



Specific Interventions Division
Line Manager: Les Philpott (Head of Specific Interventions Division)

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Ofgem
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Your reference:

Our reference:

31st August 2005

Dear David

SOCIAL ACTION STRATEGY- HSE GAS POLICY RESPONSE

Thank you for the opportunity to meet with you on 22nd August and to explain our position on your Social Action Strategy.

Your strategy aims to tackle the issues of fuel poverty and protect the interests of certain vulnerable customers. The issue of fuel poverty is clearly a high priority. We suggest that the safety of those with limited means should be of equal concern. Such groups put their own safety and that of others at risk from fires and CO poisoning, not least due to lack of finance to maintain or replace gas appliances, which may be faulty.

Since the implementation of the first five year Social Action Plan (SAP) in 2000, much has been done to protect the interests of vulnerable customers and develop the Priority Services Register (PSR). The Health and Safety Executive supports a new strategy that capitalises on the successes to date and that continues to support those potentially at risk and to target help where it is needed most.

As we explained when we met, HSE believes that by far the greater number of consumer deaths are linked to adverse consumer behaviour. Hence there is much to be gained by a focus on domestic gas users.

We have identified several points that we think would contribute to a successful strategy:

- The PSR is designed to provide key groups of consumers with important extra services, such as a free gas annual safety check. Ofgem's research in December 2003 indicated that only a quarter of eligible consumers know of the scheme. Consumers also have reservations about being 'labelled' if placed on the register. Some fear their appliances will be found unsafe, will have no means of replacing them and they are unaware of grant assistance. We suggest that your new strategy should ensure that suppliers do more to raise gas safety awareness and publicise their PSR obligations, including by making the scheme more user friendly.
- At present, consumers eligible for the services offered by the PSR are those of a pensionable age, chronically sick or disabled. Yet the PSR excludes others who are vulnerable in terms of energy and safety needs. We suggest the eligibility for the PSR should be reconsidered and to particularly include those who are financially stretched and at risk from poorly maintained appliances and fuel poverty.
- Research shows that there is clearly a concern in some low-income households that appliances may be condemned at a free PSR safety check. Suppliers can usefully do more to provide follow up assistance to those with condemned appliances. All vulnerable customers should be informed of the options they have in repairing or replacing any appliances and the financial assistance available to them.

- The strategy can usefully acknowledge the benefits of CO alarms to warn of dangers and the role that suppliers can play in making such alarms freely available to vulnerable consumers where appropriate.

There are potential benefits for both the consumer and supplier in taking these points forward in the strategy. 'At risk' consumers would clearly benefit from an inclusion on an enhanced PSR. The industry could be congratulated for a positive approach to their corporate responsibilities that would ensure reductions in adverse consumer incidents from the use of gas.

HSE believes that a review of those in scope and the services offered by the PSR is essential to improving and enhancing the PSR for both the consumer and supplier. We hope our comments are helpful in taking forward Ofgem's strategy and look forward to working with you in the future.

Yours sincerely

Martin Thurgood