

**Regulatory Affairs**

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By email to: [consumerpolicy@ofgem.gov.uk](mailto:consumerpolicy@ofgem.gov.uk)

Dear Marcus

**Consultation on proposed changes to the SOR requirements**

This is the British Gas response to Ofgem's consultation on changes to the Social Obligation Reporting (SOR) for supplier performance, and specifically changes to the future monitoring of smart prepayment.

In summary, we are happy with the proposed changes to the reporting. Below we provide responses to both of the questions posed in the consultation.

**Question 1: Do you agree with our proposed approach to monitor, through our Social Obligations Reporting, the availability of cash as a top-up method? If not, please:**

- **explain why**
- **suggest and explain any alternative approaches we should consider.**

We agree that it is right for Ofgem to monitor the availability of cash as a top-up method. While smart prepayment functionality offers new, often more convenient, ways for customers to top-up, there remain some customers who are either unable or unwilling to take advantage of these.

We note, for example, that the Financial Inclusion Commission reports that 1.5 million adults remain unbanked in Britain today and around half of people with a basic bank account choose to manage their money in cash. It is important that these customers continue to be able to use cash as a payment method, and therefore for Ofgem to monitor the availability of this option.

**Question 2: Do you agree with our proposed data points for inclusion in the SOR (on the number of times a supplier's customer base tops up per top-up channel and the number of smart meter consumers on prepayment), the frequency with which we propose to collect them, and the starting point for collecting them? If not, please:**

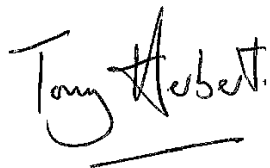
- **explain why**
- **suggest and explain any alternative(s).**

We collect the proposed data points so will be able to source them for inclusion in the Social Obligations report. We agree with the frequency with which Ofgem proposes to collect them and the date from which this is to begin.

We would point out, however, that if Ofgem simply wants to check the availability of cash as a top-up method then this could be accomplished through a much simpler 'Yes / No' question.

I trust that these comments are helpful but please contact me if you have any questions.

Yours sincerely

A handwritten signature in black ink that reads "Tony Herbert." The signature is written in a cursive style with a horizontal line underneath the name.

Tony Herbert  
Regulatory Manager  
British Gas