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Anna Rossington  
Deputy Director  
Retail Directorate  
OFGEM  
10 South Colonnade  
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E14 4PU

30/09/2020

Dear Anna,

**Statutory Consultation: Extending protections for non-E7 restricted meter customers (SLC 22G)**

We are a Registered Society under the Co-operative and Community Benefit Societies Act 2014. We are run primarily for the benefit of the community at large. This means that we have an overarching community purpose that aims to reach and support every home, village and island across the Outer Hebrides.

We support people to rent, buy and live in comfortable, affordable homes; promote healthy independent living and assist business and communities to be more sustainable. We focus on the fuel poor and vulnerable in our communities. We have 25% of our households living in extreme fuel poverty, many of whom in poor living conditions, facing weather extremes and low incomes.

Our energy advisors work with over 1,000 consumers in the Outer Hebrides each year, with more than a third of the clients we deal with using dual meters.

Fundamentally, we agree to the proposed continuation of the standard licensed 22G to mid-2025 in lieu of a better solution. We also agree with Ms. Gomes da Silva when she called for additional action:

*"...or take such other steps as Ofgem may consider appropriate to protect customers on restricted meters until the rollout of smart meters is substantively completed".* Andrea Gomes da Silva Executive Director – Markets and Mergers, 29 July 2020

We welcome the signal by you of further action:

*"Include a new section 22G.13A that allows us to extend the protections by setting this out in writing".*

Such new protections could include mechanisms which:

- Lists obligated suppliers

- Similarly, list suppliers that administer Warm Home Discount
- Allow for advice agencies to highlight non-compliance issues by such suppliers
- That offer consumers the same access to register complaints, including for non-ability to switch to a prospective supplier.

Consumers who have complaints about companies mishandling their switch – i.e. the potential recipient supplier mistakes – have no way of raising this with the Ombudsman Services: Energy (OSE) when customers have no existing account with the supplier they are trying to switch to. This means that ‘new’ consumer complaints are not being recorded anywhere. There should therefore be a route to the Ombudsman for both consumer and support agencies to highlight these cases where customer records don’t exist. Any new protections should include this gap in the system. OFGEM could record the numbers of failed switches to a supplier (from the prospective supplier itself) to see how many consumers fail to make the switch to the company.

These will provide more general knowledge across the sector and be the basis for reviewing what the issues are to allow fixes to be made. We believe the latter point will provide better intelligence to Ofgem on supplier behaviour and, as a result, give a more constantly improving and working remedy. We believe that such a suitable framework where we as organisation can easily feedback on issues regularly, will improve the outcome for Outer Hebrides residents.

I recently held a workshop with my team about this consultation which considered aspects of what we thought might help towards reaching a satisfactory conclusion. I think it would be helpful if I finished by outlining real quotes from my advisors which I hope will influence your thinking:

**1. Consumer ignorance of the remedy** – “Absolutely. The lack of promotion by suppliers leaving customers ignorant of what’s fully available to them. We highlighted consumer lack of awareness in discussions with our partners Changeworks when we looked at restricted meter tariffs which would facilitate easier comparisons with single-rate tariffs. Ultimately this was highlighted in the report; Supporting consumers on restricted meters in Northern Scotland.”

**2. Call centre staff capacity and supplier systems** – “There is real frustration that even though you've learnt that tariffs are available with a supplier, when you call them up, the member of staff you deal with isn't trained. The companies that offer it only have limited members of staff who can facilitate the switch. Unless you get that member of staff when you phone, you don't get help. Call centre staff are often not allowed to call the potential customer back whilst there's calls in the queue. So, you have to keep calling back to see if they're available”.

**3. Online switching** – “Even though you can go through the switching process actual switching is not available”. “Even though you complete the switch online, it can take a number of weeks before you learn that the switch was unsuccessful, often up to three weeks”. “Also, you get the messages - issues created with erroneous switches, this is not available online, please call...”

**4. Reduction in numbers of dual meter customers through changing from storage heating** - “It should be noted that the Home Energy Efficiency Scotland Programme: Warmer Homes Scotland are in fact replacing old systems with new modern storage heaters which retain dual meters”.

**5. Prepayment switching** – “There is no capacity for a prepayment switch, meaning you were at an even greater disadvantage because you couldn't even go on a fixed tariff.”

**6. Dual meter standing charges** – “Companies charging two standing charges (the document mentions Bulb being told off about this, ‘XXXXXXX’ is another one that I have seen does this, I have a copy of a client’s bill if you would like it”.

Yours sincerely



Dan Morrison  
**Energy Services Director**