

FUEL DEBT ADVICE BULLETIN



Action for Warm Homes

Advice and information from NEA, the national fuel poverty charity

August 2017

This edition of the Fuel Debt Advice Bulletin will summarise some of the key topics affecting the provision of fuel debt advice. Contents include:

- Government Energy Review
- Developing further protections for vulnerable consumers – Ofgem
- Warm Home Discount – Broader Group
- Priority Services Register (future changes)
- NEA Update

Government Energy Review

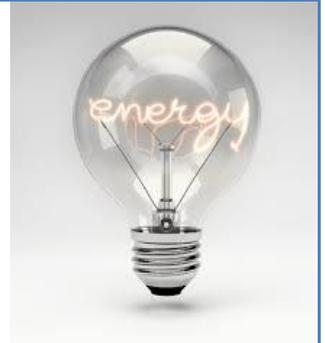
An independent review looking at ways to reduce energy costs has been launched by the government. The study will examine how the UK can keep household bills down whilst also meeting its climate change targets.

The launch of the independent review was preceded by British Gas' announcement of increased electricity prices by 12.5% for 3m customers with potential for other energy suppliers to increase prices later in the year.

The study, which is expected to be published in October 2017, will look at the key factors affecting bills - including energy and carbon pricing, efficiency measures and regulation. It will consider how costs can be reduced at all stages of the energy supply chain, as well as the impact of new technology on the sector.

But the study will not examine whether there should be a cap on price rises for 17 million households - a Conservative pre-election commitment

The government says it is already looking at ways to cut bills by calling upon Ofgem to use its existing powers to reduce prices (see article below).



Developing further protections for vulnerable consumers

On 3rd July 2017 Ofgem was asked by the UK government to lead on considering what additional protections for vulnerable consumers should be introduced this Parliament.

The plans announced by Ofgem to protect vulnerable consumers as part of a wider programme to make sure all consumers get a better energy deal include;

ofgem

- ❖ the option of a safeguard tariff

NEA was invited to a summit with other consumer groups on 17th July 2017 and is now working collaboratively with Ofgem and suppliers on the details of a new safeguard cap for vulnerable consumers which the Charity hopes could result in helping to reduce the acute stress and worry of unexpected future price increases for over 2.5 million householders.

- ❖ new reforms to take the hassle out of switching and make it easier to get a better deal

Ofgem is changing the rules for price comparison websites to make it easier for people to switch to cheaper deals. Currently, users can't switch directly to some of the cheapest deals listed and have to visit the supplier's own website and re-enter their details. Ofgem's rule change will give customers better access to cheaper deals, allowing them to switch directly from a price comparison site. Consumers will still be able to see other deals that they cannot switch to directly by clicking a button on the comparison website, or by visiting the Citizens Advice website.

Ofgem will also be trialling a new 'Check Your Energy Deal' online switching service to help customers who have been on poor value standard variable tariffs for three years or more to find cheaper deals. They will be able to see quickly how much they can save simply by entering their address including postcode and name of current supplier and the new service will make switching easy with a few clicks

In a separate trial, Ofgem is testing whether writing to customers – including people who are vulnerable and not online - about cheaper offers from rivals prompts them to shop around and switch tariff.

- ❖ proposals to cap warrant charges to install pre-payment meters and ban these charges altogether for the most vulnerable

Ofgem has also announced separate proposals to cap how much suppliers can charge customers for installing a pre-payment meter under warrant at £150 and to ban these charges altogether for the most vulnerable. Pre-payment meters are typically installed under warrant when a customer cannot or will not pay their energy bill.

NEA also believes Ofgem should consider using the overlap between the Priority Services Register and a supplier's knowledge about those on a debt repayment plan to support low-income households that are not on means-tested benefits. This could result in customers who have fallen into difficulties paying for this essential service being protected whilst they work to pay off arrears without worrying about future price increases pushing them back into debt. Suppliers could also be encouraged to offer the cap to other vulnerable customers on a voluntary basis.

For more information about NEA's work in this area please contact peter.smith@nea.org.uk

Warm Home Discount Scheme – Broader Group

The Warm Home Discount (WHD) Scheme is now in its seventh year and most energy suppliers have opened to accept broader group applications that may be eligible for a £140 rebate off their electric bill.



Households who may qualify for the WHD under their supplier's Broader Group should submit an application directly to their supplier. However, despite the fact that an estimated 13% of the adult population do not go online, most energy suppliers will only accept online applications. This means that some customers are at risk of being excluded from services that may be beneficial to them (as well as WHD this is also true of switching sites, online tariffs, discounts for paperless billing and accessing information about Energy Company Obligation and Priority Services Register). NEA has raised this issue directly with suppliers and Ofgem.

However in the short term, until suppliers provide a telephone number for applications to WHD, there are some practical suggestions about how organisations may wish to respond to this challenge to help vulnerable customers i.e:

- Ensure clients are aware which services can only be accessed using internet
- Holding WHD/PSR sign up and/or switching sessions in drop in sessions in local libraries etc.
- If a council has a digital inclusion strategy, investigate how energy related issues fit etc.

It is important to bear in mind that there is a cap on the number of households that can be accepted into the Broader Group; therefore some households may not receive the discount even if they meet the supplier's criteria as it is based on a "first come first served" basis.

If a consumer switches energy supplier they will have to inform their existing and new supplier of the status of the application for the WHD. Most suppliers will only pay the WHD to existing consumers; therefore, if switching to a new supplier occurs before the discount is due to be paid by the existing supplier it is likely that the discount will not be received. A new application to the new supplier would then need to be submitted but may not be paid as they may have reached their quota.

Under the WHD Scheme, there is standard Broader Group criteria (see table below), however, suppliers have the flexibility to include additional criteria to add to the standard Broader Group criteria. However, it is possible that consumers who qualify under the additional criteria with their existing supplier may not qualify with a new supplier. For more information contact the supplier directly.

The tables on the next page provide details of eligibility criteria and participating energy suppliers.

ELIGIBILITY CRITERIA

Means – tested benefits (must receive one or more of the following)	In work benefits (must receive one or more of the following)
<p>Income Support or Income-based Jobseeker's Allowance, with any of following:</p> <ul style="list-style-type: none"> • a disability or pensioner premium • a child who is disabled • Child Tax Credit (CTC) that includes a disability or severe disability element • a child under 5 years living with them <p>Income-related Employment and Support Allowance, which includes a support or work-related component with any of the following:</p> <ul style="list-style-type: none"> • a severe or enhanced disability premium • a pensioner premium • a child who is disabled • CTC that includes a disability or severe disability element • a child under 5 years living with them <p>Universal Credit not in work/is in work or is self-employed with any of the following:</p> <ul style="list-style-type: none"> • limited capability for work element (with or without a work-related activity element) • the disabled child element • a child under 5 years living with them • disabled child element, whether employed or not. 	<p>Total household annual income is less than or equal to £16,190 (and in receipt of Child Tax Credits or the Universal Credit equivalent) with either:</p> <ul style="list-style-type: none"> • a child aged under 5 years living with them • a disabled child living with them with a Child Disability Premium or claiming Child Tax Credit that includes a disability or severe disability element.

Energy companies offering the Warm Home Discount Rebate

British Gas	Co-operative energy	Economy Energy
EDF Energy	E.ON	Extra Energy
First Utility	Flow Energy	M & S Energy
Npower	OVO	Sainsbury's Energy
ScottishPower	Spark Energy	SSE
Utilita	Utility Warehouse	

Priority Services Register (future changes)

For a number of years there have been a range of Priority Services Registers (PSRs) which have been developed independently by energy companies to meet their licence obligations. This often caused confusion and low uptake as the PSR of some individual energy suppliers had a different name e.g. *npower - The Warm Response Service*, *Scottishpower - Carefree Scheme*, *SSE - Careline* etc. This structure also resulted in customers requiring to register across numerous companies and re-register every time they change supplier or move home.



In 2014, Ofgem launched a consultation to consider possible improvements to the energy industry's PSRs.

Following a considerable amount of work across Distribution Network Operators (DNOs), Gas Distribution Networks (GDNs), energy suppliers as well as non-industry relevant bodies the Energy Networks Association's Safeguarding Customers Working Group (SCWG) has now created a common set of 'Needs Codes' (which are the categories that allow you to register on to the PSR).

These Needs Codes provide a common language to instigate simplified data sharing and allow the industry to gain a greater understanding of customers' needs so that industry actions can be adapted to result in consistent positive outcomes. For more information regarding the Needs Codes contact regulation@energynetworks.org.

The SCWG has also created a standard 'PSR Promise', which should be included in future PSR documentation and promotion (websites / leaflets) provided by energy suppliers, DNO's and GDN's.

Priority Services Register Promise (Plain English)

- The Priority Services Register (PSR) is free to join. It helps energy companies* like us to look after customers who have extra communication, access or safety needs. It helps us tailor our services to support households who may need extra help.
- The PSR promise is made by all participating energy companies in England, Wales and Scotland. We promise to only share details as agreed with you, about your personal situation with our trusted partners/parties** so they can tailor their services to help you.
- By sharing your details with trusted partners/parties, you'll get extra support when you need it. For example, some customers, depending upon their circumstances, may be given priority if there's a power cut. We will always follow privacy laws and your PSR information will never be used for marketing.

Cont...

- Once you've joined, you may be contacted to make sure your details are accurate and up to date. This will make sure we can give you the best support for your needs.
- If anything about your situation changes you can tell us and we will update your details. If you don't want to be on the PSR anymore, just ask to be removed and we will do this for you.
- Have you considered also registering with your water company who may offer similar support services?

**Energy companies include gas / electricity suppliers and network companies*

***Partners / parties include Trusted Charities e.g. British Red Cross*

A FAIRER ENERGY FUTURE FOR ALL

NEA ANNUAL CONFERENCE 2017

11 - 13 SEPTEMBER

NOTTINGHAM



Action for Warm Homes

e-on

NEA's annual conference and exhibition provides a national forum in which to debate key issues relating to domestic energy efficiency and fuel poverty to inform future policy and practice

For more information or to book your place [NEA website](#)

NEA's annual conference will take place at
Nottingham Conference Centre
Burton Street, NG1 4BU

11th – 13th September 2017

Improving Energy Efficiency In Communities

NEA is building upon a successful partnership with EDF Energy to deliver another year of the 'Improving Energy Efficiency In Communities' project which aims to reduce the wider impacts of fuel poverty for households across England.



As part of the project, NEA is providing FREE basic energy awareness training to frontline practitioners within voluntary and statutory organisations to equip them with the skills and knowledge to better identify and assist households who struggle to manage their energy needs and maintain a warm and healthy home.

NEA is also working with local organisations to also offer FREE energy advice surgeries / awareness sessions to help their service users to better manage their energy use, access appropriate energy tariff and payment options as well as insulation and heating schemes, income maximisation, money and debt advice services. A bespoke 'Save Energy, Save Money' top tips information leaflet is also available to help with signposting

individuals to available national energy efficiency and other advice services.

Whilst 'Improving Energy Efficiency In Communities' is a national project, it has a key focus in the North East, North West, London & South East, South West and Yorkshire & the Humber areas.

For enquiries about free energy advice surgeries / energy awareness sessions in these areas please contact the relevant NEA Project Development Co-ordinator:

- *North East – contact Maureen Fildes at NEA on 0191 269 2929*
- *North West – contact Jimmy Pugh at NEA on 07961 072 638 or Kathy New on 07540 758 291*
- *London & South East – contact Rebecca Jones at NEA on 07738 417 448*
- *South West – contact Louise Evans at NEA on 07730 760 828*
- *Yorkshire & the Humber – contact Diane Bland at NEA on 07855 863 312*

For enquiries about availability of sessions in all other areas (and general enquiries) contact Malcolm Dove at NEA on 0191 269 2932 / Malcolm.dove@nea.org.uk

For enquiries about FREE basic energy awareness training for frontline practitioners across England contact Tracy Norris, Business Support Officer at NEA on 0191 269 2946.

Smart Energy GB in Communities

The programme, led by NEA is delivered by a consortium of charities, our sister charity Energy Action Scotland and grant making organisation Charities Aid Foundation and has entered its second year.



The insights on Smart Energy GB's campaign performance in 2016 has shown that many harder to reach audiences are more effectively engaged by the core campaign than anticipated. Therefore in 2017, Smart Energy GB is focusing its partnership activity at people who are over 65, without personal internet access, where the data shows the core campaign needs particular extra support. Smart Energy GB will tailor their partnership activity year on year, responding to their insights as the campaign continues

To support partners with reaching this target group Smart Energy GB in Communities is offering a programme of training, regional support and limited grant funding. Round 1 of the grants has now closed, but a second round will be going live in August 2017. Sign up to our e-newsletter [here](#) to keep up to date on opportunities.

NEA's training team and co-ordinators are delivering free training sessions and briefings across England, Wales and Scotland. The training sessions are aimed at organisations engaging or planning to engage with individuals who are over 65, without personal internet access across Britain.

At the end of the training delegates will:

- ❖ understand the role of Smart Energy GB and the campaign
- ❖ understand the smart meter rollout and feel confident to respond to householder queries and challenges and know where to source additional information
- ❖ be able to explain what a smart metering system does and how it works
- ❖ understand and be able to use the in-home display, and know how to explain its functions to other people
- ❖ know some of the barriers which may be faced by this year's target group and how to overcome them
- ❖ understand the smart meter installation process
- ❖ understand the obligations and responsibilities held by the energy companies and their installers to protect householders throughout the smart meter rollout

Training is being delivered across Great Britain between now and October 2017 but we only have limited spaces in each region so please do **get in touch** to find out more, and let us know how you would like to use the training to support the 2017 target group.

This Fuel Debt Advice Bulletin was produced in August 2017 by National Energy Action (NEA).

If you do not wish to receive future editions of the Fuel Debt Advice Bulletin, please let us know by emailing jimmy.pugh@nea.org.uk

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