

Exeter Community Energy (ECOE)
Consumer Standards Statutory Consultation Response
August 2023

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.

Broadly speaking, ECOE backs the comments 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.

We ourselves support more than 5000 homes per year with our dedicated fuel poverty and domestic energy advice projects. Our experiences in the field mirror the cases CSE have put forward.

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."

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.

If this is too cost-prohibitive for energy firms, then 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.

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.

Unsuccessful recovery often still brings stress, anxiety and fear to clients 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 Exeter Community Energy

Formed in 2014, Exeter Community Energy (ECOE) is a not-for-profit social enterprise recognised in the 2022 UK Green Energy Awards as Best Community Energy Initiative. ECOE uses community-owned renewable energy as a means of tackling climate change, empowering communities, addressing fuel poverty issues and boosting the local economy. ECOE launched its award-winning Healthy Homes for Wellbeing project in November 2017 and helps more than 500 households each month. It offers a unique service where residents can get advice on energy efficiency, with practical hints and tips for saving energy and water,

guidance on insulating their homes, help with energy supplier and tariff switching and advice on discounts and grants available. Help is provided at more than 20 local energy advice drop-in clinics across the region as well as one-to-one home visits, and a 0800 number advice line. The Healthy Homes Energy Advice team of 15 Home Energy Advisers regularly provide talks at coffee mornings and community events and partners with more than 750 frontline workers to ensure the most vulnerable households get the support they need. Personalised and comprehensive home visits are a vital and much needed part of the Healthy Homes for Wellbeing project. The team deliver these with LEAP (Local Energy Advice Partnership) and are available for homeowners, private renters and social-housing tenants.

In 2022 debt and money advice was added to our range of service, with in-house money mentors providing benefits checks, budgeting help and regulated debt advice.

ECOE is the delivery partner for the Energy Saving Devon HUG2 home improvement grants being managed by Devon County Council and a new retrofit advice service for those able to pay for advice and retrofit measures was launched in 2023.