

National Energy Action (NEA) response to the Commission for Customers in Vulnerable Circumstances' Call for Evidence – May 2018



Action for Warm Homes

About NEA

NEA¹ work across England, Wales and Northern Ireland to ensure that everyone in the UK² can afford to live in a warm, dry home. NEA also works to tackle exclusion in the energy market locally and nationally. To achieve this we aim to improve access to energy and debt advice, provide training, support energy efficiency policies, local projects and co-ordinate other related services which can help change lives. Our subsidy Warm Zones is a not-for-profit Community Interest Company that also aims to work in partnership in various locations across the country to deliver integrated packages of energy efficiency measures, benefits and energy advice³. NEA also provide the secretariat for the All-Party Parliamentary Fuel Poverty & Energy Efficiency Group to raise awareness of the problem of fuel poverty and the policies needed to eradicate it⁴.

Throughout 2016-17, NEA awarded £18 million of grants to support new & innovative approaches to tackling fuel poverty in local communities, helping to deliver 44 Projects in 2166 households. We have trained a massive 5325 people who will cascade their knowledge to an estimated 1.34 million people⁵. Through Warm Zones we have also delivered energy efficiency measures to 4303 households⁶.

the risks and opportunities presented by the introduction of Principles Based Regulation and the opportunity to extend the current Energy UK Safety Net initiative and reduce the risks of self-disconnection. The section concludes that there must be an enhanced focus on helping the most disadvantaged energy consumers as a priority, alongside enhancing a commitment to address wider cross-industry issues.

The next section of the response "**Improving access and support for customers in vulnerable circumstances**" focuses on how to make relevant changes to GB-wide support schemes. It is hoped these steps would also have rapid, profound positive changes for the most vulnerable consumers. NEA also highlights how the removal of related telephone based service must be addressed urgently. The section concludes by urging Ofgem and the UK Government to also facilitate further industry wide data-sharing and have a much more direct role in monitoring and addressing distributional impacts caused by energy policy. NEA also states the case for revisiting the scope and extent of Ofgem's current regulatory duties. In highlighting these issues, NEA's aim is simple; to ensure the most pressing risks facing some customers are prioritised and immediate opportunities are seized. In the longer-term, NEA also hopes customers in the most vulnerable situations receive much more consistent outcomes irrespective of their energy **provider**, network company or ability to access the most competitive energy deals.

The final part of the response **answers the Call for Evidence questions** and invites the Commission to discuss NEA's recommendations via a roundtable meeting⁸. Finally, it should be noted that NEA works with partners from local and national government, Ofgem, industry and the third sector to deliver practical solutions to improve the quality of life for those living in cold homes. Where possible, the resulting practical insights and recommendations provided in this response have been gleaned from our relevant operational teams, our partnership work and our wider supporters. However, the views expressed are our own and do not specifically reflect the views of other organisations.

Background and structure of this response

NEA welcomes the establishment of the Commission for Customers in Vulnerable Circumstances and the related call for evidence. The stated aim of the Commission is to consider how different aspects of vulnerability may impact an energy customer's ability to engage with the energy market. This in turn can inform whether any new actions from energy suppliers, government departments, regulators and other stakeholders can enhance the overall level of care and support energy customers in vulnerable circumstances should expect to receive or benefit from.

It should also be noted that last year (2017-18) NEA, alongside other consumer groups, worked with Ofgem and the industry to secure some early improvements in the treatment of domestic customers⁷, particularly those living on low incomes or whose vulnerability can be exacerbated by the current functioning or arrangements in the energy market. Whilst these reforms are to be welcomed and should help make a real difference to the most disadvantaged energy consumers, as noted below, some key actions on these areas are still outstanding and further important improvements are still needed.

NEA has therefore structured our response to the call for evidence in the following way; in section 1: "**Understanding vulnerability in the energy market**", NEA highlights recent relevant progress to define the needs of and support customers in vulnerable situations. In particular, NEA cites recent improvements to the Priority Services Register (PSR). NEA also comments on

Summary of NEA's recommendation

The Commission

1. The Commission's recommendations must ensure the most pressing risks facing the most vulnerable customers are prioritised and immediate opportunities to enhance support these groups are seized.
2. Beyond enhancing current industry led protocols, the Commission's recommendations must ensure the most vulnerable customers receive more consistent outcomes irrespective of their energy provider, network company or ability to access the most competitive energy deals.
3. The Commission should explicitly state that living in fuel poverty should be regarded as one of the most stark vulnerabilities domestic customers face. A lack of necessary energy services and/or the risks presented by using domestic fuels unsafely should be adopted alongside any new vulnerability classifications within the PSR explicitly.
4. The Commission should recommend that the UK Government reforms the Warm Home Discount to extend data sharing as soon as possible and ensure smaller suppliers are also required to provide this assistance.
5. The Commission should recommend the Safeguard Tariff should not be withdrawn prematurely and could operate alongside the wider SVT wide price cap.
6. The Commission should cite the wider, more varied reasons some customers are not active within the energy market or languish on a more expensive tariff or payment types. The Commission should also highlight which barriers are or are not specific to the energy industry.
7. The Commission should recommend that the removal of national telephone based service must be addressed urgently. The Commission should also highlight the importance of timely advice delivered, in home, at the same time as energy efficiency interventions.
8. The Commission should recommend that the opportunities for wider data-sharing should be seized. They should also note the opportunities for local authorities, public sector health bodies and energy network companies to undertake direct data matching process with the Department for Work and Pensions (DWP), independent of licensed gas and electricity suppliers.
9. The Commission should note Ofgem and the UK Government's direct role in monitoring and addressing distributional impacts caused by energy policy interventions.
10. The Commission should note the opportunities for Ofgem's remit to be expanded to strengthen consumer protection for non-gas heated homes.

Energy suppliers

1. Progress on improving the Priority Services Register (PSR) must be maintained. There should also be reforms to existing PSR services and additions to the PSR minimum services list should also be considered. Raising awareness of the PSR and related services, driving up third party outreach and referrals are also key priorities.
2. All energy suppliers should set out if they intend to join the Energy UK Safety Net scheme. Where they don't choose to do so, a clear explanation should be provided about how these protections are embedded and how key risks of self-disconnection for their customers are addressed.
3. Energy suppliers should review whether they have suitable systems to identify if a household is at risk of harm from self-disconnection before a PPM is installed and Energy UK should use its Commission on Customers in Vulnerable Circumstances to review available support. This should include reducing the extent of debt collection charges and warrant related fees.
4. Much greater efforts should be made by suppliers to differentiate or segment the extent to which some forms of vulnerability are more likely to lead to more significant negative consequences than others.
5. The removal of national telephone based service must be addressed urgently.

UK Government

1. The UK Government should follow through with changes to GB-wide support schemes such as the Warm Home Discount (WHD) and Energy Company Obligation (ECO) to improve the accessibility and simplify the 'offer' these schemes could provide. This should include extending data sharing as soon as possible and ensuring smaller suppliers are also required to provide WHD assistance.
2. Steps to improve the ECO customer journey for low income households should be set out in a Code of Practice or included as part of the proposed accreditation of the Quality Mark⁹.
3. The removal of national telephone based service must be addressed urgently
4. Section 36(3) of the Digital Economy Act should be further expanded to allow local authorities, public sector health bodies and energy network companies to undertake direct data matching process with the Department for Work and Pensions (DWP), independent of licensed gas and electricity suppliers.
5. NEA urges the UK Government to meet the Clean Growth Strategy's commitment to review the impact the individual policies outlined in the Strategy¹⁰ could have on fuel poverty as part of its implementation. The UK Government should also work with Ofgem to ensure the cost burden of energy policies on low income households can be lifted or ameliorated.
6. The UK Government should gather evidence on whether changes are required to Ofgem's remit via Parliament to strengthen consumer protection for non-gas heated homes.

Ofgem

1. Major anomalies with the current eligibility criteria for the Priority Services Register (PSR) must be addressed urgently. Ofgem should aim to align the PSR with key areas and enhance monitoring and reporting of PSR. Auditing arrangements must also require licensees to monitor and report on efforts to identify vulnerable customers and promote services to them.
2. Ofgem must address an unacceptably large variance in the different services being delivered across different energy suppliers depending on their size and capacity. They should stress its willingness to regulate all licensees if voluntary attempts to encourage greater participation of industry-led protocols fail to reduce this variance. Ofgem should also shadow compliance with the requirements of the Energy UK Safety Net to ensure that pledges to enhance protections for vulnerable customers are also compliant with the domestic Standards of Conduct.
3. Principles Based Regulation must enhance consumer protections for vulnerable customers. Future Ofgem work plan documents must therefore clearly set out a detailed timeframe for considering any further need to modify any more specific licence requirements in future.
4. Ofgem must respond to the risks that the proposed Standard Variable Tariff (SVT) wide price cap will not protect exactly the same households that are already protected by the Safeguard Tariff. They must also recognise the key risk that the value of the two caps is also likely to be different. As a result, the Safeguard Tariff must not be withdrawn prematurely and could operate alongside the (SVT)-wide cap.
5. As a minimum, Ofgem need to ensure obligated ECO suppliers uphold their obligations to treat their customers fairly and respond to the enhanced needs of those in vulnerable situations. This must be reflected within the final ECO Guidance.
6. NEA urges Ofgem to work more closely with BEIS to ensure the cost burden of energy policies on low income households can be lifted or ameliorated. As well as working jointly to define and quantify the risks of current and future energy policy (particularly implications for heat decarbonisation on social equity), Ofgem should also investigate the setting of and recovery of network costs within standing charges to ensure low income consumers that may only top up their pre-payment meters rarely, don't lose credit due to standing charges before they can access any energy.
7. Ofgem must enhance tenants' knowledge of their rights to switch, choose their payment type and benefit from smart meters and protect tenants from the on-selling of sub-metred electricity and non-regulated fuels via their landlords.

Section 1: Understanding vulnerability in the energy market

The call for evidence highlights how the concept of vulnerability in the energy market has evolved and changed since privatisation and market liberalisation. During this transition, NEA has previously broadly welcomed the Energy Retail Association's Safety Net for Vulnerable, Ofgem's Consumer Vulnerability Strategy (CVS) and the addition of the broad vulnerability principle to the domestic Standards of Conduct. As noted in the following section, not only did these steps (and others) help develop new definitions which improve the conceptualisation of vulnerability in the energy market but, crucially, they have also helped lead to concrete actions by market participants to respond to those enhanced needs.

➤ Progress on improving the Priority Services Register (PSR)

An important set of recent key changes (not referenced within the call for evidence document) are to the distribution and supply gas and electricity licences to formalise arrangements for the new Priority Services Register (PSR). The changes to the PSR came into effect from 1 January 2017 and were designed to better reflect Ofgem's Consumer Vulnerability Strategy and the move to principles-based regulation. The key changes to be aware of are *Improved data recording and sharing between network companies and suppliers*. This has involved the development of consistent vulnerability flags or "needs codes" which have been implemented across all companies (networks and suppliers) and are now used to share data between each other (whilst also being mindful of existing or new data privacy laws). In addition, Ofgem have required *broadened eligibility criteria for suppliers*.

Whilst the PSR retains the typical classifications of those customers who are disabled, chronically sick and pensionable age etc; Ofgem now require suppliers to also identify anyone in a vulnerable situation who may require priority services. A new core group are customers who live with children under 5. The rationale to explicitly include children under 5 in network (but not supply licences) is the importance of this group being protected in cases of supply interruption. Ofgem's examples of other customers who are in vulnerable situation who may require priority services and now be eligible included customers with mental health issues which prevent them from understanding their bill or people who have injuries which stop them topping up their pre-payment meter. Suppliers are also now obliged to 'take all reasonable steps' to identify eligible customers to receive PSR services. In practice this means having processes in place to pick up on vulnerability during day-to-day interactions, e.g. during a phone call, when installing an energy meter or when liaising with a customer regarding repaying a debt etc. Network companies also continue to be obliged to inform their customers about the PSR at least once a year. In addition, other customers identified as vulnerable are free to be registered on the PSR and offered services but there is no onus on the networks to identify customers outside the core groups, as for suppliers. This is despite the fact, they too have key interactions with vulnerable customers; for example, when responding to an emergency gas incident or capping a gas supply.

➤ Possible improvements to the PSR

NEA believes the energy industry (energy supplier and networks) should continue to be required to continue to develop the steps above. In addition, further reforms are also warranted to maximise the value the PSR could provide. Whilst some changes noted below suggest adding further non-financial and financial support for vulnerable customers where appropriate, NEA stresses the steps to raise awareness of the PSR and enhance monitoring and reporting of PSR activities are also critical.

Suggested changes to eligibility

- ❖ In moving from a category to a needs-based approach to eligibility Ofgem and licensees should recognise that certain groups of households display risk factors that predispose them to on-going vulnerability in the energy market. In particular, NEA highlights a major anomaly that those in or at extreme risk of fuel poverty are not currently captured by a specific vulnerability flag or needs code. This must be addressed urgently.
- ❖ Ofgem should provide licensees, consumers and third party advocates with guidance on what sorts of households could most benefit from and should be targeted for PSR services. This will help with proactive identification and targeting and consistent service delivery across providers. Ofgem should recognise the PSR is currently used to register consumers on it who are to receive extra protection against disconnection, for example in the winter months. A register of these consumers and others who have been 'flagged' as vulnerable, as well as current protections under existing licence conditions, especially against disconnection, *must not* be put at risk or eroded due to Ofgem's proposed PSR changes.
- ❖ GDNs must be required to identify any enhanced needs low income and vulnerable customers may present or support they require when responding to an emergency gas incident or capping a gas supply.

Reforms to PSR services

In terms of more flexible non-financial services, whilst licence obligations may vary across energy supply businesses, electricity and gas network companies, broadly the services which are available via the PSR include:

- ❖ Bills and meter readings provided in Braille, large type or audio tape
- ❖ Moving a meter free of charge to make it easier to access
- ❖ Having controls or adaptors provided to make meters or appliances easier to use
- ❖ Free quarterly meter readings where householders are unable to read the meter themselves
- ❖ An annual safety check of the householder's gas appliances (unless a tenant, in which case this the landlord's obligation)
- ❖ Priority reconnection if supply is interrupted and advance notice of any interruption
- ❖ Alternative facilities for cooking, heating and medical equipment that is reliant on electricity if energy supply is interrupted
- ❖ A password protection scheme for energy suppliers contacting the household
- ❖ Arranging for bills to be sent or copied to a third party, such as a carer, who can help read and check for accuracy
- ❖ Free advice and information about the services available on grounds of age, disability or chronic illness.

Ofgem also wants suppliers to provide customers with more flexible services, tailored to customers' individual needs – for example by establishing a picture card system for customers with learning difficulties so that representatives can enter the house. Ofgem also expects companies to develop cost-efficient, innovative ways to increase awareness and promote uptake of PSR services. NEA proposes the following existing services must be enhanced:

- ❖ *Free gas safety checks:* More action is urgently needed to address the concerning trend of a rise in admissions to hospital for symptoms of CO poisoning which has taken place at the same time as a notable decline in the number of free gas safety checks carried out by suppliers.
- ❖ *Meter readings:* Where standard meters are replaced for PSR customers with smart meters, suppliers must ensure, through the Smart Meter Installation Code of Practice, extra time for vulnerable customers is provided to help them understand their new meter and get the most out of it.
- ❖ *Communication:* Ofgem should use the PSR's approach to equalising communication outcomes for vulnerable consumers to drive smart meter benefits for certain disadvantaged customer groups, in particular text-to-speech output from IHDs.

NEA also recommends consideration of the following services beyond the proposed PSR minimum list should be considered:

- ❖ Opt in courtesy calls and/or reminder texts to vulnerable consumers for any form of home visit should be provided in addition to a choice of dates and times (either inside or outside of common working hours)
- ❖ Free, low-cost CO alarms should be provided for low income households who apply but fail to benefit for new boilers via the Energy Company Obligation (ECO)
- ❖ Suppliers should be required to link the PSR to Telecare arrangements for smart metering
- ❖ There should be a standardising of supplier policies to replacing pre-payment meters (PPMs) with standard meters, explicitly prohibiting vulnerable consumers an up-front fee for this switch
- ❖ Controls and adaptors for householders with mobility or dexterity issues should be the norm
- ❖ Communications on audio for visually impaired customers must be enhanced
- ❖ Communications tailored in content and format to address barriers for households with mental health issues, literacy and numeracy issues and English as a second language should be readily accessible
- ❖ Dedicated extra help teams, with associated free customer service number providing access to a licensees' full range of financial and non-financial extra help, must be introduced unless a supplier is able to demonstrate how alternative operational structures are demonstrating greater outcomes for their vulnerable customers
- ❖ The enhanced services above should be regularly evaluated by their service users

Raising awareness of the PSR and related services

NEA believes Ofgem must require licensees to urgently improve the frequency and range of awareness-raising activities with regard to the PSR. Improvements should be made in four key areas:

Energy company communications

- ❖ Advertising the PSR through company communications people are most likely to read, in particular billing statements
- ❖ Follow-up communications with those who have been signed up to the register to make sure they understand what the PSR is and what services it can offer (making use of Ofgem's proposed guidance document).
- ❖ Prominent and easy-to-access information on energy company websites.
- ❖ Tailoring messaging in content and format to appeal to and ensure relevance for different target groups. This includes communicating the utility of PSR services through 'success stories' involving peers, as well as 'scenario' marketing.
- ❖ Complementing targeted messaging with advertising aimed at consumers who are part of a vulnerable person's support network and could recognise the PSR as a useful service for their client/friend/family member.
- ❖ Adopting a holistic approach to extra help through cross-promotion of the PSR in communications about other forms of extra help.
- ❖ Proactive recruitment of customers onto the PSR by staff during phone calls and home visits. The latter should include making better use of gas safety and smart meter installation visits to provide check and referrals for extra help services.

Third party outreach and referrals

- ❖ To aid identification companies should establish more proactive relationships with local authorities and their networks (Health and Wellbeing Boards, local advice bureaux, housing associations, energy advisory services etc.) in areas where they have customer density with a view to identifying and making contact with vulnerable cohorts.
- ❖ Companies should improve and increase their contact with partner organisations to disseminate promotional material about PSR services.
- ❖ Third party referral routes should be better used and process better explained to reach and sign consumers up to the PSR. In particular, front-line advisors and health professionals would be aware how quickly their referrals will be processed and their clients can expect to receive the related non-financial services.

Joined-up approach

Ofgem should aim to align the PSR with the following policy areas:

- ❖ Fuel poverty strategy: action under the strategy should be used to promote PSR services. For example, mandated health referrals from GPs.
- ❖ NICE guidelines: Ofgem and the National Institute for Health and Care Excellence (NICE) should recognise the links between the PSR review and NICE's new public health guidelines for reducing excess winter deaths and illnesses. Coordinated discussions should take place between the two agencies to facilitate an integrated approach to support and advice.
- ❖ Smart meter roll-out: Ofgem should prioritise the contact opportunity presented by installation visits under the smart meter roll-out to reach vulnerable consumers and offer extra help, including PSR services.
- ❖ ECO: As noted in the following section, supplier and network companies should be required to communicate the support that is available through ECO in more consistent and assessable formats and highlight how other forms of supplier-led assistance can be accessed if the most vulnerable fail to benefit from energy saving measures under this scheme.

Monitoring and reporting of PSR

The final set of recommendations related to the PSR are linked to the need to revise social obligations reporting. NEA believes licensees should be required to report to Ofgem on:

- ❖ What specific PSR services they offer;
- ❖ The number of unique customers receiving each service;
- ❖ The number of customers receiving a service by householder/vulnerability category (e.g. how many registered are pensioners, disabled etc.);
- ❖ The number of customers on the wider register;
- ❖ What services customers on the wider register receive (if any)

Auditing arrangements must also require licensees to monitor and report on efforts to identify vulnerable customers and promote services to them. This could include:

- ❖ What third parties have they contacted and established relationships with (e.g. local authorities) and future activity in this area;
- ❖ What communications on the PSR they have produced;
- ❖ How many customers they have advertised the PSR to through billing statements etc;
- ❖ Surveying PSR customers to monitor quality of service provision and assess what types of information/messaging householders respond well to;
- ❖ Random sampling across a supplier's customer base to check compliance with requirements to identify vulnerabilities and offer registration.

➤ **Extending support via the Energy UK Safety Net and risks of self-disconnection**

Currently some of Energy UK members have pledged to never knowingly disconnect a vulnerable customer at any time of year, where for reasons of age, health, disability or severe financial insecurity, that customer is unable to safeguard their personal welfare or the personal welfare of other members of the household. In addition, the Safety Net provides enhanced measures that are integrated into all suppliers' debt management processes, an agreed universal definition of a potentially vulnerable customer, improved communication with support agencies, a range of debt management and repayment options and follow-up procedures to support vulnerable customers. Whilst this good practice is welcome, the value of this model is increasing being challenged by a number of new entrants who may not be aware of the initiative or do not feel it is relevant for their customers. This is resulting in an unacceptably large variance in the different services being delivered across different energy suppliers depending on their size and capacity. Whilst the move towards Principles Based Regulation (PBR) and the addition of the broad vulnerability principle to the domestic Standards of Conduct could help address some of these issues in a generic way, NEA believes Ofgem should be extending efforts to ensure coverage of the specific protections offered by the Energy UK Safety Net initiative. Energy suppliers should review whether they have suitable systems to identify if a household is at risk of harm from self-disconnection before a PPM is installed and Energy UK should use its Commission on Customers in Vulnerable Circumstances to review available support. This should include reducing the extent of debt collection charges and warrant related fees. Ofgem should also investigate the setting of and recovery of network costs within standing charges to ensure low income consumers that may only top up their pre-payment meters rarely, don't lose credit due to standing charges before they can access any energy.

➤ **Principles Based Regulation must enhance consumer protections**

NEA has previously stated Ofgem must ensure that moves towards introducing Principle Based Regulation (PBR) enhance current protections for domestic consumers, particularly the most vulnerable. We therefore welcomed attempts to introduce a broad vulnerability principle and the setting of a clear requirement for suppliers to identify and respond to the needs of domestic customers by ensuring a broad vulnerability principle was added to the domestic Standards of Conduct. Coupled with a clear statement on preserving existing safeguards afforded under current licence conditions, this new approach could help keep the required level of prescription, alongside the development of some broad overarching principles which are equally enforceable. It is also welcome that Ofgem recognise the need to engage with frontline advice workers which must be supported if there is likely to be an increasing diversity of interpretations of future principles, which could lead to confusion for those agencies and charities advising households. We also continue to stress that many organisations who would naturally support the need to protect customers are not able to make national representations easily or have sufficient time or insight to respond to detailed consultations. NEA's concerns on this area have been heightened recently given the removal of the RMR core tariffs rules and a loosening on product information. Future Ofgem work plan documents must therefore clearly set out a detailed timeframe for considering any further need to modify any more specific licence requirements in future. This will help NEA in support the contributions the aforementioned organisations can make to policy making process in a targeted and more predictable manner.

➤ **An enhanced focus on helping the worst first**

Whilst NEA has welcomed the aforementioned steps (and recognises the need to continue to refine a shared understanding of 'the problem' that needs to be addressed), in some ways the concept of vulnerability in the energy market is also becoming too generic. In particular, NEA is concerned that the current concept of vulnerability does not differentiate or segment the extent to which some forms of vulnerability are more likely to lead to more significant negative consequences than others. The starker consequences some households in extremely vulnerable situations face, in turn, often should prompt prescriptive steps that should be taken universally to remedy a situation. Instead, where vulnerabilities are all treated equally, action on the most pressing issues can easily become lost in generic guidance, ambiguous rules or regulations. This in turn can lead to large variances in support provided across the energy industry and a lack of consistent outcomes for the most vulnerable consumers.

In this context, NEA particularly focuses its attention on the direct and acute risks some households face as a direct result of a lack of necessary access to energy services and/or the risk(s) presented to them by using a highly hazardous product (gas, electricity and other heating fuels) unsafely. In terms of the stark consequences a lack of necessary energy services can prompt; whichever definition of fuel poverty is applied¹¹, the physical impacts of living in a cold, damp and inefficient home are well documented and cause unnecessary suffering and premature mortality. NEA believes at least 9,700 people die each year due to a cold home, the same as the number of people who die from breast or prostate cancer¹². As well as the devastating impacts cold homes have on their occupant's lives, this problem extends to all of us; needless health & social care costs¹³, queues at GPs and A&E as well as delaying the discharge of the most vulnerable patients from hospital¹⁴. In reference to the morbidity a lack of necessary energy services can prompt; a baby born today and living in cold housing is also almost three times more likely to suffer from coughing, wheezing and respiratory illness. Existing evidence also highlights infants living in cold conditions have a 30% greater risk of admission to hospital or primary care facilities¹⁵. As the child develops, this in turn impacts on long-term educational attainment, either through increased school absence through illness or because they are unable to find a quiet, warm place to study in the home¹⁶. In adolescence, one in four teenagers living in cold housing are at risk of multiple mental health problems¹⁷.

As noted further above, as an adult enters work, low wages and sluggish growth currently mean many are in-work but still struggle to afford the increasing cost of living, including heating and powering their homes¹⁸. Fuel poverty mirrors this trend with 47% of fuel poor households in full or part-time work¹⁹. NEA estimates that some families in fuel poverty are facing an income shortfall of up to £9,331 per year (£778 per month) to cover basic essentials, including energy. As noted below, NEA has also warned many low income households could miss out on energy rebates and the proposed new safeguard price cap. The findings are included as part of our "Bridging the Gap" report which highlights the scale of the impossible choices families will be making. This in turn results in many low income households facing increasingly unmanageable situations; repaying large or growing debts whilst being excluded from signing up to the cheapest energy deals²⁰. This can create huge anxiety which exacerbates existing mental health problems, leading to further depression and potentially suicide²¹. In later life, the impact of a cold home often compounds poor physical health and loneliness. The cold badly enhances the risks of health conditions including cardiovascular and respiratory diseases, falls and injuries and mental ill health, costing the NHS an estimated £1.36 billion each year.²²

In terms of the direct risk(s) presented by using a highly hazardous product (gas, electricity and other heating fuels) unsafely, NEA particularly notes that if a household faces financial barriers to repairing or replacing a faulty heating appliance, there is virtually no support provided nationally²³ and the prolonged loss of space heating in particular has the potential to detrimentally impact on a household's health and wellbeing, especially during winter and amongst occupants most vulnerable to living in a cold home. A broken or unsafe gas appliance is also likely to prompt the use of secondary heating appliances. Using electric portable heaters is recognised as one of the most expensive forms of heating²⁴. Alternatively, alongside poor ventilation, use of combustion room heaters such as LPG and solid fuel fires can significantly increase carbon monoxide (CO) exposure risk²⁵. Furthermore, older and unsafe boilers are less energy efficient²⁶, increase carbon emissions²⁷ and lead to heightened risks for nearby neighbours also as a result of CO poisoning²⁸ or potentially, in extreme situations, fires and gas explosions²⁹. In addition, households who regularly self-disconnect are more likely to use unsafe coping tactics such as cooking on open fires or blocking up ventilation to stay warm.

As a result, NEA believes the Commission should explicitly state that living in fuel poverty should be regarded as one of the most stark vulnerabilities a households face. Where appropriate the two key risk factors noted above (a lack of necessary energy services and/or the risks presented by using domestic fuels unsafely) should also be adopted alongside any new vulnerability classifications within the PSR explicitly. In addition, much greater efforts should also be made to differentiate or segment the extent to which some forms of vulnerability are more likely to lead to more significant negative consequences than others. This would help ensure that there is an appropriate focus amongst the energy sector on the specific barriers households in fuel poverty face and help them address the customers' ability to engage with the energy market as a priority. This in turn would help the UK Government deliver their legal requirements³⁰; goals that were recently reaffirmed in both the Conservative Manifesto³¹ and the Clean Growth Strategy³². Beyond ending the individual suffering caused by fuel poverty, meeting these welcome statutory goals will also prompt significant wider benefits. This were also affirmed in the recent Clean Growth Strategy which recognises meeting fuel poverty targets can contribute towards achieving other important UK Government objectives; a successful industrial strategy³³, supporting small business growth in every region and achieving carbon emissions reductions³⁴. These key actions will also help improve local air quality³⁵, reduce health and social care costs³⁶ and provide real benefits to households who are badly struggling financially³⁷, at the same time as helping supplier meet their obligations to vulnerable customers. The following section highlights how some of these targeted outcomes may be achieved.

Section 2: Improving access and support for customers in vulnerable circumstances

This section focuses on how to make relevant changes to GB-wide support schemes. It is hoped these steps would also have rapid, profound positive changes for the most vulnerable consumers. NEA also highlights how the removal of related telephone based service must be addressed urgently. The section concludes by urging Ofgem and the UK Government to also facilitate further industry wide data-sharing and have a much more direct role in monitoring and addressing distributional impacts caused by energy policy. NEA also states the case for revisiting the scope and extent of Ofgem's current regulatory duties. In highlighting these issues, NEA's aim is simple; to ensure the most pressing risks facing some customers are prioritised and immediate opportunities are seized. In the longer-term, NEA also hopes customers in the most vulnerable situations receive much more consistent outcomes irrespective of their energy provider, network company or ability to access the most competitive energy deals. Alongside these necessary steps, NEA also highlight wider, more varied reasons some customers are not active within the energy market or languish on a more expensive tariff or payment types. These may not all be specific to the energy industry (and not all able to be remedied by the energy industry alone) however they can and must be resolved through joint collaboration and further joined up actions.

➤ Changes to GB-wide support schemes

Warm Home Discount (WHD)

The UK Government rightly recognises the effect of rising energy prices are felt most by those with the lowest disposable incomes³⁸. The levy funded Warm Home Discount provides crucial energy bill discounts to low income and vulnerable households. Via industry initiatives the policy also provides vital support to reduce fuel debt, funds energy & debt advice, income maximisation services and other forms of valuable support. In addition, receipt of WHD is currently used as a proxy for the Safeguard Tariff. The latter ensures low income and vulnerable people often benefit from even lower bills and are free from the anxiety caused by sudden price increases. The opportunities to data-match the Broader Group (and therefore ensure eligible households are automatically assisted and don't have to apply) has now been the subject of two UK Government consultations, yet are still to be introduced. In addition, the same households who may be eligible for the Broader Group but end up not receiving support now also fail to be protected by the Safeguard Tariff and are needlessly exposed to the anxiety caused by sudden price increases. These households are mostly working-age, fall into the lowest income deciles and are already facing thousand pound gaps between their incomes and the essential cost of living³⁹.

Safeguard Tariff

Protecting these households is a key priority and we therefore urge the Commission to recommend that the UK Government reforms the WHD to extend data sharing as soon as possible and ensure smaller suppliers are also required to provide this assistance⁴⁰. NEA also highlights a key concern that an assumption is currently being made that the proposed Standard Variable Tariff (SVT)-wide cap will protect exactly the same households that are already protected by the Safeguard Tariff and notes the values the two caps provide is likely to be different. As a result, there is a significant risk some low income consumers may actually see their bills increase if the Safeguard Tariff is withdrawn prematurely. NEA would welcome the Commission recommending that the Safeguard Tariff should continue to operate until these key risks are addressed.

Energy Company Obligation (ECO)

In addition to reforms to GB wide bill discounts and tariff caps, NEA believes it is paramount to improve the accessibility and simplify the 'offer' the current Energy Company Obligation (ECO) provides. ECO is currently the only remaining domestic energy efficiency delivery mechanism in England. It also plays a key role in reducing fuel poverty levels across the rest of Great Britain. Whilst there are clear and well-articulated limitations to relying solely on this mechanism to meet the UK Government's legal commitments⁴¹ or support fuel poverty eradication targets elsewhere in GB, NEA aims to improve accessibility to the programme and simplify the 'offer' ECO provides to the people it is there to serve (and who also contribute towards the cost of the scheme). In this context, NEA seeks for the Commission to recommend that the UK Government (and Ofgem) highlight how this can be achieved; by communicating the support that is available through ECO in more consistent and assessable formats⁴², provide adequate advice⁴³ to maximise the benefits of the energy saving measuring being installed and ensure any contractors highlight how other forms of supplier-led assistance can be accessed if the most vulnerable fail to benefit from energy saving measures under the scheme⁴⁴.

In addition, customers that benefit from ECO must be made aware how they can seek redress where the installation fails to deliver the anticipated or promised outcomes. Without adding unreasonable additional costs, NEA believes these steps would radically improve the customer journey for low income and should be set out in a Code of Practice or included as part of the proposed accreditation of the Quality Mark⁴⁵. As a minimum, the need for obligated suppliers to uphold their obligations to treat their customers fairly and respond to the enhanced needs of those in vulnerable situations must be reflected within the final ECO Guidance.

➤ **Removal of telephone based service must be addressed**

NEA also highlights a pressing live concern that the Energy Saving Advice Service (ESAS), provided by the Energy Saving Trust, will shortly cease to operate a telephone service and this support will be entirely web-based in the near future. This is the only remaining national phone number as it also follows the loss of the Home Heat Helpline in 2016 which provided an important service offering free help and advice for those struggling to pay their energy bills since it launched in 2005. Before it closed the Helpline took over 400,000 calls, assisting households with questions and queries about their energy bills and usage. NEA also referred to the number during awareness campaigns and it is not feasible to provide individual supplier telephone numbers. According to Ofcom, around 13% of adults in the UK do not currently go online⁴⁶ and these customers are at risk of being excluded from cheaper deals but also other services that may be beneficial to them. This includes information regarding the WHD, PSR and ECO. NEA therefore suggests the Commission recommends that energy suppliers who historically helped fund these services, set out how these needs are now to be addressed and how they will communicate and provide practical advice to households who are not on the internet. Suppliers and Ofgem should also be encouraged to develop practical suggestions about how energy related topics should be included in wider national or local authority digital inclusion strategies.

As well as telephone services, NEA also highlights the importance of timely advice delivered, in home, at the same time as energy efficiency interventions. This too has been widely acknowledged as essential by practitioners⁴⁷ and researchers⁴⁸, as well as by the energy regulator Ofgem⁴⁹, and more recently by the UK Government with the Bonfield Review⁵⁰ which addresses energy efficiency consumer advice and protection, standards and frameworks for enforcement. Face to advice not only helps to ensure that beneficiary households can effectively use any new technology, it can also help to ensure that beneficial behaviours are adopted and any energy-related problems or challenges can also be addressed. This finding was reinforced in a recent evaluation of NEA's own Health and Innovation Partnerships (HIP) programme⁵¹. Under HIP, each grant funded project was required to deliver energy-related advice – in relation to the specific intervention being made. The types of advice provided included those related to energy practices, health and wellbeing, market engagement and financial wellbeing. Access to energy-related advice included the following forms of support:

- The importance of keeping warm and well at home
- The importance of ventilation and how to avoid condensation and damp problems
- Energy bill and switching advice
- How to use new heating controls, existing or new heating systems
- Managing fuel debt, benefit advice and income maximisation
- Advice on further energy related grants or energy supplier support such as the Warm Home Discount (WHD) and Priority Service Register (PSR)

As a result, HIP helped deliver considerable improvements in how households experience their home heating, including aspects such as control over heating systems and ease of use but also thermal comfort and energy bill affordability. In addition, over half of households who received large measures and almost half of small measures households, associated changes in their pre-existing health conditions to the receipt of their HIP interventions⁵².

➤ **Links to wider data-sharing**

NEA recognises that identifying households in or at most risk of fuel poverty can be a challenge. In this context, in 2016 NEA developed its own poverty assessment tool designed to help front-line home energy efficiency assessors and fuel poverty programme workers to calculate whether a resident is living in fuel poverty. Based on the information you input about the household circumstances and property details, it calculates the impact of different interventions on the level of fuel poverty to help assessors understand which could be the most cost-effective measures. The development of this tool was co-funded by NEA, Joseph Rowntree Foundation, Eaga Charitable Trust and Citizens Advice and is free to use.

NEA also recently noted that Section 36(3) of the Digital Economy Act should be further expanded to allow local authorities, public sector health bodies and energy network companies to undertake direct data matching process with the Department for Work and Pensions (DWP), independent of licensed gas and electricity suppliers. At present it is not possible for these key groups to do this without being subject to the enhanced General Data Protection Regulations or a time consuming appraisal of the household's circumstances and securing individual 'opt in' consent. Invariably, given the risk adverse nature and time constraints on these organisations this is currently judged by the vast majority as 'too difficult' or 'too time consuming'. Unless addressed, this will lead to a postcode lottery where some citizens' data can be shared to better identify and assist vulnerable households who are most at risk of the direct impacts of morbidity associated with cold homes while others can't be, even if it's for a similar or identical purpose.

Above all, NEA highlights the current opportunity to allow network companies to directly access information from central Government about the support energy suppliers can provide to eligible households in their area is a pressing opportunity. The response has also already noted how this information would help GDNs identify some of the most vulnerable customers and deliver more bespoke solutions to them. This is particularly acute as from this September GDN will now be required to identify private tenure ECO eligible households and increasingly be required to disconnect gas supply at properties as the boiler is deemed to be unsafe as a result of the smart meter rollout. Our current research to date shows that whilst it is welcome that this removes one hazard, it often replaces it with another (living with an unsafe gas appliance to having no access to essential heating, hot water etc). If this situation is not quickly resolved this can prompt multiple issues, particularly for more vulnerable residents unable to afford to replace the affected boiler/space heaters. Where the property is either privately rented or social housing, tenants could be required to notify their landlord that the gas leak or Carbon Monoxide (CO) risk has been identified by a gas engineer and it can be some time until the gas appliance is either repaired or replaced. Despite being in rented accommodation, the onus can be placed on the tenant to see if they are eligible for support to national schemes and arrange these works (or in a limited number of instances even pay the costs). These instances are particularly the case when the landlord cannot be contacted or there may be a dispute over the nature of the works or the cost of ancillary repairs. If GDNs was able to determine eligibility for the ECO criteria more consistently and efficiently at the point of a disconnection, the aforementioned risks and delays could be reduced.

➤ **Ofgem and the UK Government's direct role in monitoring and addressing distributional impacts**

NEA has previously stated that the Department for Business and Energy and Industrial Strategy (BEIS) and Ofgem also have key roles in monitoring and addressing the distributional consequences of the functioning or arrangements in the retail energy market. NEA recently responded to the Helm Review. As well as the UK Government, NEA believes Ofgem also has a key role to play in implementing the recommendations. Whilst tax funding decarbonisation policies is the most progress option overall, this was out of scope within the review and Ofgem's remit (and presumably the Commission's). One of the other main proposals Helm came forward with was to provide relief via a similar exemption for households in fuel poverty that exists for energy intensive users. Again, this falls outside the scope of Ofgem's remit and whilst this outcome would be desirable, it could also have negative distributional impacts for those that are on the margins of fuel poverty. As a result, NEA urges Ofgem to work with BEIS to focus on how the cost burden on low income households can be lifted or ameliorated via removing policy costs from an initial block of usage for vulnerable consumers and reinvestigating the perennial idea of rising block tariffs⁵³.

In the short to medium term, Ofgem could also do far more by reinvestigating the setting of and recovery of network costs within standing charges. In particular, NEA would like Ofgem to focus on reforming how Distribution Use of System (DUOS) charges are recovered and the re-profiling of the level of DUOS charges. It is not right that low income consumers that may only top up their pre-payment meters rarely, lose a lot of credit due to standing charges before they can access any energy. It is also unfair that households who use very little energy and have negligible impacts on the use of the system pay the same DUOS as higher usage customers. Proportionate reforms in this area could lead to a much more progressive outcome than is currently the case. NEA also highlights a concern about the haste by which Ofgem and BEIS are introducing half hourly electricity settlement. Whilst NEA supports these moves in principle, the adoption of customers choosing to provide half hourly data to their supplier once they have a smart meter has been minimal to date and we are concerned that the mandating of half hourly electricity settlement will also prompt the proliferation of time-of-use pricing. Currently the mechanisms to ensure this doesn't impact unfairly on vulnerable consumers are not sufficiently developed. NEA is concerned that, alongside loosening licence requirements regarding tariff numbers and product information, some vulnerable customers with inelastic energy usage (that may need to maintain high demand at peak periods) is not being fully considered. NEA therefore expects Ofgem to be proactive in monitoring the impact of the aforementioned changes to relevant licence requirements and more generally, work with suppliers to ensure changes to half hourly settlement do not penalise vulnerable households.

In the absence of Ofgem or the UK Government's investigating potential future distributional impacts, NEA also recently commissioned Maxine Frerk and Dr Keith MacLean to undertake some new research into heat decarbonisation and social equity⁵⁴. The headline results were staggering; over 90% of today's homes will still be in use in 2050 and a major programme will be needed to decarbonise the way we consume energy if we are to meet both fuel poverty and national carbon targets. In addition, decarbonising domestic heating will require retrofitting an average of 20,000 properties each and every week for 20 to 25 years. Whilst the costs could be socialised across energy bills and/or taxation, if recovered evenly across 20 years through levies on energy bills, could create an extra 0.6 million to 2.6 million fuel poor households in GB (on the 10% measure). In addition, the research revealed all main options to decarbonise heat have very different cost profiles (ie the mix of up front and on-going costs) associated with the different solutions raises different equity concerns (i.e is upfront grants needed or on-going subsidy). There are also no clear "winners" with all low carbon heat solutions require considerable investment, changes to customers' heating systems in their home which may impact on comfort factors or the responsiveness of the system. This means that end consumer engagement even more important than now. Finally, the report noted that delivery of the UK Government's fuel poverty targets is a priority in any scenario and Ofgem and the UK Government must also take responsibility for analysing distributional impacts in an on-going manner.

➤ **Revisiting the scope and extent of Ofgem's regulatory duties**

Finally in this section, NEA highlights there may be scope for widening Ofgem's influence in some key areas. For example, whilst NEA welcomes the real progress there has been over the last year in the regulated energy sectors to protect the most vulnerable from unexpected price rises, for customers reliant on non-regulated fuels (such as Oil, LPG and District Heating) there is still little or no protection or suitable regulation in place. NEA has previously stated that Ofgem must ensure that, as a minimum, these unregulated sectors can offer the Priority Services Register (alongside the related non-financial services) and move towards a similar Principle Based Regulation (PBR) model so the most vulnerable benefit from the current protections now enjoyed by all electricity and gas customers. This could be followed up in the future with moves to implement proportionate price regulation where this is deemed appropriate. NEA acknowledges that this new approach would require changes to Ofgem's remit via Parliament but this should now be considered a priority and the findings of the current CMA investigating into the District Heating industry may provide the opportunity to make this case. In addition, NEA believes another near-term priority for Ofgem should be to enhance tenants' knowledge of the rights to switch, choose their payment type and benefit from smart meters and protect tenants from the on-selling of sub-metred electricity and non-regulated fuels via their landlords.

➤ **Wider cross-industry issues must also be addressed**

Alongside the aforementioned necessary steps, the Commission may also wish to cite the wider, more varied reasons some customers are not active within the energy market or languish on a more expensive tariff or payment types. These may not all be specific to the energy industry (and not all able to be remedied by the energy industry alone) however they include:

- ❖ Underlying poor mental health or limited financial capability
- ❖ Limited internet access
- ❖ A preference or need to manage their limited budget via receipt of a paper bill, payment by cheque or cash in advance using a PPM
- ❖ Aversion to risk and therefore a reluctance to engage with an unknown (smaller) supplier
- ❖ High debt as a result of stringent or out of date credit checks
- ❖ A fear of losing key entitlements such as the Warm Home Discount
- ❖ Their tenure and a reliance on the current payment type due to their landlord's stipulations

Section 4: Response to the consultation questions

Question 1 - Are the areas of vulnerability identified in this call for evidence the correct areas for the Commission to focus on?

As noted in section 1 above, the call for evidence highlights how the concept of vulnerability in the energy market has evolved and changed since privatisation and market liberalisation. During this transition, NEA has previously broadly welcomed the Energy Retail Association's Safety Net for Vulnerable, Ofgem's Consumer Vulnerability Strategy (CVS) and the addition of the broad vulnerability principle to the domestic Standards of Conduct. Not only did these steps help develop new definitions which improve the conceptualisation of vulnerability in the energy market but, crucially, they also led to concrete actions by market participants to respond to enhanced needs. Whilst NEA has welcomed the aforementioned steps (and recognises the need to continue to refine a shared understanding of 'the problem' that needs to be addressed), in some ways the concept of vulnerability in the energy market is now becoming too generic.

As a result, NEA believes the Commission should explicitly state that living in fuel poverty should be regarded as one of the most stark vulnerabilities a households face. Where appropriate the two key risk factors noted in section 1 above (a lack of necessary energy services and/or the risks presented by using domestic fuels unsafely) should also be adopted alongside any new vulnerability classifications within the PSR explicitly. In addition, much greater efforts should also be made to differentiate or segment the extent to which some forms of vulnerability are more likely to lead to more significant negative consequences than others. This would help ensure that there is an appropriate focus amongst the energy sector on the specific barriers households in fuel poverty face and help them address the customers' ability to engage with the energy market as a priority. This in turn would help the UK Government deliver their legal requirements⁵⁵; goals that were recently reaffirmed in both the Conservative Manifesto⁵⁶ and the Clean Growth Strategy⁵⁷.

Question 2 - In your experience how can particular vulnerabilities impact a customer's ability to interact with their energy supplier?

As noted in section 1 above, the physical impacts of living in a cold, damp and inefficient home are well documented and cause unnecessary suffering and premature mortality. Many of these low income and vulnerable customers may be in-work but still struggle to afford the increasing cost of living, including heating and powering their homes⁵⁸. This in turn results in many low income households facing increasingly unmanageable situations; repaying large or growing debts whilst being excluded from signing up to the cheapest energy deals⁵⁹. This can create huge anxiety which exacerbates existing mental health problems, leading to further depression and potentially suicide⁶⁰. In later life, the impact of a cold home often compounds poor physical health and loneliness. The cold badly enhances the risks of health conditions including cardiovascular and respiratory diseases, falls and injuries and mental ill health, costing the NHS an estimated £1.36 billion each year.⁶¹

In terms of the direct risk(s) presented by using a highly hazardous product (gas, electricity and other heating fuels) unsafely, NEA particularly notes that if a household faces financial barriers to repairing or replacing a faulty heating appliance, the prolonged loss of space heating in particular has the potential to detrimentally impact on a household's health and wellbeing, especially during winter and amongst occupants most vulnerable to living in a cold home. Furthermore, a reliance on older and unsafe boilers can also lead to heightened risks for nearby neighbours as a result of Carbon Monoxide (CO) poisoning⁶² or potentially, in extreme situations, fires and gas explosions⁶³. In addition, households who regularly self-disconnect are more likely to use unsafe coping tactics such as cooking on open fires or blocking up ventilation to stay warm.

Alongside how these particular vulnerabilities impact a customer's ability to interact with their energy supplier, there are also more varied reasons some customers are not active within the energy market or languish on a more expensive tariff or payment types. These may not be specific to the energy industry (and are unlikely to be able to be remedied by the energy industry alone) and include:

- ❖ Underlying poor mental health or limited financial capability
- ❖ Limited internet access
- ❖ A preference or need to manage their limited budget via receipt of a paper bill, payment by cheque or cash in advance using a PPM
- ❖ Aversion to risk and therefore a reluctance to engage with an unknown (smaller) supplier
- ❖ High debt as a result of stringent or out of date credit checks
- ❖ A fear of losing key entitlements such as the Warm Home Discount
- ❖ Their tenure and a reliance on the current payment type due to their landlord's stipulations
- ❖ Access to the benefits of a smart meter and In Home Display (IHD)

Question 3 - What in your experience are the key things that commissioners need to understand in relation to particular vulnerabilities and how these might impact a customer's ability to engage in the energy market?

NEA is concerned that the current concept of vulnerability does not differentiate or segment the extent to which some forms of vulnerability are more likely to lead to more significant negative consequences than others. The starker consequences some forms of household in vulnerable situations face, in turn, often should prompt prescriptive steps that should be taken universally to remedy a situation. Instead, where vulnerabilities are all treated equally, action on the most pressing issues can become lost in generic guidance, ambiguous rules or regulations. This in turn can lead to large variances in support provided across the energy industry and a lack of consistent outcomes for the most vulnerable consumers.

As a result, as noted in section 1 and response top question 1, NEA believes the Commission should ensure any recommendations do not mean the concept of vulnerability becomes even more generic or even further detached from the stark consequences many households face as a direct result of living in fuel poverty. Where appropriate the two key risk factors noted above (a lack of necessary energy services and/or the risk(s) presented by using domestic fuels unsafely) should, as a minimum, be adopted alongside any new vulnerability classifications explicitly and greater efforts should be made to differentiate or segment the extent to which some forms of vulnerability are more likely to lead to more significant negative consequences than others. Section two above and the remaining answers to these questions focus on how some of these targeted outcomes may be achieved.

Question 4 - What key trends should commissioners be aware of?

The Warm Homes and Energy Conservation Act 2000 states that a person is to be regarded as living “in fuel poverty” if they are a member of a household, living on a low income, in a home which cannot be kept warm at reasonable cost. Although fuel poverty is now measured differently across the UK nations, there are significant similarities between the characteristics of households considered to be in fuel poverty. Since 2011, fuel poverty in England is defined using the Low Income High Cost (LIHC) definition to measure progress. This states that an individual is considered fuel poor where they have fuel costs that are above average (the national median level) and, were they to spend that amount they would be left with an income below the poverty line. Progress to monitor fuel poverty across the other three UK nations is still measured using the previous 10% definition.

The number of households in fuel poverty in England under the Low Income High Cost (LIHC) definition is not improving and has increased by over 100,000 in 2015 - the most recent year that statistics are available for. Fuel Poverty now affects around 2.50 million households, representing approximately 11 % of all English households compared to 2.38 million households (or 10.6% of all households) in England in 2014. This too was a small increase from 2.35 million households in 2013, the level of fuel poverty prior to the fuel poverty strategy being passed in Parliament. The fuel poverty gap – an estimation of the additional amount that those in fuel poverty need to pay to heat their homes adequately compared to average households – has not shown any real progress either, and remains at around £884 million. Meanwhile, in Northern Ireland, it is estimated that around 43% of households (294,000) were in fuel poverty in 2011 – the most recent year for which statistics are available.⁶⁴ The number of Scottish households living in fuel poverty in 2015 was estimated at 748,000 (around 31%), and in Wales the proportion of fuel-poor households was at estimated to be around 23% in 2016 (291,000).^{65 66}

In addition to having regard to the levels of fuel poverty, whilst it is welcome that the level of disconnections of domestic customers has fallen dramatically since their peak in 2009, the levels of debt per customer is increasing as are instances of self-disconnection. Recent research from Citizens Advice reveals 140,000 households (around 400,000 people) in Great Britain have gone without gas or electricity due to not having enough money to top up their prepayment meter (PPM). Of the 140,000 households that self-disconnected, 50 per cent had someone with a mental health condition, 33 per cent included a young child and 87 per cent were in receipt of benefits. Citizens Advice said suppliers and the government “must do more” to reduce the impact of self-disconnection on vulnerable customers. It suggested energy suppliers should review whether they have suitable systems to identify if a household is at risk of harm from self-disconnection before a PPM is installed and Energy UK should use its Commission on Customers in Vulnerable Circumstances to review available support.

Question 5- Can you share any examples of best practice to support customers in vulnerable circumstances, either within energy or other relevant sectors?

As noted in section 1 and section 2 above, NEA has previously welcomed the Energy Retail Association’s Safety Net for Vulnerable and notes that some suppliers have responded well to Ofgem’s Consumer Vulnerability Strategy (CVS) and the broad vulnerability principle to the domestic Standards of Conduct. In particular, NEA has welcomed some suppliers introducing bespoke extra support units which seek to join up related services for vulnerable consumers or enhance their work with relevant third parties. There has also been encouraging *progress on* improving the Priority Services Register (PSR) and improved data recording and sharing between network companies and suppliers. This has ensured consistent vulnerability/needs codes have been implemented across all companies (networks and suppliers) and they are now using these common fields to share data between each other. NEA believes the energy industry (supplier and networks) should therefore continue to build on this work. However, alongside the wider adoption of good practice, NEA highlights the pressing need for vulnerable customers to receive much more consistent outcomes irrespective of their energy provider, network company or ability to access the most competitive energy deals. Section 2 in particular highlights how NEA feels these outcomes can best be achieved.

Question 6 - What are the particular challenges that suppliers face in identifying and supporting customers in vulnerable circumstances via different channels e.g. telephone, online?

As noted in section 2, NEA highlights a pressing live concern that the Energy Saving Advice Service (ESAS), provided by the Energy Saving Trust, will shortly cease to operate a telephone service and will be entirely web-based in the future. This also follows the loss of the Home Heat Helpline in 2016 which provided an important service offering free help and advice for those struggling to pay their energy bills since it launched in 2005. Vulnerable customers are now at risk of being excluded from cheaper deals but also other services that may be beneficial to them. This includes information regarding the WHD, PSR and ECO. NEA therefore suggests the Commission recommends that energy suppliers who historically helped fund these services, set out how these needs are now to be addressed and they will communicate and provide practical advice to households who are not on the internet and make some practical suggestions about how energy related topics must be included in wider digital inclusion strategies.

NEA has also recently noted that Section 36(3) of the Digital Economy Act should be further expanded to allow local authorities, public sector health bodies and energy network companies to undertake direct data matching process with the Department for Work and Pensions (DWP), independent of licensed gas and electricity suppliers. At present it is not possible for these key groups to do this without being subject to the enhanced General Data Protection Regulations or a time consuming appraisal of the household's circumstances and securing individual 'opt in' consent. Invariably, given the risk adverse nature and time constraints on these organisations this is currently judged by the vast majority as 'too difficult' or 'too time consuming'. Unless addressed, this will lead to a postcode lottery where some citizens' data can be shared to better identify and assist vulnerable households who are most at risk of the direct impacts of morbidity associated with cold homes while others can't be, even if it's for a similar or identical purpose. NEA highlights the opportunity to allow network companies to directly access information from central Government about the support energy suppliers can provide to eligible households in their area. This would help them identify some of the most vulnerable customers and deliver more bespoke solutions to them. This is particularly acute in the case of GDNs who will now be required to identify ECO eligible households and often have to disconnect gas supply at properties as the boiler is deemed to be unsafe.

In addition, NEA also highlights above the opportunities to data-match the Broader Group of the Warm Home Discount (and therefore ensure eligible households are automatically assisted and don't have to apply). This has been the subject of two separate UK Government consultations, yet the new powers that exist are still to be acted upon. In addition, the same households who may be eligible for the Broader Group of the WHD (but end up not receiving support as it is first come first served scheme) now also fail to be protected by the Safeguard Tariff and are needlessly exposed to the anxiety caused by sudden price increases. These households are mostly working-age, fall into the lowest income deciles and are already facing thousand pound gaps between their incomes and the essential cost of living⁶⁷. Protecting these households is a key priority and we therefore urge the Commission to recommend that the UK Government reforms the WHD to extend data sharing as soon as possible and ensure smaller suppliers are also required to provide this assistance⁶⁸. Given the risk the Standard Variable Tariff (SVT)-wide price cap will not protect the same households as the Safeguard Tariff and the values of the two caps are also likely to be different, NEA would also welcome the Commission recommending that the Safeguard Tariff should continue to operate until these key risks are addressed.

¹ For more information visit: www.nea.org.uk.

² NEA also work alongside our sister charity Energy Action Scotland (EAS) to ensure we collectively have a UK wider reach.

³ For more information visit: <http://warmzones.co.uk/>.

⁴ For more information visit: www.nea.org.uk/fpeeg/about-fpeeg/

⁵ Many of these outcomes were achieved via our Health and Innovation Programme (HIP), a £26.2 million programme to bring affordable warmth to fuel poor and vulnerable households in England, Scotland and Wales. The programme launched in April 2015 and was designed and administered by NEA as part of an agreement with Ofgem and energy companies to make redress for non-compliance of licence conditions/obligations. To date, it remains the biggest GB-wide programme implemented by a charity which puts fuel poverty alleviation at its heart. The programme comprised 3 funds: Warm and Healthy Homes Fund (WHHF): to provide heating, insulation and energy efficiency measures for households most at risk of fuel poverty or cold-related illness through health and housing partnerships and home improvement agencies; Technical Innovation Fund (TIF): To fund and investigate the impact on fuel poverty of a range of new technologies and Warm Zones Fund (WZF): to install heating and insulation and provide an income maximisation service to households in or at risk of fuel poverty, delivered cost-effectively through partnership arrangements managed by Warm Zones.

⁶ To read the full impact report click here: <https://www.nea.org.uk/wp-content/uploads/2017/02/NEA-IMPACT-REPORT-2017.pdf>

⁷ These key improvements include:

- Following the Competition and Markets Authority (CMA) inquiry, a new cost cap for Pre-Payment Meter (PPM) customers was introduced
- Ofgem extended the aforementioned price protection, via a new Safeguard Tariff, for more vulnerable customers
- Ofgem responded to calls for the vulnerability principle to be strengthened with utilities now required to identify and respond appropriately to their customers' enhanced needs
- Ofgem went ahead with a proposals to end high and inconsistent warrant charges for vulnerable energy consumers
- Working with network companies and energy suppliers, Ofgem helped improve the Priority Services Register (PSR)
- Ofgem proposed actions to improve performance from suppliers to identify, respond to and prevent vulnerable consumers from falling into further debt
- Ofgem issued a consultation on protecting consumers who receive back bills

⁸ It is hoped that that this meeting will be held in mid-summer to allow the Commissioners time to digest our feedback, alongside other representations from different organisations.

⁹ NEA believes these requirements should be made clear in a similar way to the Smart Meter Installation Code of Practice (SMICoP) which use a Self-Certification Pro-forma as a statement of compliance. This must be completed before any energy supplier ('supplier') can begin the process of installing smart meters for their consumers and they must self-certify that they comply with all aspects of the SMICoP that apply to them, and can provide evidence of their compliance on request.

¹⁰ The UK Government noted these include impacts on energy prices, impacts on the energy needs of

households through improved building fabric, and changes in the way heat is supplied.

¹¹ The Warm Homes and Energy Conservation Act 2000 states that a person is to be regarded as living "in fuel poverty" if they are a member of a household, living on a low income, in a home which cannot be kept warm at reasonable cost. Although fuel poverty is now measured differently across the UK nations, there are significant similarities between the characteristics of households considered to be in fuel poverty. Since 2011, fuel poverty in England is defined using the Low Income High Cost (LIHC) definition to measure progress. This states that an individual is considered fuel poor where they have fuel costs that are above average (the national median level) and, were they to spend that amount they would be left with an income below the poverty line. Progress to monitor fuel poverty across the other three UK nations is still measured using the previous 10% definition. The number of households in fuel poverty in England under the Low Income High Cost (LIHC) definition is not improving and has increased by over 100,000 in 2015 - the most recent year that statistics are available for. Fuel Poverty now affects around 2.50 million households, representing approximately 11 % of all English households compared to 2.38 million households (or 10.6% of all households) in England in 2014. This too was a small increase from 2.35 million households in 2013, the level of fuel poverty prior to the fuel poverty strategy being passed in Parliament. The fuel poverty gap - an estimation of the additional amount that those in fuel poverty need to pay to heat their homes adequately compared to average households - has not shown any real progress either, and remains at around £884 million.

¹² NEA's recent joint briefing with E3G highlighted the UK has the sixth-worst long-term rate of excess winter mortality out of 30 European countries. Over the last five years there has been an average of 32,000 excess winter deaths in the UK every year. Of these, 9,700 die due to a cold home - the same as the number of people who die from breast or prostate cancer each year. The new analysis was released on Fuel Poverty Awareness Day the national day highlighting the problems faced by those struggling to keep warm in their homes. To read the press release and the full cop of the report visit: <http://www.nea.org.uk/media/news/230218/>.

¹³ In 2016 BRE released its revised Cost of Poor Housing (COPH) report, which estimated the cost of poor housing to the NHS based on EHS and NHS treatment costs from 2011 and includes treatment and care costs beyond the first year. It also includes additional societal costs including the impact on educational and employment attainment. Finally, it provides information in terms of QALYs (Quality adjusted life years) as well as cost benefits, and to compare with other health impacts. The report estimates that the overall cost of poor housing is £2bn, with up to 40% of the total cost to society of treating HHSRS Category 1 hazards falling on the NHS. Overall, the cost to the NHS from injuries and illness directly attributed to sub-standard homes was estimated at £1.4billion, and the total costs to society as £18.6 billion.¹³ Research by the BRE in 2013 suggested that if all of the English housing stock with a SAP below the historic average of 41 was to be brought up to at least the current average of 51 through heating and insulation improvements, the health cost-benefit to the NHS would be some £750 million per annum.¹³ Other estimates put the costs to the NHS of energy inefficient housing at £192 million (£35 million of which was in the private rented sector). Use of the BRE category 1 calculator put the estimated private rented sector costs to the NHS at between £37 and £674 million depending on SAP rating and occupancy level.

¹⁴ Elliot AJ, Cross KW, Fleming DM. Acute respiratory infections and winter pressures on hospital admissions in England and Wales 1990-2005. *J Public Health (Oxf)*. 2008 30(1):91-8.

¹⁵ Child Health Impact Working Group (2006) *Unhealthy Consequences: Energy Costs and Child Health*. Boston, MA: CHIWG.

¹⁶ NEA (2013) *The Many Faces of Fuel Poverty*. Page5.

¹⁷ NEA (2013) *The Many Faces of Fuel Poverty*. Page5.

¹⁸ NEA estimates that some families in fuel poverty are facing an income shortfall of up to £9,331 per year (£778 per month) to cover basic essentials, including energy. As noted below, NEA has also warned many low income households could miss out on energy rebates and the proposed new safeguard price cap. The findings are included as part of our "Bridging the Gap" report which highlights the scale of the impossible choices families will be making this winter. The report also illustrates the catastrophic impact Universal Credit could have on these families who have no savings to insulate them from falling into debt, going hungry and not heating their homes over the current 6 week waiting period.

¹⁹ Across the UK, 22% of individuals (14 million people) are in relative poverty after housing costs (they have a household income below 60% of the median). Net disposal income after housing costs of a low income household is £248 per week (£12,933 per year), equating to 60% of the UK median of £413 per week. The income after housing costs of a fuel poor household is even lower: £10,118 per year, equating to a net disposal weekly income of £194. Investigating income deciles shows the poorest 10% of UK society have a gross average weekly household income of £130 (£6,760 per year). Fuel poor households overwhelmingly comprise the poorest fifth of society: 85% of households in fuel poverty in England are located in the first and second income deciles and 78% of English households in those two deciles are fuel poor.

²⁰ Many low income and vulnerable consumers, have a poor credit history; they are worried about losing out on support like the Warm Home Discount; or they face cost barriers if they attempt to switch back to a standard meter.

²¹ Christians Against Poverty (2015) *The poor pay more: Prepayment meters and self-disconnection*.

²² Age UK. 2012. [The cost of cold: Why we need to protect the health of older people in winter](#). Whilst there are issues with the fragmented nature of the evidence base around cold homes and health, to date, current available evidence is and has also been sufficient to engender official recognition of the problem by health-related public bodies. In particular, NICE have produced clear guidance on excess winter deaths and the health risks associated with cold homes (NG6) and a corresponding Quality Standard (QS117).

²³ Whilst ECO continues to provide some limited support for gas boilers, from a high of 85,000 boilers installed from the three months October to December 2013, only 13,037 boilers were installed in the five months from April to August 2017, only c. 5,500 were gas boiler replacements, less than 6% of what they were at the start of ECO in 2013. There have currently been no repairs under the scheme since April 2017.

²⁴ Ofgem noted earlier this year that there are around 1.8m electric heating households in England (8%) with higher proportions in Scotland, 0.3m (13%), and lower proportions in Wales, where there are less than 100,000 (5%), homes using electric heating. A substantial minority (0.5m) use direct-acting heating systems without storage functionality, which instead generate heat instantly when needed, and use electricity at that time. The majority of these are electric room heaters which are high energy inefficient. Households that use electric heating tend to be of lower income. In England, around a third have incomes of less than about £14,500. This combined with higher costs of heating, means these households are more likely to be fuel poor.

²⁵ Carbon monoxide (CO) is a poisonous gas that in homes is caused by unsafe or the misuse of gas, oil and solid fuel appliances, along with poor ventilation. Limited research (e.g. Ezratty et al., 2011, Kokkarinen et al., 2014) suggests that those on low incomes and who struggle to afford heating costs may be more vulnerable to CO poisoning. Between 2015-2017 NEA worked with the Gas Safety Trust and GDNs to further investigate this relationship between CO exposure risk and household vulnerability. NEA would be happy to share the findings of our most recent report; "Understanding Carbon Monoxide Risk in Households on Low Incomes and in Vulnerable Situations".

²⁶ In a typical semi-detached home, upgrading heating controls and replacing a gas boiler that is around 80 per cent efficient (D rated) with a new boiler will save around £85 a year, whereas replacing a boiler that is 70% efficient (G-rated) could save over £300 a year. (This is based on a 70 per cent or below efficient boiler with no heating controls being replaced by an at least 90 per cent efficient boiler with heating controls.) Households which have the worst performing boilers could save even more than this. Heating and hot water accounts for about 60 per cent of what a household spends in a year on energy bills, so an efficient boiler makes a big difference, especially to those households which are struggling to pay their energy bills.

²⁷ Replacing a boiler could save between 0.3 and 1.5 tonnes of CO₂ each year depending on the efficiency of the boiler being replaced. 1.5 tonnes of CO₂ is the equivalent of a return flight from London to San Francisco. Boiler replacement will also have a positive impact on air quality.

²⁸ The National Health Service estimate that every year in the UK, more than 200 people go to hospital with suspected carbon monoxide poisoning, which leads to around 50 deaths.

²⁹ For example an old disused back boiler can explode if they are left unused and empty. Woman's coffee table saves her from being chopped in half when central heating boiler explodes like a bomb, 14 January 2015.

³⁰ The Fuel Poverty (England) Regulations 2014: <http://www.legislation.gov.uk/ukxi/2014/3220/made>

³¹ The Conservative and Unionist Party Manifesto 2017, Forward, Together: Our Plan for a Stronger Britain and a Prosperous Future, 'Fair Energy Markets', page 60.

³² The Clean Growth Strategy, Leading the way to a low carbon future, HM Government, page 77.

³³ Draft National Infrastructure Assessment, National Infrastructure Commission, October 2017.

³⁴ Committee on Climate Change, Next steps for UK heat policy, October 2016.

³⁵ The Fuel Poverty Action Plan, Greater London Authority (GLA), June 2017.

³⁶ Age UK. 2012. The cost of cold: Why we need to protect the health of older people in winter.

³⁷ NEA estimates that some families in fuel poverty are facing an income shortfall of up to £9,331 per year (£778 per month) to cover basic essentials, including energy. As noted below, NEA has also warned many low income households could miss out on energy rebates and the proposed new safeguard price cap. The findings are included as part of our "Bridging the Gap" report which highlights the scale of the impossible choices families will be making this winter.

³⁸ BEIS consultation IA page 8. NEA notes that Net disposal income after housing costs of a low income household is £248 per week (£12,933 per year), equating to 60% of the UK median of £413 per week. The income after housing costs of a fuel poor household is even lower: £10,118 per year, equating to a net disposal weekly income of £194. Investigating income deciles shows the poorest 10% of UK society have a gross average weekly household income of £130 (£6,760 per year). Fuel poor households overwhelmingly comprise the poorest fifth of society: 85% of households in fuel poverty in England are in the first and second income deciles and 78% of English households in those two deciles are fuel poor.

³⁹ Ibid, Bridging the Gap report.

⁴⁰ NEA has consistently called for the current supplier obligation threshold to be reduced to obligate all suppliers over 50,000 customers to deliver the Warm Home Discount Core Group rebate. This intervention is even more warranted now given the extent of new entrants and data-sharing powers under the Digital Economy Act will shortly be amended so that households eligible for the Warm Home Discount, even those with smaller suppliers, receive protection from the safeguard tariff.

⁴¹ The milestones require the upgrading of as many fuel poor homes as is reasonably practicable to Energy Performance Certificate Band E by 2020 and to Band D by 2025. According to the Committee on Fuel Poverty (CFP)'s latest annual report published on 17th October 2017 even if the current remaining investment from ECO is netted off, beyond March 2019, £14.4 billion of additional funding will be required to install the necessary energy efficiency measures in fuel poor households in England. As noted in the response, whilst it is welcome the Government's stated intention is to shift the current programmes towards making a bigger difference for fuel poor households; the impact assessment highlights this will not provide the required investment to meet current statutory targets or the near-term milestones.

⁴² Whilst there is some information provided on what support ECO provides by energy suppliers, a number of Government-sponsored websites, consumer organisations, statutory bodies and charities etc, NEA believes there is a need to ensure that material is clear and consistent, does not confuse those in need of advice and that support on more complex issues is readily available and suitable for all households. The sources of advice discussed above are too numerous for an overall assessment within this response however BEIS should establish the extent to which current sources of information meet the criteria of comprehensive, impartial advice tailored to individual circumstances including the needs of low-income and vulnerable households, those who don't speak English as a first language, those with limited financial capability, limited internet access and where tenure and a landlord's stipulations require onward consent.

⁴³ The Energy Saving Trust has produced guidelines on providing effective advice to tenants. Energy Saving Trust, Guidance on Energy Efficiency Advice to Tenants, London: Energy Saving Trust, 2007 says that if advice is to be effective it needs to be specific to individuals and their circumstances and the distribution of general information (e.g. leaflets) is not considered to be energy advice. The areas where residents regularly need advice on installations are as follows; if the new system is replacing the main heating source (for example a heat pump is installed) it is necessary to explain not only the operation of that specific technology but the full system, including implications of changing controls (for example, how to work the programmer, setting room thermostats). If the new system is expected to save the household money, the advice/advice provider should be able to explain this in the context of the individual, for instance, how the new system will require changes in paying for fuel (for example, the most appropriate tariffs, changes to the amount the householder may have to pay through direct debit, to what extent the new technology will require a household that is off the gas grid to reduce or stop the delivery of solid or liquid fuels). The advice/advice provider should also be able to explain running costs of the new system (for example, expected savings, inclusive of any expected comfort taking, the costs of servicing, the cost of using electric boost functions and how this might vary depending on the time of day/tariff and/or any need for supplementary electric heaters). The advice/advice provider should also be able to offer further advice and support (for example, other low-cost and no-cost measures that could be adopted, local and national grant and discount schemes, or who to contact for further advice or repairs). The advice/advice provider should offer follow-up visits/helpline for those customers who need further help after the installation process. Where advice of this nature is provided directly the practical results are hugely positive. Through the provision of advice, there is a key opportunity to both amplify the benefits of the technology and to maximise the experience of the initiative/programme that helped finance the project in general (Feed-in Tariff scheme, Renewable Heat Incentive, ECO or a local initiative). This in turn can have a positive impact on the take up of these schemes amongst friends, family and neighbours etc.

⁴⁴ Energy suppliers offer a range of services but these are often poorly promoted as part of ECO by obligated parties or their suppliers and contractors. Without adding costs to the ECO scheme, obligated parties and their suppliers and contractors should be able to provide information on how households can register for priority services, get the best energy tariff, check if they can receive the WHD and hence benefit from the Safeguard Tariff, make a meter reading, benefit from a smart meter, how to maximise their income, contact their supplier to discuss energy debt, benefit from a carbon Monoxide alarm or free gas safety check.

⁴⁵ NEA believes these requirements should be made clear in a similar way to the Smart Meter Installation Code of Practice (SMICoP) which use a Self-Certification Pro-forma as a statement of compliance. This must be completed before any energy supplier ('supplier') can begin the process of installing smart meters for their consumers and they must self-certify that they comply with all aspects of the SMICoP that apply to them, and can provide evidence of their compliance on request.

⁴⁶ See: Ofcom (2016) Adults' Media Use and Attitudes Report 2016. Section 4: Digital media take-up and use. Available at: https://www.ofcom.gov.uk/data/assets/pdf_file/0023/82265/section-4-digital-media-take-up-and-use.pdf

⁴⁷ NEA (2012) Green Deal and Energy Company Obligation: The design and delivery of energy efficiency and fuel poverty advice services to vulnerable citizens. Funded by DECC. Available at: http://www.nea.org.uk/wp-content/uploads/2016/02/02-NEA-2012-GD_advice.summary.FINAL_.pdf

⁴⁸ Jacques, B. et al (2016) Relationship experts - Behaviour Change and Home Energy Coaching. Funded by the Welsh Government. Available: http://www.nea.org.uk/wp-content/uploads/2016/07/Relationship-experts_final-report.pdf

⁴⁹ Ofgem (2003) Good practice in the provision of energy efficiency advice; Ofgem (2014) Warm Home Discount (WHD): research into consumer experiences of receiving energy advice.

⁵⁰ Dr Peter Bonfield (2016) Each Home Counts: Review of Consumer Advice, Protection, Standards and Enforcement for Energy Efficiency and Renewable Energy. Commissioned by DECC, now part of BEIS, and DCLG. Available: https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/578749/Each_Home_Counts_December_2016_.pdf

⁵¹ HIP was a £26.2 million programme ran by NEA to bring affordable warmth to fuel poor and vulnerable households in England, Scotland and Wales. The programme launched in April 2015 and has delivered energy efficiency and advice measures to over 9000 households.

⁵² In particular 51.4% of large measures households and 46.7% of small measures households with pre-existing health conditions said they thought the change was associated with their HIP intervention. General health was improved for 36.2% of large measures households and 31.5% of small measures households. General mental health was improved for 35.3% of large measures households and 26.4% of small measures households. 43.7% of large measures households and 24.3% of small measures households said that post-intervention there had been an improvement in a pre-existing health condition and/or disability (or ability to cope with them).

⁵³ As part of this work Ofgem and government will be required to identify how to mitigate impacts of any reforms for low income households who have unavoidably high consumption, and may be worse off under rising block tariffs. Whilst these households would need to be protected, it is not a reason not to move forward with the aforementioned reforms overall.

⁵⁴ Heat Decarbonisation: Potential impacts on social equity and fuel poverty, Maxine Frerk, Grid Edge Policy; Dr Keith MacLean, Providence Policy, September 2017.

⁵⁵ The Fuel Poverty (England) Regulations 2014: <http://www.legislation.gov.uk/uksi/2014/3220/made>

⁵⁶ The Conservative and Unionist Party Manifesto 2017, Forward, Together: Our Plan for a Stronger Britain and a Prosperous Future, 'Fair Energy Markets', page 60.

⁵⁷ The Clean Growth Strategy, Leading the way to a low carbon future, HM Government, page 77.

⁵⁸ NEA estimates that some families in fuel poverty are facing an income shortfall of up to £9,331 per year (£778 per month) to cover basic essentials, including energy. As noted below, NEA has also warned many low income households could miss out on energy rebates and the proposed new safeguard price cap. The findings are included as part of our "Bridging the Gap" report which highlights the scale of the impossible choices families will be making this winter. The report also illustrates the catastrophic impact Universal Credit could have on these families who have no savings to insulate them from falling into debt, going hungry and not heating their homes over the current 6 week waiting period.

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⁶⁰ Christians Against Poverty (2015) The poor pay more: Prepayment meters and self-disconnection.

⁶¹ Age UK. 2012. [The cost of cold: Why we need to protect the health of older people in winter.](https://www.ageuk.org.uk/about/our-work/our-reports-and-publications/the-cost-of-cold-why-we-need-to-protect-the-health-of-older-people-in-winter/)

⁶² The National Health Service estimate that every year in the UK, more than 200 people go to hospital with suspected carbon monoxide poisoning, which leads to around 50 deaths.

⁶³ For example an old disused back boiler can explode if they are left unused and empty. Woman's coffee table saves her from being chopped in half when central heating boiler explodes like a bomb, 14 January 2015.

⁶⁴ Committee on Fuel Poverty, 2017, Annual Report

⁶⁵ Fuel poverty in England is measured under the Low Income, High Costs definition (households have higher than average required fuel costs and spending that amount would leave a residual income under the official poverty line). In Wales, Scotland and Ireland it is measured using an indicator based on a household spending more than 10% of their income on fuel.

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