

December 2024

Email to FutureConsumers@Ofgem.gov.uk

# Consumer Standards - Supplier 24-7 Metering Support statutory consultation

## **About us**

Consumer Scotland is the statutory body for consumers in Scotland. Established by the Consumer Scotland Act 2020, we are accountable to the Scottish Parliament. The Act defines consumers as individuals and small businesses that purchase, use or receive in Scotland goods or services supplied by a business, profession, not for profit enterprise, or public body.

Our purpose is to improve outcomes for current and future consumers, and our strategic objectives are:

- to enhance understanding and awareness of consumer issues by strengthening the evidence base
- to serve the needs and aspirations of current and future consumers by inspiring and influencing the public, private and third sectors
- to enable the active participation of consumers in a fairer economy by improving access to information and support

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Consumer Scotland uses data, research and analysis to inform our work on the key issues facing consumers in Scotland. In conjunction with that evidence base we seek a consumer perspective through the application of the consumer principles of access, choice, safety, information, fairness, representation, sustainability and redress.

# **Consumer principles**

The Consumer Principles are a set of principles developed by consumer organisations in the UK and overseas.

Consumer Scotland uses the Consumer Principles as a framework through which to analyse the evidence on markets and related issues from a consumer perspective.

The Consumer Principles are:

- Access: Can people get the goods or services they need or want?
- Choice: Is there any?
- Safety: Are the goods or services dangerous to health or welfare?
- Information: Is it available, accurate and useful?
- Fairness: Are some or all consumers unfairly discriminated against?
- Representation: Do consumers have a say in how goods or services are provided?
- Redress: If things go wrong, is there a system for making things right?
- Sustainability: Are consumers enabled to make sustainable choices?

We have identified access, safety, redress and information as being particularly relevant to the consultation proposal that we are responding to.

# Our response

### General response to the consultation

We welcome the opportunity to respond to Ofgem's statutory consultation on Supplier 24-7 Metering Support.

Ofgem estimates that around 83,000 consumers each year need support during out of contact hours. Energy is an essential to life service and there is a risk of significant harm to consumers without energy services. Consumer Scotland would welcome insight from Ofgem setting out whether any harm or detriment was experienced during the period of the condition's dormancy. Investigating this issue in detail could allow for better understanding of any harms experienced and support better policy making in future.

We agree with the consultation that those consumers who are off-supply due to a meter fault face significant harm. Support and advice directly from their supplier could help ensure that a consumer takes the actions they need to in order to ensure they are safe and warm, can provide some comfort to consumers and reassurance that action is being taken.

Regarding the dormancy of the condition, suppliers have failed to provide an adequate solution to this issue and as such we would encourage Ofgem to carefully consider such inactivity and potential realisation of harm when making future decisions on a similar basis. We would welcome Ofgem considering what backstops should be put in place when market based solutions are proposed, particularly in policy decisions for which the risk of detriment may be high.

### **Consumers in vulnerable circumstances**

Consumers should have access to the energy services they have contracted for. We agree with the consultation that there is a real risk of harm for consumers during a supply fault, particularly for those in vulnerable circumstances. For those who need energy to support life-sustaining health equipment at home in particular, a meter fault could cause considerable harm to their health. The period of time where suppliers are not contactable, between 20:00 and 8:00, is also when temperatures can be at their coldest and those with no energy supply due to a meter fault during the winter period could be at serious risk of harm.

Our recent report <u>Designing energy support for disabled consumers</u> discusses in detail how those with high essential energy needs could be better supported, particularly those with terminal illnesses. Our response to <u>Ofgem's Consumer Vulnerability Strategy Refresh</u> also sets out our views on how Ofgem could better support those consumers in vulnerable circumstances, including principles for how those consumers could be included and considered in designing policy and research.

Following the implementation of the licence condition, the monitoring of meter fault support for those consumers in vulnerable circumstances could be a useful area for future research and work to ensure that the refreshed Consumer Vulnerability Strategy is effective in this particular area of the market.

Regarding point 3.27, given the risk of detriment for consumers with high essential energy needs, we are of the view that requiring meter fault fixes be fixed out of working hours for those consumers in vulnerable circumstances should be part of the regulatory framework for suppliers. We will engage with the future review of the Guaranteed Standards of Performance (GSOP) framework to reiterate this point.

### Other general points

We agree that reducing pressure on network services' emergency contact services would be beneficial in ensuring consumers get the right support as soon as possible while reducing the overall costs of providing consumer support.

# **Consultation questions**

Question 1. Do you agree with our proposal to activate supplier SLC 31G.3A(c) in order to meet our desired outcome for consumers?

Yes, as we have outlined above, we see value in ensuring that consumers have access to information when they need it, and support to ensure that there are safe during a period of potential detriment.

Question 2. Are there any further issues with implementation that we have not considered in this consultation? Please provide any relevant information to evidence the issues.

No.

Question 3. Do you have any comments on the draft Impact Assessment published alongside this document, including the costs and benefits, competition impacts, and unintended consequences?

We agree with the consultation that the non-monetised benefits to consumers would be useful and are considerable for those consumers, particularly for those in vulnerable circumstances.

Question 4. Does the guidance provide sufficient clarity for suppliers, consumers and their representatives on Ofgem's expectations and consumer outcomes?

Consumer Scotland is concerned about the clarity of the changes to the Contact Ease Licence Conditions.

Information should be clearly available to all consumers, both offline and online. There may be instances of electricity meter faults where there are no broadband services and where consumers may not have full and reliable access to internet mobile services, such as those in rural and remote areas. In these circumstances, suppliers should provide information in a variety of formats to ensure consumers have access to the information they need to raise a meter fault. There remain a small number of households without access to at least one Mobile Network Operator, which adds another layer of challenge for protecting those consumers from harm. We would welcome Ofgem considering how these changes could best achieve its intended outcomes for those consumers with poor connectivity.

Furthermore, consumer advocacy bodies have concerns regarding the impact of the changes to the fixed/landline telephony system, whereby the Public Switched Telephone Network (PSTN) is being switched to Voice over Internet Protocol (VoIP). Consumers in Scotland, particularly those in remote and rural areas, face a higher level of risk during the migration to digital landlines. A <u>report by Consumer Scotland</u> found that consumers in remote and rural areas of Scotland had a greater than average reliance on landlines, poorer than average mobile phone signal and more frequent and longer lasting power cuts. Additionally, our analysis highlighted that consumers in rural remote areas were considerably more likely to prefer landline phones to mobile for making emergency calls at home.

Regarding the communication method used by consumers to raise a fault, we strongly suggest that online-only 24/7 support is not the sole route for consumers to raise a fault both now and in future. If any designated telephone line is under-resourced in favour of a cheaper online service, there will remain a risk to some consumers, such as those not online, with an electricity meter fault disconnecting their broadband services or for those in rural and remote areas with poor connectivity.

There is a need for a range of potential options that will suit the needs and circumstances of different consumers, including those in vulnerable circumstances. The operation and prioritisation of a telephone line service will also have resilience considerations as digital landlines will not work in a power cut without additional backup systems being put in place by providers. Consideration should be given to the likely battery back up call time level of digital landlines. The current Ofcom guidance is for providers to ensure a minimum of 1 hour of continuous call time in the event of a power outage, with recent guidance from the UK Government calling for providers to go beyond this and to aim to have solutions which maximise resilience as far as is possible.

These wider conversations around communication methods and resilience should be reflected upon. In cases of meter fault, the consumer may not have much time to contact the supplier phone line, or find it possible to wait if there is a lengthy call queue. While progress is being made to address resilience concerns around the migration to digital landlines, including through the recent publication of the Critical National Infrastructure Charter and the Ofcom Statement on Network and Service Resilience Guidance, there is more to be done to ensure that consumers will have reliable access to a landline service. Collaborative working with key stakeholders and the Electronic Communications Resilience

and Response Group (EC-RRG) will help to mitigate the resilience based risks to consumers, particularly those in remote and rural areas.

We would welcome Ofgem engaging with Ofcom regarding such potential electricity failures and setting out how such issues could be addressed, both for this out of contact hours meter fault issue and also in cases of network failure – this would help ensure any solutions are joined up and policy is coherent for consumers.