Consultation response: Prepayment meters installed under warrant

London Borough of Islington

Introduction

The London Borough of Islington welcomes the opportunity to respond to this consultation. Our Seasonal Health Interventions Network (SHINE) scheme and related energy advice services deal with thousands of vulnerable residents each year across the boroughs of Islington, Hackney and Camden. We therefore have a great deal of experience in assisting vulnerable energy customers and acting as their advocate with the energy companies.

Responses

Question 1:

We agree with the outcomes intended as a result of the policy goal detailed in paragraph 2.4. Customers should not face disproportionate fees or actions throughout the debt recovery process. In particular:

- Energy companies need stronger guidance and systems in place for dealing with vulnerable customers
- Simple checks for PPM suitability carried out before the warrant route is taken could save both time and money for the energy company, as well as avoiding stress for the customer
- The most vulnerable customers should not be put through this situation at all. To help facilitate the debt recovery process for the most vulnerable, a local advice agency should be contacted to help support the customer

Questions 2:

We agree with the preferred option as detailed in paragraphs 2.8 to 2.10. A capping of the fees to £100-£150 is welcome. In addition, we would welcome PPMs being prohibited in households where:

- The household has electrical medical equipment
- Customers are housebound
- The meters are not easily accessible or safe to top-up, e.g. too high off the floor, in a confined space, only accessible through another dwelling

Question 3:

No other additional unintended outcomes have been identified.

Question 4:

We agree that the cap should be applied in all regular cases. However, if fraud is proven higher costs could be allowed.

Question 5:

Debt collection costs should always be proportionate and how costs have been calculated should be transparent to the energy customer.

Question 6:

We agree with the definition of “under warrant” to mean a warrant that would authorise the installation of a PPM.

Other comments:

- In our experience, PPMs are often pushed on to customers before other avenues have been explored.
- In the consultation, there is no mention of Fuel Direct. This is a very good option for customers who are experiencing debt and cannot afford the offered repayment plan, but would not be suitable for PPMs due to their vulnerability.
- Customers are not being informed when and where the magistrate’s appointment for the warrant is being held. They should be informed of this and made aware they have every right to attend the session and contest the warrant. They should additionally be informed that someone can represent them on their behalf e.g. a local advice agency or law centre.
- We would seek reassurance on smart meters and particularly our concern that these could be remotely switched from credit to prepay without the issuing of a warrant. Any future guidance should include a formal process and safeguards for this instance, which will become more common as smart meters are rolled out.

Contact:

John Kolm-Murray

Islington Energy Service

020 7527 3800

john.kolm-murray@islington.gov.uk