



Draft Consumer Vulnerability Strategy 2025: Response by Bulb

August 2019

Executive summary

Bulb welcomes Ofgem's decision to do more to help vulnerable customers by updating the vulnerability strategy for 2025.

Introducing a common, jargon-free language for identifying vulnerable customers and improving the sharing of data identifying those customers is the crucial first step. We want to encourage more safe sharing of data between suppliers, public authorities and potentially other utilities to help to identify vulnerable households. This will ensure no customer misses out on the help they need. We would also like to see an industry-wide consultation on how to achieve a clearer definition of vulnerable circumstances so that those in need, like the financially vulnerable, can be identified and protected. Like all research at Bulb, such a consultation should be based in research with energy consumers so that products and services are designed in a language that they understand.

To specifically aid those struggling with their bills, Bulb would like to see Ofgem's Ability to Pay principles formalised and more actively communicated to suppliers.

Finally, Bulb wants cross-sector partnerships between business, the social sector and government/regulators to be a key part of the Consumer Vulnerability Strategy. It is increasingly clear that no one sector has the answer on how to support vulnerable customers. Technology provides opportunities for better partnerships across sectors and Ofgem as the regulator, is well-placed to facilitate and drive these partnerships forward. These could look like workshops on how to include vulnerability and inclusiveness when developing new tech or closer collaboration with other utilities, so vulnerable customers can be identified at the earliest stage possible.

About Bulb

Bulb is the UK's fastest growing energy supplier with over 1.4 million members. Bulb provides 100% renewable electricity and 100% carbon-neutral gas to homes across the UK. Through investing in technology to reduce costs, Bulb is able to supply renewables at prices around 20% lower than standard Big Six plans, making Bulb one of the cheapest suppliers in the market - renewable or not.

1. Improving identification of vulnerability and smart use of data

Being able to identify customers who need help is the most important aspect of any strategy to help vulnerable customers. A number of improvements can be made in this area.

First, we want to encourage more safe sharing of data between suppliers, public authorities and potentially other utilities to help to identify vulnerable households. This will make it easier for customers who switch and ensures no customer misses out on the help they need.

Secondly, the industry needs clearer, common guidance on recognising and defining vulnerable circumstances. The broad nature of the existing definition can make it harder for suppliers to identify vulnerable customers and put protective measures in place to adequately address people's requirements. One first step is a more joined-up approach between Ofgem's wider definition of vulnerability, and the more defined and prescriptive categories are applied to services like The Priority Services Register. We are concerned some groups, for example financially vulnerable households, aren't sufficiently described in these guidelines, and are therefore at risk of failing to be identified across and between suppliers. An industry-wide approach with the aim of formally codifying a definition of vulnerable circumstances, and what can be done to protect people, would be helpful.

Thirdly, Ofgem could use its transparency powers to ask all suppliers to set out how they identify customers in vulnerable circumstances and provide them updates on services available. Bulb's user research has found a gap between the language used in communications with customers, and how vulnerable customers would describe their own circumstances. This is a barrier to self-identification. Ofgem should actively support measures by suppliers to bridge this gap by encouraging suppliers to choose more commonly used descriptions of circumstances and enable customers to recognise easily where they may be eligible for extra help. Bulb is doing this through offering people additional support when signing up as new customers, a monthly reminder of the availability of support, and a permanent section on the online account management page where customers can request additional services. All these measures have been designed following user research with Bulb customers so the user journey and language is more likely to encourage self-identification.

2. Supporting those struggling with their bills

Energy supply is an essential service, and no household should struggle to afford it. Bulb commends the actions already taken by Ofgem and the CMA to limit bills for financially vulnerable customers using prepayment meters. But we believe the industry can still go further.

First, too many households who are in debt are charged punishing repayment rates, making it even more difficult for them to pay their bills. Bulb has a policy of lending a maximum of £20 at one time to prevent the build up of debt. Ofgem's "Ability to Pay" principles are great. More could be done to publicise and enforce these, as well as ensuring debt repayment does not bring financially vulnerable households into further difficulties.

Secondly, whilst improving energy consumption is often the best way to help reduce bills for those struggling financially, the quality and provision of energy saving advice can vary from supplier to supplier. In some cases, more bespoke advice would help to deliver better outcomes for vulnerable customers, such as home visits for those with cold-health related illnesses, or face to face demonstrations for consumers who are less confident using technology. We would encourage Ofgem to work with energy suppliers and the social sector to share best practice, and develop a framework to regularly review the suitability of the information provided.

3. Driving significant improvements in customer service for vulnerable groups.

First, more needs to be done to train suppliers' customer service teams to identify customers in vulnerable circumstances. Research has highlighted that too often customer service operatives have insufficient training to recognise members living in vulnerable circumstances during their interactions¹. Ofgem could, for example, recommend training on how to identify vulnerabilities, and include basic inclusivity standards for customer service as part of supplier's licensing conditions.

¹ Energy UK, The Commission for Customers in Vulnerable Circumstances, Final Report (May 2019)

Secondly, we support an industry-wide effort to simplify and de-jargonise the language around additional services for vulnerable customers. This would give customer service teams more confidence, and help them to more readily recognise which services are appropriate.

Thirdly, suppliers should minimise difficulties for customers when their circumstances change unexpectedly or suddenly. For example, suppliers should be encouraged to make it easier to add a secondary contact to an account, and ensure there are effective channels for customers to report a sudden change in circumstances.

4. Encouraging positive and inclusive innovation.

Energy suppliers like Bulb are at the forefront of using technology to deliver faster, cheaper, and better services for customers. When developing new tech features, it's important for inclusivity and vulnerability to be addressed by design for each product. As the regulator, Ofgem has an opportunity to facilitate cooperation and exchange between tech development teams working for energy suppliers. For example, hosting workshops on how to include vulnerability and inclusiveness when developing new tech could help suppliers develop best practice and learn from each other to bring better outcomes for customers.

5. Working with partners to tackle issues that cut across multiple sectors

Bulb supports Ofgem's calls to see partnerships used to support customers in vulnerable circumstances. This could be via partnerships with social sector organisations, like Mind and Citizens Advice, to formulate best practice in the design and delivery of customer service. Ofgem can play a catalyst role in setting out and facilitating these partnerships. One way of doing this might be a centrally maintained database of helpful contacts at charities or to services like food banks, or free financial advice if necessary.

In addition, we would like to see closer working across utilities to identify vulnerable customers early. The sharing of the Priority Services Register data between water suppliers and energy distributors is set to take place from April 2020. We support efforts to make this happen even quicker and to not be delayed. Bulb supports safe data sharing between suppliers, so information about a customer's circumstances is not lost when a switch occurs.