ofgem Making a positive difference for energy consumers

Domestic Suppliers' Social Obligations 2015 annual report

Report

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Overview:

This report examines how domestic suppliers performed in meeting the needs of consumers in vulnerable situations in 2015. We regularly collect social obligations data, which includes data on debt levels and debt repayments, prepayment meters, disconnection rates and help for customers in vulnerable situations. This report presents findings from the 2015 data, including analysis of trends in Scotland, Wales and England. It highlights examples of good practice, areas of concern and explains what we expect of suppliers in future.

Context

Ofgem is the independent regulator of the electricity and gas system in Great Britain. We aim to make a positive difference for all current and future energy consumers and one of our priorities is to help protect and empower consumers in vulnerable situations. In 2013, we published the Consumer Vulnerability Strategy (CVS), in which we defined vulnerability and what we expect of suppliers in identifying and responding to the needs of consumers in vulnerable circumstances. The CVS has helped suppliers and network companies focus more attention on vulnerability, and although there has been progress, they could do more to properly identify and support consumers who find themselves in vulnerable situations.

As part of our ongoing monitoring we regularly collect social obligations data to understand how suppliers are meeting the needs of consumers in vulnerable situations. This includes data on debt levels and debt repayments, prepayment meters, disconnection rates and help for customers in vulnerable situations. This annual report presents findings from the 2015 data and explains what we expect of suppliers in future. We also use this data to check that suppliers comply with our rules, to challenge poor performance, and to inform policy.

Next year we will review the social obligations data we collect and how we analyse and communicate this information. We welcome any suggestions to feed into this review (to SORHelpdesk@ofgem.gov.uk), before doing a formal consultation in 2017.

Associated documents

Consumer Vulnerability Strategy July, 2013

Consumer Vulnerability Strategy Progress Report September, 2015

Retail Energy Markets August, 2016

Ability to Pay Principles June, 2010

Prepayment meters installed under warrant September 2016

Priority Services Register Statutory Consultation, June 2016

Guidance on monitoring suppliers' performance in relation to domestic customers, updated August 2016

Decision on changes to monitor the smart prepayment market, August 2016

Future of Retail Regulation Working Paper on Broad Principles, August 2016

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Executive Summary

Energy is essential, and we aim to make a positive difference for all current and future energy consumers in Great Britain, and to wider society. We help protect and empower consumers in vulnerable situations as one of our priorities.[1]

To understand how well suppliers perform in meeting the needs of consumers in vulnerable situations, we regularly collect social obligations data. This report presents findings from the 2015 data, including analysis of trends in Scotland, Wales and England. It explains what we expect of suppliers. We work with the Citizens Advice Service and suppliers to explore the practices underpinning these trends. We also use this data to check that suppliers comply with our rules, to challenge poor performance, and to inform policy.

We have also included examples of how suppliers have told us and the Citizens Advice Service that they are supporting customers in vulnerable situations. This is to encourage other suppliers to adopt some of these good practices, and to develop their own innovative approaches.

Fewer customers are in debt but the average amount owed by customers has increased

Encouragingly, the number of customers in debt has fallen since a post-recession peak in 2013. However, the average amount owed by customers in debt has risen consistently over this period. For customers repaying a debt last year, their average debt at the time they agreed a debt repayment arrangement was almost £600. For some suppliers, this figure is over £1,000 for electricity customers. This suggests **suppliers should do more early on to help prevent customers from accruing large debts** and, at a later stage, to **ensure debt repayment arrangements are manageable** for customers who owe more.

Given fewer customers are in debt, it is disappointing the proportion of customers on prepayment meters has not also fallen

Prepayment meters (PPMs) are often installed to manage customer debt, and around two in five customers repaying a debt use one. PPM customers are generally more likely to be fuel poor and vulnerable, pay more, have fewer competitive tariff choices and are more exposed to the risk of self-disconnection.

There has been a long-term growth in the number of PPMs, although this slowed in 2015 - with some evidence of new demand being driven by smart meters operating in PPM mode. With fewer customers in debt, and poorer outcomes faced by PPM

[1] Ofgem, Consumer Vulnerability Strategy, 2013

customers, we are concerned about the long-term growth of PPMs, particularly in Wales and Scotland.

If suppliers can't reach an agreement with the customer to repay debt, they can apply for a court warrant to install a PPM to repay the debt. This should only be a last resort to avoid disconnection. While the use of warrants has fallen, it has been at a slower rate than the fall in the total numbers of PPMs installed for debt. We think **suppliers could do more to avoid using PPMs to collect debt and avoid using warrants to install them**.[2]

Suppliers - particularly small and medium ones – should do more to support customers through effective debt repayment arrangements

Among the small and medium suppliers, only around 30% of customers in debt have a debt repayment arrangement, compared to around 60% of customers in debt with the large suppliers. This suggests that **improving debt management should be a priority for small and medium suppliers**.

Suppliers must take into account an individual's ability to pay a debt. We are concerned that small and medium suppliers have large numbers of customers making high weekly repayments. Among the medium suppliers we are also seeing a high and growing rate of customers with failed repayments. The average debt repayment amount at small and medium suppliers is equivalent to nearly doubling the weekly energy costs of an average direct debit customer.

Among the large suppliers, **we are surprised that PPM customers are very rarely given the lowest repayment rates**, while customers on credit payment arrangements often are. We are keen to better understand the reasons for this, and whether they vary according to customers' ability to pay.

Most suppliers no longer disconnect any customers because of debt, however there was an increase last year driven by a handful of suppliers

Disconnecting a customer's energy supply should always be a last resort. There has been a long-term decline in the number of customers who are disconnected for debt. However, there was an increase in the numbers last year, with 204 electricity customers and 49 gas customers disconnected. Most suppliers no longer disconnect any customers because of debt and the 2015 numbers were largely driven by two suppliers: npower and Utility Warehouse. **We are engaging directly with these suppliers to ensure that disconnection is only ever used as a last resort.**

[2] Consultation on Prepayment meters installed under warrant, September 2016. Closes on 9 November 2016

More customers are taking advantage of non-financial support services, but more could be done to promote them effectively

Customers in vulnerable situations are entitled to certain free services to help them engage with their supplier and the energy market. Overall, more customers are being identified as eligible for Priority Services Registers (PSR), and accessing free support services.

However, a much smaller proportion of customers from the small and medium suppliers are being identified. Although this may reflect these suppliers' more socio-economically advantaged customer base, **we will continue monitoring this to ensure customers in vulnerable situations are being identified.** We are also concerned that the proportion of customers on PSRs is substantially lower in Scotland.

Advice on improving energy efficiency can help customers reduce their bills, while reducing carbon emissions. Many customers (and particularly ones in debt) were given this information or contacted advice lines in 2015. **It would benefit customers if suppliers did more to promote this service.**

Next steps

In the areas we are concerned about, we are working with suppliers on improving their performance. We will continue to hold them to account if there is evidence of worsening outcomes or consumer detriment, and we will take enforcement action if necessary.

We expect suppliers to take ownership of the way they protect and empower customers in vulnerable situations, and will continue to engage with them on improvements. We will also engage with consumer groups and charities on the findings from this work, and continue to work closely with the Citizens Advice Service.

We will continue to improve protections for customers in vulnerable situations and adapt to changes in the energy market. In particular, smart meters will lead to new opportunities, which we will monitor in part through new social obligations data.

We will review the social obligations data we collect and how we analyse and communicate this information. We welcome any suggestions to feed into this review (to SORHelpdesk@ofgem.gov.uk), before doing a formal consultation in 2017.

1. Introduction

1.1. Energy is an essential service which impacts on people's comfort, health and participation in society. As the regulator, we aim to make a positive difference to all current and future energy consumers in Great Britain. Protecting and empowering consumers in vulnerable circumstances is one of our key priorities.

1.2. So that we can understand how well suppliers perform in meeting the needs of consumers in vulnerable situations, we regularly collect data called social obligations data. This includes data on debt levels and debt repayments, prepayment meters, disconnection rates and help for consumers in vulnerable situations. This report presents key themes and findings from the 2015 data.[3] From the data available, we have analysed trends in Scotland, Wales and England. We work with suppliers to find out what they are doing that has resulted in these trends, to help identify good practice and identify areas for improvement. We also use this data to ensure that suppliers comply with our rules, to challenge poor performance, and to inform policy. We will take enforcement action if necessary, as outlined in our Enforcement Guidelines.[4]

1.3. In producing this report we have worked closely with the Citizens Advice Service, as the statutory representatives of consumers in England, Wales and Scotland. For the first time, in this year's report we have included good practice examples on the basis of the information provided by suppliers and the Citizens Advice Service.[5] We hope these examples will encourage suppliers to examine their own practices and adopt innovative approaches.

1.4. We will review the social obligations data again in 2017. As part of this, we will consider ways to minimise the burden of reporting on suppliers while maintaining effective reports on key metrics. We will also review how we analyse the data and present it externally. We would welcome any suggestions to feed into this review, before a formal consultation in 2017. Please send any comments or questions to SORHelpdesk@ofgem.gov.uk by the end of November 2016.

[3] In some instances data from the first quarter of 2016 is also reported.
[4] Ofgem Enforcement Guidelines, 2014
[5] These good practice examples have not been researched in depth, therefore it is possible that there might be unforeseen consequences, or that better examples exist elsewhere. However, we support the initiatives that are presented here, and are keen to understand their impact. We are keen to hear from suppliers who may wish to present good practice examples for inclusion in future reports.

Notes on the data

1.5. As well as reviewing trends across the different nations, we have also analysed data from different types of suppliers so that we can draw out differences in their performance.

- The large suppliers are the historical gas and electricity incumbents: British Gas, EDF Energy, E.ON, npower, ScottishPower and SSE. They continue to have the largest market shares, although these have been decreasing recently.
- The small and medium suppliers have grown recently in the domestic market, reaching 14% of electricity and 15% of gas market share by June 2016. There are more suppliers active in the market and these new entrants have a variety of business models such as not-for-profit, prepayment only, renewable and local supply schemes. For this report, the medium suppliers are the ones within this group that currently have more than a 1% market share. This corresponds approximately to suppliers with more than 250,000 customers, and includes First Utility, OVO Energy, Utility Warehouse, Extra Energy, Co-operative Energy and Utilita.

1.6. In most of this report, we refer to electricity and gas accounts separately. As dual fuel customer accounts are reported under both gas and electricity, gas and electricity together cannot be interpreted as the total number of customers. Throughout this report, if the trends among electricity and gas customers are similar, and the data cannot be presented on a single graph, we have included one example in the text. The other is included in the data appendix.

2. Customers in debt

Chapter Summary

The number of customers in debt has fallen since a post-recession peak in 2013 when debt was likely driven up by rising energy bills. There were 4.6% of gas customers in debt in 2015, compared to 6.2% in 2013, with a similar falling trend for electricity.

We are concerned that the average amount owed by customers in debt has risen consistently over this period. For customers repaying a debt last year, their average debt at the time they agreed a debt repayment arrangement was almost £600, and with some suppliers was over £1,000 for electricity customers. The number of customers with outstanding debt below £100 has fallen dramatically, but there has been little change in the numbers of customers with debts over £300.

This suggests suppliers should do more both at an early stage to help prevent customers from accruing large debts, and at a later stage to ensure debt repayment strategies are effective for customers who owe larger amounts.

2.1. Customers can get into debt for many reasons. People's personal circumstances (such as mental and physical health, family breakdown, unemployment, etc) can combine with external factors (such as falling real wages and rising bills) to push people into debt. People can get into debt by failing to pay a quarterly bill, or by cancelling a direct debit payment. Customers who have a prepayment meter, or whose bills are paid directly from benefit payments through Fuel Direct cannot get into debt.[6]

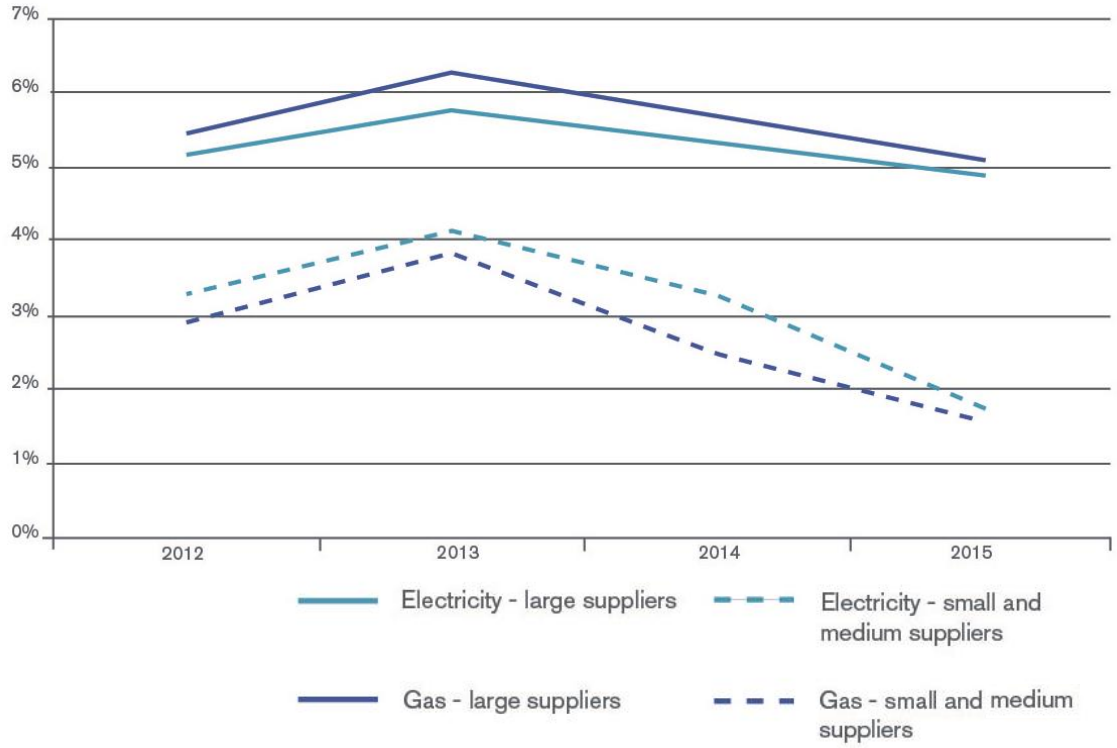
2.2. This chapter presents the proportion of customers who are in debt and the average amounts that they owe. Chapter Three looks at suppliers' performance in helping customers out of debt through appropriate repayment arrangements.

A falling proportion of customers are in debt to their supplier

2.3. There has been a fall in the proportion of customers who are in debt to their supplier (either in arrears,[7] or repaying a debt) following a post-recession peak in 2013 when the number of customers in debt was likely driven up by rising energy bills.

[6] There can be exceptions where PPM customers are offered emergency credit which is later repaid, however this will not be discussed here.
[7] Customers who are more than three months late in making a payment, but do not yet have a debt repayment arrangement set up.

Figure 1: Proportion of customers in debt (in arrears or repaying a debt) by supplier type



2.4. The long term increase in the number of customers on prepayment meters (discussed in Chapter Three) reduces the number of customers on credit payment methods who can get into debt. This, alongside falling bills, may be a contributing factor to the recent decline.

2.5. It is not possible to look at longer term historical trends for *all* customers in debt as data was only collected for customers in arrears (as opposed to repaying a debt) since 2012. However, looking just at those *repaying* a debt, the levels are at their lowest point since data was first collected in 2006.[8] The numbers of new debt repayment arrangements being set up – which are more sensitive to annual changes than total numbers in debt – have also declined since 2013. See Figures 1 and 2 in the appendix.

2.6. The small and medium suppliers have a consistently lower proportion of customers in debt compared to the market average (which includes the large suppliers). This is probably because most of these suppliers have a more socio-

[8] A debt repayment arrangement is a formal arrangement to repay debts which last more than three months.

economically advantaged customer base, having acquired customers who are engaged with the energy market.[9]

2.7. As outlined above, in 2012 we started collecting data on customers in arrears. The proportion of customers in arrears has stayed fairly static in recent years for the large suppliers and was at 1.9% of electricity and gas customers for the large suppliers in 2015. For small and medium suppliers, it has fallen from a peak of over 3% in 2013 to 1.2% of electricity customers and 1.1% of gas customers.

2.8. Scotland has the highest proportion of gas customers in debt and the highest proportion of customers in arrears for both gas and electricity compared to England and Wales. England had a slightly higher proportion of electricity customers in debt in 2014 and 2015. Before 2014, the number of customers repaying a debt in Scotland was much higher than the other nations – over 8% of customers in 2006. The proportion of customers in debt is lower in Wales compared to other nations for both gas and electricity. See Figures 3 and 4 in the appendix.

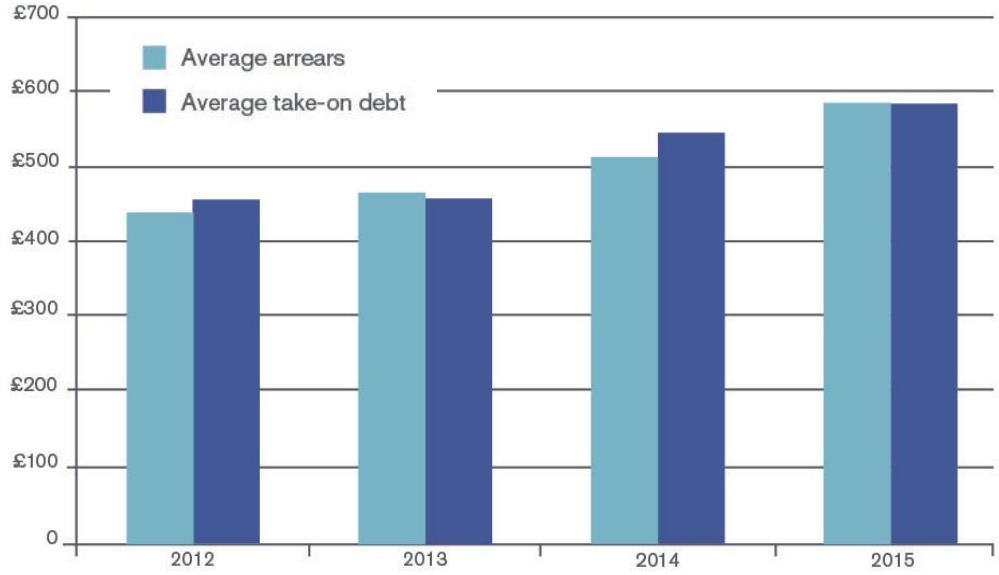
The average amount owed by customers in debt has increased

2.9. While the number of customers in debt to their supplier has reduced, the average level of debt that customers owe has risen. This is in line with Citizens Advice Service's research findings, which revealed that between 2012 and 2014 there was little change in the number of households falling behind on an essential bill, but that more were falling behind on multiple bills.[10]

2.10. The average level of debt has been increasing, both among customers in arrears and among customers at the point they start repaying a debt. The latter, known as 'take-on' debt, is approaching £600 on average for both electricity and gas customers who were repaying a debt last year. There are several suppliers whose electricity customers have 'take-on' average debt of over £800: npower, Utility Warehouse, Ecotricity and LoCO2 Energy[11] have had persistently high levels of take-on debt since we started collecting data in 2012, while iSupply saw rapid rises as its customer numbers increased.[12] Two of these suppliers have particularly high levels: Utility Warehouse had average electricity debt of over £1,000 and average gas debt of over £900, while LoCO2 had average electricity debt of over £1,300.

[9] See p22 of the Ofgem Retail Energy Markets, 2016.
[10] Citizens Advice Service, Welfare reform and essential bills, 2016
[11] LoCO2 Energy had 78 customers in debt in 2015 and 87 in 2014, and lower figures in previous years.
[12] We have excluded suppliers with high average debt but currently small numbers of customers in debt. We will monitor these suppliers closely to see whether their average debt levels improve.

Figure 2: Average arrears and average debt at the point they started repaying a debt for electricity customers



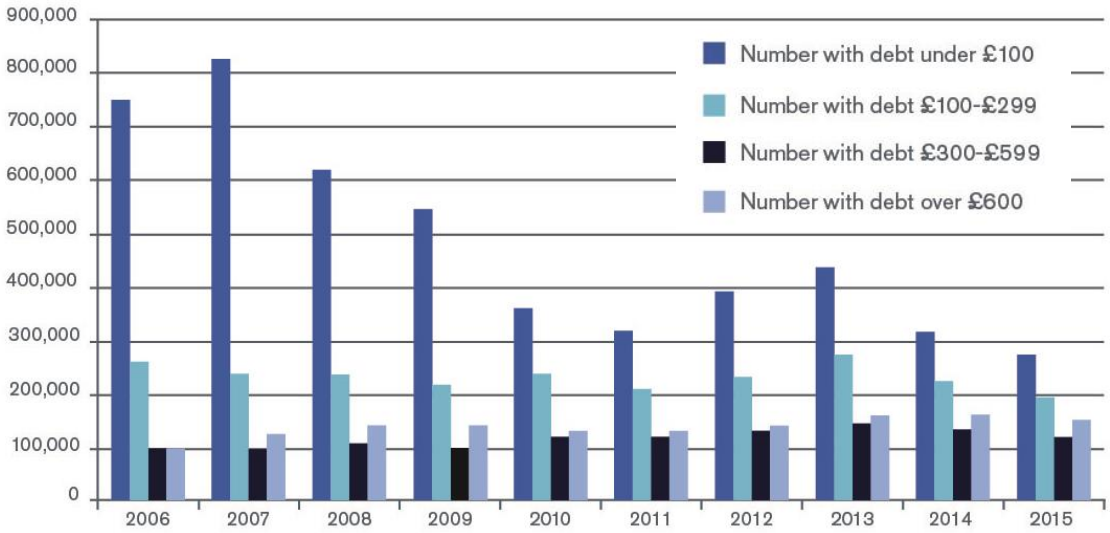
2.11. Another way to look at the debt levels is to look at the average outstanding debt owed by all customers who are repaying a debt.[13] This includes customers who have paid off some of the debt, so will be lower than the debt that each customer agreed to repay at the start (on average about two-thirds of the amount). This has been growing fairly consistently since we started collecting data, doubling from under £200 in 2006 to nearly £400 in 2016 for electricity and gas.

2.12. One of the main reasons for this is the large reduction in the number of customers who owe under £100, while the numbers of customers with higher debt levels have either reduced much more slowly or remained static (see Figure 3).

2.13. There has been little improvement in the number of customers in the most severe financial difficulty (for example with debt over £300). These high debt customers are likely to require different strategies for effective debt repayment support. We welcome some suppliers' new approaches of specialist teams providing intensive support to those customers in greatest difficulty.

[13] This is known as 'snapshot debt'

Figure 3: Number of electricity customers with outstanding debt below £100, £100-£299, £300-£599 and over £600



Implications for suppliers: areas for attention and improvement

2.14. It's important that suppliers can identify who among their customer base is vulnerable, and establish the right ways to support them. The findings on indebtedness suggest suppliers should do more at an early stage to identify customers having difficulty paying, and support them to prevent them from accruing large debts over time. Setting repayment rates in accordance with the customer's ability to pay will be discussed further in Chapter Four. We urge suppliers to consider effective approaches in this regard, including those detailed in the 2012 ability to pay principles. Examples include:

- Credit management, policies and guidelines, such as allowing for customers to be dealt with case-by-case, and linking staff incentives to successful outcomes and not repayment rates
- Proactively getting in contact with customers in arrears (using a range of communication methods) and showing empathy when communicating with them
- Offering advice to customers at the earliest opportunity on debt management, including directing customers to third party support and independent advice.

2.15. The findings also suggest that suppliers should review their practices to ensure debt repayment strategies are effective for customers who owe large amounts, or have debts to multiple service providers.

2.16. Here are some examples of good practice relevant to these points:

Case study – Specialist teams and staff training

Suppliers have set up specialist teams to support customers in debt, and have given staff specialist training including in soft skills and empathetic handling of difficult issues, some developed and delivered in partnership with debt charities. Staff in specialist teams also have more autonomy in how they support customers, for example when setting up flexible repayment plans.

One supplier described how specialist staff visit the homes of customers in vulnerable situations who are in debt. They are flexible about when they visit and how long they stay – with the aim of reaching the customer in ways that suit them, to help resolve their debt. Staff are also trained to deliver additional services, such as affordability assessments, tariff advice, energy efficiency advice, complaints handling, non-financial support via the priority services register and support with hardship fund applications.

Case study – Effective use of in-house data

One supplier analyses how likely customers are to catch up with late bills when they fall into arrears. They used this data to test and roll out less intensive communications for some customers – letting them focus more on those customers who need more support. Another supplier used data to estimate when different customers are most likely to respond to a telephone call, which helps the supplier to communicate more effectively with customers who are falling into debt.

3. Prepayment meters

Chapter Summary

Prepayment meters (PPMs) are often installed to manage customer debt, and around two in five customers repaying a debt (39% for electricity, 43% for gas) do so via a PPM. Our rules require that suppliers must ensure that customers in payment difficulty are on an appropriate payment method and PPMs should only be used where it is safe and reasonably practicable for the customer. PPM customers are generally more likely to be fuel poor and vulnerable, pay higher prices, have fewer competitive tariff choices and are exposed to the risk of self-disconnection.

The number of PPMs has risen steadily over time, though growth slowed in 2015 with evidence of new demand being driven by smart meters operating in PPM mode. With fewer customers in debt, and the poorer outcomes faced by PPM customers, we continue to be concerned by the long-term upward trend towards PPM, particularly the higher proportions of PPM customers in Wales and Scotland.

If the customer and supplier can't agree a plan to repay debt, suppliers can apply for a court warrant to install a PPM to do so. But this should only be as a last resort to stop the customer from being disconnected. And although the use of warrants to install PPMs has declined, this has been at a slower rate than the overall fall in the number of PPMs installed for debt. We think suppliers could do more to avoid using PPMs to collect debt, and to avoid using warrants to install them.[14]

3.1. Prepayment meters (PPMs) require that customers pay in advance for their energy use, and can be set to make regular debt repayments. PPMs may be installed at the supplier's request when a customer is in debt or has a poor payment or credit history. Currently around two in five consumers repaying a debt (39% for electricity, 43% for gas) do so via a PPM. Alternatively, landlords may install a PPM to prevent tenants getting into debt. Some customers find PPMs useful to help them manage their budget.[15]

3.2. PPM customers face a limited choice of tariff offers and on average higher tariff prices compared to direct debit and standard credit customers.[16] The latest price information available suggests that customers paying via PPM pay on average £138 more per year than those paying by direct debit, and £272 more per year than the

[14] Consultation on Prepayment meters installed under warrant, September 2016, which closes on 9 November 2016
[15] Feedback from Ofgem Consumer First Panel, 2014, see page 21 and 29
[16] As discussed in our Retail Energy Markets 2016 and CMA Energy market investigation, final report 2016

cheapest market deal.[17] Although not all PPM customers are financially vulnerable, research has found that they are more likely to be on a low income, less educated, living in rented social housing, be single parents, disabled and on the Warm Home Discount Scheme.[18] Some PPM customers on low incomes may be left with little choice if they cannot afford to top-up their PPM other than to curtail, self-ration or self-disconnect their supply.

3.3. Electricity and gas suppliers are required under the supply licence (SLC 27.6) to offer domestic customers struggling to pay a range of options for repayment. This includes the option to pay for their electricity or gas through a PPM, if it is safe and reasonably practicable in all circumstances for the customer to do so, and where any instalments to be paid are calculated according to the customer's ability to pay.[19] Suppliers are also required under SLC 28 to give customers relevant information on PPMs. This includes the advantages and disadvantages, how to operate the meter (including how to top up the meter), and where they can get help if the meter is not working.[20]

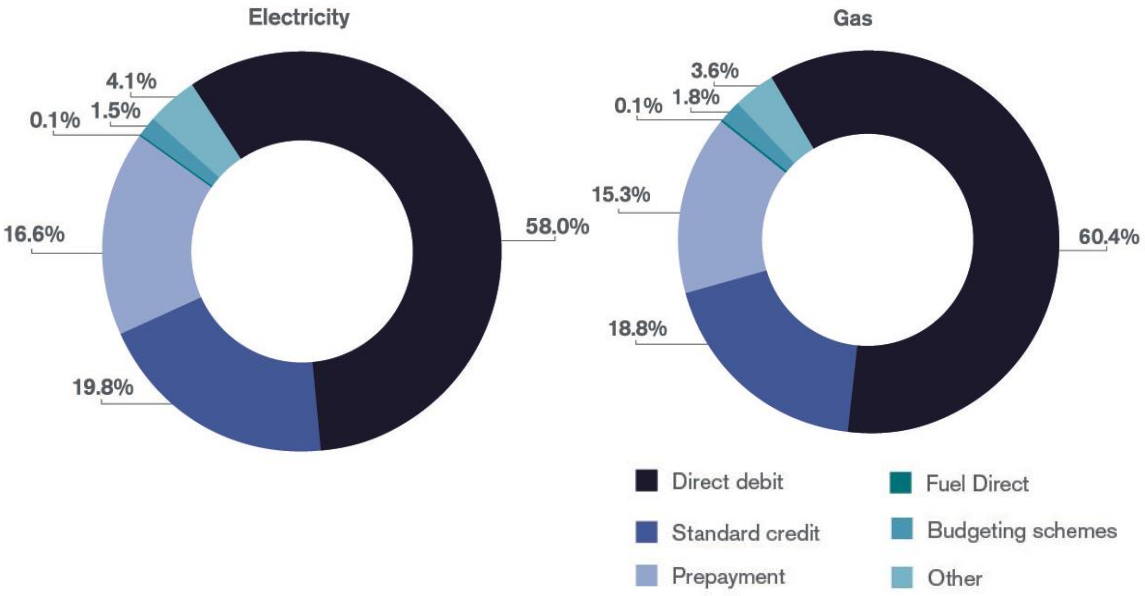
The long-term growth in the number of PPM customers slowed in 2015, but levels are not falling

3.4. Between 2006 and 2015, the proportion of gas customers paying by PPM has grown - to 15.3% of gas customers in 2015 – although the rate of growth has slowed recently. The proportion of electricity customers paying by PPM has also been increasing since 2008, although it stayed stable in 2015 at 16.6% of customers.[21] Among the small and medium suppliers, a few predominantly supply PPM customers (E Gas & Electricity, Economy Energy and Utilita), and the remainder have significantly fewer PPM customers compared to the large suppliers (6.2% of electricity customers, and 5.6% of gas customers). This may be down to their

[17] Source: Ofgem analysis of Energylinx data, 28 August 2016. Prices shown are GB average prices for a dual fuel, direct debit customer, and based on typical domestic consumption values (TDCVs) of 12,500kWh for gas and 3,100kWh for electricity. Note: cheapest tariff includes collective switching tariffs and tariffs offered by white label suppliers.
[18] A survey carried out by the Competition and Markets Authority in 2015, Appendix 8.1: CMA domestic customer survey results, 2015
[19] SLC 28.1B requires suppliers to have regard to guidance on the interpretation of "safe and reasonably practicable in all the circumstances of the case" which, following consultation, the Authority may issue, and may from time to revise. SLC 281.A sets out measures that suppliers must offer when they have reason to believe that it is no longer safe and reasonably practicable for a customer to have a PPM. The requirement for assessing ability to pay is set out in SLC 27.8.
[20] Information on the Supply Licence Conditions (SLC) are in the Electricity Supply Standard Licence Conditions and the Gas Supplier Standard Licence Conditions, available on the Ofgem website
[21] Between 2006 and 2015 there has been continuing growth in the proportion of customers paying by direct debit, while the proportion paying by standard credit has fallen.

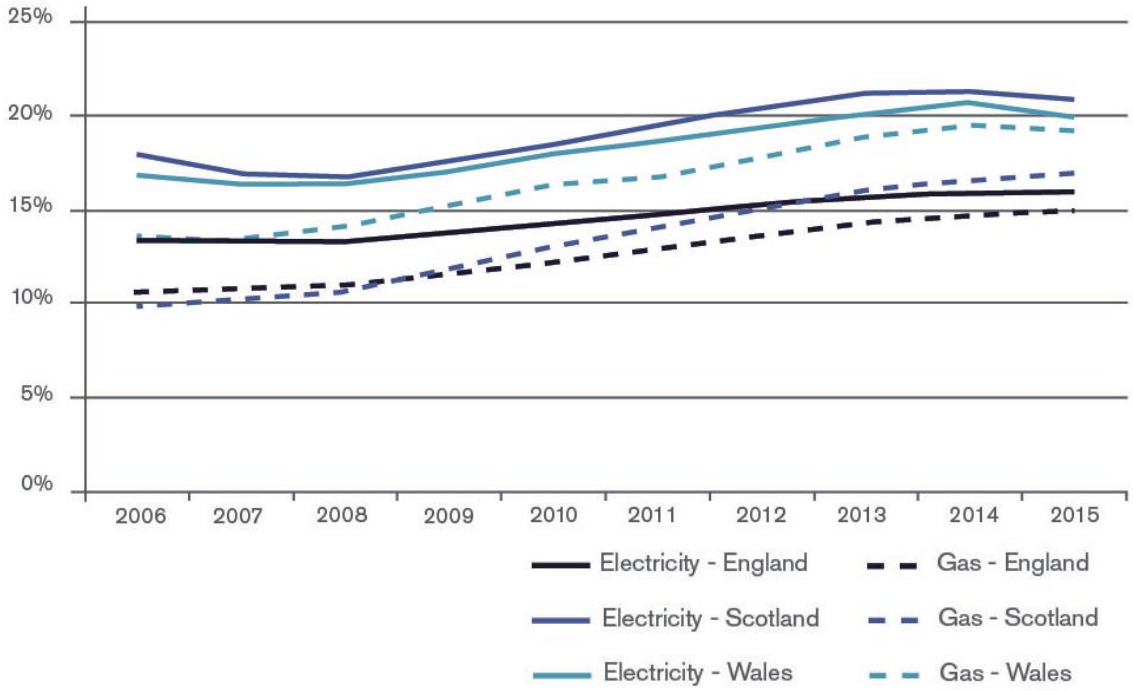
business strategies and the fact that customers who switch suppliers more frequently tend to be from more socio-economically advantaged groups.

Figure 4: The proportion of customers paying by each payment method



3.5. Wales and Scotland both have a higher proportion of customers on PPM than England. The highest proportion of PPM has consistently been among electricity customers in Scotland, although this did decrease slightly in 2015. Gas customers in Scotland have seen the largest growth in the proportion of PPM, with annual increases between 5% and 12% each year from 2009-2014. Customers in Wales have also had consistently high PPM rates, and a trend towards growth for both fuels. This difference is seen across all types of suppliers, although ScottishPower, E.ON, and SSE have a particularly large difference between their proportion of PPM customers in Scotland and Wales compared to England.

Figure 5: Proportion of PPM customers in England, Scotland and Wales



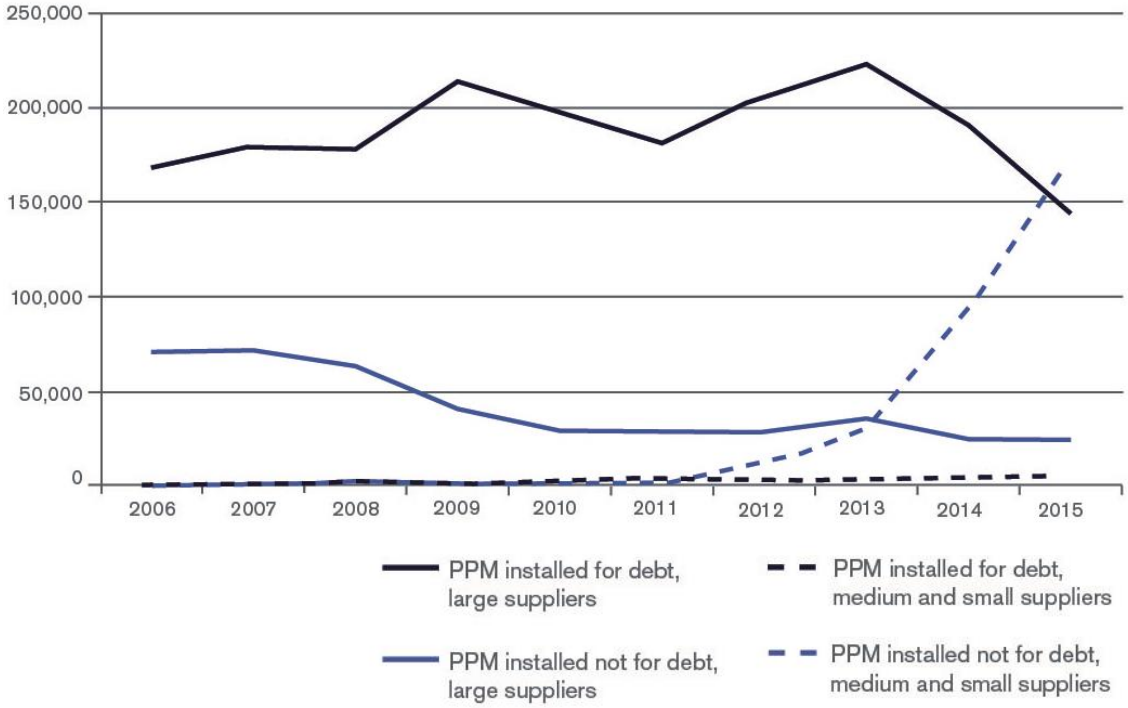
3.6. In Scotland, the high proportion of customers on PPM may be partly explained by the higher rates of debt seen in Scotland around 2013. Scotland has a larger rental sector than England and Wales, so this may also be a contributing factor. However, we are uncertain what might be causing the consistently higher proportion of PPM customers in Wales. We have not seen higher rates of debt in Wales, and the rental sector there is smaller than for other GB nations.[22] We are concerned that a higher proportion of customers in Wales and Scotland are being exposed to the risks associated with PPMs, with less access to competitive tariffs, higher costs and the risk of self-disconnection.

3.7. Most newly-installed PPMs had historically been installed for the customer to repay debt. Since 2013 there has been a decline in the number of PPMs installed for debt, in line with the overall reduction in the number of customers in debt. Since 2012, we can see a steep increase in the number of PPMs installed which are not repaying a debt. This has been driven by two medium-sized suppliers who are promoting smart metering technology: Utilita and OVO Energy. Most other suppliers have seen a reduction in their total number of PPMs. This suggests that the smart prepayment market is growing, and has contributed to overall numbers of PPMs rising in gas and staying static for electricity in 2015. Smart meters in prepayment

[22] Office of National Statistics, Trends in the United Kingdom Housing Market, 2014

mode can benefit customers: offering lower prices than many PPM tariffs, easier switching to credit modes, and addressing some issues related to self-disconnection.

Figure 6: Number of gas PPMs installed for debt and not for debt by different types of suppliers



3.8. Although most PPMs have been installed to pay off debts since we started collecting this data in 2006, the bulk of PPMs in the market are not currently repaying a debt.[23] This suggests that many PPMs may have been in place for a long time, and that some customers who may have once had a PPM installed for debt still have one in place even after they have repaid the debt. The limited numbers of PPM customers changing to credit payment methods is therefore another likely factor inhibiting a decline in PPM numbers. This is discussed further on page 22 below.

3.9. Following our work on prepayment meters, the majority of suppliers removed charges for installing and removing meters: meaning that most consumers can change their payment method without incurring charges.[24] We urge suppliers and consumer groups to raise awareness of this.

[23] Among the large suppliers 7% of electricity PPM customers and 9% of gas PPM customers are repaying a debt, while among the small and medium suppliers it is 2% of PPM customers for both.
[24] In Proposals to improve outcomes for prepayment customers, 2015

Use of court warrants to install a PPM for debt has decreased slightly, but this decline has not kept pace with falling numbers of PPMs installed for debt. Use of warrants is high among some suppliers

3.10. If the customer and supplier can't agree a plan to repay debt after multiple attempts to collect unpaid energy charges from them, they can apply for a court warrant to install a PPM to repay debt. This should only be used as a last resort to avoid disconnecting a customer who is in debt, and when it is safe and reasonably practicable for the customer to use the PPM.

3.11. We expect suppliers to demonstrate when applying for the warrant that they have checked for vulnerability. If, for example, a customer relies on energy for medical reasons, or has problems with mobility that mean they have trouble accessing or topping up a PPM, a PPM might not be safe and reasonably practicable. In addition to the requirements about offering different repayment options, assessing ability to pay and ensuring the PPM is safe and reasonably practicable, suppliers need to comply with the standards of conduct when installing a PPM under warrant and therefore ensure that customers are treated fairly (SLC 25C). In addition signatories to Energy UK's 'Safety Net' follow an illustrative debt collection path outlining the processes before a warrant is installed.

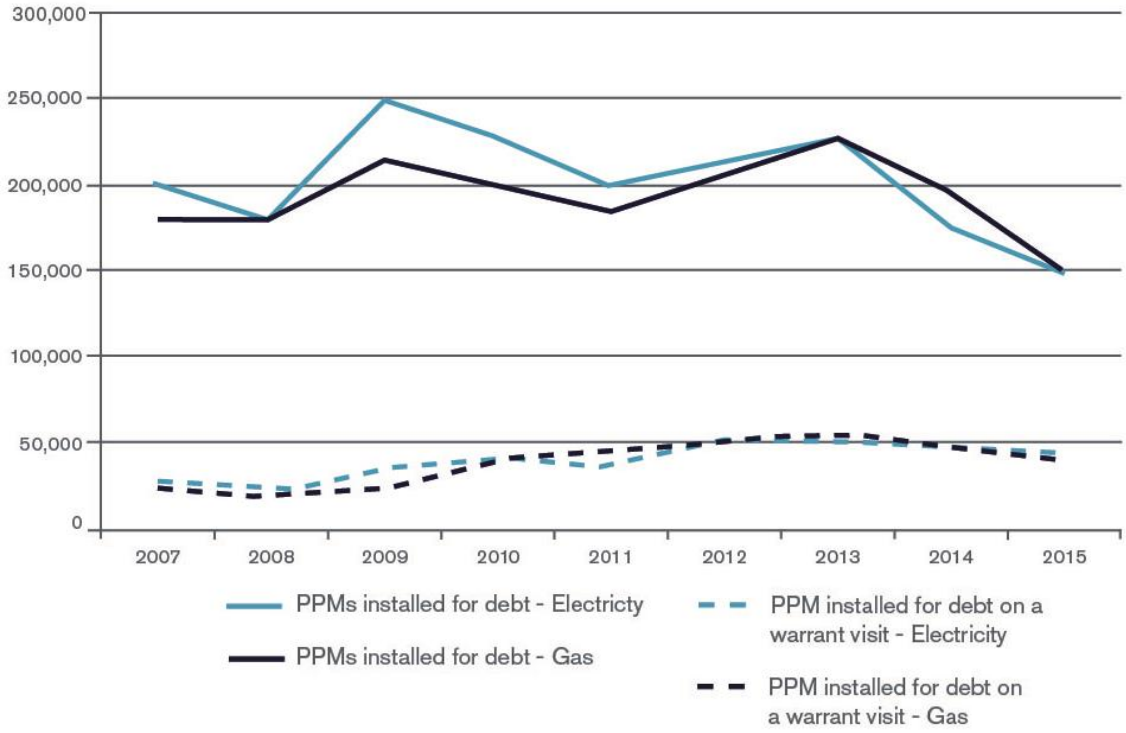
3.12. The total number of PPMs installed under warrant due to debt has declined slightly since a peak in 2013, with nearly 46,000 warrants for electricity and nearly 44,000 for gas in 2015. This remains well above the lowest point in 2008. The number of customers in debt has fallen substantially, and the decrease in warrants is not as pronounced as the decrease in PPMs installed for debt generally since 2013.

3.13. This may be due in part to the fact that there has been little reduction in the numbers of customers with high debts, who may be more likely to go through the warrant process. We encourage suppliers to proactively support customers in severe financial difficulty, and avoid using warrants where possible.

3.14. We have proposed new licence conditions to improve the outcomes for customers in vulnerable situations when a PPM is installed under warrant. We are particularly concerned about warrant-related costs which are passed on to customers, and added to their debt which must be repaid. These can range between £200 and £900, and can be considerably more than the original debt they owe. Our proposals include: capping the warrant costs that suppliers can charge to customers; prohibiting suppliers from charging warrant costs for some customers in vulnerable situations; and in some cases prohibiting suppliers from installing PPMs altogether. We are also working to make sure that supplier charges and processes are more

consistent and transparent and that there are incentives on suppliers to manage debts to avoid warrants.[25]

Figure 7: The number of PPMs installed for debt and the number installed under warrant

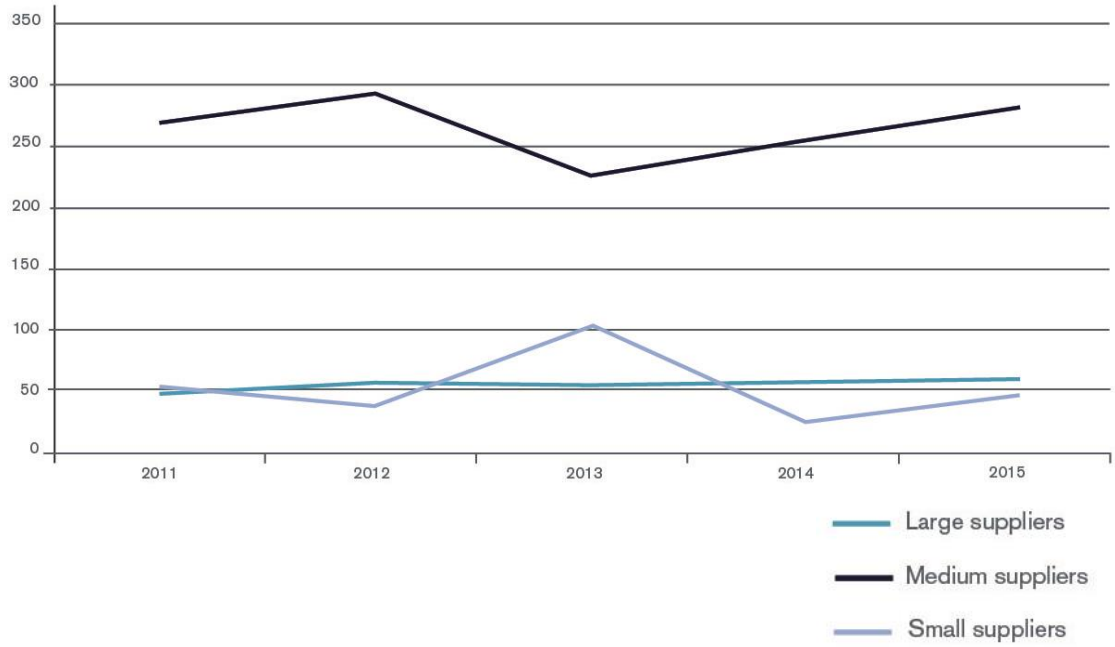


3.15. There are clear differences in the use of warrants to install a PPM across different supplier groups. The rate of installation of PPMs under warrant is stable among the large suppliers, with an average of 57 warrants for electricity and 63 for gas per 1,000 customers in debt. There is more fluctuation among small suppliers, and in 2015 they used fewer warrants than the large suppliers on average (47 warrants for electricity and 29 for gas per 1,000 customers in debt). Medium-sized suppliers, however, use a lot more. Three suppliers have particularly high rates: First Utility, Utility Warehouse and OVO Energy.[26] We are concerned about this. We will look into why these levels are so high, and consider any necessary action.

[25] Consultation on Prepayment meters installed under warrant, September 2016, which closes on 9 November 2016

[26] First Utility used 673 electricity warrants and 645 gas warrants per 1,000 customers in debt, Utility Warehouse used 387 electricity warrants and 336 gas warrants, and OVO Energy used 185 electricity warrants and 178 gas warrants.

Figure 8: Electricity PPMs installed for debt under warrant per 1,000 customers in debt[27]



More PPM customers are switching to credit payment and switching supplier whilst in debt, but numbers remain low

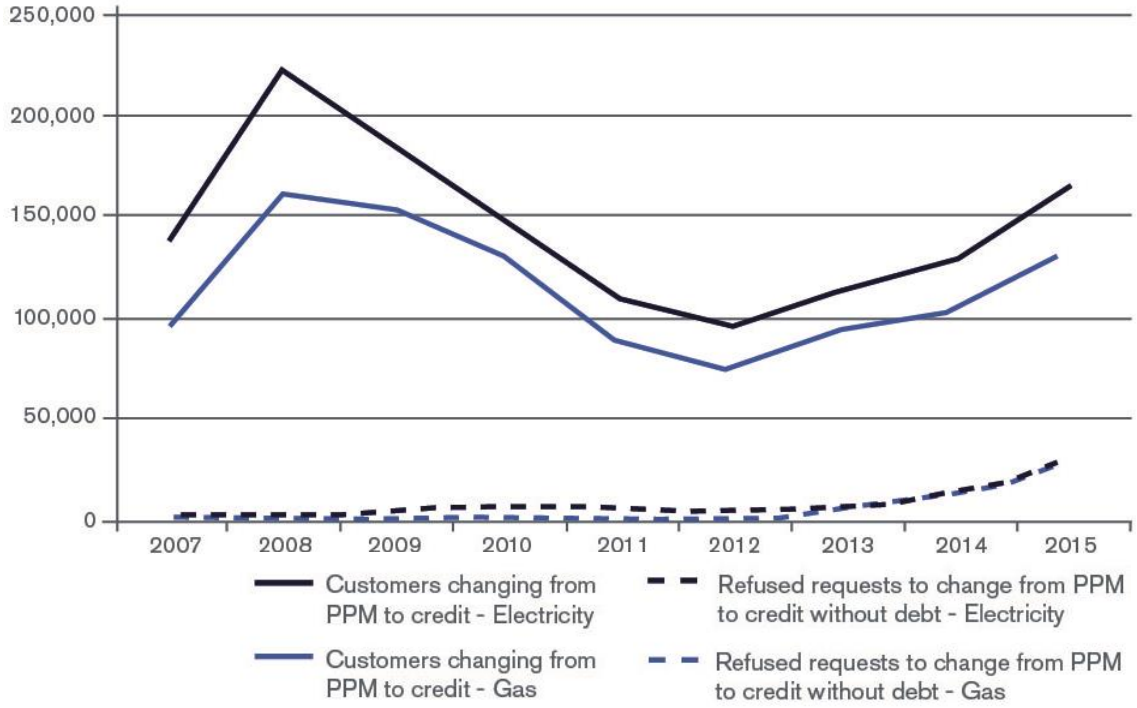
3.16. Given the difficulties and higher prices associated with PPMs, it is important that there are opportunities for customers to switch to credit payment methods and to switch to other suppliers, and therefore to benefit from increased competition and lower tariffs. When customers request a transfer onto a credit payment method, suppliers assess whether they are suitable and can ask the customers to pay a 'reasonable' security deposit.[28]

3.17. Since 2012, there have been more customers switching from PPM to credit payment terms, although it is still below 2008's peak. This is equivalent to 4% of customers on PPM successfully switching onto credit in 2015. There has also been a substantial rise in the number of requests to switch from PPM to credit by customers who are not in debt which are refused, or where the customer is not willing or able to comply with requirements (such as paying a security deposit).

[27] There is a similar trend for gas customers, see Figure 8 in the appendix

[28] Suppliers may only refuse to offer credit payment if the customer is unwilling to pay such a security deposit or where it would be unreasonable in all the circumstances of the case to supply the customer on credit terms (SLC 22.6). Suppliers will also need to ensure that a decision on whether to permit a customer to transfer to a credit payment method is compatible with the standards of conduct (SLC 25C). See the supplementary document for the supply licence standard conditions for electricity and gas.

Figure 9: The number of customers changing from PPM to credit payment terms and the number of requests refused or where the customer could not comply with conditions



3.18. As we said in our annual Retail Energy Market report, PPM customers tend to have higher switching rates (around 15% compared to the average of 13% for all customers in 2015), but they tend to be more disengaged than credit customers in other ways. For example, based on the data from our consumer engagement survey, only 72% of PPM customers recognised all of the actions they could take to engage with the market (such as switching supplier), compared to 83% of direct debit customers. Furthermore, of all PPM customers, only 15% reported having compared tariffs from other suppliers, compared to 31% of direct debit customers.

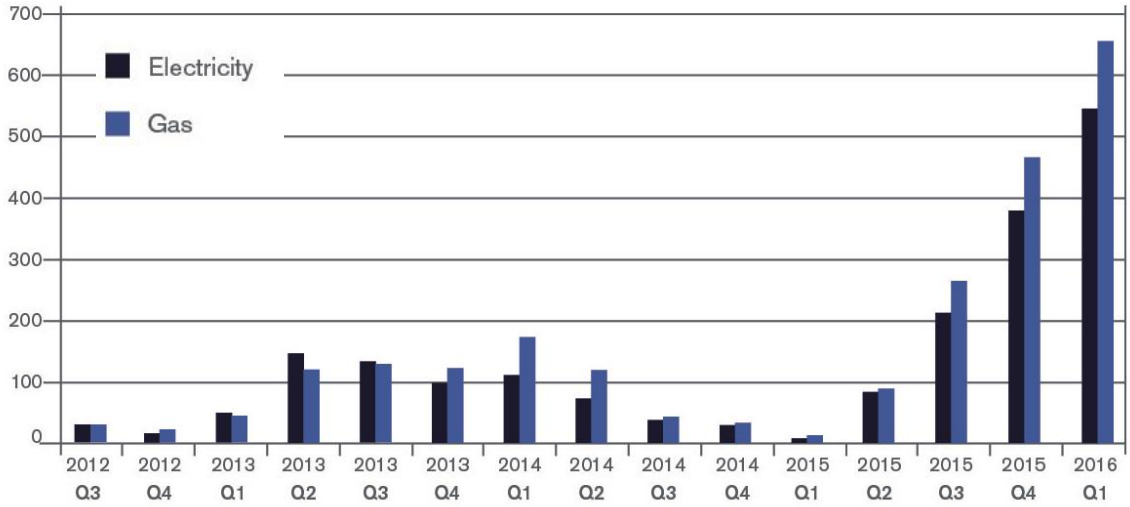
3.19. For PPM customers in debt, there are specific protections in place to allow them to switch to another provider, if the new provider is willing to take on the debt. The Debt Assignment Protocol (DAP) is the way they do this.

3.20. After we reviewed the DAP process, many suppliers voluntarily introduced a change to the DAP process in 2015,[29] and the proportion of attempted switches being successfully completed under the DAP increased significantly. The number of successful switches increased rapidly from a low base at the start of 2015, to 506 electricity customers and 594 gas customers in the first quarter of 2016. This is a

[29] See Reforming the switching process for indebted prepayment meter customers – the Debt Assignment Protocol, 2014

success rate of 9% and 11% respectively of customers who made a request to switch and had debt below the DAP threshold of £500, compared to under 2% throughout 2013 and 2014.

Figure 10: The number of customers who successfully transferred to a new supplier under DAP



Implications for suppliers: areas for attention and improvement

3.21. The findings above highlight the following concerns:

- We continue to be concerned about the long-term upward trend toward PPM, particularly the higher proportions of PPM customers in Wales and Scotland. In line with their obligations under existing licence conditions (such as SLC 27 and 25C), we expect suppliers to do more to engage effectively with customers to avoid using PPMs as a 'quick option' and support these customers through realistic repayment plans which properly take into account their ability to pay.
- Relatively few PPM customers are switching to credit payment even though most PPMs are not currently repaying a debt. We would expect suppliers (with 50,000 or more customers) to offer credit payment options to a customer where there are no material credit risks and this is in the customer's interest.
- For customers with a debt of under £500, switching to a different supplier through the DAP process remains difficult. As part of the CMA remedies

implementation for the DAP, we are continuing to work with suppliers to identify additional improvements to the DAP process.[30]

- While there has been a reduction in the use of warrants to install PPMs, the reduction has been slower than the overall fall in customers in debt. PPM customers are a priority for us, including customers who have PPMs installed under warrant. We are currently consulting on proposals to cap warrant charges.[31]

Case Study – Using smart meters to support PPM customers and to make it easier to switch

One supplier installs smart meters in PPM mode rather than traditional PPMs to collect debt from customers. This means that if a PPM is installed under warrant when a customer is not present at the property, and it afterwards becomes clear that a PPM would not be a reasonably practicable solution for that customer, the mode of the meter can be switched remotely rather than requiring another home visit by an engineer. It could also simplify the process of moving customers from PPM to credit mode after they have repaid their debt.

The supplier also highlighted the additional support they can provide to smart customers, including tracking the frequency of top-ups, detecting self-disconnection, and making it easier to give emergency credit.

[30] CMA Energy market investigation, final report 2016
[31] Consultation on Prepayment meters installed under warrant, September 2016, which closes on 9 November 2016

4. Customers repaying debts

Chapter summary

Over 60% of customers in debt to the large suppliers have a debt repayment arrangement, while only around 30% do among the small and medium suppliers. Although there have been improvements in recent years – with fewer customers in arrears and rising proportions with plans in place – there is substantial scope for improvement.

When an arrangement is made to repay a debt, suppliers must take into account the individual's ability to pay. We are concerned that small and medium suppliers have a large proportion of customers making high value weekly repayments. Among the medium suppliers, we are also seeing a high and growing rate of customers with failed repayments.

Among the large suppliers, we are concerned that PPM customers are very rarely given the lowest repayment rates, while customers repaying via credit payment arrangements are commonly on the lowest repayment rates. PPM customers are more likely to be on a low income, disabled, in fuel poverty, in debt and at risk of self-disconnection.

4.1. As outlined above, the domestic supply licence requires suppliers to offer services to customers in payment difficulty, including options to repay a debt in different ways according to the customer's ability to pay. The supply licence (SLC 27.8) requires suppliers to take all reasonable steps to ascertain a customer's ability to pay and to take this into account when calculating instalments, including considering information from third parties.

4.2. After we said we were concerned that suppliers were not properly taking customers' ability to pay into account in setting debt repayment rates, in 2012 we introduced six key principles[32] suppliers should adopt to ensure that they are properly and proactively considering a customer's ability to pay:

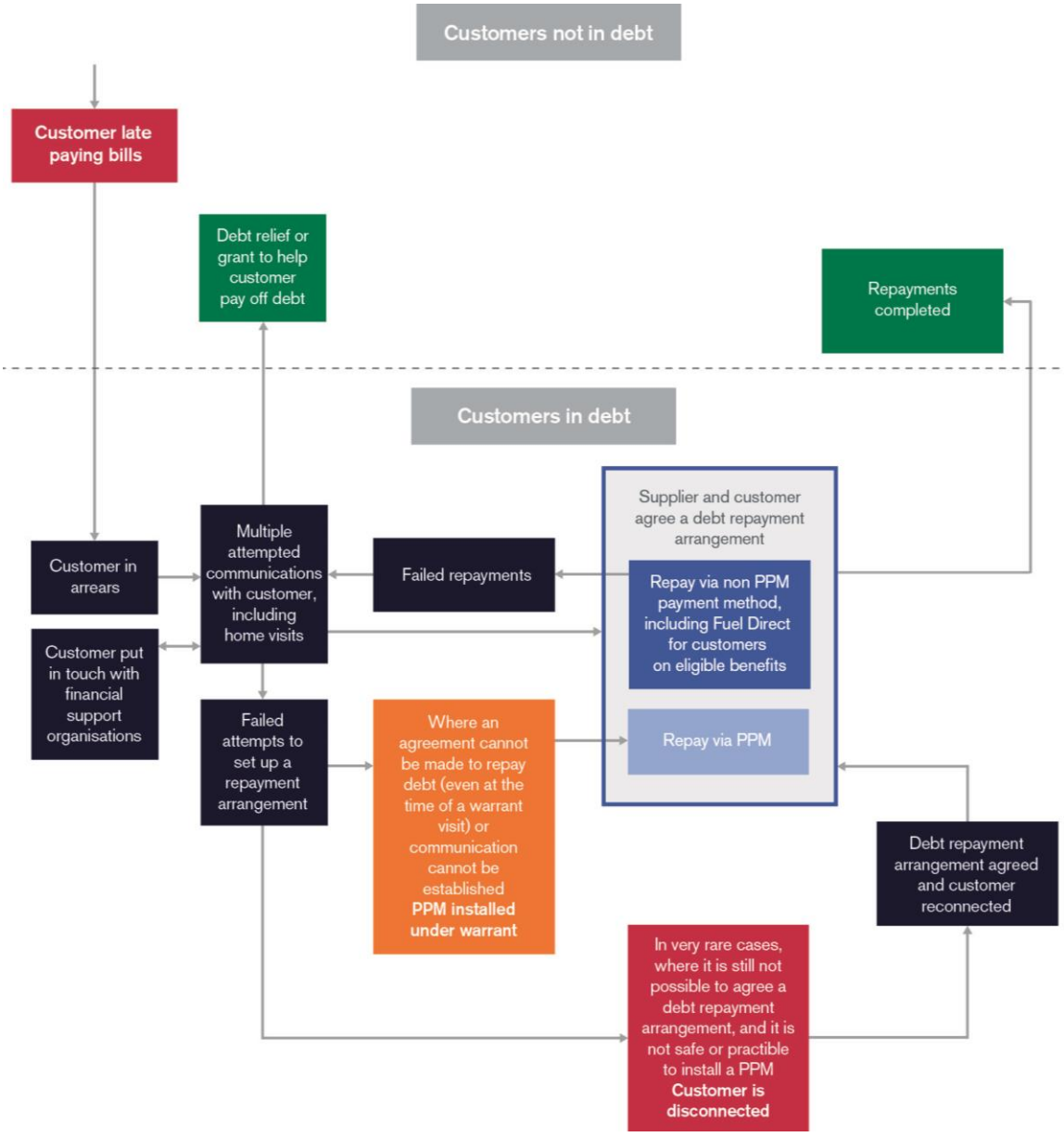
- Credit management and policies and guidelines, such as allowing for customers to be dealt with on a case-by-case basis, and linking staff incentives to successful outcomes and not repayment rates
- Making proactive contact with customers
- Understanding individual customers' ability to pay

[32] Debt Review report: key Principles for taking ability to pay into account, 2010

- Setting repayment rates based on ability to pay
- Ensuring the customer understands the arrangement
- Monitoring arrangements after they have been set up.

4.3. This diagram below illustrates the different pathways for customers in debt. In this chapter we will explore the parts of this journey that relate to debt repayment, including the proportion of customers with debt repayment arrangements in place, the debt repayment rates offered to customers (including differences between credit and PPM rates), use of Fuel Direct and patterns around rates of failed repayments.

Figure 11: The customer journey for customers in debt



Some suppliers have too many customers in debt without a debt repayment arrangement in place

4.4. As shown above, there is a process for suppliers to communicate with a customer in arrears to arrange repayment. Although it is not possible to say definitively the proportion of customers in debt who should be on a repayment arrangment (given there are legitimate reasons why a customer in arrears may not yet be on a repayment plan), some suppliers have many more indebted customers on repayment plans than others. This suggests that some suppliers may need to be more proactive in contacting customers in arrears to get debt repayment arrangements set up.

4.5. Among the large suppliers, 62% of electricity and 63% of gas customers in debt have a repayment arrangement set up, while for the small and medium suppliers, only 30% of electricity customers and 32% of gas customers do (having increased from only 21% in 2014). There are a number of small and medium suppliers for whom this proportion remains below 20%. For electricity customers, iSupply has only 8% of customers in debt on a repayment plan and has had a consistently low proportion. The proportion of customers on a repayment plan has fluctuated at LoCO2, with only 15% in debt on a plan in 2015. Both iSupply and LoCO2 also had high levels of 'take-on' debt.[33] For gas customers, First Utility had only 14% of customers on a repayment plan, while Co-Operative Energy had 20%. Although both had much lower proportions in 2013 and 2014.

Customers of small and medium suppliers are paying higher debt repayments rates

4.6. Setting debt repayment rates too high can lead to customers failing or struggling to repay their debts. For customers using PPM, unaffordable repayment rates can result in self-disconnection (see Chapter Five).

4.7. Our analysis of the weekly repayment rates charged to customers continues to show a marked difference between suppliers. For electricity customers, the small and medium suppliers have a high proportion of customers with weekly repayment levels above £15, while most customers at the large suppliers are repaying below £6 per week. For comparison, the average dual fuel bill for direct debit customers is £18.78 per week.[34] For gas customers, this pattern is less pronounced, but small and medium suppliers continue to have higher repayment rates.

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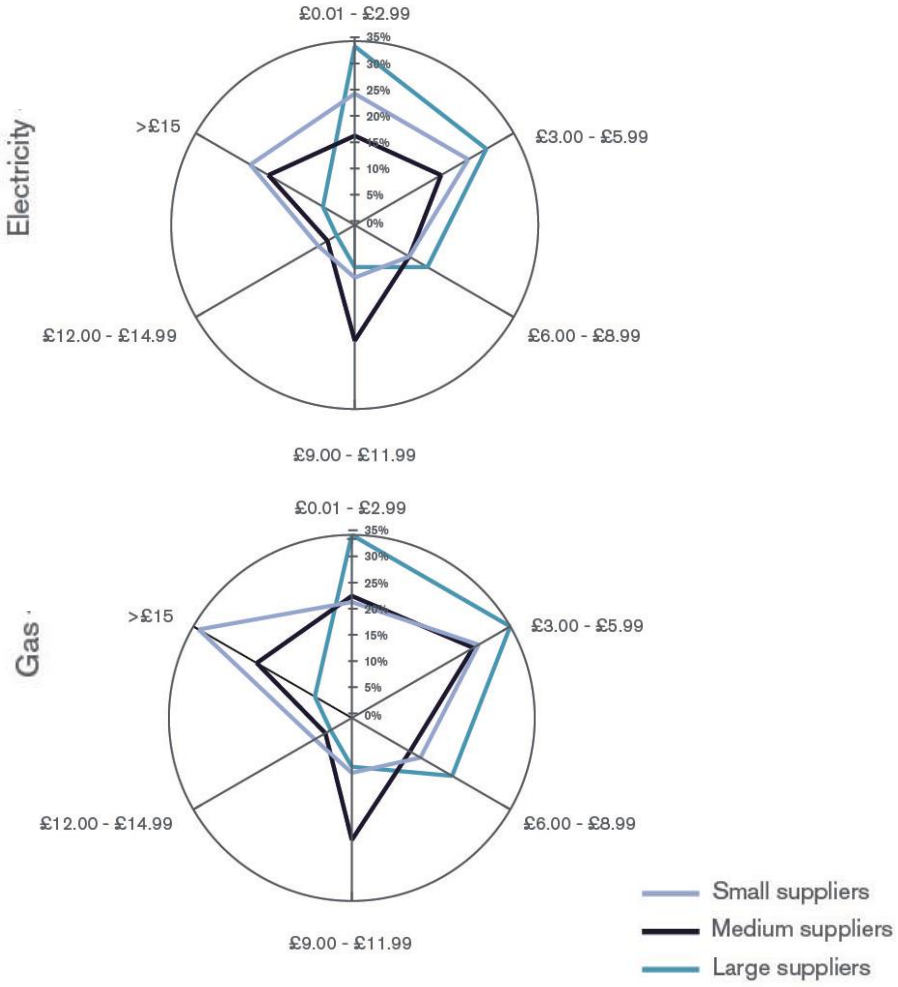
[33] This excludes suppliers with very low absolute numbers of customers in arrears or with debt repayment arrangements, as well as two suppliers who have experienced very rapid growth of customer numbers in 2015. We will continue to monitor these suppliers closely.

[34] Source: Ofgem analysis of Energylinx data, 28 August 2016. Prices shown are GB average prices for a dual fuel, direct debit customer, and based on typical domestic consumption values (TDCVs) of 12,500kWh for gas and 3,100kWh for electricity. Note: cheapest tariff

Figure 12: Weekly repayment amounts for customers in debt at large, medium and small suppliers



4.8. On average, small and medium suppliers also offer customers less time to repay their debts than the large suppliers. The exception to this is the few customers repaying below £3 per week at small and medium suppliers, who are offered very long repayment terms – suggesting that these low rates are offered to customers in very severe financial difficulty. For the large suppliers, customers repaying less than £3 per week have a shorter repayment period than customers repaying £3-£6 per week, suggesting that this lowest repayment rate is offered to customers with smaller debts, rather than customers who are least able to pay.

includes collective switching tariffs and tariffs offered by white label suppliers.

Differences in debt repayment rates offered to credit vs PPM customers

4.9. Customers can repay a debt via different repayment methods, and there are marked differences between the repayment rates offered through these methods. For this analysis, we have grouped all the credit payment methods (eg direct debit, budget repayment schemes, Fuel Direct and other credit methods)[35] and compared them to customers who are given a PPM to repay debts. Around two in five customers repaying a debt do so via a PPM (39% for electricity and 43% for gas). Prepayment customers will usually have to pay a standing charge and a contribution towards their debt repayments before they can use any energy.

4.10. For customers repaying a debt via a credit method at the large suppliers the majority (64-68%) repay at the lower levels (below £6 per week), while only 8% repay over £15 per week. At the small and medium suppliers, although a substantial proportion (around 40%) repay under £6 per week, over a quarter repay more than £15 a week. Among the small and medium suppliers, the average repayment for electricity customers was £17.58 (meaning that a large number of customers must be making much higher weekly repayments).[36]

4.11. For comparison, the average dual fuel bill for direct debit customers is £18.78 per week, so if these customers were also repaying a debt at £17.58 per week this nearly doubles their weekly energy costs.[37]

Table 1: Repayment rates for customers repaying a debt via credit
The proportion of customers repaying debt at each level

	£0.01 - £2.99	£3.00 - £5.99	£6.00 - £8.99	£9.00 - £11.99	£12.00 - £14.99	>£15
Large suppliers						
Electricity	40%	28%	13%	7%	4%	8%
Gas	36%	28%	15%	8%	5%	8%
Small and medium suppliers						
Electricity	21%	22%	14%	10%	8%	26%
Gas	19%	22%	14%	10%	7%	27%

[35] Of the small numbers of customers repaying a debt via Fuel Direct virtually all pay between £3 and £6, following the rate recommended by Department for Work and Pensions of £3.55. They are not a large enough proportion to influence the overall analysis. Other types of credit repayment follow similar patterns.
[36] This data excludes any customer where the debt repayment lasts less than 91 days, and therefore any customers who can pay off the balance very rapidly would not alter this data.
[37] Source: Ofgem analysis of Energylinx data, 28 August 2016. Prices shown are GB average prices for a dual fuel, direct debit customer, and based on typical domestic consumption values (TDCVs) of 12,500kWh for gas and 3,100kWh for electricity. Note: cheapest tariff includes collective switching tariffs and tariffs offered by white label suppliers

4.12. Customers repaying a debt via PPM have a very different pattern of repayments. There is evidence that PPM customers tend to have lower incomes and are more vulnerable, as well as paying higher costs for energy, and we therefore anticipate that assessing their ability to pay should lead to lower debt repayments. In line with this, fewer customers repay over £15 per week compared to credit across all suppliers. However it is surprising that fewer PPM customers repay the lower repayment rates (below £3 per week) compared to credit customers among the large suppliers. This may raise questions about how far PPM customers' ability to pay is driving the repayment rates offered to them.

Table 2: Repayment rates for customers repaying a debt via PPM
The proportion of customers repaying debt at each level

	£0.01 - £2.99	£3.00 - £5.99	£6.00 - £8.99	£9.00 - £11.99	£12.00 - £14.99	>£15
Large Suppliers						
Electricity	1%	40%	36%	10%	0%	2%
Gas	0%	39%	40%	9%	0%	2%
Small and medium suppliers						
Electricity	14%	19%	8%	38%	2%	9%
Gas	19%	24%	6%	33%	2%	6%

Customers who fail to repay debts

4.13. If customers are repaying a debt via a credit arrangement, they can sometimes fail to make a repayment without communicating with the supplier in advance. This may indicate how effectively suppliers are assessing the customer's ability to pay when an arrangement is set up, or how well they are adjusting repayments to a customer's change in circumstances.[38]

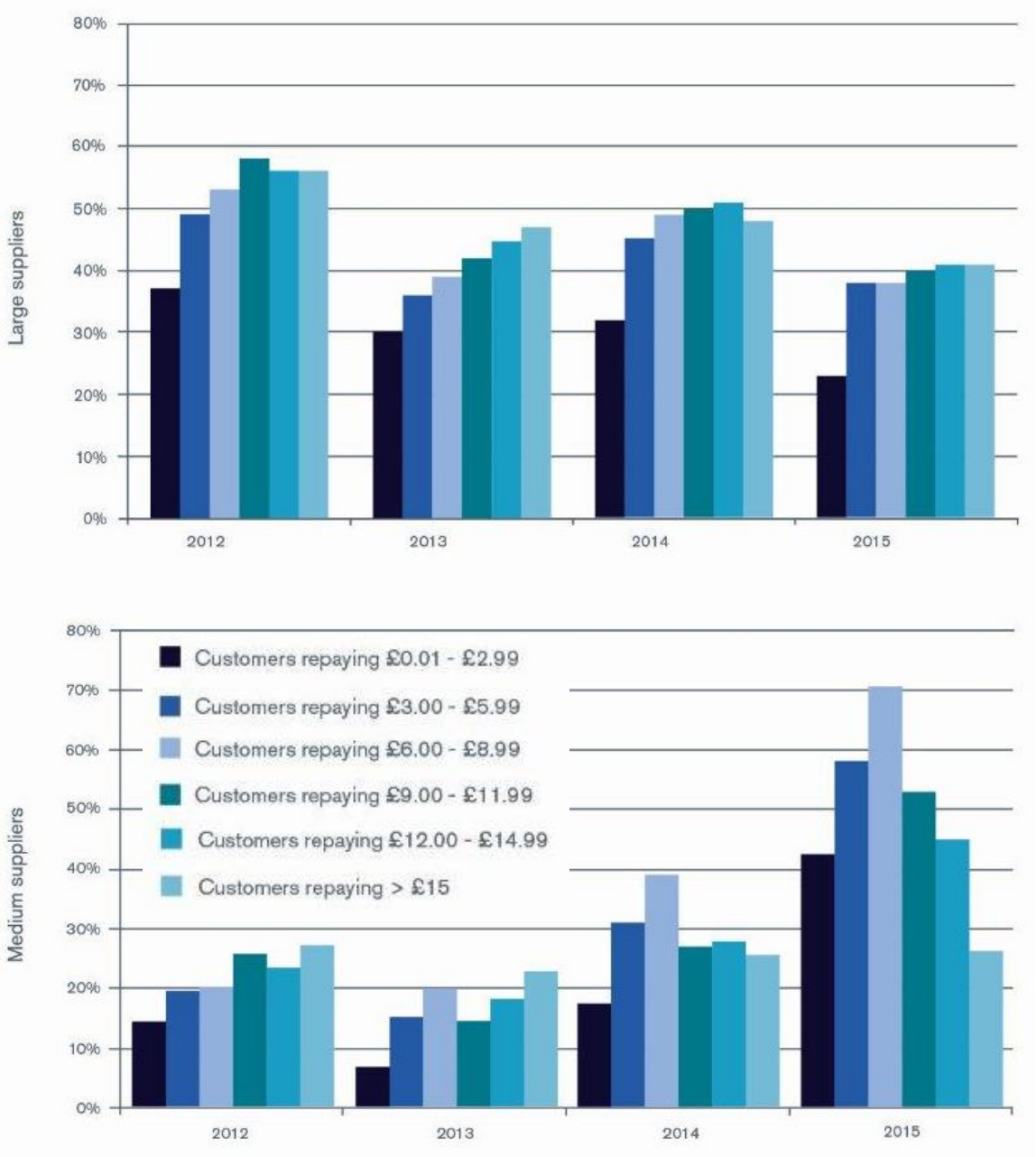
4.14. Among the large suppliers, failed repayments are fairly consistent across repayment levels, but are much lower among customers repaying the least. Failure rates have also been decreasing over time, which suggests that large suppliers are getting better at assessing customers' ability to pay.

4.15. Among medium suppliers, failed repayments are high and have been worsening, and they are less evenly distributed between different repayment levels. This may suggest that these suppliers are not managing their debt repayment arrangements effectively and not appropriately assessing ability to pay. The small suppliers have reported lower rates of failed payments: below 17% of customers are

[38] This data should be interpreted with caution. Suppliers are asked to report the number of customers who have failed to make a repayment without prior agreement at least once over the period. Given the complexity of the criteria, some suppliers may be interpreting this indicator incorrectly, and therefore this analysis should be treated with caution.

failing to make payments in each category, with the exception of customers paying over £15 per week, where 29% are reported to have failed to make payments.

Figure 13: The proportion of electricity customers repaying a debt where there has been at least one failed debt repayment in the year, large and medium suppliers



4.16. PPM customers cannot 'fail' to make a debt repayment. Every time a customer tops up their meter, a proportion will be used to repay debt and the remainder will pay for ongoing energy consumption. If the customer cannot afford to top up their meter, they will be restricted in how they use energy. We are concerned that a high number of PPM customers may be self-rationing and self-disconnecting,

while customers on credit arrangements have the security of continued energy supply even if they fail to make a repayment. Consumer groups have also raised concerns in this area. This is explored further in Chapter Five.

Falling numbers of customers using Fuel Direct

4.17. Under the supply licence (SLC 27.6), electricity and gas suppliers are required to offer domestic customers in payment difficulty a range of options for repayment, including the option of paying via Fuel Direct if it is available. Fuel Direct is a budgeting scheme that lets money be deducted directly from a customer's social security benefits to pay off a debt or energy use to a supplier. A fixed amount (in nearly all cases £3.55) is taken directly from the customer's weekly benefits by the Department of Work and Pensions and paid to the supplier to help clear a debt.[39] Fuel Direct can help customers with budgeting and provide an alternative to installing a potentially more costly PPM.

4.18. There has been a decline in the number of customers paying via Fuel Direct since a peak in 2011. The numbers of customers have reduced from around 39,000 electricity customers in 2011 to around 27,000 in 2015 and around 42,000 gas customers in 2011 to around 26,000 in 2015.

4.19. The Citizens Advice Service's Extra Help Unit (EHU) has noted cases in which suppliers have not considered Fuel Direct unless all other options have been exhausted (including customers at the point of being disconnected), and that there is low awareness among front line staff. Some suppliers in turn have highlighted to the Citizens Advice Service that the process of making an application can be difficult.

Help with energy debt

4.20. Customers who are struggling to repay a debt can be offered independent debt advice, which is particularly useful if a customer has multiple debts. Customers can also be offered help to pay off energy debt. The Citizens Advice Service has compiled a list of charities set up by suppliers which have grants and schemes to signpost and support customers in debt. Some customers can also apply for a debt relief order, which is an alternative to bankruptcy, under which the customer will not pay anything towards their debts for 12 months, and after that the debt will usually be written off.[40]

4.21. One supplier has told us that in the year after customers have been provided with independent debt advice and debt relief, the vast majority successfully keep up

[39] A further amount may also be taken to cover a customer's current energy use. Once the debt has been cleared, the customer will usually be taken off the Fuel Direct scheme. In special circumstances a customer may remain on the Fuel Direct scheme to carry on paying for their current energy use, if they would otherwise have financial difficulties.
[40] Information available on the Citizens Advice Service's website

to date with ongoing payments for their energy use, suggesting this this can have a positive effect for consumer engagement and for supplier risk management.

Implications for suppliers: areas for attention and improvement

4.22. The findings above highlight the following concerns:

- That suppliers, particularly small and medium suppliers, should do more to support customers in debt by promptly setting up debt repayment arrangements.

- That small and medium suppliers have a lot of customers making high weekly repayments. Among the medium suppliers, we are also seeing a high and growing rate of customers with failed repayments. We are concerned that the small and medium suppliers may not be appropriately assessing ability to pay, and may be giving their customers repayment rates which lead to financial difficulties.

- That among the large suppliers, PPM customers are rarely given the lowest repayment rates, while credit customers' repayment arrangements are commonly given these rates. We are keen to know why this is, and whether it reflects customers' ability to pay.

- We would like to see suppliers being more proactive to ensure consumers who would benefit from Fuel Direct are able to access it.

4.23. In some cases, there can be debt relief to customers with financial or other difficulties, or for whom paying back the debt would cause extra hardship. This includes grants from charities set up by suppliers in some cases.

4.24. We will focus on suppliers' compliance with their licence obligations on ability to pay.

4.25. Here are examples of good supplier practice, reflecting the points above:

Case study – Ability to pay

The Ability to Pay Principles require that when setting up a repayment plan, staff incentives should be linked to the success of the plan and not to the repayment rate agreed with the customer. This means staff are rewarded for setting an affordable plan that their customer can pay in the longer term. Suppliers have highlighted that putting these incentives in place for their staff and debt collection agents has made repayment plans more sustainable and improved outcomes for customers.

Case study - Working with debt charities

Several suppliers work closely with debt charities such as Step Change, helping customers get independent debt advice. This is particularly important if customers have multiple debts. One supplier described the positive feedback they get from customers upon receiving this support.

Some suppliers do 'warm referrals', where they pass the customer's telephone call directly on to a debt advice line, rather than giving contact details which the customer has to follow up themselves.

5. Disconnection and self-disconnection

Chapter Summary

Energy is an essential service. Disconnecting a customer's energy supply should always be a last resort and avoided wherever possible. The number of customers disconnected for debt has been declining for many years, but there was an increase in 2015, when 204 electricity customers and 49 gas customers were disconnected.

Most suppliers no longer disconnect any customers because of debt and the 2015 numbers were largely driven by two suppliers: npower and Utility Warehouse. We are engaging directly with these suppliers – as well as with small suppliers with high proportions of disconnections relative to numbers of customers in debt – to ensure that disconnection is only ever used as a last resort.

5.1. Disconnection of a customer's energy supply should always be a last resort and should be avoided wherever possible, in line with existing licence requirements. We have worked with suppliers to promote the reduction in disconnection numbers, and suppliers must always comply with licence requirements to offer the full range of repayment options which do not involve disconnection.

5.2. Under the supply licence (SLC 27), there are restrictions on suppliers disconnecting certain groups of customers in vulnerable situations during winter (such as pensioners, disabled people or those living with chronic sickness) or anyone whose debt their supplier has not taken all reasonable steps to recover first by using a PPM. In addition, any customers in payment difficulty must always be offered a range of specified options to make repayments.

5.3. Since January 2016, under the amended Guaranteed Standards of Performance, suppliers are normally obliged to reconnect a customer within 24 hours of outstanding charges being paid or a repayment plan being agreed. In addition to the above, signatories of Energy UK's 'Safety Net' scheme have committed to not disconnecting customers in vulnerable situations at any time of year and to reconnecting customers who are subsequently identified as vulnerable as a priority and usually within 24 hours.[41]

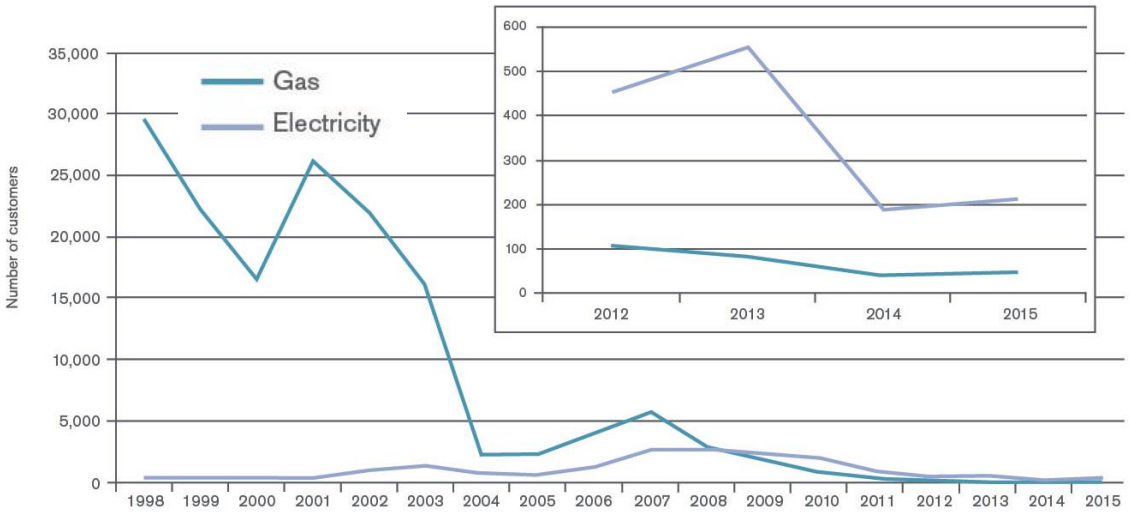
5.4. Given the long-term increases in the number of PPM customers, self-disconnection by PPM customers is a growing area of concern. We have been working with the Citizens Advice Service on the causes of self-disconnection and actions that suppliers can take to support customers who self-disconnect.

[41] The Energy UK Safety net: Protecting Vulnerable Customers from Disconnection, 2016

Following a long period of decline, there was an increase in disconnections in 2015, mainly driven by two suppliers

5.5. There has been a long term decline in the number of disconnections of domestic customers due to debt in the energy market since 2007, with most suppliers reporting zero disconnections in 2015.[42] However, 2015 saw an increase in disconnections for both electricity and gas customers, mainly driven by two suppliers. Between 2014 and 2015 the number of disconnections from electricity for debt increased from 192 to 204, and gas disconnections increased marginally from 41 to 49.

Figure 14: Annual disconnections for gas and electricity customers 1998-2015



5.6. Electricity disconnections in 2015 mainly occurred in England. Wales had seven disconnections, and there were none in Scotland. England also had the highest rate of gas disconnections, while there were two customers disconnected in Scotland and one in Wales.

5.7. The disconnections in 2015 were largely from two suppliers: npower and Utility Warehouse.

[42] Customers can be disconnected for reasons other than debt. In 2015, suppliers disconnected 3,803 electricity and 382 gas customers for energy theft: a significant decrease from the peak in 2014. Energy theft is a serious issue. Suppliers are required to take active steps to detect and prevent it – it increases costs for other customers, and can be dangerous. Suppliers have statutory powers to disconnect customers in cases of meter tampering and/or damage to a meter. Suppliers must have sufficient evidence before exercising such powers and must comply with a range of standards which seek to protect customers, including customers in vulnerable situations. For example, there are requirements to offer customers in debt or those with certain vulnerabilities the option of having a prepayment meter installed instead of being disconnected, and to consider a customer's ability to pay when calculating repayment instalments where energy has been illegally taken.

Table 3: Disconnections for debt in 2015

	Electricity	Gas
npower	138	19
Utility Warehouse	37	20
SSE	16	7
Green Energy	5	0
Ecotricity	4	2
Extra Energy	2	0
OVO Energy	1	1
Good Energy	1	0

5.8. In particular, npower carried out 138 of the 204 electricity disconnections,[43] after having reduced disconnections down to 51 in 2012. Utility Warehouse's smaller absolute numbers of electricity disconnections are also a concern, because they have many fewer customers – disconnecting eight electricity customers per 100,000 that they supply, compared to five per 100,000 at npower. The same point applies to the smaller suppliers Green Energy, Ecotricity and Good Energy.

5.9. Utility Warehouse disconnected the largest number of gas customers overall, and it, along with Ecotricity, disconnected comparatively high numbers relative to their customer bases. SSE disconnected 16 electricity customers in 2015 – fewer than in 2014 – however it disconnected more customers in 2015 than it did in 2012 or 2013 for both fuels.

5.10. The declining disconnection rate has been driven by individual suppliers changing their policies – such as EDF Energy reducing from 1,342 electricity disconnections in 2010 to eight in 2011 and zero in the following years, and E.ON reducing from 255 disconnections in 2013 to eight in 2014, and then zero in 2015.[44] In conversations with us, E.ON has said that it found alternatives to disconnection, and that there are ways to reach customers who have not responded to initial forms of communication. EDF has pointed to tailored support for indebted customers, referring customers to extra support, and taking action such as relocating a meter to make it possible to install a PPM.

5.11. Disconnecting during winter leads to much greater hardship for customers. We are pleased to see that suppliers have gone beyond the requirement to not disconnect vulnerable consumers in winter, and are carrying out very few

[43] This included three disconnections which were carried out in error in 2015. We have discussed the circumstances of these cases with npower.
[44] E.ON likewise reduced their gas disconnections from 37 to two 2013-2014 and had zero in 2014. EDF Energy reduced their gas disconnections from 324 to zero in 2010-2011, and have disconnected only one gas customer between 2011 and 2015.

disconnections during October to March. In the winter of 2015-2016, eight customers were disconnected, and only six were in the winter of 2014-2015. In the years before this, numbers were much higher: with, for example, 179 electricity disconnections in the winter 2012-2013 and 986 electricity disconnections in the winter of 2009-2010.

5.12. The installation of a PPM is an alternative to disconnection, which can prevent the customer accruing further debt and help them repay it. Nearly all disconnections took place because it was not safe or practicable to install a PPM. This was the case for 100% of disconnections in 2014, and nearly 100% in 2015. Virtually all disconnections were carried out under a court warrant. Suppliers stated that they frequently could not install a PPM because they were unable to access a customer's meter as it was in a locked communal cupboard or behind piping.

5.13. Some disconnections are carried out when a supplier is unable to make contact with a customer to arrange repayment of debts, despite debt letters, calls and home visits. The proportion of customers who had not communicated at all with their supplier over the lifecycle of the bill they were disconnected for fell in 2015 to 45% for electricity, and 27% for gas.

5.14. Most suppliers report that they have not disconnected customers whom they have identified as vulnerable. In 2015 there was only one reported instance: we are investigating the circumstances of this disconnection.

5.15. For smart meter customers there is also the possibility of load limiting (limiting the flow of electricity supplied to a customer) and credit limiting (where customers are automatically cut off or switched to prepayment if they owe more than a predetermined amount).[45] No smart meter customers have been subject to these limitations or disconnected for debt during 2015.

The average disconnection period is two weeks for electricity and one week for gas, with many customers not reconnected within the same quarter

5.16. We collect data on the length of time before a customer is reconnected following disconnection. We have found that this data doesn't reflect accurately the disconnections where a customer isn't reconnected within the same quarter. Two of the suppliers with the largest number of disconnections have supplied us with additional data this year, and we will consider how the data we collect can be revised in the future.

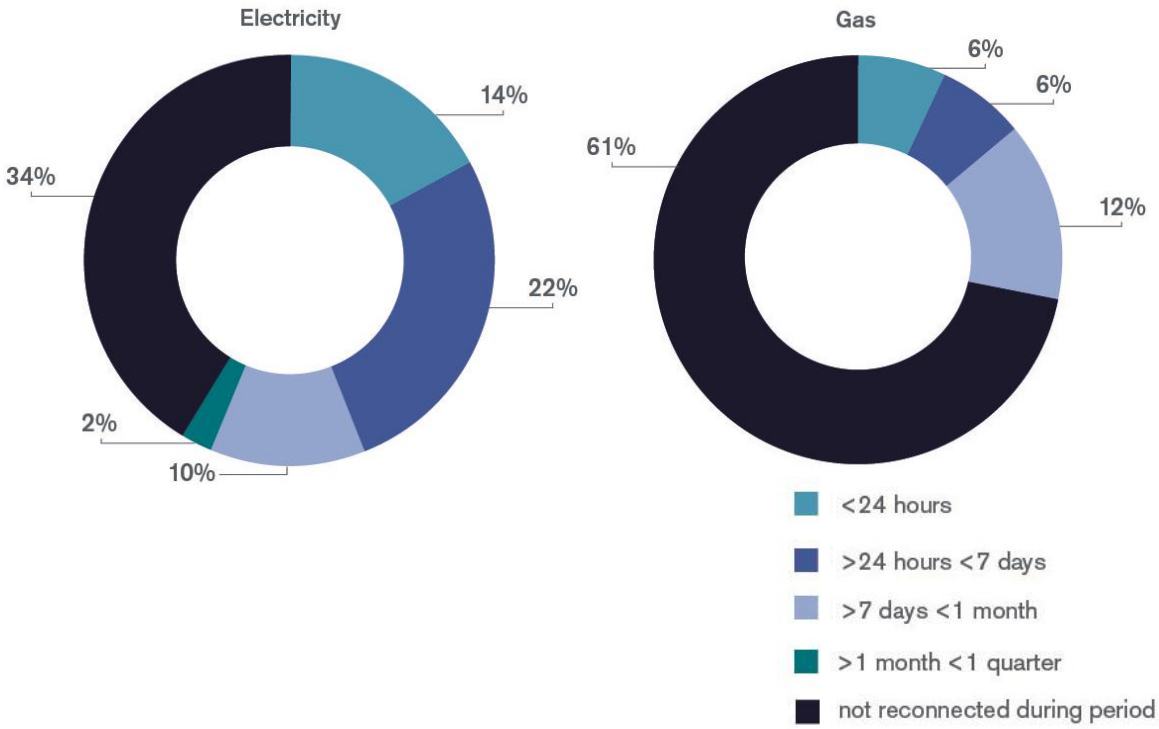
5.17. Over the past three years, the proportions of disconnected customers who are reconnected within 24 hours, seven days, one month and within the quarter have remained largely constant. There are notable differences between gas and electricity

[45] Credit limiting is subject to the same protections that apply to disconnections in SLC 27 of the electricity and gas supply licences

with only 6% of gas customers reconnected within 24 hours compared to 14% of electricity customers in 2015, and similarly low numbers of gas customers reconnected within one week or month of disconnection.[46]

5.18. In 2015, the average disconnection period for customers reconnected within the same quarter is two weeks for electricity and one week for gas. It continues to be the case that the majority of customers are not reconnected within the quarter in which they are disconnected, although this number is likely to be artificially inflated by customers who were disconnected towards the end of a quarter and may be reconnected early in the next quarter. Two of the suppliers with a larger number of disconnections provided us with additional information on their disconnections. These have illustrated that some of the customers who were not reconnected within the same quarter were found to have left the property, and the property was subsequently reconnected for the new occupier or for the landlord. Nevertheless, there remains a substantial proportion of these customers who have been disconnected for a long time.

Figure 15: Proportion of customers reconnected within particular time period, and those not reconnected within the same quarter



[46] In the longer term, there has been a pronounced drop in the number of short term disconnections, but given the very high numbers of disconnections we saw in those years it is likely that many of these short term disconnections could have been resolved via alternative means.

Use of temporary 'disconnection' for gas customers due to warrants is occurring less often, but rates are higher for medium sized suppliers

5.19. When a gas PPM is installed under court warrant, in some cases a safety device is fitted, which has the effect of temporarily disconnecting the customer's gas supply. If the supply cannot be tested, a 'blanking disc' can block the gas: effectively disconnecting the customer until they arrange for the supplier to attend the premises to complete the checks and remove the disc.

5.20. In 2015 the use of blanking discs continued to fall compared to the peak in 2013, and at a faster rate than the decrease in the use of warrants. Despite this, blanking discs remain in use for 10% of gas PPMs installed for debt under warrant: 4,350 customers in 2015. This proportion is much larger for the medium suppliers, at 25% of PPMs installed under warrant. We do not have any information on the length of time before customers are able to use their gas supply again. As blanking discs leave customers without supply, we expect suppliers to have processes in place to avoid using blanking discs wherever possible, including clear communication with customers, taking account of any vulnerability. We hope that medium suppliers will examine whether they could use blanking discs less.

Self-disconnection remains a cause for concern and we intend to monitor this more effectively

5.21. With the recent growth of PPM customers, there are more customers exposed to risks of self-disconnection. Some PPM customers on low incomes may be left with little choice if they cannot afford to top-up their PPM other than to curtail, self-ration or self-disconnect their supply.

5.22. Research by Consumer Focus in 2010 found that up to 1.4 million households had cut off their energy supply over a 12-month period. Half of these households included someone with an illness or disability and two in five households had children under 16 living there. In total, the research found that 16% of PPM users questioned had self-disconnected at least once in the preceding 12 months. Three main reasons were identified for self-disconnection: a customer not realising the meter was low on credit, forgetting to top the meter up in time, and insufficient money available to top-up.[47]

5.23. In 2015 we held a joint workshop with the Citizens Advice Service and suppliers to discuss self-disconnection, identifying reasons that customers self-disconnect and ways that suppliers can provide support to mitigate the risk. This workshop also specifically discussed how these differ for smart meter customers in

[47] Detailed in Citizens Advice Services, Topping-up or dropping-out: self-disconnection among prepayment meter users, 2014

PPM mode.[48] In April 2016 the Citizens Advice Service published a report on how suppliers are supporting customers who told them they had self-disconnected, after it had published guidance for suppliers in 2015. Short term support can get the customer on supply, including providing emergency credit, while customers who are financially vulnerable can benefit from a wider range of support.[49]

5.24. Smart meters have the potential to improve monitoring and make topping up easier, which will help customers who self-disconnect, although any use of customer data to identify customers at risk of self-disconnection should follow guidelines. From January 2017, we will start collecting a broader range of data on smart meters through the social obligations data. We will explore options for monitoring self-disconnection among PPM customers who aren't on a smart meter as part of our 2017 review of social obligations data.

Implications for suppliers: areas for attention and improvement

5.25. The findings above highlight the following concerns and focus for improvement:

- We will continue to challenge suppliers who disconnect large numbers of customers or higher proportions of customers in debt, and those who use blanking discs more often than other suppliers. We would also encourage them to look at practices adopted by other suppliers, who no longer disconnect customers for debt.
- If customers are disconnected, we encourage suppliers to engage actively with customers or their representatives to find solutions to get them back onto supply as quickly as possible.
- We would like suppliers to be able to detect self-disconnection, and to be aware if a customer's PPM top-up pattern has altered, particularly if the customer has been identified as vulnerable. We encourage suppliers to contact customers who self-disconnect to offer support, as detailed by the Citizens Advice Service, such as getting them back on supply, reassessing debt repayments, providing further financial assistance, and offering energy efficiency measures.

[48] Self-disconnection workshop notes, 2015
[49] Detailed in Citizens Advice Services, Topping-up or dropping-out: self-disconnection among prepayment meter users, 2014

Case study – Self-Disconnection

The Citizens Advice Service has highlighted good practice among some suppliers to help reduce self-disconnection. This includes:

- Having trained advisers who are able to identify customers in vulnerable situations who might self-disconnect and offer support, such as reassessing debt repayment arrangements and providing further financial assistance or referrals to independent debt advice.
- Providing short-term support to get customers back on supply, such as emergency credit.
- Targeting customers who have self-disconnected for energy efficiency advice or access to the Warm Home Discount.

One supplier described to us how it worked closely with Energy UK and is revising its processes following guidance from the Citizens Advice Service.

6. Non-financial support services

Chapter Summary

Customers in vulnerable situations are entitled to certain free services to help them engage with their supplier and the energy market. There are now more customers being identified as eligible for Priority Services Registers (PSR), as well as customers accessing free support services via PSRs

However, the proportion of customers is smaller among small and medium suppliers. This may be a reflection of their more socio-economically advantaged customer base, but we will continue monitoring this to ensure consumers in vulnerable situations are being identified. In addition, it is concerning that the proportion of customers on PSRs is substantially lower in Scotland.

Advice on improving energy efficiency can help customers reduce their bills, while also reducing carbon emissions. Data from suppliers suggests that around 30% of customers were provided with information on energy efficiency in 2015, with suppliers targeting this information particularly to customers in debt as required by the supply licence. In Scotland, this proportion is higher, at over 40%. Suppliers also provide advice lines with free energy efficiency information. In 2015 around 135,000 customers contacted these lines – a decline from the peak of nearly half a million in 2010. It would benefit customers if suppliers did more to promote this service.

6.1. Suppliers have obligations to provide certain non-financial support services to particular groups of customers. The supply licence (SLC 26.1-26.6) requires that suppliers establish and maintain a Priority Services Register and provide services for customers who are of pensionable age, disabled or chronically sick, blind, partially sighted, deaf or have hearing impairments. Gas suppliers are also required under SLC 29 to offer free gas safety checks to certain eligible customers depending on their living arrangements and personal circumstances.

6.2. Suppliers must inform customers about energy efficiency measures and financial assistance available from government towards the costs of these efficiency measures (SLC 31.2), including by providing information free of charge via a telephone advice line and their website (SLC 31.3). Suppliers specifically have to provide information to customers in payment difficulty (SLC 27.6(b)), and when a smart meter is installed.[50]

[50] SMICOP: Smart metering installation code of practice, 2016

6.3. In July 2016, we published a statutory consultation on our proposed changes to PSR. We want to ensure that suppliers' PSR obligations are fit for purpose and that services fully meet the needs of customers in various vulnerable situations. We want the industry to get better at identifying vulnerability, and for the PSR provisions to let companies achieve positive customer outcomes in flexible ways. To do this, we have relied on a principles-based approach in designing new PSR regulations. We expect to publish licence modification decisions in autumn 2016. The Citizens Advice Service is also working on a tool to help customers sign up to PSRs in the energy and water sectors.[51]

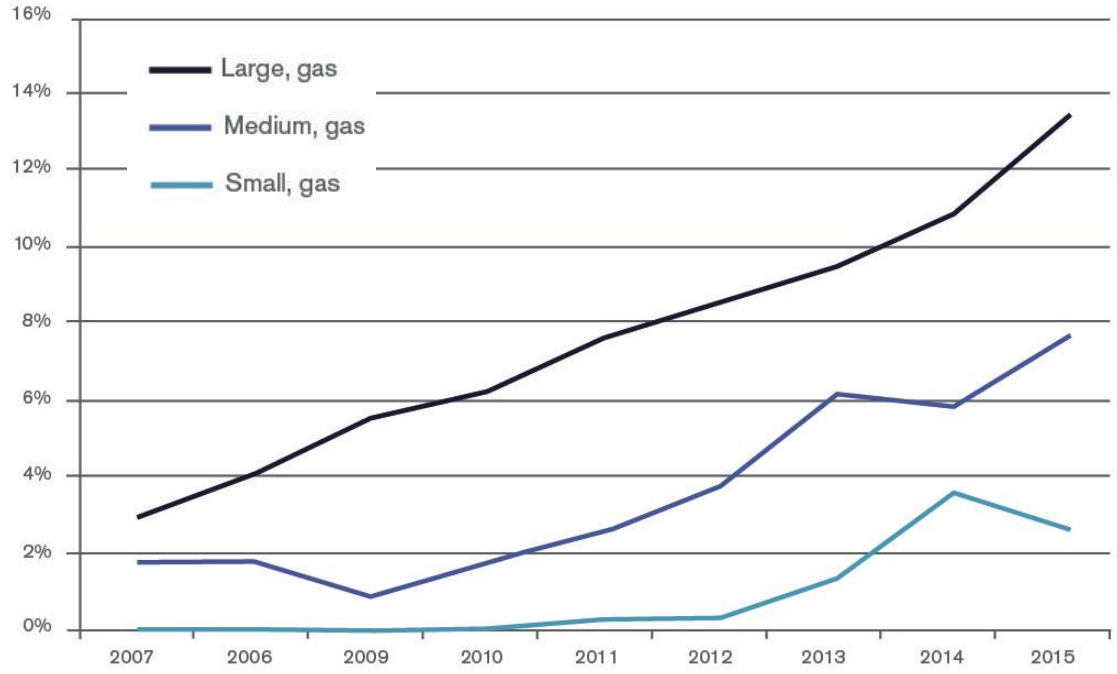
More customers are being identified as eligible for PSRs, and uptake of services is also increasing

6.4. The number of customers being identified as PSR-eligible has risen since we started collecting data in 2006. This trend continued in 2015, reaching 3.6 million electricity customers and nearly 3 million gas customers, or 13% of customers for both fuels in 2015.

6.5. But this varies among suppliers: the large suppliers have a higher proportion of their customer base on their PSR compared to small and medium sized ones, and have been largely responsible for the recent growth in PSR customer numbers.[52] In 2015, they had an average of 14% of their gas customer base on their PSR, compared to 7% for the medium suppliers and 3% for small suppliers. Within the small and medium suppliers there is also significant diversity, with four medium suppliers having around 2% of customers on their PSR, and nine small suppliers below 1%.

[51] Citizens Advice and Citizens Advice Scotland Final work plan 2016/17, March 2016
[52] The exception is ScottishPower, with only 6% electricity customers and 5% of gas customers on their PSR, compared to 14% on average across the large suppliers. ScottishPower also have had no improvement over the last few years.

Figure 16: The proportion of gas customers on PSRs, by supplier type



6.6. This may reflect differences in the customer base of small and medium suppliers. Survey evidence[53] shows that more engaged consumers who have switched are more likely to be in the middle age brackets and from more advantaged socio-economic groups. We will keep monitoring small and medium suppliers to ensure they can identify and support eligible customers.

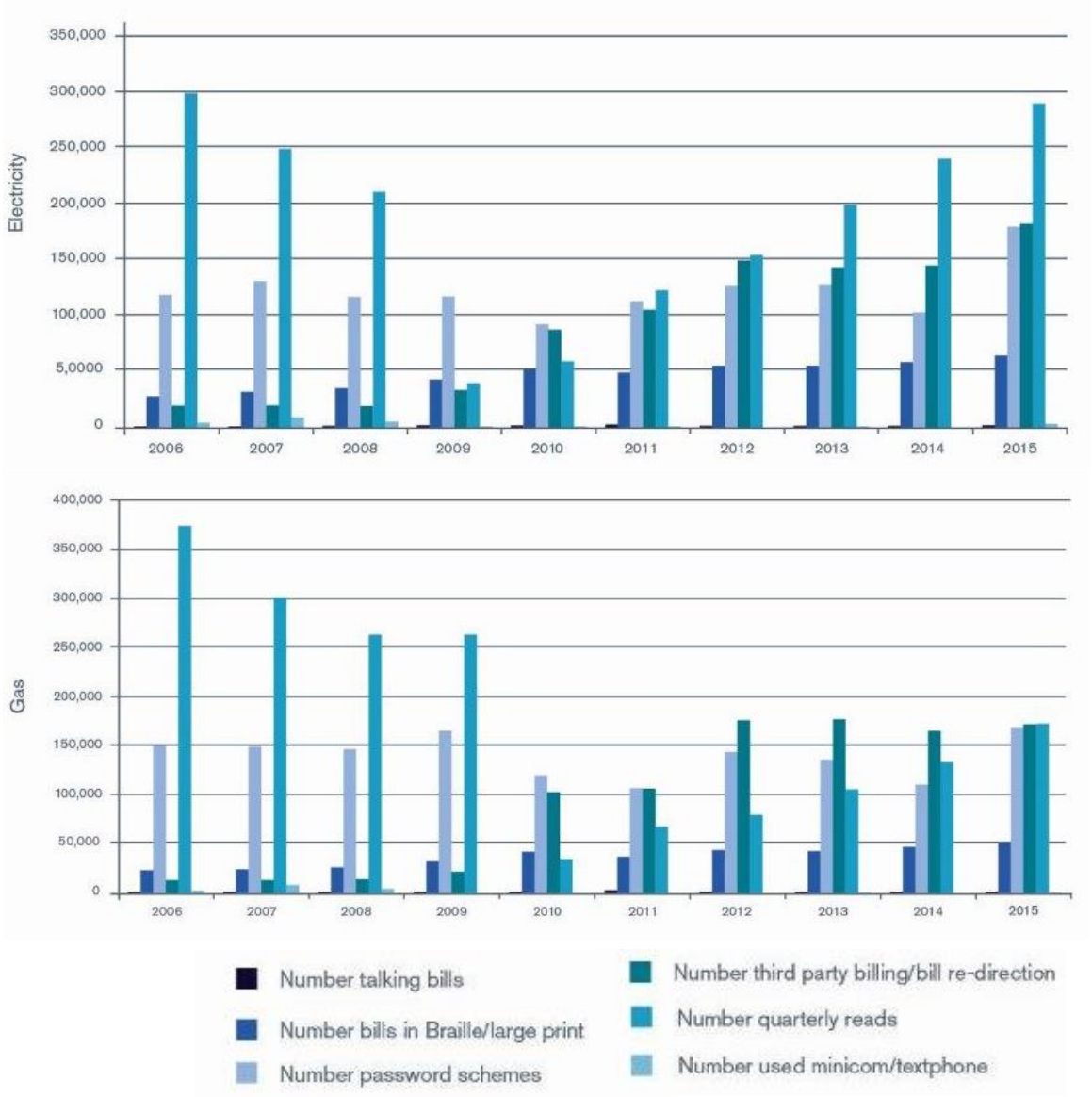
6.7. We are concerned that the proportion of customers on PSRs has been consistently and significantly lower in Scotland, with under 11% on PSRs for both electricity and gas. ScottishPower (the largest supplier in Scotland), contributes to this, with only 9% of electricity customers and 8% of gas customers in Scotland on its PSR. However, many suppliers, including the other large suppliers, have a lower proportion of customers on their PSRs in Scotland than they do in England or Wales. We are concerned that customers in Scotland may not be getting access to services which could benefit them.

6.8. Historically, the proportion of customers on PSRs has been a little higher in Wales than England: in 2015 the proportions were all around 13%, with the exception of gas customers in Wales, where 14.5% are on PSRs.

[53] Consumer engagement in the energy market since the Retail Market Review: 2016 survey findings

6.9. Uptake of services provided to PSR customers free of charge for both electricity and gas is also increasing.[54] In particular, the number of quarterly meter readings increased significantly in 2015 for electricity customers, although they are yet to exceed the peak set in 2006.

Figure 17: The number of PSR services provided to electricity and gas customers on PSRs



[54] We monitor the provision of 'talking bills', bills in Braille or large print, password schemes to enable customers to identify energy company representatives, third party billing or bill re-direction (where a customer is billed via an intermediary rather than their supplier), quarterly meter readings, and use of minicom or textphone.

6.10. We were also pleased to see an increase in the numbers of gas customers provided with free gas safety checks. After a long period of decline from 2006-2013, the numbers increased rapidly, and reached 65,600 customers in 2015. The 2015 increase was driven by Utilita, which carried out over 50,000 free gas safety checks, after having offered them to all new domestic smart meter customers. England and Scotland have similar levels of provision, while in Wales it is a little lower: all three nations saw a strong increase from a low in 2014. Up to 2014, Scotland had a substantially higher number of free gas safety checks provided relative to the number of customers, driven by higher numbers at ScottishPower.

Energy efficiency advice

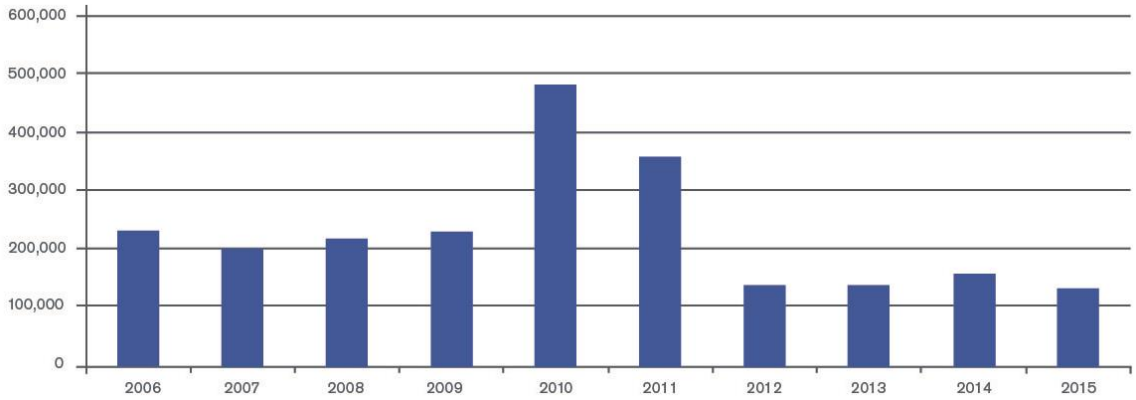
6.11. In 2015, over 10 million customers received information from their supplier on how to be more energy efficient. We estimate that over 30% of customers were given information, which has fallen from over 40% in 2012.[55] In Scotland, a higher proportion of customers received this information, peaking at around 50% in 2014 and reducing to 40% of customers in 2015.

6.12. As per the licence obligation, suppliers are targeting this information to customers in debt or arrears – for example, providing an information leaflet to all customers who get behind on their bills. Some suppliers are providing this information to all their customers.

6.13. There are fewer customers proactively contacting dedicated energy efficiency advice lines for advice from specialists. This number has fallen from a peak of nearly half a million in 2010, to around 135,000, which is also well below the level maintained in 2006-2009. Conversely, there are more web hits on supplier energy efficiency web pages, up from 900,000 in 2012 to over 4 million in 2015.

[55] Our energy efficiency data is reported per customer, and given that not all suppliers report their dual fuel numbers we estimated the total number of customers at these suppliers.

Figure 18: The number of customers who contacted an energy efficiency advice line



6.14. The number of customers in debt or in arrears who contacted an energy efficiency advice line has generally increased since we started collecting information in 2012.[56] The data suggests that information about the advice line may be effectively targeted to customers in debt, as 18% of the customers who contacted the helpline were in debt: well above the proportion of customers in debt nationally. However, British Gas and npower customers comprise over 80% of both customers in debt and customers in general who contacted an energy efficiency advice line. Suppliers vary in how effectively they promote the helpline, and it would be good for customers if suppliers did more.

6.15. The large suppliers are also obliged to install heating energy efficiency measures for consumers in vulnerable situations, as part of the Energy Company Obligation (ECO) scheme which is administered by Ofgem. It is estimated that customers in vulnerable situations will save £5.16 billion from their energy bills over the lifetime of the measures installed under the Home Heating Cost Reduction Obligation under the first ECO scheme (2012 to 2015).[57]

6.16. We monitor whether suppliers are providing customers with advice about ECO (and before ECO, other government schemes on energy efficiency) which can help raise awareness of the scheme and make customers more energy efficient. In 2015, over 1 million customers received advice on such schemes, a slight decrease from 2014 following a dramatic increase from around 300,000 in 2012. This total however is driven by two suppliers, EDF and npower, who together comprise over 90% of the customers given advice on ECO.

[56] Around 18,000 customers repaying a debt contacted the advice line, a decrease on 2014, but an increase against the 7,000 customers in 2012. The number of customers in arrears increased from around 4,800 in 2012 to 5,600 in 2015.
[57] Energy Companies Obligation Final Report, 2015

Implications for suppliers: areas for attention and improvement

6.17. The findings above highlight the following concerns and focus for improvement:

- Small and medium suppliers may need to do more to identify and support customers who could benefit from being on PSRs.
- The data suggests that all large suppliers, and in particular ScottishPower could do more to identify customers in vulnerable situations in Scotland who are eligible for PSR support. Small and medium suppliers may also need to do more on this too.
- Fewer customers are contacting energy efficiency phonelines, so it would be helpful for suppliers to promote this more effectively. More suppliers could also follow the good examples of suppliers who are providing information about ECO to their customers or widely offering gas safety checks.

6.18. Some suppliers have been proactive in identifying customers who are vulnerable. Some have also implemented training and specialist teams to support these customers, and internally have developed governance frameworks to track performance and inform decision-making. We welcome these, and want suppliers to continue to tackle vulnerability in innovative ways.

Case studies – Identifying customers who are eligible to be on PSRs

Several suppliers have developed specialised training programmes to raise awareness of their PSR and the eligibility criteria among frontline agents so that they can pick up on any triggers as prompts to asking the customer about vulnerability. One supplier has trained advisers on the 'language' that customers may use to talk about their vulnerable circumstances, and has put in place an IT system which recognises this to flag vulnerability.

Case study – Embedding vulnerability

Several suppliers have set up vulnerability teams to support customers in certain vulnerable situations, with more autonomy to agree tailored arrangements. One supplier described how it had partnered with charities to broaden its customer service agents' skills base, especially for those who work with specific vulnerable groups, such as the hearing impaired or customers with dementia. The supplier now has 800 Dementia Friends and 40 Dementia Champions across the business.

Several suppliers have introduced monthly meetings to embed vulnerability into their governance structure. One supplier described its monthly consumer vulnerability forum, which involved multiple departments and explored all internal metrics to monitor performance. With a wide range of people participating, it ensures that both the front and back office can debate the operational challenges to vulnerability, and ensure an effective approach.

7. Next steps

7.1. From January 2017, we will start collecting a broader range of data on smart meters through the social obligations data. This will help us understand more about this developing market.[58] In particular, we will monitor features of smart meters that can benefit consumers in vulnerable situations by addressing the main causes of self-disconnection. With smart meters, suppliers can be more flexible about giving customers emergency credit or 'friendly credit' periods, where the supply is not disconnected if the customer runs out of credit overnight or at the weekend. There will also be more options to top up the meter, and alerts can inform customers that they are low on credit or have a period of high consumption.[59]

7.2. Early next year we will be engaging with stakeholders on our review of social obligations data. This will include exploring options for monitoring self-disconnection among PPM customers who aren't on a smart meter. This will let us better understand self-disconnection, its extent, and identify good practice among suppliers. We will also consider ways to minimise the burden of reporting on suppliers while improving monitoring the key trends in the treatment of and support to customers in vulnerable situations.

7.3. We will continue to develop our approach to consumer vulnerability to improve outcomes for consumers in vulnerable situations. In a working paper on the future of retail market regulation, we explained that we are considering introducing a broad, enforceable principle that shows that we expect suppliers to ensure that consumers in vulnerable situations are not disadvantaged because of their circumstances.[60] Alongside this, we expect that existing prescriptive rules for consumers in vulnerable situations will continue to play an important role where necessary.

7.4. We will also continue to act where industry behaviour fails to meet obligations for consumers in vulnerable situations. This is a strategic enforcement priority set out in our Annual Enforcement Priorities 2016/17.[61] Monitoring supplier practice through social obligations data will feed into all of these areas: ensuring that suppliers comply with our rules, challenging poor performance, identifying good practice, and informing policy.

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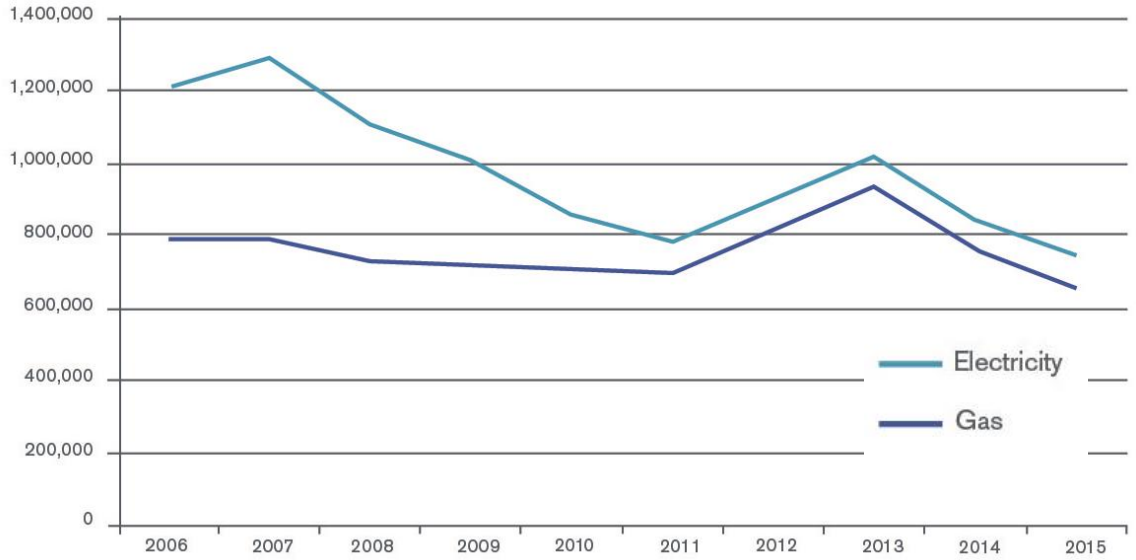
[58] Decision on changes to Social Obligation Reporting, 2016, and Guidance on monitoring suppliers' performance in relation to domestic customers, 2016
[59] Smart prepayment proposals, 2015
[60] Future of retail market regulation: Working paper on broad principles, 2016
[61] Annual Enforcement Priorities 2016/17

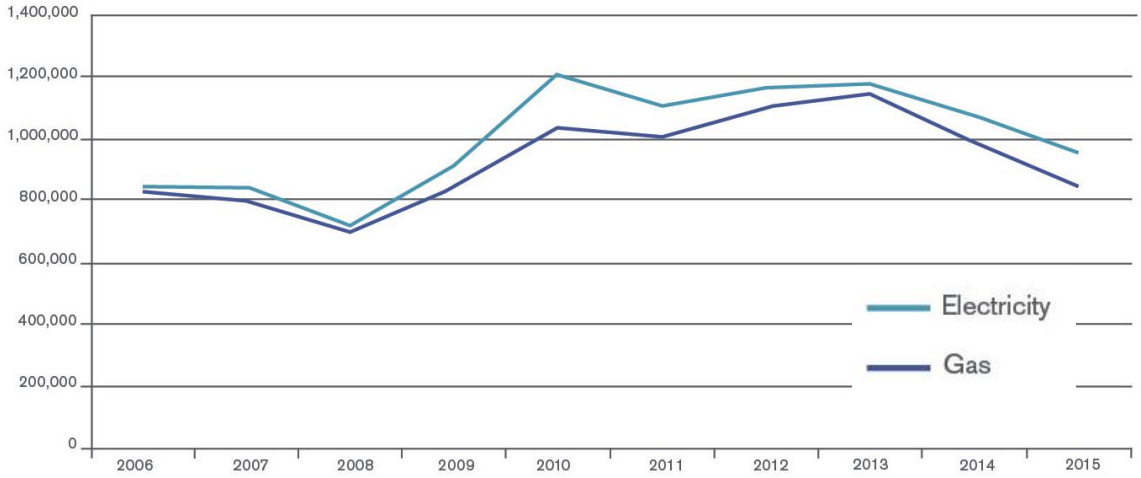
Data Appendix

Chapter 2. Customers in debt

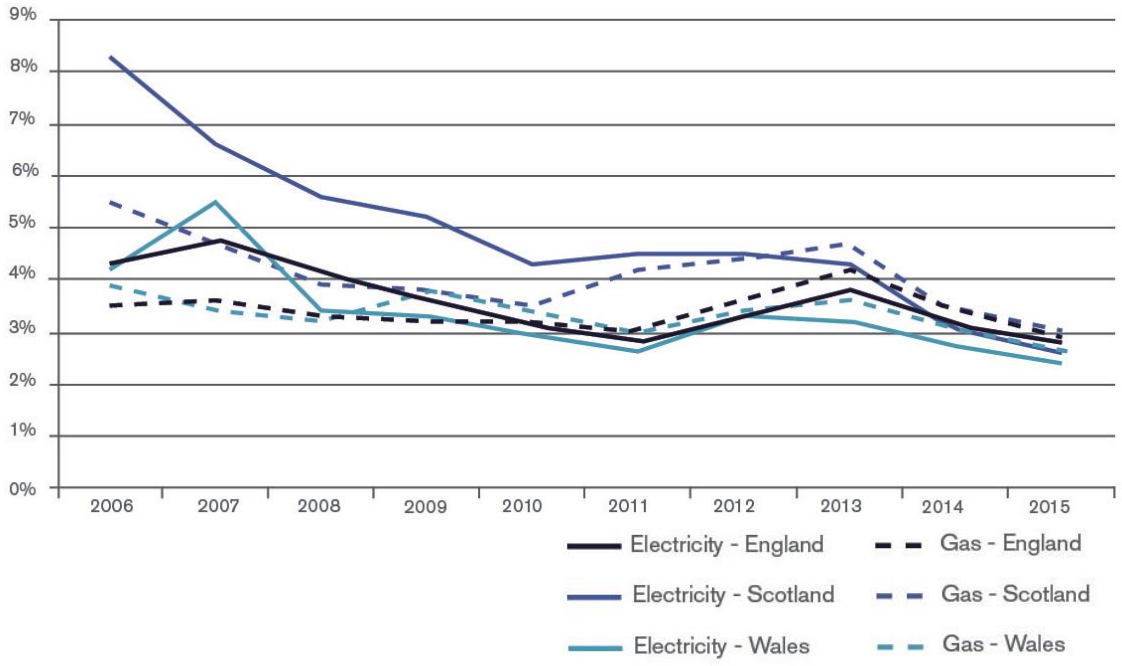
Appendix Figure 1: The total number of customers repaying a debt



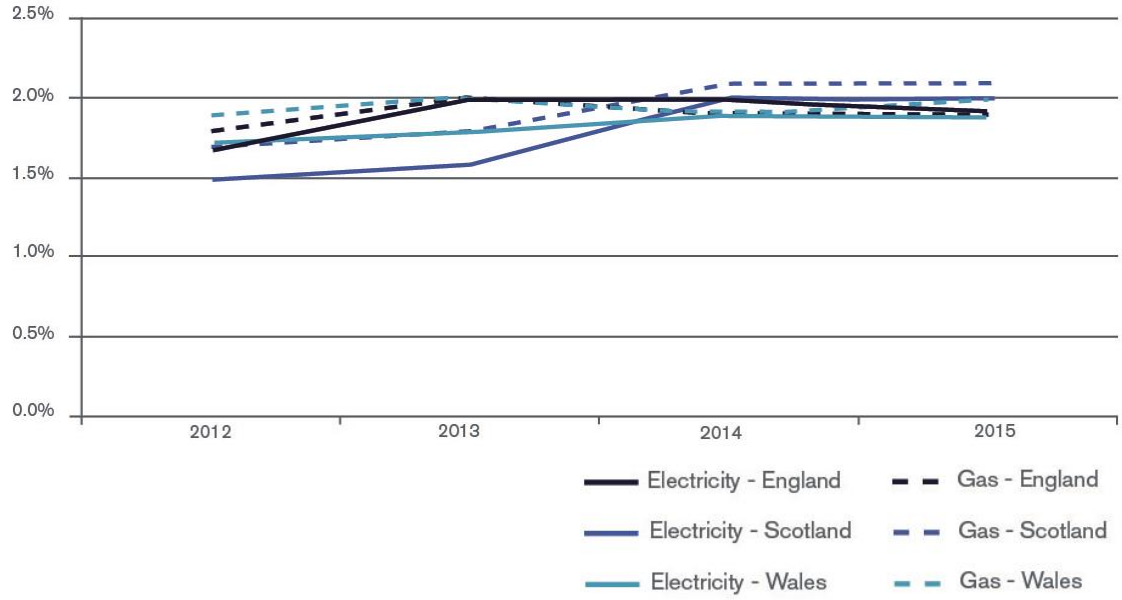
Appendix Figure 2: The number of customers entering new debt repayment arrangements in each year (either via PPM and non-PPM payment methods)



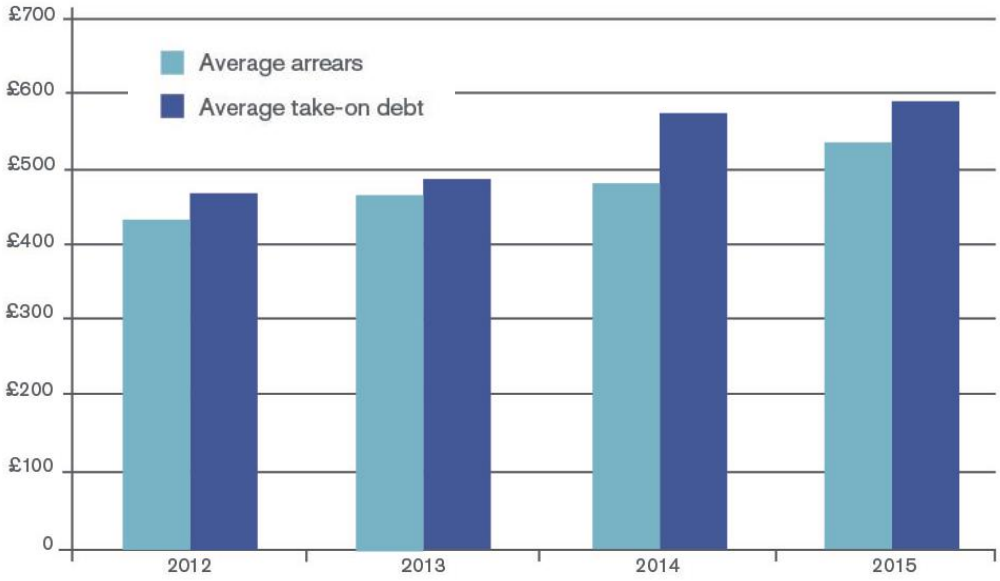
Appendix Figure 3: Proportion of customers in England, Scotland and Wales who are repaying a debt to their supplier



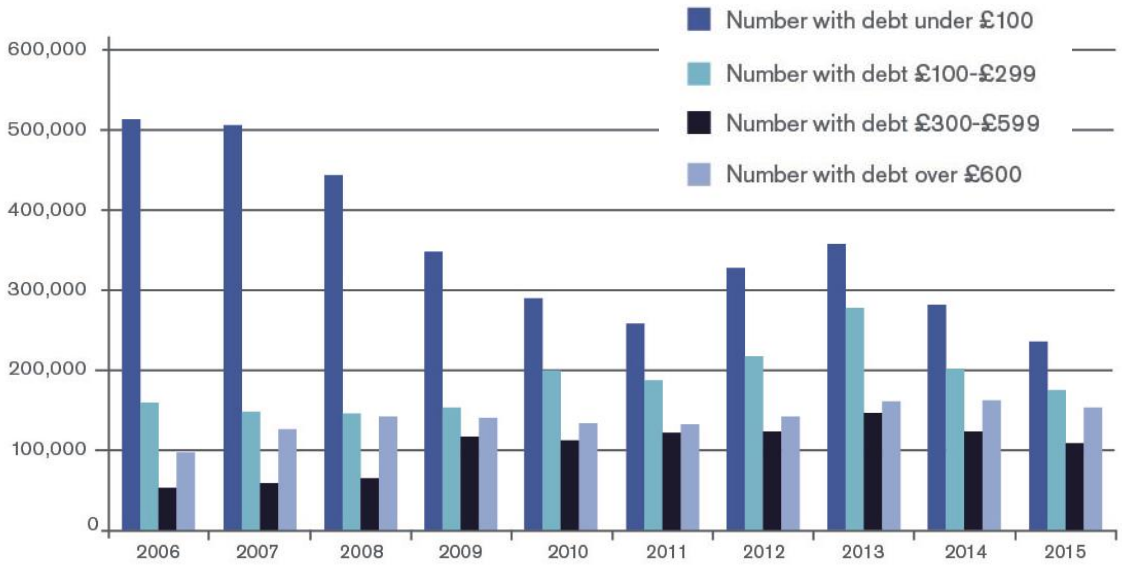
Appendix Figure 4: Proportion of customers in England, Scotland and Wales who are in arrears to their supplier



Appendix Figure 5: Average arrears and average debt when a repayment arrangement is set up for gas customers

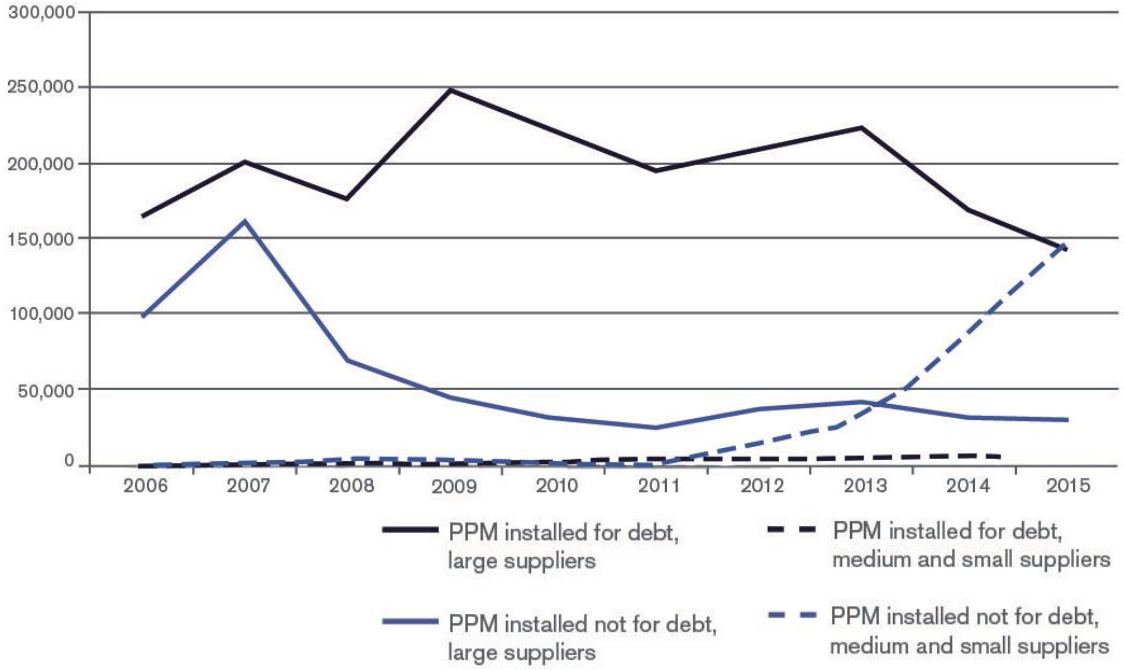


Appendix Figure 6: Number of gas customers with outstanding debt below £100, £100-£299, £300-£599 and over £600

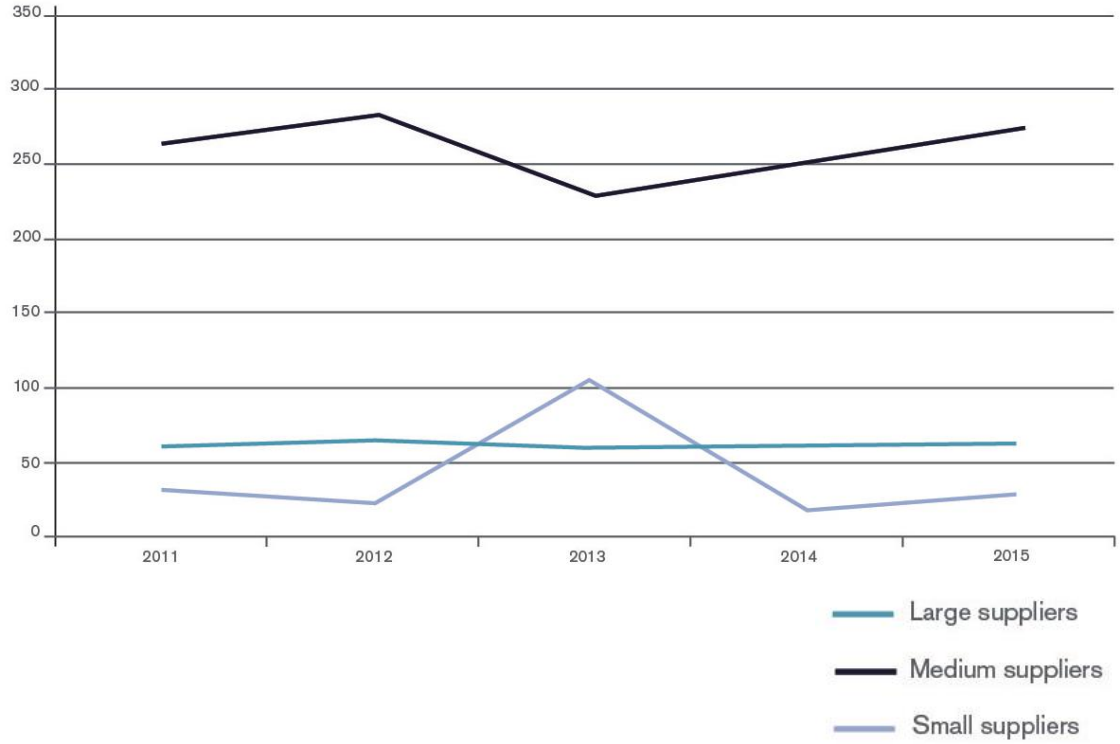


Chapter 3. Prepayment meters

Appendix Figure 7: Number of electricity PPMs installed for debt and not for debt by different types of suppliers



Appendix Figure 8: Gas PPMs installed for debt under warrant per 1,000 customers in debt



Chapter 4. Customers repaying debts

Appendix Figure 9: The proportion of electricity customers repaying a debt where there has been at least one failed debt repayment in the year, by supplier type

Chapter 6. Non-financial support services

Appendix Figure 10: The proportion of electricity customers on PSR registers, by supplier type