forced installation of PPMs for disabled people and their carers:
 - 1.1. We recognise that for some people with a learning disability and their households, PPMs are a preferred payment option and can offer helpful budgeting controls. In addition, when a household uses a smart meter PPM, suppliers can better monitor when customers are self-disconnecting and provide quicker support.
 - 1.2. However, the installation of a PPM includes the threat of disconnection, which can be highly dangerous for households of people with a learning disability. We therefore think it is inappropriate to progress disabled households onto PPMs at any point.
 - 1.3. Under regulations in the water sector, there is no right for suppliers to disconnect consumers, reflecting the clear risk to the health of consumers of being disconnected from their water supply. Energy sits alongside water as an essential life service; the removal of its supply can have hugely detrimental consequences for the health and wellbeing of disabled people.
 - 1.4. We continue to ask Ofgem to work with energy suppliers, stakeholders, debt collection agencies and financial service regulators to explore more holistic protections for disabled households in energy debt so their debt is not pursued via other debt collection methods such as bailiffs.¹ Whilst we recognise that this is a separate piece of work that is not within the scope of this specific consultation, energy debt and debt collection practices for vulnerable households must be considered and improved together.
2. However, a PPM moratorium for disabled people is not likely to be introduced before winter 2023/24. As a result, we were broadly supportive of Ofgem's Involuntary PPM Code of Practice ² and welcome some elements of the proposed supply licence condition changes.
 - 2.1. In particular, we support the proposed licence change in SLC 28.10 - *'the licensee must not exercise a Relevant Warrant ... where such action would be severely traumatic to that Domestic Customer or **any member of their household** due to an existing vulnerability which relates to their mental capacity and/or psychological*

¹ Stat con PPM

² Ofgem, 2023: Involuntary PPM - Supplier Code of Practice | Ofgem

state and would be made significantly worse by the experience.' Many people with a learning disability are supported by family members to manage their energy bills or the household's PPM - they may not be the named energy bill account holder but would still be adversely affected by forced PPM installation and/or disconnection; as such this additional clause is welcome.

Do you agree with our approach of integrating the relevant parts of the Code into the Safe and Reasonably Practicable guidance?
--

3. The widespread supplier malpractice unearthed in Winter 2022³ indicated that SLC0 and the existing 'safe and reasonably practicable' licence conditions were inadequate.
 - 3.1. Principle-based regulations regarding PPM customer safety allowed for ambiguity and variance in customer experience across the energy market.
 - 3.2. Enforcement action was also insufficient which, in some cases, has resulted in serious consumer harm for disabled customers.
4. Mencap therefore agrees with the more prescriptive approach that Ofgem has struck when integrating the Code into the Safe and Reasonably Practicable guidance.
5. We also concur with Ofgem's view that the integration of the Code will allow for greater flexibility if parts of the Code need to be changed as a result of any new evidence that emerges.

'Do Not Install' & 'Further Assessment Needed' groups

6. We strongly feel that people with a learning disability should be explicitly included in the 'Do Not Install' category, given the increased danger that disconnection poses to them.
 - 6.1. Many people with a learning disability have higher energy usage than non-disabled people which would be severely impacted by disconnection/rationing :
 - 6.1.1. The mobility and hygiene needs of some people with a learning disability require increased consumption of electricity, for example, to run electric wheelchairs and scooters, or frequent use of washing machines and tumble driers.
 - 6.1.2. 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.
 - 6.1.3. Other health conditions may require homes to be heated to a higher temperature to help with circulation.
 - 6.1.4. The degree to which people with a learning disability rely on energy is evident in the case below, from one of our Policy Shapers, a parent of a young woman with a learning disability:

'My daughter has got a very rare brain disorder, which means that she is unable to regulate her core temperature, and if it drops too low or goes too high, she has seizures and her hands turn blue. It is my responsibility to ensure that her bedroom and the rest of the house are warm enough for her, so

³ <https://utilityweek.co.uk/courts-grant-26k-ppm-warrants-in-just-three-weeks/>

the heating must be on overnight. And this isn't a question of 'let's be comfortable'; this is about keeping my child alive and ensuring that she doesn't end up in hospital. I am scared to death'.⁴

6.2. People with a learning disability have also been disproportionately impacted by energy affordability issues and resultant PPM disconnection:

6.2.1. Almost a fifth (19%) of households with a disabled family member report that they are in arrears with their energy bills.⁵

6.2.2. Over a third (38%) of respondents to Mencap's survey said they hadn't put the heating on despite being cold and over a quarter (26%) reported not switching the lights on to save money.⁶

6.2.3. Of the more than 1.35 million households with a PPM cut off in the past year because they couldn't afford to top up, over 560,000, or 14%, included someone who was disabled or had a long-term health condition.⁷

6.2.4. Cold homes, resulting from PPM disconnection, can also have disproportionately adverse effects for people with a learning disability who are more vulnerable to respiratory and cardio-vascular conditions.⁸

6.2.5. One of our Policy Shapers, a man with a learning disability told us about how this makes him feel:

'Scared. Anxious. I cannot afford to put my heating on anymore and don't know how to manage. I worry about getting into debt and not being able to buy things I need or losing my home.'⁹

7. We are concerned by the consumer behaviour narrative that is present within the Code's rationale, namely that the inclusion of more categories in the DNI group could lead to consumers taking advantage of the change in rules and result in non-payment of bills. We have not seen any compelling evidence that this would take place, particularly amongst disabled people and their carers.¹⁰

8. If they are not ultimately included in the 'Do Not Install' category, people with a learning disability should be explicitly referenced in the 'Further Assessment Needed' category.

8.1. Currently, the 'Serious mental/developmental health conditions' category references 'learning difficulty' and not learning disability. Often the two are conflated or confused but they reference two distinct groups who have very different degrees of energy need and vulnerability (see point 6.1 and 6.2)

8.2. Learning disability is a reduced intellectual ability and difficulty with everyday activities which affects someone for their whole life. People with a learning disability tend to take longer to learn and may need support to understand complicated information or processes.

8.3. On the other hand, learning difficulties such as ADHD or Dyslexia, do not affect general intellect.

9. Furthermore, there should be greater clarity within the Guide that the FAN/DNI criteria relates to any individual within the household and not just the energy consumer/account holder.

⁴ Mencap, Policy Shaper session – high energy bills, June 2023

⁵ Scope, 2022, Cost of Living report

⁶ Mencap, Cost of Living survey, 2022

⁷ Citizens Advice response to Prepayment rules and Protections- Call for Evidence March 2023

⁸ <https://bmjopen.bmj.com/content/11/7/e043658>

⁹ Mencap, Policy Shaper session – high energy bills, June 2023

¹⁰ 1a. 18 9A annex

Wider protections within the Code

10. We welcome the specific reference to EasyRead information in the Guide (3.5) and hope that this will make it easier for customers with a learning disability to communicate to their supplier that they are vulnerable and therefore unsuitable for PPM installation.
11. Point 2.2 in '*Assessment of what is Safe and Reasonably Practical when Installing a PPM*' should be changed – the term 'mental disability' should be replaced by learning disability to reflect modern terminology.
12. Mencap would welcome more clarity on the following parts of the Code:
 - 12.1. The nature and quality of the welfare visits that suppliers will need to carry out.
 - 12.2. How Ofgem will ascertain whether supplier staff are '*appropriately trained to identify any vulnerabilities that may be present in the household to determine if PPM is safe and reasonably practicable.*' This must include comprehensive guidance on learning disability.
 - 12.3. How Ofgem proposes suppliers will ascertain if a consumer is financially vulnerable.
 - 12.4. The provision of accessible information. Suppliers are now compelled to check that consumers/households are signed up to the PSR but this information must be available in EasyRead to reach many people with a learning disability.

Future work

13. Ofgem must also regularly review the utility of these licence changes to make sure that they work as intended. This should be built into Ofgem's Workplan so that any further necessary changes to protect disabled PPM customers can be made swiftly.
14. The integration of the Code into licence conditions must also be accompanied by a more robust approach to enforcement and comprehensive monitoring by Ofgem.