



*Promoting choice and  
value for all customers*

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Dear colleagues,

### **Codes of practice statistical reporting 2006 - Q1, Q2, Q3**

Following Lisa Vango's letter of 17th January, I am writing to inform you that we are republishing Q1 – Q3 2006 figures on licensees' performance on debt, disconnection and debt management as part of our codes of practice statistical reporting.

In reviewing the data provided to us by licensees, we aim to identify areas for future policy work as well as to highlight particular issues of concern with supplier performance. When analysing the data we look for unusual trends or results and contact the appropriate licensee about the data in order to ensure its accuracy and to better understand any anomalous trends or patterns. As a result of this process, two suppliers identified errors with their original data submissions for Q1 –Q3 2006. Both suppliers have now provided revised data. The changes had minimal impact in relation to the industry trends set out in our 17 January letter as set out below:

- Numbers in debt: the overall number of customers in debt over the period has not increased significantly, for either credit or prepayment customers. In the January letter we stated that there was some evidence of rising numbers year on year for gas credit customers. The data revisions show there are now slightly fewer gas credit customers in debt than previously however there was still an increase on 2005 figures for the same period.
- Size of debt: the January letter stated that while the majority of customers continue to owe amounts under £100 we have seen evidence of a rise, particularly in electricity, in the number of customers owing larger sums. That continues to be the case and the data revisions show that in Q1 and Q2 slightly more gas customers were repaying higher debts than previously published.
- Repayment rates: in the January letter we stated that generally there have been some increases in the average amount customers in debt are required to repay on a weekly basis and that repayment rates are typically higher for prepayment customers than for credit customers. Whilst this remains unchanged, the data changes have slightly reduced the average weekly amount PPM customer pay towards debt.
- PPMs: the January letter highlighted the fact that the number of prepayment meters installed to collect debt had increased in comparison to 2005. This continues to be the case and the data changes show the installation rates for debt are slightly higher than previously published.
- Disconnections: the January letter set out that while the overall number of customers disconnected for debt is small and remains very significantly below the levels seen in recent years, we have seen an increase in the number of customers

disconnected for non-payment compared to 2005. This remains the case with the revised data showing slightly higher disconnection rates for Q1 and Q2 than previously published.

The Q4 and 2006 data will be published shortly alongside a more detailed analysis and commentary on the data, in conjunction with the Social Action Strategy update.

Regards,

Kiera Bower  
**Manager, Social Issues**