

Consultation Response

Priority Services Register Ref: 2114

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Age UK is delighted to respond to Ofgem's Review of Priority Service Registers (PSRs). We broadly agree with Ofgem's direction of travel, and support the thrust of the proposals tabled in the Review.

The reforms to the benefits system, introducing the Universal Credit and the new single-tier State Pension, will make it increasingly difficult to rely on benefit eligibility as a way to identify vulnerable customers and others needing some extra support. These changes will also tend to make it harder to identify households in fuel poverty from the point of view of targeting help towards them (which of course the energy companies are obliged to do), so our principal suggestion over and above the Review's questions is whether the PSRs could be used as a way of capturing these data. This response will consider that after addressing some of the specific questions tabled.

Question 1: Do you agree that energy companies should be required to offer non-financial services with the aim of equalising outcomes for customers?

Yes. The principle of equalising outcomes is a good one, and services which address access and communication needs (as do many of the current requirements) are essential to many customers. The increasing pace towards digital information and service delivery is a particular current concern: Age UK is well aware that older householders are a significant part of the population uncomfortable with or unable to use electronic communications, and these customers must not be overlooked or disadvantaged as changes which suit the majority are introduced.

Question 2: Do you agree that we should continue to prescribe a minimum set of services? Do you support the proposed list of services? What additional services, if any, do you think energy companies should be required to provide?

Yes. Fundamental to the spirit of this Review is making the PSR better understood and better used. Consumers need to be aware of the core services which every company is obliged to offer – a process explored in later questions. Universally agreed service offers are essential if public confidence and usage of the PSRs is to grow. That should not, of course, bar companies from going further if they want to, and this is perhaps a consideration behind the 'needs codes' aired in Question 9.

Some older people say they have been reluctant to go onto the PSR for fear that a gas safety check might result in their appliance being condemned and leave them with no service at all. Eligible older people must be receiving means-tested benefits, which on the one hand implies they will not have the income or capital for a new appliance, but on the other means that their gas supplier should be able to help via the ECO scheme. In the new drafting of the Register regulations companies should be required to make these links and check whether people enquiring about the PSR know about ECO, and whether those enquiring about

ECO know about the PSR. And as a last resort, this worry is another reason why (see Question 9) households should have the right to remove themselves from the PSR.

Question 4: Do you agree that we should move away from requiring energy companies to provide services to disabled, chronically sick and pensionable age customers to an approach which requires energy companies to take reasonable steps to identify and provide appropriate services to any customer with safety, access or communication needs?

Yes. There are customers who may benefit from the minimum set of services who are not defined by the current 'passport' descriptors. But of course the risk of moving to a more flexible system is that it is more difficult to enforce or monitor. The arrangement proposed below (Question 14) for independent audits offer some protection: a duty to publish would be another.

Question 5: Do you agree that energy companies should be required to maintain a wider register of consumers that they have identified as being in a vulnerable situation?

Yes. Energy companies have become more than energy suppliers, and are increasingly providers of energy services – especially in relation to the activities that are required under their social (and environmental) obligations. As such, they will both find and need more information about their customers, and will benefit from greater data-sharing which helps to identify households which are vulnerable.

The practical difficulty with the discussion behind this proposal is that Ofgem has been moving to a definition of vulnerability which is hard to pin down objectively. And of course there will be customers who move both in and out of a vulnerable situation, which suggests the need for some periodic review process. So we would like to see Ofgem setting out a process to ensure that best practice is identified and shared across the industry.

Question 6: Do you agree that suppliers, DNOs and GDNs should share information about customers' needs with: a) each other? b) other utilities?

Yes. Individual companies will improve the quality of their information with greater and timely data-sharing, and the service offered to those customers on the PSR will improve as a result.

We note below that there is little apparent concern about data-sharing. But we also call in this evidence to the Review for a wider and more pro-active use of data-sharing, such as bringing in records of Energy Performance assessments, or

referrals from health professionals. We believe that these would benefit most householders in the majority of cases, but they must be subject to safeguards whereby (for example) data gathered from other organisations is checked with the householder (by letter) before being automatically recorded on the PSR. It could be that experience will show that the safeguard is unnecessary, in which case it can be removed in subsequent revision of the Registers' rules.

Question 8: Do you agree that we should stipulate the minimum details that we expect energy companies to share, for example that names and phone numbers must be shared where they are available? Is there any other information that should be shared and for what purposes?

Question 9: Do you agree that energy companies should agree common minimum 'needs codes' to facilitate the sharing of information? Should we require energy companies to agree these codes? How might this work and what mechanisms are already in place to facilitate this? What role would Ofgem need to have in this process?

Yes. Age UK agrees with both the questions posed and the discussion behind them in 3.16 to 3.20.

If our wider hopes for the PSR to be used to facilitate additional help and support – including those at risk of fuel poverty – are adopted, a system of codes and an agreed 'minimum list' of data needs to be developed. It will also evolve and change over time. And there may be a need for different conventions to apply in the different component parts of the UK, as the devolved authorities acquire more distinct policies and service offerings.

However every householder should have the right to check their entry on the PSR, and request the removal of individual items of data, or indeed the entire entry.

Question 10: Should information about a customers' needs be shared with their new supplier when they switch? What is the best way to facilitate the sharing of this information?

Yes. Age UK cannot comment on the practicalities of implementation.

Question 11: Do you agree that a single cross-industry brand will raise awareness of priority services?

Yes. While some companies may want to develop more sophisticated and varied services, there must be a commonality between the minimum required services and the manner in which they are delivered. This will help with the role advisory organisations can play to build confidence and take-up of the PSR idea.

Question 12: Do you agree that a guidance document would help advice providers and raise awareness? Who should produce this document?

Yes. A consumer information document could be developed by Ofgem in concert with some of the advice-providing agencies – it certainly needs to be branded by Ofgem, perhaps in association with those agencies. It could be distributed by the energy companies each year when they are sending customers their annual energy statements.

Question 14: Do you agree that supplier independent audits are the best way of monitoring companies' compliance with our proposed obligations? Do you have views on the approach the audit should take and what it should cover?

Yes. Age UK agrees with this proposal and the arguments reviewed in Chapter 12. Additionally, these audit reports must be put into the public domain.

A PSR for the future

Moving to a slightly wider issue, with the PSR becoming more popularly understood and used as a way to identify vulnerable households, could it not also be used as a tool in the fuel poverty strategy?

The fuel poverty strategy is going to be led by targeting the most thermally inefficient housing stock, and seeking to cross-match that with households on low incomes. It is essential (in Age UK's view – and we will argue this in responding to DECC on the fuel poverty strategy), that EPC data is quickly collected for the housing currently without a Certificate, and then made much more widely available to parties with a legitimate interest. As energy companies work to ensure that PSR data is more accessible for sharing, there is a strong argument for adding EPC data to any household entry on the PSR.

NICE is currently considering responses to its work on the involvement of the health and social care services in fuel poverty – and the deaths, illness and misery which stem from living in a cold home. One of the proposals is that there should be a referral route that health professional can use if they suspect that an individual or household is in fuel poverty or living in a cold home. Part of that referral process could be to add that household to the appropriate energy company PSR.



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