



## **The Consumer Council for Northern Ireland response to the Utility Regulator's Consumer Protection Programme Best Practice Frameworks Call for Evidence**

**November 2019**

**Our reference: PD20010/3043**

### **The Consumer Council**

1. The Consumer Council is a non-departmental public body (NDPB) established through the General Consumer Council (Northern Ireland) Order 1984. Our principal statutory duty is to promote and safeguard the interests of consumers in Northern Ireland. In energy and water we have additional duties in regards to consumer vulnerability (disabled or chronically sick, low income, rural consumers, and those of pensionable age).
2. We welcome the opportunity to respond to the Utility Regulator's (UR) call for evidence. As providers of essential services, energy and water companies have a responsibility to assist consumers in vulnerable circumstances or who face affordability challenges. We support UR's work to improve the protections provided to consumers. We agree with the focus placed on vulnerability and affordability by UR in its Consumer Protection Programme. We now wish to see an acceleration of progress.

### **Consumer Principles**

3. The Consumer Council, like many consumer and regulatory organisations (such as The Consumer Council for Water, The Institute for Chartered Accountants in England and Wales, Civil Aviation Authority, Citizens Advice Scotland, Scottish Legal Complaints, Legal Services Consumer Panel, Consumer Finance, and Healthwatch), uses a set of eight core principles. The principles provide a framework for working out how particular issues or policies are likely to affect consumers, help identify key issues and risks, ask questions into consumer issues about service design and delivery, consumer impact and how services should look and feel to the consumer. The Consumer Council believes that the consumer principles framework can be an effective tool to help inform UR's analysis and decision making throughout the best practice frameworks (1 and 2) projects.

Figure 1: The Consumer Council's eight core principles.



4. The eight principles were adopted by the United Nations in the 1970s in its Guidelines for Consumer Protection as "eight consumer rights". In April 2013, The United Nations Conference on Trade and Development (UNCTAD) stated that, "the Guidelines remain a valid and relevant document for consumer protection policy and have inspired a significant number of national consumer protection laws".
5. Affordability considerations run throughout our principled consideration of consumer issues.
6. We view a deficiency in any of the eight principles or affordability, whatever its cause, as a potential source of vulnerability, a potential that may crystallise into detriment and consumer harm.

### Consumer Context

7. Socio economic indicators show that Northern Ireland is a more vulnerable society than the rest of the UK. Consumers in Northern Ireland are poorer, having around half the discretionary weekly spend as GB households, £113 compared to £213 UK average<sup>1</sup>, are less financially resilient with lower financial capability, savings, wages, and levels of debt (see Table 1), spend more on energy<sup>2</sup> compared to GB consumers and suffer persistently high levels of fuel poverty.

<sup>1</sup> July 2019 Asda income tracker. <https://corporate.asda.com/media-library/document/asda-income-tracker-presentation-july-2019/> proxyDocument?id=0000016c-28d3-d61b-a16d-badb7b30001

<sup>2</sup> NI households spend £12.60 per week on electricity and £13.70 per week on heating fuel, compared to £11.30 and £11.40 for the UK average. ONS figures financial year 2016 to financial year 2018.

**Table 1. Northern Ireland, A More Vulnerable Society**

Issue	NI	UK	Difference	Source
Disability claimants (DLA or PIP)	11.6%	5.7%	+103%	Calculated using DFC ONS and NISRA Statistics published in 2019
No cash savings or savings under £5,000	67%	57%	+18%	FCA 2017 – Financial Lives Survey (published 2018)
No cash savings	16%	13%	+23%	FCA 2017 – Financial Lives Survey
Over-indebtedness	20%	15%	+33%	FCA 2017 – Financial Lives Survey
Low understanding of financial issues	24%	17%	+41%	FCA 2017 – Financial Lives Survey
High confidence in managing money	26%	37%	-30%	FCA 2017 – Financial Lives Survey
Adults with low financial capability	24%	17%	+41%	FCA 2017 – Financial Lives Survey
People with no account (excluding post office card account)	6%	3%	+50%	Family Resource Survey 2017/2018
Average Debt (for those with debts)	£10,730	£9,570	+12%	FCA 2017 – Financial Lives Survey
Economically Inactive	25.8%	20.8%	+24%	NOMIS May – July 2019
Discretionary income	£113	£213	-47%	Asda Income Tracker July 2019

8. This position is echoed in The Consumer Council’s own Consumer Insight research<sup>3</sup>, which shows that:

<sup>3</sup> Source: The Consumer Council Consumer Insight Survey, February 2019.

- Half of Northern Ireland adults have £300 or less to spend after essential outgoings each month, with this figure significantly higher for C2DEs (59%), those not working (62%), those with an income of <£20,000 (68%), renters (69%) and those with a disability (62%);
  - 13% of consumers say that their biggest household bill concern is paying for home energy; and
  - More than half of consumers (56%) struggle all of the time or some of the time to pay household bills, including energy.
9. The Consumer Council's recent research on consumer experiences of electricity and gas prepayment meters continues to show this underlying societal vulnerability:
- Nearly one in five consumers (19%) could not power their home in the last 12 months because they could not afford to top up and a third (32%) struggle at times to pay for their electricity; and
  - Around a third (33%) of natural gas consumers using a prepayment meter struggle at times to pay for their gas and around 20% could not heat their homes in the last 12 months because they could not afford to top up<sup>4</sup>.
10. The Money and Pension Service listening document<sup>5</sup> lists key aspects of financial capability measured in 2018. Of the 12 areas measured, Northern Ireland is listed as the worst performer for 11 indicators. Figure 2 highlights these:

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<sup>4</sup> Source: The Consumer Council Research on the Consumer Experiences of Electricity & Gas Prepayment Meters, July 2019.

<sup>5</sup> <https://maps.org.uk/wp-content/uploads/2019/04/Listening-Document.pdf>

**Figure 2: Key aspects of financial capability**

The table below shows some of the key aspects of financial capability measured in the 2018 UK-wide survey. Green and yellow show where people in a devolved nation show a variation from the UK average that is at or more than 5%. Rows in grey show where populations across the different nations are very close to showing the same characteristics.

	UK	Scotland	Wales	NI
<b>Day-to-day money management</b>				
Rarely or never save.	21%	20%	24%	24%
Have less than £100 in savings and investments.	22%	26%	27%	28%
Often use a credit card, overdraft or borrow money to buy food or pay bills because they have run short of money.	17%	15%	14%	11%
<b>Over-indebtedness</b>				
Are over-indebted	17%	14%	16%	16%
<b>Planning ahead</b>				
Could last three months or more without borrowing if they lose their main source of income.	49%	53%	51%	49%
Have a plan for financial goals for the next five years.	53%	48%	48%	47%
Do not feel that they understand enough about pensions to make decisions about saving for retirement. (18-64 only)	55%	54%	57%	61%
Are not engaged with how they would manage financially if they need to go into long-term residential care. (65+ only)	43%	40%	33%	48%
<b>Accessing information, guidance and advice</b>				
Know of organisations and websites that can offer free or affordable financial information, help and support.	58%	59%	56%	58%
Did not seek financial help or support for life-events or situations experienced in the last 12 months (working-age only)	59%	61%	58%	65%
Have used the internet for online or mobile banking	69%	66%	67%	63%
<b>Confidence</b>				
Do not feel confident making decisions about financial products and services.	47%	46%	51%	51%
<b>Sense of control</b>				
Do not feel they can determine what happens in their lives when it comes to money.	63%	64%	67%	71%
Do not focus on the long term when it comes to money	61%	66%	62%	67%

Note: because England comprises the vast majority of the UK population, the UK average and the results for England are almost always identical.

- The Department for Communities reported 89,890 claimants for disability living allowance, 74,340 claimants for carers allowance and 54,130 claimants for attendance allowance in May 2019.<sup>6</sup>

<sup>6</sup> <https://www.communities-ni.gov.uk/system/files/publications/communities/benefit-statistics-summary-may-2019.pdf>

12. Between 2017 and 2018, the proportion of people in the population aged over 85 has risen by 1.5% to 37,700, continuing the trend from the decade before 2018 when the 85-and-over age group grew by 30.4%.<sup>7</sup> The CMA reports that some older people will face challenges when navigating markets due to personal characteristics arising from multiple health conditions, sensory impairment, disability and cognitive impairment.<sup>8</sup>
13. The 2011 census reported 30,000 blind or partially sighted consumers in Northern Ireland. Action on Hearing Loss reports over 300,000 people have hearing loss.<sup>9</sup>
14. In June 2019, a total of 88,203 patients were waiting to be admitted to hospitals in Northern Ireland, with one third (34%, 30,004) waiting for an inpatient admission, with the remaining 66% (58,199) waiting for a day case admission. 66.7% (58,872) of patients were waiting more than 13 weeks to be admitted for treatment.<sup>10</sup>
15. Each year from 2013-2017 there were 9,401 patients diagnosed with cancer in Northern Ireland.<sup>11</sup>
16. Northern Ireland has a 25% higher overall prevalence of mental health problems than England and 60% of respondents to the Northern Ireland Study of Health and Stress reported at least one traumatic event during their lifetime. There was a 20% increase in prescription rates for mood and anxiety disorders between 2009 and 2013.<sup>12</sup>
17. The Money and Mental Health Policy Institute found that 75% of consumers who have experienced mental health problems have serious difficulties engaging with at least one commonly used communication channel. More than half (54%) of consumers who have experienced mental health problems, and one-third (32%) of those who have not, have serious difficulties using the telephone.<sup>13</sup>
18. These, and many other indicators, strongly suggest that need is greater than the support currently being provided.

### **Northern Ireland Solutions**

19. As we have shown Northern Ireland is often significantly different to the UK/GB average, therefore we are always conscious of potential issues that can be created by simply importing solutions from elsewhere into Northern Ireland. It is right that we learn from elsewhere, and consideration is given to how examples of good practice can be made appropriate and adopted for consumers in Northern Ireland. Interventions for consumers in Northern Ireland need to be designed with them and for their particular needs. However, given the advances made in Great Britain on vulnerability

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<sup>7</sup> NISRA figures, September 2019.

<sup>8</sup> <https://www.gov.uk/government/publications/consumer-vulnerability-challenges-and-potential-solutions/consumer-vulnerability-challenges-and-potential-solutions>

<sup>9</sup> <https://www.actiononhearingloss.org.uk/about-us/our-work-across-the-uk/northern-ireland/>

<sup>10</sup> <https://www.health-ni.gov.uk/articles/inpatient-waiting-times>

<sup>11</sup> <https://www.qub.ac.uk/research-centres/nicr/FileStore/OfficialStats2017/Filetoupload,884081,en.pdf>

<sup>12</sup> Mental Health Foundation's Fundamental Facts for Northern Ireland, October 2016.

<sup>13</sup> <https://www.moneyandmentalhealth.org/accessessentials/>

and affordability over the last 6-7 years we would expect UR and companies in Northern Ireland as a first step to learn from these experiences and make speedy progress in design and implementation.

20. Figure 3 below provides an overall outcome with objectives that The Consumer Council would like to see delivered, mapped against each of the UR's five areas of intervention, with proposals to work towards these. These objectives combine to give the overall outcome of a regulatory system designed to protect consumers. We have also provided proposals that do not 'fit' to UR's five areas. Figure 4 provides more detail on the proposals with evidence and examples. We provide this outcome and objectives and proposals to help with our collective (UR, companies, consumer bodies, consumers) thinking and assist UR as it develops better defined proposals for public consultation.
21. We have included evidence and examples from other regulators or companies where similar interventions have been implemented successfully.<sup>14</sup> This list is not exhaustive, but illustrative of the steps other companies and regulators have, or will be taking, to tackle vulnerability and affordability. We understand the different market sizes, and the different ownership and finance models across Great Britain's energy and water sectors. We believe that the proposals and examples shown below are adaptable and scaleable to Northern Ireland and would afford consumers here similar levels of support and assistance as consumers in Great Britain, both in periods of crisis and ongoing need.
22. It is essential however that utility companies act now and do not 'do nothing' or wait until the end of UR's project (end of 2020/21) to take action. UR has been clear for some time that more direct action is needed from utility companies on vulnerability. Indeed, these companies should be aware that, as a minimum, more work is required to raise awareness of the existing registers.
23. Alongside developing new proposals, we expect UR to examine how effective existing regulatory provisions are to protect consumers and whether suppliers have followed guidance relating to licence conditions. For example, if utility companies put an unfair burden of proof on consumers to assess their ability to pay or adopt as standard the 40% maximum recovery rate permitted, this can result in recovery rates that consumers simply cannot afford (see Figures 1 and 2). Consumers may as a result fall further into debt (legal or illegal) or resort to self-rationing or self-disconnection.
24. The Consumer Council would like more information on how UR will assess and analyse the responses to this call for evidence, translate these into proposals for public consultation, and how these will be prioritised into short, medium and long term actions.
25. We look forward to continue working closely with UR, both as the statutory consumer body for energy and water consumers and in our role as Chair of the Consumer Vulnerability Working Group, as it develops proposals for public consultation.

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<sup>14</sup> The examples given are not exhaustive, nor should they be taken as The Consumer Council endorsement for a direct transfer across to Northern Ireland. Examples are provided to demonstrate that similar interventions are successful.

26. If you would like to discuss any aspects of this response please contact Sinéad Dynan, Director of Regulated Industries, [Sinead.dynan@consumercouncil.org.uk](mailto:Sinead.dynan@consumercouncil.org.uk)



**Figure 3: Summary of Consumer Council response**

<b>Overall Consumer Outcome: The best possible protections for all consumers, with a focus on vulnerability and affordability</b>		
	Objective	Proposals from The Consumer Council
Identification	The right help to the right people at the right time.	<ul style="list-style-type: none"> <li>• Guidance on better identification methods</li> <li>• Raise awareness of the support available</li> <li>• Increase registrations on Care Registers</li> <li>• Remove barriers to registration</li> </ul>
Practical financial assistance	Prevention of affordability issues and help if they do arise.	<ul style="list-style-type: none"> <li>• Review financial support</li> <li>• Breathing Space</li> <li>• Lowest tariff review</li> <li>• NISEP to continue</li> </ul>
Practical non-financial assistance	Flexible support and assistance for consumers in vulnerable circumstances.	<ul style="list-style-type: none"> <li>• Core minimum standards with additionality</li> <li>• Partnerships to stop 'dead-ending'</li> <li>• Home visits</li> </ul>
Staff training / Company culture	High quality treatment of consumers with protection central to company plans.	<ul style="list-style-type: none"> <li>• UR statement of requirements</li> <li>• Policy development</li> <li>• Senior level industry responsibility</li> <li>• Staff training and empowerment</li> <li>• Different engagement approaches</li> </ul>
Consumer representatives and consumer data	Consumers' data working for them.	<ul style="list-style-type: none"> <li>• Better data analysis</li> <li>• Data sharing</li> <li>• Signposting agreements</li> <li>• Use existing advisory groups</li> </ul>

Other proposals

- Improvements and consistency in support through external schemes
- Co-design of inclusive services
- Measurement of satisfaction with the services provided
- Mandatory measures for all companies
- Performance targets
- Reputational incentives not financial
- Collaboration across sectors
- Public reporting and benchmarking

**Figure 4: The Consumer Council’s detailed proposals with supporting evidence and examples**

<b>a) Are the 5 areas of vulnerable domestic consumer interventions, the correct areas for UR to focus on?</b>	
<b>The Consumer Council’s comment and proposal</b>	<b>Evidence and examples</b>
<p>We agree with the five areas, with the following comments:</p> <ul style="list-style-type: none"> <li>• UR should be explicit in what it requires of companies against each of its five areas of intervention.</li> <li>• Identification of vulnerability must include awareness raising and increased registration numbers.</li> <li>• UR and companies should adopt inclusive co-production and co-design approaches<sup>15</sup> to work with consumers to better understand vulnerability and design service solutions.</li> <li>• There must be equal recognition that consumer vulnerability and affordability can be driven by company policy, practice and behaviour.</li> <li>• The effectiveness and appropriateness of interventions should be measured by companies, reported to UR and regularly reviewed – this should include directly measuring consumer satisfaction and levels of uptake with the services provided.</li> <li>• Company culture should include senior level responsibility for implementing and reporting on vulnerability measures.</li> <li>• UR should establish appropriate regulatory oversight and monitoring of company progress, use of interventions and behaviours. An annual assessment should be published.</li> </ul>	<ul style="list-style-type: none"> <li>• Proposal 1 in the UR’s 2017 review of NI Water’s and NIE Networks’ Care Registers noted “Services offered by electricity and water companies will continue to recognise the different levels of service required by customers with various different needs.” This remains valid and should be restated for all companies in future consultation proposals on best practice and practical interventions.</li> <li>• The UR’s five areas are in line with approaches taken by other regulators, for example Ofgem’s updated Vulnerable Consumer Strategy<sup>16</sup> to guide its work on vulnerability to 2025 has five main themes: <ul style="list-style-type: none"> <li>• Improving identification of vulnerability and smart use of data</li> <li>• Supporting those struggling with their bills</li> <li>• Driving significant improvements in customer service for vulnerable groups</li> <li>• Encouraging positive and inclusive innovation</li> <li>• Working with others to solve issues that cut across multiple sectors.</li> </ul> </li> </ul>

<sup>15</sup> <https://www.health-ni.gov.uk/sites/default/files/publications/health/HSCB-Co-Production-Guide.pdf>

<sup>16</sup> <https://www.ofgem.gov.uk/publications-and-updates/consumer-vulnerability-strategy-2025>

**b) Please provide examples and/or experiences of best practice activity in regards to supporting vulnerable consumers and consumers in vulnerable circumstances in regulated sectors.**

**(i) Identification**

The Consumer Council’s comment and proposal	Evidence and examples
<p><b>Objective: The right people getting the right help at the right time.</b></p> <p>Improved identification with greater consumer awareness of the support available.</p> <p><b>Proposal – Guidance on better identification methods</b>            Better understanding and identification of consumers’ vulnerability and affordability issues is critical. This is a common focus of work for regulators across different sectors in Great Britain. UR should produce guidance for energy and water companies.</p> <p>While identification is difficult, and provides challenges to be overcome, it is the first step rather than an achievement in its own right – “identification simply creates the opportunity to find out more about the consumer’s vulnerable situation, and to provide the relevant support”.<sup>17</sup></p>	<ul style="list-style-type: none"> <li>• Requiring company improvements in identification of vulnerability and affordability is in line with other regulators.</li> <li>• One of the five themes of Ofgem’s updated Vulnerable Consumer Strategy<sup>18</sup> is improving identification of vulnerability.</li> <li>• For PR19 Ofwat expects companies to “identify and support customers in vulnerable circumstances, including temporary circumstances”<sup>19</sup> and will assess:               <ol style="list-style-type: none"> <li>1. how well companies use good-quality available data to understand their customers and identify those who are in circumstances that make them vulnerable;</li> <li>2. how well companies engage with other utilities and third parties to identify vulnerability and support those customers who are in circumstances that make them vulnerable; and</li> <li>3. how targeted, efficient and effective companies’ approaches to address vulnerability are.</li> </ol> </li> <li>• Ofcom’s revised General Conditions<sup>20</sup> require communications providers to introduce policies for identifying consumers in vulnerable circumstances.</li> <li>• Ofcom’s ‘Treating vulnerable consumers fairly’ is a proposed guide for phone, broadband and pay-TV providers. It suggests practical steps for providers. Many of the suggestions would be transferrable to the energy and water sectors.</li> </ul>

<sup>17</sup> <http://www.moneyadvicetrust.org/creditors/creditsector/Documents/Energy%20UK%20report.pdf>

<sup>18</sup> <https://www.ofgem.gov.uk/publications-and-updates/consumer-vulnerability-strategy-2025>

<sup>19</sup> Ofwat PR19 final methodology

<sup>20</sup> [https://www.ofcom.org.uk/data/assets/pdf\\_file/0021/112692/Consolidated-General-Conditions.pdf](https://www.ofcom.org.uk/data/assets/pdf_file/0021/112692/Consolidated-General-Conditions.pdf)

	<ul style="list-style-type: none"> <li>• The FCA has produced a practitioners’ pack to help begin to address the needs of consumers in vulnerable circumstances, including recognising and identifying consumer vulnerability<sup>21</sup>, and further guidance for financial firms for the identification of vulnerability. This identifies four key drivers, and also acknowledges that vulnerability can be caused by the actions and behaviours of firms.<sup>22</sup></li> <li>• Money Advice Trust’s ‘Vulnerability, mental health and the energy sector: a guide to help identify and support customers’<sup>23</sup> provides good, practical advice on identification, including the BRUCE and TEXAS protocols.<sup>24</sup></li> <li>• Money Advice Trust, Money and Mental Health and the Personal Finance Research Centre at the University of Bristol produced a guide looking at the day-to-day challenges in recognising vulnerability and moving from identification to support.<sup>25</sup></li> <li>• Water companies in Great Britain are using a range of methods to help identify and offer support. For example, some companies use case studies to help consumers identify with others receiving help, some use WhatsApp for communication and submission of evidence of financial circumstances and engagement with customers who are visiting foodbanks to make them aware of support.</li> <li>• A number of companies in GB including Northern Powergrid have partnerships with mental health organisations to help them identify consumers within this group<sup>26</sup>.</li> <li>• Scottish Gas Networks is delivering training to frontline staff to help them identify vulnerable consumers and promote the additional services available.</li> </ul>
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<sup>21</sup> <https://www.fca.org.uk/publication/occasional-papers/occasional-paper-8.pdf>

<sup>22</sup> <https://www.fca.org.uk/publication/guidance-consultation/gc19-03.pdf>

<sup>23</sup> <http://www.moneyadvicetrust.org/creditors/creditsector/Documents/Energy%20UK%20report.pdf>

<sup>24</sup> BRUCE protocol: B Behaviour and Talk; R Remembering; U Understanding; C Communicating; and E Evaluating. TEXAS T Thank the consumer; E Explain how the information will be used; X eXplicit consent should be gained; A Ask the consumer questions; S Signpost or refer to internal or external help.

<sup>25</sup> <http://www.bristol.ac.uk/media-library/sites/geography/pfrc/pfrc1807-vulnerability-the-experience-of-debt-advisers.pdf>

<sup>26</sup> [https://www.ofgem.gov.uk/system/files/docs/2019/09/vulnerable\\_consumers\\_in\\_the\\_energy\\_market\\_2019\\_final.pdf](https://www.ofgem.gov.uk/system/files/docs/2019/09/vulnerable_consumers_in_the_energy_market_2019_final.pdf)

<p><b>Proposal – Raise awareness of the support available</b></p> <p>Identification interventions must include awareness raising with the setting of regulatory targets.</p> <p>We recognise that identifying who is potentially vulnerable is challenging. This is why we want to see awareness greatly increased. Our expectation is that companies will work harder to pro-actively recognise, identify and react with practical financial and non-financial support to signs of vulnerability and affordability. Alongside this it is crucial that companies are obliged to raise awareness of the support available so that consumers know what help is available, how they can access it and make decisions on whether the services would be useful to them. This will prove to be particularly useful in circumstances of transient vulnerability.</p> <p>Awareness of companies’ care registers is low; NI Water’s PC15 mid-term research found that only 11% of consumers knew about its Care Register. UR’s Insight survey found that the majority (53%) of consumers were unaware that special services are available to support those who are vulnerable.<sup>27</sup></p> <p>Methods of tracking awareness exist, for example UR’s biennial domestic insight tracker and The Consumer Council’s annual domestic consumer insight survey.</p>	<ul style="list-style-type: none"> <li>• The Department for Infrastructure’s draft PC21 Social and Environmental Guidance states that “NI Water should aim to achieve and sustain an appropriate number of consumer registrations on its Customer Care Register and the Regulator should set targets to increase customer awareness of NI Water’s Customer Care Register”.<sup>28</sup></li> <li>• A focus on awareness raising works - CC Water tracks an increase in awareness of priority services offered by water companies in England and Wales from 26% in 2012 to 44% in 2018 through its calls for companies to act. CC Water believes it is possible to raise awareness to over 60% by 2025.<sup>29</sup></li> <li>• Yorkshire Water, Northumbrian Water and Essex and Suffolk Water have all committed to increase awareness to 65% by 2025.</li> <li>• CC Water reports some examples of practical steps water companies have taken - 15 water companies have plans in place to make customers aware of the additional assistance offered by having information in/with a welcome to new home/new account pack; 12 water companies make customers aware of the additional assistance offered by specifically making information available during an incident; 10 water companies conduct follow up research after a major incident to establish whether customers felt they needed more help.<sup>30</sup></li> <li>• For PR19 Affinity Water has proposed targets to raise awareness of the support available so that consumers know what help they can access. United Utilities and Energy North West promote their Priority Services on 400,000 pharmacy bags distributed by 200 pharmacies in their region.</li> </ul>
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<sup>27</sup> Utility Regulator Domestic Consumer Insight Tracker 2018/19.

<sup>28</sup> <https://www.infrastructure-ni.gov.uk/sites/default/files/consultations/infrastructure/guidance-for-water-and-sewerage-services-2021-2027.pdf>

<sup>29</sup> <https://www.ccwater.org.uk/wp-content/uploads/2019/10/Water-for-All-2019-FINAL.pdf>

<sup>30</sup> Ibid and CC Water ‘Vulnerability in the Water Sector’ report. <https://www.ccwater.org.uk/wp-content/uploads/2018/10/Vulnerability-in-the-water-sector.pdf>

	<ul style="list-style-type: none"> <li>• They are now widening the engagement by taking mobile community hubs to other partner locations.</li> <li>• Several English water companies have been sponsoring festivals and operating water bars to help raise awareness of the company and the support it can offer people.</li> <li>• Providing Care Register information with hospital discharge information for certain conditions. Severn Trent Water is exploring how it can support the UK Government’s Care Leaver Covenant.<sup>31</sup> The covenant is part of the UK Government’s strategy to support people leaving care to become independent. It asks for public, private and voluntary sector organisations to pledge support.</li> </ul>																														
<p><b>Proposal – Increase registrations on Care Registers and remove barriers to registration</b></p> <p>Identification interventions must include the removal of barriers to registration and increasing the numbers of registered consumers.</p> <p>We have been cautious about the setting of targets for numbers of consumers on registers. We are concerned that a target to increase numbers on priority services can drive the wrong behaviours and risks simply chasing numbers rather than focused help and support that is meaningful. We want to ensure that help is meaningful for consumers.<sup>32</sup> But, given that the overall numbers of consumers registered is significantly lower than we might expect setting a target for consumers on the Registers seems a sensible step.</p>	<ul style="list-style-type: none"> <li>• The number of registered consumers seems low in comparison to anticipated need in Northern Ireland, and the range of registered consumers reported by network and supply companies also suggests inconsistency in approach.</li> </ul> <p><b>Consumers registered on NI company care registers (August 2019)</b></p> <table border="1" data-bbox="1077 778 1975 1225"> <thead> <tr> <th>Company</th> <th>Number of registered consumers</th> <th>% of domestic consumer base</th> </tr> </thead> <tbody> <tr> <td>SSE Airtricity (electricity)</td> <td>25,207</td> <td>15%</td> </tr> <tr> <td>SSE Airtricity (gas)</td> <td>4,546</td> <td>2.7%</td> </tr> <tr> <td>Electric Ireland</td> <td>23,452</td> <td>24.3%</td> </tr> <tr> <td>Click</td> <td>2,218</td> <td>8%</td> </tr> <tr> <td>Firmus Energy</td> <td>2,952</td> <td>5%</td> </tr> <tr> <td>Power NI</td> <td>2,490</td> <td>0.5%</td> </tr> <tr> <td>Budget Energy</td> <td>1,711</td> <td>2.8%</td> </tr> <tr> <td>NIE Networks</td> <td>10,000</td> <td>0.1%</td> </tr> <tr> <td>NI Water</td> <td>3,018</td> <td>0.4%</td> </tr> </tbody> </table>	Company	Number of registered consumers	% of domestic consumer base	SSE Airtricity (electricity)	25,207	15%	SSE Airtricity (gas)	4,546	2.7%	Electric Ireland	23,452	24.3%	Click	2,218	8%	Firmus Energy	2,952	5%	Power NI	2,490	0.5%	Budget Energy	1,711	2.8%	NIE Networks	10,000	0.1%	NI Water	3,018	0.4%
Company	Number of registered consumers	% of domestic consumer base																													
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Click	2,218	8%																													
Firmus Energy	2,952	5%																													
Power NI	2,490	0.5%																													
Budget Energy	1,711	2.8%																													
NIE Networks	10,000	0.1%																													
NI Water	3,018	0.4%																													

<sup>31</sup> [www.gov.uk/government/collections/care-leaver-covenant--2](http://www.gov.uk/government/collections/care-leaver-covenant--2)

<sup>32</sup> Ofgem also has some concerns about using this type of indicator to determine company performance in identifying vulnerability.

	<ul style="list-style-type: none"> <li>• The number of registered consumers seems low in comparison to providers in Great Britain the same sectors. For example, NI Water reports 0.4% of its customer base, the England and Wales water industry average is 1.2% with the leading company, Yorkshire Water, reporting 2.4% (this is before step increases planned as part of PR19).</li> <li>• In Great Britain, 24% of electricity and gas consumers were on their supplier's Priority Services Register (PSR). This represents an increase of 12% for electricity and 19% for gas compared to 2017. Ofgem attributes the increase to the implementation of a uniform set of PSR needs codes that have allowed consistent data sharing between suppliers and distribution network operators as well as between the energy and water industries.<sup>33</sup></li> <li>• Ofwat has set a PR19 performance target of 7% minimum of the domestic consumer base on each company's PSR. Yorkshire Water has set a target of 10% of customers being on the PSR.</li> <li>• From 2013/14 to 2017/18 England &amp; Wales water companies increased registered consumers by 37.7%<sup>34</sup>, with some companies increasing numbers by over 25% in 2017/18. United Utilities delivered a 69% increase in registered consumers in 2017 – the main influencers being targeted promotional activities and data sharing with Electricity North West.</li> <li>• Over PR19, United Utilities has set a performance commitment for active identification and registration of consumers needing support. The commitment is to provide support to over 100,000 consumer in vulnerable circumstances by 2025. United Utilities predicts 20,000 new registrations from existing promotional activity, 15,000 new registrations from data sharing, 18,000 new registrations from targeted</li> </ul>
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<sup>33</sup> [https://www.ofgem.gov.uk/system/files/docs/2019/09/vulnerable\\_consumers\\_in\\_the\\_energy\\_market\\_2019\\_final.pdf](https://www.ofgem.gov.uk/system/files/docs/2019/09/vulnerable_consumers_in_the_energy_market_2019_final.pdf)

<sup>34</sup> Consumer Council for Water, 'Water For All' report.

	<p>campaigns using consumer segmentation, and a 50% increase in consumer awareness of vulnerability assistance through its promotion efforts.<sup>35</sup></p> <ul style="list-style-type: none"> <li>• A common naming and branding convention, ‘Priority Services’, has worked well in England and Wales.<sup>36</sup></li> <li>• Citizens Advice Scotland makes a number of short and medium term recommendations across energy and water to remove barriers and make registration simpler for consumers in vulnerable circumstances.<sup>37</sup></li> </ul>
<b>(ii) Practical financial assistance</b>	
<b>The Consumer Council’s comment and proposal</b>	<b>Evidence and examples</b>
<p><b>Objective: Prevention of affordability issues and help if they do arise.</b></p> <p><b>Proposal – Review financial support</b> The UR should re-examine the case for direct financial support for consumers who struggle to pay their bills.</p> <p>An average consumer in Northern Ireland is more likely to be poorer, less financially resilient, spend more on energy and suffer persistently high levels of fuel poverty compared to their counterpart in Great Britain.</p> <p>This is justifiable reason to support a call for UR to re-examine the case for direct financial support for financially vulnerable consumers.</p>	<ul style="list-style-type: none"> <li>• At the end of 2018, NISRA published data on excess winter deaths for Northern Ireland. From 2016/17 to 2017/18, the number of excess winter deaths increased by 55% to 1,497. National Energy Action NI previously advised that there were 640 excess winter deaths in 2015/16 with a third directly attributable to people living in cold damp homes.<sup>38</sup></li> <li>• A review would be in line with other Regulators.</li> <li>• Ofgem’s updated Vulnerable Consumer Strategy includes supporting those struggling with their bills. A priority in the strategy is to strengthen the Ability To Pay principles to support consumers in payment difficulty and to strengthen protections to protect consumers in vulnerable situations from self-disconnecting their pre-payment meters. See also Ofgem’s consultation on self-disconnection and self-rationing.<sup>39</sup></li> </ul>

<sup>35</sup> United Utilities PR19 Business Plan.

<sup>36</sup> CC Water

<sup>37</sup> <https://www.cas.org.uk/publications/making-it-easy-simpler-registration-consumers-vulnerable-situations>

<sup>38</sup> <https://www.nea.org.uk/northernireland/northern-ireland-news-updates/fuel-poverty-figures-fall-22-still-long-way-go/>

<sup>39</sup> [https://www.ofgem.gov.uk/system/files/docs/2019/08/proposals\\_to\\_improve\\_consumer\\_outcomes\\_self-disconnection\\_and\\_self-rationing\\_1.pdf](https://www.ofgem.gov.uk/system/files/docs/2019/08/proposals_to_improve_consumer_outcomes_self-disconnection_and_self-rationing_1.pdf)



<p>A review should include all aspects of financial assistance – direct financial support, tariff reductions, income maximisation methods, debt chase management, debt advice, annual low tariff review for all consumer registered on the care registers, payment breaks to help manage short-term financial pressures, financial benefit sharing, a central affordability fund, and both short and long term interventions.</p> <p>Procedures companies currently work to should be stress tested by UR for the creation of vulnerabilities, for example companies’ disconnection and reconnection policies.</p> <p>The regulated electricity and natural gas tariffs provide some price protection to Northern Ireland consumers that should be safeguarded.</p>	<ul style="list-style-type: none"> <li>• The ability of a customer to pay their water bill is one of Ofwat’s four key themes of PR19. Ofwat’s PR19 methodology uses five principles to assess the affordability of business plans:             <ol style="list-style-type: none"> <li>1. customer engagement;</li> <li>2. customer support;</li> <li>3. effectiveness;</li> <li>4. efficiency; and</li> <li>5. accessibility of companies’ financial assistance measures.</li> </ol> </li> <li>• Ofgem has pushed energy companies to keep reducing disconnections. It is now extremely rare that anyone is disconnected from his or her energy supply because they are in debt. There were only six disconnections for debt in 2018.<sup>40</sup></li> <li>• Guidance is available to improve the support for energy consumers in vulnerable circumstances who fall behind on their bills.<sup>41</sup></li> <li>• A number of English and Welsh water companies offer financial assistance schemes alongside WaterSure, social tariff and water direct. These include charitable trust or in-house crisis fund, payment matching to clear debt, benefit entitlement checks, water efficiency home audits, lowest bill guarantee and money/debt advice referral arrangements.<sup>42</sup></li> <li>• Some energy suppliers in Great Britain have trust funds and hardship funds to help customers who are struggling with their bills. Sometimes these are used to clear a debt completely.<sup>43</sup></li> </ul>
<p><b>Proposal – Breathing Space</b></p>	<ul style="list-style-type: none"> <li>• Breathing space is a period of time during which an individual in problem debt is provided with respite from creditor action in order to fully engage with debt advice and seek a sustainable solution to their debts.</li> </ul>

<sup>40</sup> [https://www.ofgem.gov.uk/system/files/docs/2019/10/consumer\\_vulnerability\\_strategy\\_2025\\_.pdf](https://www.ofgem.gov.uk/system/files/docs/2019/10/consumer_vulnerability_strategy_2025_.pdf)  
<sup>41</sup> <https://www.citizensadvice.org.uk/Global/CitizensAdvice/Energy/Supply%20and%20final%20demand.pdf>  
<sup>42</sup> <https://www.ccwater.org.uk/wp-content/uploads/2019/10/Water-for-All-2019-FINAL.pdf>  
<sup>43</sup> [https://www.ofgem.gov.uk/system/files/docs/2019/09/vulnerable\\_consumers\\_in\\_the\\_energy\\_market\\_2019\\_final.pdf](https://www.ofgem.gov.uk/system/files/docs/2019/09/vulnerable_consumers_in_the_energy_market_2019_final.pdf)

<p>UR should review the appropriateness of implementing the UK Government’s Breathing Space proposals<sup>44</sup> and Energy UK’s Safety Net.<sup>45</sup></p>	<ul style="list-style-type: none"> <li>• The Energy UK Safety Net is a commitment from Energy UK members 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 for 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.</li> <li>• A number of English and Welsh water companies offer payment breaks to help customers get over short term financial difficulties and budget where income is erratic (zero hour contracts/ gig economy).<sup>46</sup></li> </ul>
<p><b>Proposal – Lowest tariff review</b> All care registered consumers and consumers in financial difficulty should receive an annual review to ensure they are on the lowest tariff and payment method.</p>	<ul style="list-style-type: none"> <li>• From February 2020 Ofcom is introducing a requirement that all broadband, mobile, home phone and pay TV companies provide end-of-contract and annual best tariff notifications to customers.</li> <li>• Wessex Water, Sutton and East Surrey Water, and United Utilities, offer a Guaranteed Lowest Bill. Some customers who would save money by switching to a meter are reluctant to do so because of a fear they may end up paying more. Guarantee schemes ensure the customers can switch risk free (usually for a certain period of time).</li> </ul>
<p><b>Proposal – NISEP should continue</b> The Consumer Council supports an efficient and effective Northern Ireland Sustainable Energy Programme (NISEP) scheme. We recognise NISEP’s value as an essential energy efficiency scheme that benefits Northern Ireland consumers and in particular, vulnerable and fuel poor households.</p>	<ul style="list-style-type: none"> <li>• It is important that schemes such as NISEP continue to help consumers in Northern Ireland move out of fuel poverty. Furthermore, we believe that NISEP has an important role to play in ensuring that vulnerable consumers in Northern Ireland are not left behind in the transition to a zero carbon economy.</li> </ul>

<sup>44</sup> <https://www.gov.uk/government/consultations/breathing-space-scheme-consultation-on-a-policy-proposal/breathing-space-scheme-consultation-on-a-policy-proposal>

<sup>45</sup> [https://www.energy-uk.org.uk/files/docs/Disconnection\\_policy/Sept15\\_EUK\\_Safety\\_Net.pdf](https://www.energy-uk.org.uk/files/docs/Disconnection_policy/Sept15_EUK_Safety_Net.pdf)

<sup>46</sup> <https://www.ccwater.org.uk/wp-content/uploads/2019/10/Water-for-All-2019-FINAL.pdf>

<p>The Consumer Council believes that NISEP, or a replacement scheme post March 2022, must continue to ring fence the majority (80%) of its funding for vulnerable consumers.</p>	
<p><b>(iii) Practical non-financial assistance</b></p>	
<p><b>The Consumer Council's comment and proposal</b></p>	<p><b>Evidence and examples</b></p>
<p><b>Objective: Flexible support and assistance for consumers in vulnerable circumstances.</b></p> <p><b>Proposal – Core minimum standards with additionality</b>  We would support a core set of standards for vulnerability measures, with additions for example extra help targeted at those with mental ill-health, cognitive impairments or dementia. It is important that minimum standards does not translate to low standards - any minimum standards should be set at a high level.</p> <p>As an initial step towards a consistent set of core standards, we have proposed that all companies be required to complete BSI 18477 and become JAM registered organisations (see also external accreditation section).</p> <p>Core standards could be co-designed around a set of agreed risk factors.</p> <p>Because of the complex and dynamic nature of vulnerability and affordability, UR should require companies to develop bespoke interventions and performance commitments.</p> <p>We support firms developing bespoke solutions that differentiate their consumer offerings. In our response to UR's 2017 review of</p>	<ul style="list-style-type: none"> <li>• In its recent consultation<sup>47</sup> the Financial Conduct Authority (FCA) noted that firms had explained that they would find it helpful to get: <ul style="list-style-type: none"> <li>• clear guidance on what they should do to understand the needs of vulnerable customers;</li> <li>• support for a flexible approach to support, rather than drive a tick box compliance mentality; and</li> <li>• guidance that considers the differences between types of firms.</li> </ul> </li> <li>• Transferred to Northern Ireland we believe this should translate into regulatory direction for a core set of high, but minimum, requirements while allowing firms flexibility to provide additional support prompted by their understanding of vulnerability and affordability issues for their consumer base.</li> <li>• The Money Advice Trust recommends that organisations define what vulnerability means to them, and also 'think through' or 'map out' the types of detriment consumers might be vulnerable to. Taking this step can allow organisations to prepare for such detriment, to decide in advance what support can (and cannot) be offered internally, and to respond efficiently 'in the moment'.</li> <li>• The FCA defined a small number of 'risk factors' (long-term/significant illness, carers, older people, low basic skills who struggle with numeracy and/or literacy with or without the presence of a formally diagnosed learning difficulty, job loss/unemployment, and bereavement) to help its work on researching vulnerability.<sup>48</sup></li> </ul>

<sup>47</sup> FCA consultation 'Guidance for firms on the fair treatment of vulnerable customers'

<sup>48</sup> <https://www.fca.org.uk/publication/occasional-papers/occasional-paper-8.pdf>

<p>NI Water and NIE Network’s Care Registers we stated that we supported “the principle based approach of UR, rather than trying to define and introduce precise regulatory interventions”. We noted that “tight specific regulatory mechanisms have the potential to constrict, impair or negatively affect the solutions that could be offered by utility companies or the ability to provide innovation to meet the needs of consumers”. Core minimum standards with additions would allow consistent consumer treatment with flexibility, while allowing firms to develop their competitive advantage.</p> <p>The services should be informed and developed through co-production and co-design approaches.</p> <p>Considerations of the support to be developed must be wider than just Care Registers. Care Registers are effective for consumers who are aware of them, comfortable registering and need more permanent support. Consideration must also be given to consumers who are unaware, the safeguarding of consumers due to a power cut, water outage or boil notice, and temporary vulnerabilities.</p>	<ul style="list-style-type: none"> <li>• To inform our response to UR’s NIE Networks’ and NI Water’s Care Registers review we spoke with service users’ representative groups. They suggested a range of possible service improvements including: <ul style="list-style-type: none"> <li>• The method and appropriateness of notification for planned interruptions;</li> <li>• How far in advance notifications are provided, with reminders;</li> <li>• Joint notification to residents and social housing providers and Housing Associations;</li> <li>• Identity cards in large print;</li> <li>• Follow up contact during an interruption and the method used;</li> <li>• Format of information and correspondence;</li> <li>• Utility staff training to raise awareness, help understand and support consumers with different needs;</li> <li>• Working towards various accreditation schemes;</li> <li>• Online registration and verification;</li> <li>• Signage at street works;</li> <li>• Link with the JAM card app service provider and holders;</li> <li>• Community and outreach centres should be on the Registers;</li> <li>• Specific personnel to administer the Registers; and</li> <li>• Accessibility tools on websites - for example adaptations for partially sighted and blind consumers.</li> </ul> </li> <li>• Considerations wider than the Care Registers, for example entering a 40 to 60 digit code in a pre-payment meter. If a consumer is really struggling to do this, NIE Networks and suppliers will help them by calling the number out over the phone. If this does not work, NIE Networks will send someone out asap to help the consumer in their home.</li> </ul>
<p><b>Proposal – Partnership and signposting agreements to ensure no consumer is ‘dead-ended’</b></p>	<ul style="list-style-type: none"> <li>• There is considerable evidence from Great Britain that partnerships with third party organisations can work well, with effective links being established between network and supply companies and support organisations.<sup>49</sup></li> </ul>

<sup>49</sup> The Commission for Customers in Vulnerable Circumstances. Final Report 2019

<p>'Dead-ending' is when a consumer is left at the end of a process without receiving the needed help or appropriate referral.</p> <p>Links should be built with a range of third party support organisations. Referral procedures should be established. Where possible, these should be able to provide consented hot transfers through direct telephone or digital routing.</p> <p>These partnerships will have a two way benefit, allowing the freer exchange of information to help both companies and consumers.</p>	<ul style="list-style-type: none"> <li>• An example of information provided from industry is the Energy UK Safety Net guide for advice agencies to illustrate the steps that suppliers may take, so that the advice agency is aware of the support which may be available for their clients.<sup>50</sup></li> <li>• Western Power has created an e-learning video for referral partners, which explains how referral partners can help promote its Priority Services Register and how to identify people who may need temporary support.</li> <li>• All English and Welsh water companies (apart from Hafren Dyfrdwy, Bournemouth Water, and South East Water) have money/debt advice referral arrangements in place.<sup>51</sup></li> <li>• The current price control for GB electricity distribution network operators (DNO), RII0-ED1, provides a Stakeholder Engagement and Consumer Vulnerability (SECV) incentive to encourage DNOs to engage proactively with stakeholders in order to anticipate their needs and deliver a consumer-focused, socially responsible and sustainable services.<sup>52</sup> Ofgem requires DNOs to provide evidence of the work they are delivering to address consumer vulnerability issues.</li> </ul>
<p><b>Proposal – Home visits</b></p> <p>Combined utility home visits to assess entitlement with potential for efficiency checks, benefit checks or referral.</p>	<ul style="list-style-type: none"> <li>• United Utilities Town Action Plan (TAP) aims to help the most vulnerable engage with their utility companies. TAP customer segmentation data focuses on towns and postcodes where customers are most likely to be experiencing problems. Trained staff visit consumers in their homes to identify the help available and sign the customers up for assistance on the spot (supported by an Ipad application). Before visiting a town the company engages with the local advice sector and councils for a better understanding of the local community and uses leaflets to preannounce the visit, helping consumers feel more comfortable when visited. TAP has proved very successful in reaching the hard to reach. Over 77,000 visits have been completed to date across 16 towns and 46% have a successful outcome.</li> </ul>

<sup>50</sup> [https://www.energy-uk.org.uk/files/docs/Disconnection\\_policy/Sept15\\_EUK\\_Safety\\_Net.pdf](https://www.energy-uk.org.uk/files/docs/Disconnection_policy/Sept15_EUK_Safety_Net.pdf)

<sup>51</sup> <https://www.ccwater.org.uk/wp-content/uploads/2019/10/Water-for-All-2019-FINAL.pdf>

<sup>52</sup> [https://www.ofgem.gov.uk/system/files/docs/2019/09/vulnerable\\_consumers\\_in\\_the\\_energy\\_market\\_2019\\_final.pdf](https://www.ofgem.gov.uk/system/files/docs/2019/09/vulnerable_consumers_in_the_energy_market_2019_final.pdf)

	<ul style="list-style-type: none"> <li>• Home visits can provide combined energy and water efficiency advice.</li> </ul>
<b>(iv) Staff training/ company culture / ethos</b>	
<b>The Consumer Council's comment and proposal</b>	<b>Evidence and examples</b>
<p><b>Objective: High quality treatment of consumers with protection central to company plans.</b></p> <p><b>Proposal – UR statement of requirements</b> UR must be clear and consistent in its statements of regulatory approach that vulnerability and affordability are central to its regulatory model for Northern Ireland, and it expects companies to address these directly in their plans.</p> <p>Clearly defined requirements will help avoid some of the difficulties and confusion in the regulated sectors in Great Britain.</p>	<ul style="list-style-type: none"> <li>• Ofgem, Ofwat and Ofcom have all made clear the expectations of companies operating in these different regulated industries.<sup>53</sup></li> <li>• The House of Commons Committee of Public Accounts reported that Ofwat, Ofgem, Ofcom and the FCA need to be more specific on what exactly they are trying to achieve for consumers, and how they will measure and report on how well they are doing it.<sup>54</sup> It continued that the four regulators take different and often inconsistent approaches to common consumer issues, and “do not yet have a good enough understanding of their own impact and effectiveness in protecting consumers.” It noted that the FCA had made the most progress and other regulators are now looking to learn from the FCA’s approach.</li> </ul>
<p><b>Proposal – Policy development</b> Firms should establish and publish their policies and procedures on vulnerability and affordability. Policies must reflect companies’ new focus on consumer vulnerability and affordability.</p> <p>Published policies should be easy to access. For example, prominent links from website homepages, ensuring website search functions bring up the correct relevant policies, ensuring policies are available in different formats and compliant with readability software.</p> <p>Companies should ensure all staff are aware of the policies and procedures and are appropriately trained (see below).</p>	<ul style="list-style-type: none"> <li>• Condition 35.2 of electricity supply licences and Condition 2.13.2 of natural gas supply in Northern Ireland state that “the Licensee shall comply with the Code of Practice minimum standards on Payment of Bills, Code of Practice minimum standards on Provision of Services for persons who are of Pensionable Age or Disabled or Chronically Sick, Code of Practice minimum standards on Complaints Handling Procedure, Code of Practice minimum standards on Services for Prepayment Customers and Code of Practice minimum standards on the efficient use of electricity/gas, as amended or replaced from time to time.” Suppliers in Northern Ireland are required also to publish their Codes of Practice on their website or provide copies free of charge.</li> </ul>

<sup>53</sup> See, for example Ofgem ‘Consumer Vulnerability Strategy’ and RII02 framework, Ofwat PR19 methodology, Ofcom’s Universal Service Obligation and ‘Treating vulnerable consumers fairly’.

<sup>54</sup> House of Commons Committee of Public Accounts, ‘Consumer Protection’ report HC1752, July 2019.

	<ul style="list-style-type: none"> <li>• Ofcom’s General Condition 5.2<sup>55</sup> states that “Regulated Providers must establish, publish and comply with clear and effective policies and procedures for the fair treatment of consumers whose circumstances may make them vulnerable.”</li> </ul>
<p><b>Proposal – Senior level industry responsibility</b></p> <p>Responsibility for implementation and reporting of vulnerability and affordability measures should be set at senior management or Board level.</p> <p>Larger firms could appoint vulnerability champions or teams to offer support to complex cases and offer support to frontline staff.</p>	<ul style="list-style-type: none"> <li>• FCA regulated financial firms are bound by the Principles of Business stipulated in the FCA Handbook<sup>56</sup>, which details how firms should conduct business and treat all consumers including those experiencing vulnerability. A recent UK Finance report<sup>57</sup> evaluated the Senior Managers Certification Regime (SMCR), which forms part of the FCA Handbook. It found that the rules introduced to improve governance and culture at banks following the financial crisis have led to a “meaningful and tangible change in culture, behaviour and attitudes”, and 93% of respondents agreed that the SMCR had induced change for the better.</li> <li>• Ofcom reports that many telecoms providers have appointed senior sponsors to oversee their organisation’s work on vulnerability.</li> </ul>
<p><b>Proposal – Staff training and empowerment</b></p> <p>All staff should receive vulnerability training to give employees the skills and confidence to provide a high level of service. Firms should consider establishing specialist teams or staff members.</p> <p>Staff should be empowered to make decisions and step outside of standard processes if this provides the right consumer outcome. External training from specialist training bodies should be recommended to companies. Internal training programmes should also be developed.</p> <p>Call duration targets should be removed for vulnerability and affordability calls.</p>	<ul style="list-style-type: none"> <li>• Ofcom’s General Condition 5.5<sup>58</sup> requires that regulated providers must ensure that all staff are made aware of the policies and procedures and are appropriately trained, including (if applicable) on how to refer consumers to specialist teams or members of staff who have received additional training.</li> <li>• The Money Advice Trust offers a variety of training courses to help staff understand the steps and actions they need to take in order to identify and work with customers in vulnerable circumstances.<sup>59</sup></li> <li>• Across the water industry in Great Britain front line training is being provided utilising external expertise and will work with StepChange, Money Advice Trust and Citizens Advice Bureau to raise and improve awareness especially in the areas of mental health, identifying vulnerability and suicide risk.</li> </ul>

<sup>55</sup> [https://www.ofcom.org.uk/\\_\\_data/assets/pdf\\_file/0021/112692/Consolidated-General-Conditions.pdf](https://www.ofcom.org.uk/__data/assets/pdf_file/0021/112692/Consolidated-General-Conditions.pdf)

<sup>56</sup> <https://www.handbook.fca.org.uk/handbook/PRIN/2/1.html>

<sup>57</sup> <https://www.ukfinance.org.uk/system/files/SMCR%20-%20Evolution%20and%20Reform.pdf>

<sup>58</sup> Ibid.

<sup>59</sup> <http://www.moneyadvicetrust.org/creditors/creditsector/Pages/Vulnerability-training.aspx>

	<ul style="list-style-type: none"> <li>• Co-operative Energy provides vulnerability training to its staff, including around identifying vulnerability and signposting PSR services. It provides regular refreshers on an annual basis and has created a handbook for frontline staff.</li> </ul>
<p><b>Proposal – different engagement approaches</b> Consumer education and engagement is a key principle, but must be used sensitively when considering vulnerability and affordability. The onus should not be placed solely on the consumer, but shared with companies.</p> <p>Communications must be tailored and multi-channel.</p>	<ul style="list-style-type: none"> <li>• Western Power has a suite of videos to help explain priority service registers, the support available, and how to register.</li> <li>• To help raise awareness of the support offered by the company, South Staffs Water has set up a shop front community hub, which is proving very popular. For the period of 1 April – 30 June 2019, it had 1,788 visitors to the hub. To make it engaging for customers, other stakeholders, such as Citizens Advice, Just Straight Talk, Digital Coaching and My Time Active, regularly hold advice sessions in the hub. Due to the popularity of the hub new stakeholders such as local Crime Prevention Panels and Trading Standards are keen to work with them.</li> <li>• Water companies in Great Britain are using a range of methods to help identify and offer support. For example, some companies use case studies to help consumers identify with others receiving help, some use WhatsApp for communication and submission of evidence of financial circumstances and engagement with customers who are visiting foodbanks to make them aware of support.</li> </ul>
<b>(v) Relationship with consumer representatives and use of consumer data</b>	
<b>The Consumer Council’s comment and proposal</b>	<b>Evidence and examples</b>
<p><b>Objective: Consumers’ data working for them.</b></p> <p>Companies and UR should use existing data more intelligently.</p> <p><b>Proposal – data analysis</b> Companies and UR should analyse existing data to help identify and understand the vulnerabilities that may be present in their customer base. This should include external materials to</p>	<p>This would be in line with other regulators.</p> <ul style="list-style-type: none"> <li>• Ofwat’s PR19 methodology placed requirements on English and Welsh water companies to set out how companies will use good-quality available data to understand their customers and identify those that are in circumstances that make them vulnerable.<sup>60</sup></li> <li>• Yorkshire Water, Northern Powergrid, Northern Gas Networks, and Northumbrian Water, share best practice to improve customer services and support consumers</li> </ul>

<sup>60</sup> Ofwat, ‘Delivering Water 2020: Our final methodology for the 2019 price review’. December 2017



<p>understand indicators of vulnerability and affordability, and the impact interventions can have.</p> <p>Companies should review the distribution of consumers on their registers.</p>	<p>who find themselves in vulnerable circumstances. Each company is learning from the others to improve the service to consumers.</p> <ul style="list-style-type: none"> <li>• Ofwat has reported on the opportunities available through the application of multiple sources of information layered with customer data to gain better insight and intelligence to target support to customers who need it most.<sup>61</sup></li> <li>• Ofwat and Ofgem, through UKRN, set out the expectations for companies across the energy and water sectors to work collaboratively to deliver better outcomes for consumers through the better use of data.<sup>62</sup></li> <li>• At UR’s workshop on 15 October 2019, Western Power Distribution explained how it had interrogated its and others’ data sets to ‘map’ vulnerability across its consumer base and area using 36 external vulnerability datasets.</li> <li>• It is important that companies validate their register data to ensure it is up to date. For example, British Gas has automated prompts for agents to review the current PSR information and promote the services to customers that are eligible. The system that British Gas uses has a date stamp for customers with temporary vulnerabilities to prompt agents during conversations with the consumer.</li> </ul>
<p><b>Proposal – data sharing</b></p> <p>Data sharing agreements should be established across all utilities for a coordinated care register or registration process.</p> <p>The importance of effective, consented data sharing is growing. Done sensitively and with consent the establishment of data sharing protocols could improve understanding, remove a barrier to registration, while lessening the onus and potential distress for consumers.</p>	<ul style="list-style-type: none"> <li>• Consumers with vulnerability or affordability issues can have difficulties with disclosure. All steps should be taken to remove these difficulties. The Surviving Economic Abuse charity notes the issue of disclosure and explains that this is an issue in a lot of cases it deals with. Due to the difficulties this can cause consumers we favour consented data sharing.</li> <li>• CC Water cites data sharing as a significant contributing factor to help identification and increased registration.<sup>64</sup></li> </ul>

<sup>61</sup> <https://www.ofwat.gov.uk/wp-content/uploads/2017/06/Unlocking-the-value-in-customer-data-5.pdf>

<sup>62</sup> <https://www.ukrn.org.uk/wp-content/uploads/2018/11/Making-better-use-of-data-identifying-customers-in-vulnerable-situations.pdf>

<sup>64</sup> CC Water, ‘Water Matters’

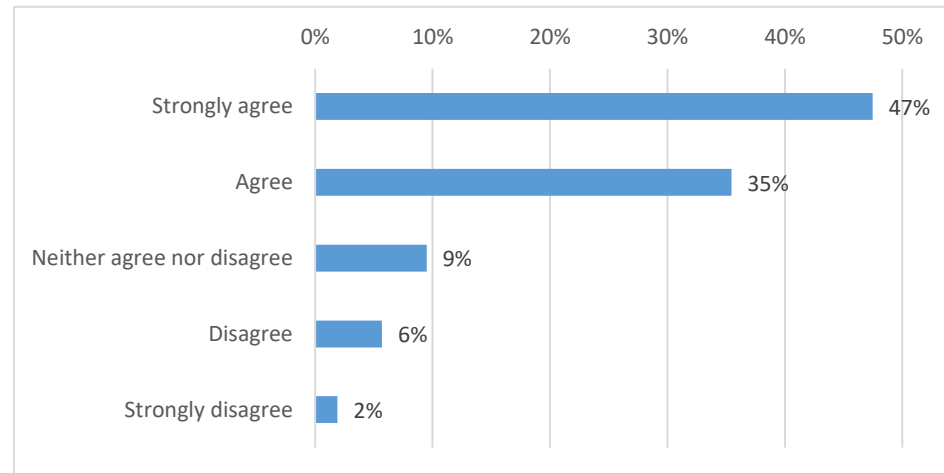
UR should continue to investigate the UKRN proposal for a pilot data sharing project in Northern Ireland.

UR should investigate the data sharing facilities provided by the Digital Economy Act 2017 to help identify consumers who need help.<sup>63</sup>

- There is consumer support for data sharing. For UR's 2017 Care Register review we surveyed consumers, directly targeting groups to whom the Registers would be of particular interest. 82% agreed that information should be shared.

**NIE Networks and NI Water should share information with each other about people on their Care Registers?**

N=158 responses



- United Utilities lead the first major direct sharing of Priority Services registers between a water company and an energy company (Electricity North West). The trial started in January 2018 and in the three months to April 2018 details of 2,000 service registrations were shared between the two companies. In Spring 2018, United Utilities also began sharing consented Priority Services details with Salford City Council whereby the local authority shares details of blue badge holders so they can be added to the Priority Services register. United Utilities is proposing to roll-out wider data sharing activities in PR19 and hopes to provide a blueprint for others to

<sup>63</sup> <http://www.legislation.gov.uk/ukpga/2017/30/part/5/chapter/1/enacted>

	<p>follow, with the aim of delivering a national data share for Priority Services across energy and water by 2020.</p> <ul style="list-style-type: none"> <li>• The targeted use of promotional campaigns can be very effective, for example United Utilities’ work with Salford Council to write to all Blue Badge holders. In Northern Ireland, the Blue Badge scheme has set eligibility criteria.<sup>65</sup></li> <li>• From discussions with UKRN we are aware of the potential for a data sharing pilot in Northern Ireland.</li> <li>• The Government’s ‘Tell Us Once’ service<sup>66</sup> helps people following a bereavement. It allows notification of all relevant government departments following a death. The local Registrar of Births, Deaths and Marriages acts as a gateway to the service following the registration of a death. The ‘Tell Us Once’ service will further notify HM Revenue and Customs, DWP, the Passport Office, DVLA, the local Council, and some others including veterans’ schemes and certain public pension scheme providers. The scheme does not currently extend to utilities or other essential service providers.</li> <li>• Yorkshire Water, and Northern Powergrid, are trialling data sharing. The National Water Industry Working Group is seeking to formalise data sharing with other utility companies, with data share of priority services data between energy and water companies in England and Wales due to go live 1 April 2020.</li> </ul>
<p><b>Proposal – signposting agreements</b> A coordinated framework for establishing signposting agreements.</p> <p>Where possible consented referrals should be through direct transfer.</p>	<ul style="list-style-type: none"> <li>• Partnerships should have been formed by energy supply companies in compliance with UR’s Codes of Practice for Minimum Standards.<sup>67</sup> UR should provide evidence of what measurement and review of this has been done. This will help establish if this has been helpful for consumers.</li> </ul>

<sup>65</sup> <https://www.nidirect.gov.uk/articles/blue-badge-eligibility-criteria>

<sup>66</sup> <https://www.gov.uk/after-a-death/organisations-you-need-to-contact-and-tell-us-once>

<sup>67</sup> <https://www.uregni.gov.uk/sites/uregni/files/media-files/Guide%20to%20Codes%20of%20Practice%20Minimum%20Standards%20in%20Electricity%20and%20Gas.pdf>

<p>It is clear from proposal six in UR’s 2017 review that more collaborative work is expected from companies to improve relationships with community and voluntary organisations. We have seen some, but limited evidence of this through the Consumer Vulnerability Working Group (CVWG).</p>	<ul style="list-style-type: none"> <li>• United Utilities launched The North West Hardship Hub in January 2019. The Hub offers money advisors a ‘one stop shop’ for all debt support schemes available to their clients, saving time and effort and ultimately helping them help more clients. Following the principles of “Trip Advisor”, money advisors can search for all the available help in their local area and be able to rate schemes, recommend them to colleagues, access application details and obtain key contact details of scheme owners.<sup>68</sup></li> </ul>
<p><b>Proposal – use existing advisory groups</b>  The CVWG should be used as an advisory panel for vulnerability and affordability work. UR established the CVWG following its review of NIE Networks’ and NI Water’s Care Registers in 2017. One of CVWG’s objectives is to focus on areas of broader utilities’ service provision that are of importance to consumers with vulnerabilities and make recommendations to UR.</p>	<ul style="list-style-type: none"> <li>• Ofwat is considering the use of a third party expert panel to assess and advise companies’ approaches to vulnerability across all companies during 2020-25.</li> <li>• Many utility companies in Great Britain have signposting agreements in place with debt advice and benefits checking agencies, for example StepChange UK.</li> <li>• United Utilities uses community and social partnerships to gain insight from other organisations and those that work directly with people in vulnerable or financially stressed circumstances to improve the services it offers. “Working more closely with these groups means that we learn more about the challenges people on low incomes or in vulnerable circumstances face. It also means we can create combined service offers that effectively address customer issues we could not implement on our own.”<sup>69</sup></li> <li>• Yorkshire Water conducts a yearly review of its services by national charities to determine how well it is delivering accessible and relevant services to consumers with additional needs.</li> <li>• Across the water industry in Great Britain partnership arrangements with debt charities are being established. Consumers are referred for holistic support across all aspects of their financial circumstances and debt problems.</li> </ul>

<sup>68</sup> <https://www.waterbriefing.org/home/company-news/item/15790-united-utilities-launches-north-west-hardship-hub-to-tackle-affordability-issues>

<sup>69</sup> United Utilities PR19 business plan, chapter 3.

c) Please provide examples of seeking external assurance and/or accreditation from expert agencies on the quality of the current consumer interventions that are offered to domestic consumers.	
The Consumer Council's comment and proposal	Evidence and examples
<p><b>Proposal – Improvements and consistency in support through external schemes</b></p> <p>External assurances and accreditations are widely available. Many forms of standards, guidance and support literature exists. It is for companies to decide which suits the needs of their consumer base best.</p> <p>As a minimum, all companies should be required to become BSI18477<sup>70</sup> and JAM<sup>71</sup> registered organisations. BSI and JAM would form part of the core minimum requirements.</p> <p>Alongside our proposal that all companies become BSI18477 and JAM registered, we would draw attention to Dementia Friendly, Action for Hearing Loss Louder than Words accreditation, RNIB approval, NEA training including 'Identifying Fuel Poverty and Vulnerability'.</p> <p>The quality of support offered should not drop as the numbers of consumers being offered that support increases. External assurance will help reduce this risk.</p>	<ul style="list-style-type: none"> <li>• Many GB companies have, or will, use BSI18477 to provide independent assurance and certification, for example Northern Powergrid, SP Energy Networks, Scottish and Southern Electricity Networks, Wales and West Utilities, South East Water, UK Power Networks, British Gas, and United Utilities.</li> <li>• Many organisations in Northern Ireland are JAM registered, for example NIE Networks, Phoenix Natural Gas, SGN Natural Gas, The Consumer Council, British Council Northern Ireland, Belfast Met, Stena Line, P&amp;O Ferries, Translink, Belfast City Airport, First Trust Bank, Danske Bank, Probation Board NI and Belfast City Council.</li> <li>• The Money and Mental Health Policy Institute's Mental Health Accessible standards make essential services easier to use for those with mental health problems.</li> <li>• The Financial Services Vulnerability Taskforce's report contains nine principles and a series of recommendations which the financial industry voluntarily agreed to take forward.</li> <li>• In 2016, The Consumer Council conducted a review with NI Water of its Customer Care Register. This looked at promotion and assistance available, staff training, the application process, the communication of essential information, emergencies, access to consumers' homes, access to buildings and recreational facilities, and lifestyle aids. This highlighted certain areas where further consideration was needed. We can repeat this review with all utility companies.</li> </ul>

<sup>70</sup> <https://shop.bsigroup.com/ProductDetail/?pid=00000000030213909>

<sup>71</sup> <https://jamcard.org/>

	<ul style="list-style-type: none"><li>• Anglian Water, Hartlepool Water, Yorkshire Water, United Utilities and Wessex Water have committed to having the support that they offer consumers independently assessed.<sup>72</sup></li><li>• The Equality Commission’s Mental Health Charter, and Every Customer Counts initiative, provide effective simple steps to improving inclusive services. Over 130 organisations in Northern Ireland have signed up to the Mental Health Charter.</li><li>• English and Welsh water companies have pledged to become dementia friendly organisations.</li></ul>
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<sup>72</sup> <https://www.ccwater.org.uk/wp-content/uploads/2019/10/Water-for-All-2019-FINAL.pdf>

<b>d) Please state, with supporting evidence, the particular challenges consumers face when interacting with the energy and water industry in NI.</b>	
<b>The Consumer Council's comment and proposal</b>	<b>Evidence</b>
<p>The challenges consumers can face are myriad. Many of the difficulties consumers face are not restricted to interactions with the energy and water industry. We need to remember that if a consumer is experiencing difficulties with a utility company they are probably experiencing difficulties with other services, for example, mortgage/rent/credit cards etc. Consumers themselves will be best placed to articulate their problems, and what help and support would be of most benefit.</p> <p><b>Proposal – Co-design of inclusive services</b> Companies and UR should use co-design and co-production methods as important tools to improve understanding of need and develop service solutions.</p> <p>Using these approaches and lived experience<sup>73</sup> to shape and guide our work is essential. This greater understanding should work towards inclusive services. Inclusive/Universal Design is the design and composition of a service, product or environment so that it can be accessed, understood and used to the greatest extent possible by all people regardless of their age, ability or disability.</p> <p>Products and services should be appropriately tested. All products and services should be periodically reviewed to check whether they are continuing to meet consumers' vulnerability and affordability needs.</p>	<ul style="list-style-type: none"> <li>• UK regulators have started to recognise the benefits of involving consumers in the development of regulatory policy.<sup>74</sup></li> <li>• Co-design and co-production are important tools to improve understanding of need and develop service solutions. A good example is the development of Belfast Rapid Transit (BRT) (The Glider). The BRT Team worked with The Consumer Council and IMTAC (Inclusive Mobility Transport Advisory Committee) to ensure that BRT met the specific accessibility needs of older people and people with disabilities. IMTAC members and public transport users were invited to use models of both the buses and bus halts and to test for accessibility. As a result of the feedback received several aspects of the designs were amended to improve accessibility, preventing problems being designed in to the system and being more expensive to rectify. In addition, following the introduction of BRT the team continued to work with both Translink and stakeholders to identify and, where possible, rectify specific operational issues to make the service as attractive as possible.</li> <li>• The Importance of consumer involvement to understand and design out problems is well recognised, for example Fair by Design<sup>75</sup> and The Christie Commission<sup>76</sup>, which concluded that increasing community participation in the design and delivery of services is more likely to result in positive outcomes.</li> <li>• The Department of Health uses co-production and lived and learned experience in the design of services.<sup>77</sup></li> </ul>

<sup>73</sup> Lived experience is the direct experiences, perspectives and views of consumers on their own needs and of the services they receive.

<sup>74</sup> <https://www.ukrn.org.uk/wp-content/uploads/2018/06/20140728-InvolvingConsumersInRegPolicy.pdf>

<sup>75</sup> <http://www.fairbydesignfund.com/about/>

<sup>76</sup> <https://www.gov.scot/publications/commission-future-delivery-public-services/>

<sup>77</sup> <https://www.health-ni.gov.uk/publications/co-production-guide-northern-ireland-connecting-and-realising-value-through-people>

<p>Companies should also use feedback and insights from frontline staff to inform the development and improvements of services, and product and service design.</p> <p>We would encourage strategic adoption of the principles of consumer participation and consumer lead design more broadly across companies. A similar commitment could be required from companies operating in Northern Ireland for consumer participation in the areas of consumer vulnerability and affordability. Transparent participation strategies would encourage consumer trust and buy-in.</p>	<ul style="list-style-type: none"> <li>• Much can be learned from the work of The Centre for Excellence in Universal Design (CEUD).<sup>78</sup> In particular, the Universal Design for Customer Engagement in Energy Toolkit<sup>79</sup> provides comprehensive best practice guidance on achieving better customer communication for all customers. This includes guidance on points such as making documents, apps and websites easy to access and read, and engaging with customers in person or on the telephone.</li> <li>• Scottish Water has a Consultation Code of Practice<sup>80</sup>, (now moved beyond in its customer forums for Price Control and co-design and community empowerment) but demonstrating that a company can set out clearly how it will engage with consumers.</li> <li>• Yorkshire Water has committed to review the services offered on its PSR by working with partner organisations with specialist expertise, such as charities and those that deal with people who find themselves in vulnerable situations or circumstances daily. For example, to meet the needs of people with reduced dexterity or strength, Yorkshire Water offers bottled water in different sized containers. Seeking to constantly improve this position, Yorkshire Water is testing alternatives to bottled water which may be easier for some customers to use.<sup>81</sup></li> </ul>
<p><b>Proposal – Measurement of satisfaction with services</b> Consumer satisfaction with the services and support provided should be measured.</p> <p>We feel that those consumers receiving the support (and/or their representatives) are in the best position to advise on whether the help is meaningful and there should be more focus on establishing</p>	<ul style="list-style-type: none"> <li>• Ofgem requires an assessment of the consumer experience as part of companies' social obligations reporting and its annual vulnerability report.<sup>82</sup></li> <li>• Ofwat has introduced a common performance metrics for customer satisfaction that the services provided by their company are easy to access and company commitments to assessing the quality of the assistance provided.</li> </ul>

<sup>78</sup> <http://universaldesign.ie/>

<sup>79</sup> <http://universaldesign.ie/Products-Services/Customer-Engagement-in-Energy-Services>

<sup>80</sup> <https://docs.google.com/viewerng/viewer?url=www.scottishwater.co.uk/-/media/ScottishWater/Document-Hub/Key-Publications/Governance/200718ScottishWaterConsultationCode10.pdf>

<sup>81</sup> Yorkshire Water, PR19 business plan

<sup>82</sup> [https://www.ofgem.gov.uk/system/files/docs/2019/10/consumer\\_vulnerability\\_strategy\\_2025\\_.pdf](https://www.ofgem.gov.uk/system/files/docs/2019/10/consumer_vulnerability_strategy_2025_.pdf)



<p>and measuring this. In order to get a good picture of how a company is performing in providing services for customers in vulnerable circumstances it must measure satisfaction with the service being provided. To support this, a measure of consumer satisfaction with services provided would be of benefit.</p>	<ul style="list-style-type: none"> <li>• Draft Social and Environmental Guidance for PC21 states that UR should “set targets to ... measure the level of satisfaction of support provided to consumers in vulnerable circumstances.”<sup>83</sup></li> <li>• Affinity Water’s PR19 business plan to have two reputational Performance Commitments that test whether consumers in vulnerable circumstances are satisfied with the services provided and whether they felt it was easy to do business with the company.</li> <li>• Yorkshire Water has set a PR19 target to achieve a 95% satisfaction score with its priority services register.</li> </ul>
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**e) Please demonstrate, with supporting evidence, the particular challenges organisations (industry and other) face in identifying and supporting consumers who are vulnerable and/or are in vulnerable circumstances.**

The Consumer Council’s comment and proposal	Evidence
<p>We do not underestimate the challenges faced when working to operationalise measures and improve consumer vulnerability and affordability. Industry will be better placed to articulate the specific challenges.</p> <p>Through discussions with network and supply companies we know the difficulties they anticipate in identification of vulnerability and affordability. We are also aware that this is a concern in Great Britain. As noted above regulators, companies and consumer groups in Great Britain are working together to better identify vulnerability and provide support.</p> <p>During UR’s review of NI Water and NIE Networks’ Care Registers concerns were raised that the definition or appreciation of ‘illness’ underpinning some current eligibility criteria is out of date and</p>	<ul style="list-style-type: none"> <li>• We have not seen any costings from firms explaining existing or projected future spend on care registers or vulnerability projects.</li> <li>• Western Power Generators, at the UR workshop on 15 October 2019, noted an approximate annual budget of c.£1m to service a priority services register of 1.8m customers including transient vulnerability.</li> <li>• GDPR and data protection laws act to safeguard the misuse of consumers’ data. Other regulators and industry sectors have constructed effective data sharing methodologies to enable the effective use of consented consumer data (noted above).</li> </ul>

<sup>83</sup> <https://www.infrastructure-ni.gov.uk/sites/default/files/consultations/infrastructure/guidance-for-water-and-sewerage-services-2021-2027.pdf>

does not include hidden illnesses and disabilities, particularly mental health issues.

Through the CVWG concerns have been raised by NI Water and NIEN on costs. At the CVWG, UR has provided assurances that allowances for vulnerability work to be resourced would be provided to companies through Price Controls if justified.

We would encourage companies to work across sectors, not just consumer bodies and regulators via for example UKRN.

**f) Please provide examples and/or experiences of how the appropriate use of consumer data can be used to provide positive consumer outcomes. This may be best achieved via establishing clear 'consumer consent' mechanisms, so as to explicitly deal with any data protection and GDPR concerns.**

<b>The Consumer Council's comment and proposal</b>	<b>Evidence</b>
See above response on data sharing and partnerships question (b)(v).	Evidence as above.

**g) Please provide examples, with supporting evidence, of specific issues affecting vulnerable domestic consumers in NI which you feel need to be considered.**

<b>The Consumer Council's comment and proposal</b>	<b>Evidence</b>
<p>As noted in our response to question (d) the challenges consumers can face are myriad. We have noted certain characteristics of consumers in Northern Ireland above – that on average consumers are poorer, less financially capable and resilient, spend more on energy and suffer persistently high levels of fuel poverty compared to their counterparts in Great Britain.</p>	<p>Evidence as noted above.</p>

<b>h) Please identify the important lessons (positive and negative) to learn from industry and regulatory work on these vulnerability matters from GB or in other jurisdictions?</b>	
<b>The Consumer Council's comment and proposal</b>	<b>Evidence</b>
<p><b>Proposal - Measures should be mandatory for all companies.</b></p> <p>Many years of voluntary development of services to assist consumer vulnerability has got us to today's starting point of low awareness, numbers registered being low in comparison to anticipated need, and a stagnation of development of support services. New market entrants must comply with these requirements.<sup>84</sup></p>	<p>Placing vulnerability and affordability requirements on companies is consistent with current and future regulatory approach.</p> <ul style="list-style-type: none"> <li>• Ofwat's PR19 methodology includes defined requirements on all water companies in England and Wales. Ofwat is considering the case for new licence obligations to provide binding requirements on how companies treat their customers and the most vulnerable in society.<sup>85</sup></li> <li>• Ofgem's updated Standards of Conduct, which include the Vulnerability Principle, came into effect in 2017.<sup>86</sup></li> <li>• Ofgem's gas and electric supply licences place obligations on suppliers to identify domestic customers who may be in a vulnerable situation (SLC0.3(d)(i)) and to identify consumers in the course of their interactions who may be eligible for priority services (SLC26.3 (c)(i)).</li> <li>• Ofgem is considering to propose a requirement on gas network companies to adhere to a vulnerability principle.</li> <li>• Ofcom's General Conditions C5.1-5.5 requires telecoms providers to have policies in place to ensure fair treatment of consumers in vulnerable circumstances.</li> <li>• Ofcom assessments of provider licence compliance includes the provider's adoption of Ofcom's proposed vulnerability measures.</li> </ul>
<b>Proposal – Performance targets</b>	<ul style="list-style-type: none"> <li>• For PR19, Ofwat has introduced the following common metrics on vulnerability:</li> </ul>

<sup>84</sup> Given the need to have a customer base before providing some of the desired interventions, a timetabled and closely monitored glide path to meeting the requirements may be suitable. This glide path should be relatively short in duration with prioritised actions.

<sup>85</sup> 'Time to Act' Ofwat's Strategy. <https://www.ofwat.gov.uk/wp-content/uploads/2019/10/Time-to-act-together-Ofwats-strategy-1.pdf>

<sup>86</sup> <https://www.ofgem.gov.uk/publications-and-updates/final-decision-standards-conduct-suppliers-retail-energy-market>

<p>Companies should be set performance targets for awareness and satisfaction.</p>	<ol style="list-style-type: none"> <li>1. Percentage of customers aware of the non-financial vulnerability assistance measures offered.</li> <li>2. Number of customers on special assistance register / priority service register (SAR/PSR).</li> <li>3. Percentage of customers on SAR/PSR.</li> <li>4. Number of customers receiving the following services through the SAR/PSR:             <ol style="list-style-type: none"> <li>a) Support with communication;</li> <li>b) Support with mobility and access restrictions;</li> <li>c) Support with supply interruption;</li> <li>d) Support with security; and</li> <li>e) Support with 'other needs'.</li> </ol> </li> <li>5. Percentage of customers satisfied that the services provided by their company are easy to access.</li> <li>6. Percentage of customers on SAR/PSR contacted over the past two years to ensure they are still receiving the right support.</li> </ol> <ul style="list-style-type: none"> <li>• Ofwat did not propose a common performance commitment on affordability or vulnerability because no single measure captures the complex and dynamic nature of affordability and vulnerability, and because the challenges vary across companies. Ofwat is applying a qualitative vulnerability test, is requiring companies propose at least one bespoke performance commitment to address vulnerability, and to provide information on the common metrics to help better understand the nature of vulnerability issues and the variations between companies. Ofwat is not requiring companies to set commitments on these common metrics. Ofwat will consider common performance commitments for affordability and vulnerability again at PR24. There would be benefit in examining the case for common performance metrics across energy and water in Northern Ireland.</li> <li>• Ofcom's General Conditions<sup>87</sup> for consumers whose circumstances may make them vulnerable includes a requirement that communications providers should establish policies which include, as a minimum, how the impact and effectiveness of the policies and procedures are monitored and evaluated. Regulated providers must</li> </ul>
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<sup>87</sup> [https://www.ofcom.org.uk/data/assets/pdf\\_file/0021/112692/Consolidated-General-Conditions.pdf](https://www.ofcom.org.uk/data/assets/pdf_file/0021/112692/Consolidated-General-Conditions.pdf)

	also give to Ofcom, on request, any information considered by Ofcom to be necessary to demonstrate compliance with this condition.
<p><b>Proposal – Reputational incentive</b> Performance measures on vulnerability and affordability should not be financially incentivised.</p> <p>We do not consider that companies should receive financial gain for doing the right thing by ensuring their services are accessible for all consumers.</p>	<ul style="list-style-type: none"> <li>• For PR19, Ofwat has changed companies’ awareness performance commitment to reputational from financial due to lack of evidence of customer support.</li> </ul>
<p><b>Proposal – Collaboration across sectors</b> Encourage organisations (regulators, companies, consumer bodies) to share ideas and success. The Consumer Council could act as a central conduit for this information.</p>	<ul style="list-style-type: none"> <li>• The Utilities Safeguarding Group has been formed to enable water, energy, telecoms and broadband to work together in collaboration with other bodies and third sector organisations to design good practice.<sup>88</sup></li> <li>• In 2018, the utilities sector in Great Britain collaborated with Alzheimers Society to produce a Dementia Friendly Utilities Guide.<sup>89</sup></li> </ul>
<p><b>Proposal – Public reporting and benchmarking</b> Companies should report annually to UR across the five areas of consumer interventions. UR should report publicly on performance.</p> <p>A league table or rating system could be constructed with an amalgam score across UR’s five intervention criteria (as amended post consultation process). A ‘vulnerability score’ would allow comparison across companies, and be an additional comparison point so consumers could review across price, general customer service/satisfaction, and additional support available for consumers experiencing vulnerability and/or affordability issues. This would align with open and transparent regulation.</p>	<ul style="list-style-type: none"> <li>• Ofgem requires reporting of priority services register data trends through social obligation reporting, including assessing the consumer experience of some of the measures.</li> <li>• The Civil Aviation Authority produces an annual report on disability access of the UK’s largest airports, whose framework<sup>90</sup> contains some useful processes and insights.</li> <li>• UKRN has developed and will publish common performance metrics across the water, energy, telecoms and financial services sectors.</li> </ul>

<sup>88</sup> CC Water ‘Water for All’ report.

<sup>89</sup> <https://www.alzheimers.org.uk/get-involved/dementia-friendly-communities/organisations/utilities-charter>

<sup>90</sup> <https://www.internationalairportreview.com/news/97012/stansted-cao-rating/>  
<https://www.internationalairportreview.com/article/69277/omniserv-hidden-disabilities/>

	<ul style="list-style-type: none"> <li>• The Lending Standards Board’s October 2018 review<sup>91</sup> includes benchmarking of how firms have performed against agreed principles and recommendations, and how they compare to one another.</li> <li>• Water UK, and Ofwat, developed the Discover Water website<sup>92</sup> to allow consumers to look across the water sector and compare how water companies in England and Wales are performing.</li> <li>• The Consumer Council undertakes assessments of NI Water and Translink written complaints and telephone contact handling. UR has undertaken complaint audits from electricity and gas suppliers, although the information is not yet available.</li> <li>• Ofcom’s General Conditions<sup>93</sup> for consumer vulnerability includes a requirement that communications providers should establish policies which include, as a minimum, how the impact and effectiveness of the policies and procedures are monitored and evaluated. Regulated providers must also provide to Ofcom, on request, any information considered by Ofcom to be necessary to demonstrate compliance with this condition.</li> <li>• Yorkshire Water’s services are reviewed annually by national charities to determine how well it is delivering accessible and relevant services to consumers with additional needs. The results of the review are public.</li> <li>• Scope’s research states that 56% of disabled adults consider a supplier’s customer service reputation as an important factor when choosing a supplier.<sup>94</sup></li> </ul>
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<sup>91</sup> [https://www.lendingstandardsboard.org.uk/wp-content/uploads/2018/10/Vulnerability-Taskforce-summary-report-FINAL\\_.pdf](https://www.lendingstandardsboard.org.uk/wp-content/uploads/2018/10/Vulnerability-Taskforce-summary-report-FINAL_.pdf)

<sup>92</sup> <https://www.discoverwater.co.uk/>

<sup>93</sup> [https://www.ofcom.org.uk/data/assets/pdf\\_file/0021/112692/Consolidated-General-Conditions.pdf](https://www.ofcom.org.uk/data/assets/pdf_file/0021/112692/Consolidated-General-Conditions.pdf)

<sup>94</sup> Scope, ‘Out in the Cold’, March 2018.