



Response to Utility Regulator Best Practice Framework Consultation Proposals: Code of Practice for Consumers in Vulnerable Circumstances

This response has been submitted by Marie Curie NI and has sought the views / input of other Hospice Sector colleagues in NI before submitting. The Hospice Sector which includes NI Hospice, Southern Area Hospice and Foyle Hospice provides a wide range of inpatient, outpatient and community support for people with a terminal illness, their carers and loved ones right across Northern Ireland.

Background

Terminally ill people face higher energy costs than the average household and this differential has significantly increased during the cost-of-living crisis. The symptoms of many terminal conditions make people feel the cold more or cause them pain if they do not stay warm, while others require medical equipment in the home such as respirators, dialysis machines or monitors which cannot be turned off. Following a devastating diagnosis such as motor neurone disease, a person's energy bill can rise as much as 75%- this can equate to between £600-900 per month on electricity bills.¹ These higher energy needs and the inability to easily ration energy use mean that terminally ill people are particularly vulnerable to fuel poverty and self-disconnection.² Their extreme vulnerability whilst also facing significant change to their household finances means they are at much greater risk of falling into debt or arrears. People with a terminal illness also have much less capacity to manage 'life admin' such as keeping on top of bills, checking if they are in the best tariff or even considering the benefit of informing their utility suppliers about their vulnerability.

We warmly welcome the Utility Regulator (UR) consultation on a code of practice for customers in vulnerable circumstances and the focus it brings to ensuring that best practice principles and measures are consistently implemented by energy and water suppliers and distribution network companies (DNO's). We believe the changes will be of benefit to many vulnerable groups including people with a terminal illness.

Question 1: Do you agree that where this document has an impact on the groups listed, those impacts are likely to be positive in relation to equality of opportunity for utility consumers?

¹ [People with MND are hit harder by cost of living crisis. | MND Association](#)

² [fuel-poverty-and-terminal-illness.pdf \(mariecurie.org.uk\)](#)

We agree that there is great potential for the code of practice to have a positive impact in relation to equality of opportunity for utility consumers if fully implemented.

Question 2: Do you have comments on any of the UR proposed decisions set out in section 2? Please clearly state in your response which decision your comments relate to.

We support the proposal to implement a new wider definition of vulnerability to be used by utility suppliers and distribution network companies, to identify vulnerable customers which recognises that any consumer could be considered vulnerable given a particular set of circumstances, and that vulnerability is not necessarily a permanent characteristic, but rather a fluid state.

We would like to see 'terminal illness' and 'life limiting conditions' clearly outlined in all consumer protection literature, promotional materials as a 'personal characteristic' under the definition of vulnerability. This could improve self –identification to the care registers by patient and carers (as a proxy), as well as increasing awareness of this extremely vulnerable customer group across frontline utility staff.

We strongly endorse the proposal to expand the definition to vulnerability that is based on circumstances and need. This will be of great benefit to individuals who have not been formally diagnosed with a terminal illness but whose health and financial circumstances may mean that they are starting to struggle with paying energy bills.

Question 3: Do you have comments on the URs proposal on industry working groups as set out in section 3? Please clearly state in your response which aspect of the proposal that your comments relate to

We strongly agree with the requirement for industry to have a shared database of vulnerable customers i.e. an 'inter-operable customer care register'. It is much more common for customers to change supplier to get the best deal on their gas or electricity. The current system means that vulnerable customers are expected to re-register on self-referral basis every time they swap.

A central industry wide system would reduce the administrative burden for both customers and companies. There are current examples of good practice within the private industry and Government departments- for example we are aware of energy companies which have set up data sharing agreements with water companies- for example SGN Natural Gas in England. The 'Tell Us Once' service which is operational

in England, Wales and Scotland only have to register a death of a loved one once and this is then shared across most Government organisations.³

We welcome the fact that each industry working group will be required to provide regular progress updates on the development of the industry procedures and that progress reports will be required every two months or as requested by the UR. Independent oversight of best practice compliance of the energy industry is important. We recognise and support the range of steps the UR is proposing to strengthen oversight and monitoring, and which are set out in section 9.15 of the consultation. Monitoring compliance of Code of Practice through 'mystery shopper type checks' may also be worth considering.

Question 4: Do you have comments on the UR proposed decision set out in section 4?

We welcome the high-level principles in the CoP for consumers in vulnerable circumstances. Our concerns centre on industry resource to implement practice that meet these principles and the effectiveness of the mechanisms put in place to monitor compliance.

Question 5: Do you have comments on any of the UR proposed decisions set out in section 5? Please clearly state in your response (using the measure number) which decision your comments relate to.

We welcome the comprehensive range of measures proposed which guide industry on how it can meet the service-level principles. As a package of measures, they offer substantially greater safeguarding practices by the energy industry for customers in vulnerable circumstances, if full compliance is achieved.

Principle 3 Measure 1 (3.1) sets out the role of companies to '*Establish and maintain a register of domestic customers who are of pensionable age, disabled or chronically sick [medical care register], or are represented by the UR's vulnerability definition and who wish to be included on the list.*' Further clarification would be helpful on whether the definition of 'chronically sick' is clarified in written guidance for utility companies and if so, whether this specifically include people with a diagnosed terminal illness. As stated under response to Q.2 we could recommend that terminal illness was specifically listed in any guidance information for utility companies.

³ [What to do after someone dies: Tell Us Once - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/what-to-do-after-someone-dies)

There are a number of registers / databases of people who require palliative care or have a diagnosed terminal illness i.e. palliative care register (HSC) or qualify for fast-track access to benefits under special rules. It would be useful to explore whether these people could be automatically referred to utility customer or critical care registers once registered for either of these HSC / DfC specific registers.

Principle 2 Measure 4 (2.4) refers to the *‘establishment of a partnership between consumer representative bodies and Suppliers/network companies (which can be readily evidenced and which is intentionally cultivated and maintained) to raise awareness of the existence of customer care registers amongst members and clients and to ensure processes are in place to enable a warm handover of consumers in vulnerable circumstances who are in need of additional support.’* Further clarification would be useful on what a ‘consumer representative body’ is and whether there is potential for simplified referral processes to be set up with HSC bodies such as the Palliative Care Social Work Teams. The former acting as a referral agent to the customer care register.

Training of staff who are customer facing i.e. call handlers or engineers for energy companies is extremely important. They should have the skills to assess vulnerability of customers and have information to refer on to relevant authority. (this aligns with recommendation 10 of NICE Guidelines on excess winter deaths and the health risks associated with cold homes- NG6).⁴

Principle 5 Measure 1 (5.1) refers to the practice of *‘not disconnecting a customer who has not paid their bill and is of pensionable age, disabled or chronically sick and lives alone and who are represented by the CPP vulnerability definition or only with other persons who are of pensionable age, disabled, chronically sick or under the age of 18, or with a dependent aged under 5 years and who are represented by the UR’s vulnerability definition during any winter period, that is to say, a period beginning with 1 Oct in any year and ending with 31 March in the following year.’*

We strongly support the proposal by the UR to ban this practice at any time of the year for vulnerable customers and to request energy companies to provide specific targeted support to consumers with debts of £200 and over on their PPM. We would urge the energy companies to seriously consider if they can offer a reduced rate or voucher scheme for vulnerable customers, particularly those who are known to be in arrears and where other measures such as billing schedules are not sufficient to address problem. We are aware of such schemes happening in other parts of the UK.

⁴ [What is this guideline about? | Excess winter deaths and illness and the health risks associated with cold homes | Guidance | NICE](#)

We recognise that Government has a critical role in supporting people in or at risk of fuel poverty, and Marie Curie supports the call for a social tariff for energy system- such a system would offer a sustainable solution by providing financial support for the households who need it most. It has been a government commitment to consult on options including a social tariff since last year's autumn statement, and the consultation was expected before the summer recess. Marie Curie UK, as a member of the fuel poverty coalition has signed an open letter to the UK Prime Minister as part of a wide coalition of partners calling for the government to issue a consultation on targeted support for energy bills, and on a social tariff for energy.

We are also urging the UK Government to make all terminally ill people, regardless of age, eligible for automatic support from the Winter Fuel Payment (this recommendation has also been included in the fuel poverty coalition advice to Government on the content of a new Fuel Poverty Strategy). Furthermore, we have called for a Warm Home Discount Scheme to be established in NI, similar to existing schemes in GB, and to prioritise this group for interventions to improve the energy efficiency of their homes.

Furthermore, we strongly support URs plans to conduct work later in the year on how suppliers can monitor the number of PPM customers that could be self-disconnecting and what additional support can be provided. And that this work will align with the introduction of smart metering and the upgrade of gas meters.

Question 6: Do you have comments on the URs proposal on the new structure for registering consumers in vulnerable circumstances as set out in section 6? Please clearly state in your response which aspect of the proposal that your comments relate to.

The current system for registering customers who are vulnerable or in vulnerable circumstances is in urgent need of reform. Any measures taken to simplify this process for customers is welcome alongside focused effort on making vulnerable customers aware of the additional supports that energy companies can provide. The lack of awareness of these services by some of the most vulnerable groups, as highlighted by the UR consumer insight tracker is alarming and very worrying (as set out in 6.13 of the consultation document).

In response to the proposal of the two-tiered customer care registers- we would expect that the vast majority of terminally ill people will fit under the top-tier medical care category which is defined as *'consumers who rely on utilities for healthcare needs (such as a dialysis machine, specialised mattresses, feeding systems or lifting equipment etc.)*. *These consumers are considered to have the highest risk if they do*

not receive the additional protections, therefore consumers in this category will automatically receive all the additional protections.'

We understand that *'The second tier of the customer care register will be needs-based and be applicable to consumers who are covered under the vulnerability definition and require additional assistance in certain areas. In this tier consumers do not receive all the additional protections, rather they select the additional services that are relevant to their specific needs, so that they only receive the additional services that they require.'* We would ask the UR to consider all terminally ill people being automatically categorised as 'highest risk' even where medical equipment is not being used due to the life limiting nature of their condition and the fact that people living with progressive conditions like cancer, dementia or motor neurone disease will spend more time in the home because of their ill-health, so they need the house to be heated for longer and are more vulnerable to even short period of time without heating working correctly. They will also feel the cold more than others because of a weakened immune system and issues like hair loss, weight loss and reduced energy levels.⁵

Question 7: Do you have comments on the URs proposed licence conditions as set out in section 7? Please clearly state in your response which aspect of the proposal that your comments relate to.

None.

Question 8: Do you have comments on the URs proposal compliance and monitoring as set out in section 8? Specifically, we seek comments on stakeholders preferred monitoring option(s). Please clearly state in your response which aspect of the proposal that your comments relate to.

We have no strong view on the monitoring process applied- however it could be argued that the UR receiving a copy of a compliance plan and then receiving a progress update report on a regular basis, which outlines actions taken to achieve against the plan, would give the UR a better sense of planning and actions taken by licensees to meet code of practice standards. The value of this approach would depend on how closely the UR are planning to review / analyse documents received. Compliance with the CoP being a mandatory licence requirement is welcomed and will help ensure co-operation.

⁵ [fuel-poverty-and-terminal-illness.pdf \(mariecurie.org.uk\)](https://www.mariecurie.org.uk/fuel-poverty-and-terminal-illness.pdf)

Question 9: Do you have comments on the URs proposed timelines for implementation as set out in section 9? Please clearly state in your response which aspect of the proposal that your comments relate to.

No specific comment, however, we welcome these new measures and urge them to be put in place as soon as reasonably possible.

General Remarks

We note the suggestion for an additional requirement for companies to alert vulnerable customers to the availability of other cheaper payment methods and tariffs. We fully support this suggestion and welcome the URs plans to consult on this as part of the new Consumer Protection Programme (CPP) later in the year.

We note that there has recently been the introduction of a mandatory code of practice banning energy companies from forcibly installing prepayment meters in vulnerable customers' homes and we also welcome the fact that 'people with a terminal illness' are identified as a specific vulnerable group for whom this safeguard applies.⁶ We would encourage the UR to take account of any new codes of practice etc. in other neighbouring jurisdictions, for their applicability in NI but recognise that the issues consumers face, context and energy markets differ quite considerable even across UK.

Whilst we recognise that oil as a type of home energy falls outside of the remit of the UR. It would be remiss of us not to highlight the considerable gap in the regulation of this energy market which services over 60% of the households in NI. We would welcome any role or influence the UR Board of Directors could have in this space to raise awareness and highlight this gap.

Thank you for the opportunity to feed into this consultation response and don't hesitate to get in touch if you would like to discuss any part of the consultation response in more detail. We look forward to future updates on progress towards implementation of the CoP and other work the UR plans to improve customer protections.

⁶ [New prepayment meter rules extend protections for vulnerable people | Ofgem](#)