

Making it Easy

Simpler Registration for
Consumers in Vulnerable Situations

March 2019



Acknowledgements

We would like to thank Ian Shearer for his role in collating this review. Thanks also to Ipsos Mori Scotland for undertaking the primary consumer research – from which many of our recommendations are drawn.

Making it Easy

Simpler Registration for Consumers in Vulnerable Situations

March 2019

Electronic: 2398 - 6220

Hard: 2398 - 6212

Publication Series 2018/19 - 13



Contents

Executive Summary	1
1. Registration and support for consumers of essential services who are in vulnerable situations – review of the existing landscape	4
Who are the consumers in vulnerable situations?	4
What type of support is available?	6
Priority Services Registers, and similar registers	8
Numbers registered, and levels of awareness of registers	9
Simpler registration, and cross-sector data-sharing, for consumers needing priority services	20
2. New research undertaken for this review	30
Consumer awareness and experiences of support provision in the regulated industries	31
Improving the consumer experience	32
Ipsos MORI recommendations	33
3. Additional Citizens Advice Scotland policy recommendations	37
4. Associated documents	42

Executive Summary

Many providers across a range of vital services in Scotland offer additional non-financial support to their customers who are in vulnerable situations. Based on listening to people's real experiences, this review examines what more might be done to help those who are in need of support to be able to access it as straightforwardly as possible.

Vulnerability is difficult to define precisely, and rather than labelling specific individuals or groups of people with that description, there has been recent consensus towards recognising that it is certain circumstances, or combinations of circumstances, which give rise to people being in situations of vulnerability. Circumstances giving rise to vulnerability include, for example, but are not limited to: age, illness, disability, sensory impairment, mental ill-health¹, bereavement, financial difficulties, having young children, or other major life changes.

Many of us can be vulnerable at different stages in our lives; and when we are, we are likely to need water, light, heat, power and communication more than ever. In this country we can benefit from, and are entitled to receive, extra help and support from suppliers of essential services in the 'regulated' markets – particularly energy, water, communications, and also financial services. Many providers across a range of vital services offer forms of additional support such as providing bills in different formats or providing additional support during power cuts.

Given the complexity in relation to both support available and how consumers are registered, CAS saw that there was a need for investigating ways to increase the number of Scottish consumers registering for support, and to simplify the overall process for consumers.

In February 2018, CAS commissioned Ipsos MORI Scotland to investigate the experiences and perspectives of Scottish consumers in vulnerable situations with regard to additional support provided by essential service providers, and how could the customer experience and process of registering across sectors for additional forms of support be improved. Fieldwork, which took part between March and June 2018, included detailed interviews with stakeholders from across the regulated industries and beyond; 40 in-depth interviews and 2 focus groups with consumers in vulnerable situations; and finally, an action-planning workshop with key stakeholders. The research indicated:

1. There is good practice and positive customer experience in this area – with significantly increasing registration numbers and corresponding uptake of non-financial support services in parts of some sectors – particularly energy.
2. However there is not yet an integrated approach across sectors, nor between essential service providers and the public sector, in ensuring that all those eligible and wishing to receive additional support are aware of registration, or of the services available, and that numbers registered are maximised.

Our research indicates a need for further awareness-raising, and for a properly co-ordinated approach to maximise registration and the use of services. At the same time and based on the views of people interviewed, the research highlighted that there is a need to maintain consumers' rights to privacy and protection of their personal data – which is particularly important for consumers in vulnerable situations.

¹ See *Vulnerability, mental health, and the energy sector*, Money Advice Trust & Energy UK, 2017 <http://www.moneyadvice.org.uk/creditors/creditsector/Documents/Energy%20UK%20report.pdf>; also *Levelling the playing field: How regulators can support consumers with mental health problems*, Money and Mental Health Policy Institute, 2017 <https://www.moneyandmentalhealth.org/regulators-report/>

While it may seem in the consumer's interest to develop a single register, our research identified significant practical and data management barriers to that approach. For this reason we do not think that there is clear-cut case for a single register of consumers in vulnerable situations across all sectors. However, we do recommend moves towards a more integrated process of registration.

A summary of more detailed recommendations is made below and sector specific recommendations can be found in the main report (on page 37 and summarised in the table on page 3).

Recommendations:

Identifying and engaging with consumers in vulnerable situations

- > Better consumer-facing information about support services focused on consumer needs, rather than around categories of vulnerability, asking questions such as 'what sort of help do you need?' rather than 'which of these categories do you fit into?'
- > Sharing of good practice in identifying and engaging with consumers, including signposting of services between and across organisations and sectors; and getting out into the community.
- > More widespread training of staff to identify consumers in need, drawing on examples of good practice.
- > Closer collaboration and information-sharing between third sector, public sector and providers, particularly so that third-sector and public-sector organisations could easily signpost consumers to support from their essential service providers.
- > More widespread gathering of consumer feedback, through which providers may uncover opportunities to enhance service quality further, and to respond more closely to the needs of consumers.

Simplifying the current process

- > Putting procedures in place to support the sharing of information between organisations. It was stressed that any sharing of information should be predicated on clear and unambiguous consent being acquired from consumers. It was seen as essential that consumers are made aware of what information was being shared, who it was being shared with, and for what purpose.
- > Simplifying the current registration process through a central resource. Rather than a single register, which may create a number of challenges relating to integration of data from numerous organisations, it was felt that a more practical and consumer-centred alternative would be a single registration process. This would involve a central resource through which consumers provide their details, and are then signposted towards the registers that best meet their needs.
- > Testing the concept of a single registration process through area-based pilots, targeted in areas with high proportions of people in vulnerable situations or in areas that experience or are likely to experience high levels of supply interruption.

Data cleansing

- > Improved approaches to data cleansing to ensure that consumer details are as up to date as possible, including removing deceased consumers from their registers and other databases, and removing those who are no longer in a vulnerable situation.

We recommend that a dedicated public/private-sector working group should be convened to drive forward simpler registration for consumers in vulnerable situations, and to co-ordinate a number of strands of the other separate recommendations.

Such a working group could also consider developing possible long-term solutions for an integrated registration process, or portal, and possibly a universal annual registration scheme offering consumers added control of their data.

It's also important to remember that registration itself is merely a means to an end; and it is the support services and extra help which are delivered as a result of registration which are important.

Additional Citizens Advice Scotland policy recommendations – short- and medium-term

	Short-term	Medium-term
Energy companies	<p>Continue with significant increases in uptake</p> <p>Adopt (including smaller suppliers) best practices/standards/strategies which are visible & open to scrutiny</p> <p>Escalate dialogue between electricity network companies and Scottish Water, with confirmation of objectives and timescales</p>	<p>Assuming that data-sharing with water sector (& possibly others) progresses, consider whether one sector (possibly electricity network companies since connected to every household) should lead, and/or operate ‘master’ dataset</p>
Scottish Water	<p>Develop & publish new vulnerability strategy</p> <p>Rename Additional Support Register to ‘Priority Services Register’</p> <p>Engage in more discussion/scrutiny on this issue with consumer and government bodies</p> <p>Escalate dialogue/partnership with Scottish electricity network companies, with confirmation of objectives and timescales</p>	<p>Be subject to some form of government oversight on vulnerability objectives (see recommendation for Scottish Government below)</p> <p>Assuming that data-sharing with energy sector progresses, consider as above whether energy/water should ‘lead’</p> <p>Significantly increase registration levels</p>
Ofgem	<p>Investigate lower Scottish PSR take-up & which are the best-performing Scottish companies</p> <p>Research and publish the reasons why</p> <p>Report to Scottish Government/Parliament</p>	<p>As far as is possible within a ‘principles-based’ regulatory approach, apply more consistent regulatory expectation on:</p> <ul style="list-style-type: none"> > Registration levels > Support services delivered > Data cleansing
Scottish Government	<p>Together with CAS, establish a joint public/private sector working group (best way to bring together public bodies including councils, health and emergency authorities, with utilities and private service providers).</p>	<p>As an alternative to regulation of Scottish Water, include directions and reporting requirements relating to vulnerable consumers within Ministerial Objectives</p> <p>Through the working group, co-ordinate joint communications, awareness-raising initiatives, data-sharing processes & pilots, including public bodies (councils, emergency services, health, possibly Social Security Scotland)</p>
UK Government		<p>Review whether Digital Economy Act should be amended to allow data-sharing by public agencies with utilities for the delivery of non-financial benefits.</p>

1. Registration and support for consumers of essential services who are in vulnerable situations – review of the existing landscape

1.1 Many of us can be vulnerable at different stages in our lives; and when we are, we are likely to need water, light, heat, power and communication more than ever.

1.2 Fortunately in this country we can benefit from, and are entitled to receive, extra help and support from suppliers of essential services in the ‘regulated’ markets – particularly energy, water, communications, and also financial services. Many providers across a range of vital services offer forms of additional support.

1.3 Accessing such help should be as straightforward as possible for consumers, especially given the difficult situations in which they may already be. This report, looking mainly at two sectors on which much of our specific advocacy remit is focused – energy and water – examines whether this is currently the case in Scotland, and whether there could be ways to improve and simplify the experience for customers in vulnerable circumstances who need the additional support services.

Who are the consumers in vulnerable situations?

1.4 Vulnerability is difficult to define precisely, and rather than labelling specific individuals or groups of people with that description, there has been recent consensus towards recognising that it is certain circumstances, or combinations of circumstances, which give rise to people being in situations of vulnerability.

1.5 Ofgem (the energy regulator for Great

Britain), for example, defines vulnerability as “when a consumer’s personal circumstances and characteristics combine with aspects of the market to create situations where he or she is:

- significantly less able than a typical consumer to protect or represent his or her interests in the energy market; and/or
- significantly more likely than a typical consumer to suffer detriment, or that detriment is likely to be more substantial”².

1.6 Circumstances giving rise to vulnerability include, for example, but are not limited to: age, illness, disability, sensory impairment, mental ill-health³, bereavement, financial difficulties, having young children, or other major life changes. It is of interest, however, that Ofgem also refers in its definition quoted above to “aspects of the market”.

1.7 Recently, progress in the energy sector has been facilitated by the adoption across the sector of a standardised set of ‘vulnerability needs codes’⁴, currently covering around 25-30 common different categories of need. These have been developed by the

2 Consumer Vulnerability Strategy, Ofgem, 2013 <https://www.ofgem.gov.uk/publications-and-updates/consumer-vulnerability-strategy>

3 See *Vulnerability, mental health, and the energy sector*, Money Advice Trust & Energy UK, 2017 <http://www.moneyadvice-trust.org/creditors/creditsector/Documents/Energy%20UK%20report.pdf>; also *Levelling the playing field: How regulators can support consumers with mental health problems*, Money and Mental Health Policy Institute, 2017 <https://www.moneyandmentalhealth.org/regulators-report/>

4 Available at <https://dte.mrasco.com/DataItem.aspx?ItemCounter=1699>

Safeguarding Customers Working Group⁵ under the auspices of the Energy Networks Association, in an impressive piece of collaborative technical work involving various people and organisations. The codes were first applied across electricity companies in mid-2017, and then by gas companies in 2018⁶.

- 1.8 Importantly, although vulnerability may for some people become a long-term situation, others can move in and out of vulnerability: it has been said that vulnerability is “*a state, not a trait*”. People can also have overlapping vulnerabilities, varying over time. As already noted, great care needs to be taken with language, since people in such circumstances often do not consider themselves, or wish to be labelled, as ‘vulnerable’. An Ofgem guest blog again recently highlighted⁷, for example, the needs of people having some form of disability impairment or condition, within the energy market. This noted that over half of disabled adults (53%) do not think of themselves as a ‘vulnerable’ consumer, and observed that disabled people who could benefit from available support services, may be missing out as a result⁸.
- 1.9 The numbers of people needing additional support are expected to continue to grow significantly. In particular, the population is ageing. In the last 20 years, the numbers of people in Scotland aged 75 and over increased by 31%. This age group is projected to be the fastest-growing of any – expected to increase by a further 27% over the next 10 years, and by 79% over the next 25 years⁹. As with those affected by a disability, not all older people would consider themselves vulnerable, or need additional support, although Ofgem do include “*pensionable age*” as one of the ‘Personal Characteristics’, indicating potential vulnerability, which

companies are specifically required to take into account¹⁰. To give another example, the number of people in Scotland with dementia is expected to rise from approximately 90,000 now, to around 164,000 by 2036 – an increase of over 80%¹¹.

- 1.10 Other sector regulators, which generally – like Ofgem – have obligations under their founding statutes to have specific regard to the interests of consumers in vulnerable situations, have in the main settled on broadly similar definitions of vulnerability to that adopted by Ofgem. These regulators include:
- Ofcom – communications industries (covers whole United Kingdom);
 - Financial Conduct Authority – financial services (covers whole United Kingdom);
 - Ofwat – water industry (England and Wales only);
 - Utility Regulator – both energy and water sectors (Northern Ireland only).
- 1.11 The Financial Conduct Authority, for example, recently consulted¹² on its future approach to consumers. Included in this, it was considering a change to its definition of vulnerability, but following feedback, has recently decided¹³ to retain its existing definition of a vulnerable consumer as “*someone who, due to their personal circumstances, is especially susceptible to detriment, particularly when a firm is not acting with appropriate levels of care*” – a decision welcomed by consumer groups¹⁴. Like Ofgem’s definition, it recognises that aspects of the market, or commercial practices, may exacerbate vulnerability.

5 For more information, see <http://www.energynetworks.org/info/safeguarding-customers/safeguarding-customers-overview.html>

6 *Vulnerable consumers in the energy market*, Ofgem, 2018, para 1.11 <https://www.ofgem.gov.uk/publications-and-updates/vulnerable-consumers-energy-market-2018>

7 *Guest blog: Improving the energy market for disabled people*, Scope, 2018 <https://www.ofgem.gov.uk/news-blog/our-blog/guest-blog-improving-energy-market-disabled-people>

8 *Out in the Cold*, Scope, 2018 <https://www.scope.org.uk/get-involved/campaigns/extra-costs/out-in-the-cold>

9 *Age demographics*, Scottish Government web page <https://www.gov.scot/Topics/People/Equality/Equalities/DataGrid/Age/AgePopMig>

10 eg Condition 26: *Priority Services Register*, in *Standard conditions of electricity supply licence*, Ofgem <https://www.ofgem.gov.uk/licences-industry-codes-and-standards/licences/licence-conditions>

11 *Mental health: dementia*, Scottish Public Health Observatory web page <https://www.scotpho.org.uk/health-wellbeing-and-disease/mental-health/data/dementia>

12 *FCA publishes Future Approach to Consumers*, FCA, 2017 <https://www.fca.org.uk/news/press-releases/fca-publishes-future-approach-consumers>

13 *FCA publishes Approach to Consumers paper, alongside Discussion Paper on Duty of Care*, FCA, 2018 <https://www.fca.org.uk/news/press-releases/approach-consumers-paper-discussion-paper-duty-care>

14 See, for example, *FCA opts for the right approach to defining vulnerability*, Money Advice Trust, 2018 <http://www.moneyadviceblog.org/2018/07/17/the-fca-opts-for-the-right-approach-to-defining-vulnerability/>

1.12 It may be noted from the above list of regulators that, as far as we are aware, there is no specific regulatory definition of vulnerability covering water consumers in Scotland. Ofwat’s remit extends only to the water companies in England and Wales. As for Scottish Water itself, in the legislation establishing the publicly-owned utility, there is a reference to certain vulnerabilities, but, it appears, only (a) those which would cause the customer to have a greater demand for services than the average; or (b) residency in a rural or remote location:

“Scottish Water... must have regard to the interests of every person whose premises are connected to, or might reasonably become connected to, the public water supply system or the public sewerage system... and especially of such of those persons as –

- a) are likely, by reason of a persistent disability or medical condition or of family circumstances, to require to have a much greater supply of water, or to make much greater use of facilities for the disposal of sewage, than might ordinarily have been expected, or*
- b) are ordinarily resident in a rural or remote part of Scotland”¹⁵.*

1.13 The principal regulator of Scottish Water in the customer interest is the Water Industry Commission for Scotland¹⁶. Under its founding legislation, it *“has the general function of promoting the interests of persons (taken as a whole) whose premises are... connected to the public water supply system or the public sewerage system... or might reasonably become connected to either or both of those systems”¹⁷*, which, as can be seen, again does not include specific regard to the interests of consumers in vulnerable situations. In practice, the Commission principally acts as an economic regulator, that is to say *“by setting prices for water and sewerage services that deliver Ministers’ objectives for the water industry at the lowest reasonable cost”¹⁸*. It does also exercise

some role in *“monitoring and reporting on Scottish Water’s performance... on... customer service”¹⁹*, and one aspect of this is stated to include *“service for disabled and elderly customers”²⁰*. However, this appears secondary to the Commission’s overall economic regulation role, and with limited specific regard to, or definition of, consumer vulnerability. Scottish Water do not themselves therefore appear to have their own specific definition of vulnerability, but do offer extra support based on need, to customers who *“have a disability or medical condition or any other reason for additional support”²¹*.

What type of support is available?

1.14 For the purposes of this report, we are considering primarily free, non-financial forms of support, and not monetary benefits, discount, rebate or fuel poverty schemes (although these are related and may be available to some of the same sets of people).

1.15 Over the past few years, there has been a welcome drive by government and regulators across different markets to ensure that suppliers focus on the support needs of their customers who are in vulnerable situations. Regulators have introduced specific requirements in particular sectors. Most recently, there has also been work looking across sectors through the UK Regulators Network (UKRN). The important review published by the UKRN in 2017²² showed both the range, but also the complexity, of support services which are available to eligible groups of consumers in different sectors. A useful follow-up report on progress has just been published by the UKRN²³.

15 Water Industry (Scotland) Act 2002 (as amended), s49 ‘Interests of customers’ <https://www.legislation.gov.uk/asp/2002/3/section/49>

16 Water Industry Commission for Scotland web site <https://www.watercommission.co.uk/>

17 Water Services etc (Scotland) Act 2005 (as amended), s1 <https://www.legislation.gov.uk/asp/2005/3/section/1>

18 *Our role and remit*, Water Industry Commission for Scotland <https://www.watercommission.co.uk/view/Our%20role%20and%20remit.aspx>

19 *Ibid*

20 *Measuring customer service*, Water Industry Commission for Scotland Information Note <https://www.watercommission.co.uk/UserFiles/Documents/7-Measuring%20Customer%20Service.pdf>

21 *Additional support – essential information about the services we provide to our customers*, Scottish Water <https://www.scottishwater.co.uk/contact-us/our-promise-to-you/additional-support>

22 *Making better use of data: identifying customers in vulnerable situations*, UKRN, 2017 <http://www.ukrn.org.uk/news/regulators-join-together-to-encourage-more-help-for-vulnerable-customers-from-energy-and-water-providers/>

23 *Ibid*

- 1.16 Examples of non-financial support services are given by UKRN, including:
- advance warning of supply interruptions;
 - priority support in emergencies;
 - bills and other literature in accessible formats;
 - doorstep identification schemes for engineers;
 - moving customer meters; and
 - nominee schemes allowing customers to send communication, such as bills, to another nominated person.
- 1.17 In the energy sector, for example, Ofgem specifies its core expectations for the types of support services to be provided, within its licence conditions²⁴ under which companies operate. The nature of the required services varies depending on whether the company is a gas company or an electricity company, and whether a distribution network company or a retailer (the retailers being those with which customers are most directly familiar, and from which they purchase their household energy and receive their bills). The priority services for energy retailers include a general catch-all clause: “...such further or additional services... as the licensee identifies are appropriate to the needs of its Domestic Customers and reasonably practicable for the licensee to provide”²⁵.
- 1.18 Ofgem then tracks and publishes data on the number of free support services which suppliers provide each year. The level of such services provided to gas and electricity customers (stated to be 844,516 services for electricity consumers and 672,866 services for gas consumers) across Great Britain is now at its highest since recording started in 2006²⁶. Separate figures for Scotland are not provided. The most common services provided are quarterly meter reads, followed by third-party billing/bill re-direction. However, a closer look at these Ofgem data indicates that whereas the level of quarterly meter reads has more than trebled across Great Britain since 2011, the rise in the use of third-party billing/bill re-direction, password identification schemes and accessible forms of communication has been much less significant. Reasons for this are not set out.
- 1.19 Ofgem notes²⁷ that “to comply with the Equality Act 2010, suppliers must ensure that all new services and products are accessible and follow the UK Government’s current guidance on meeting the accessibility requirements for digital and non-digital services”. It reports favourably on some suppliers²⁸ achieving the British Standard BS 18477:2010 for Inclusive Services Provision²⁹, and on others who have developed a variety of initiatives considered to be good practice in service design/delivery – sometimes in partnership with specialist organisations. Examples involving the Alzheimers Society³⁰, and CLIC Sargent, the charity for young cancer sufferers, are referred to by Ofgem. However, from the data and report published by Ofgem, it is not possible to discern how widespread such good practice may be (or its prevalence in Scotland in particular), nor whether the regulator applies a consistency of expectation with regard to these services and initiatives. Ofgem has recently moved towards a more ‘principles-based’, and less prescriptive, approach to regulation. Under this approach, they may set broad principles for companies to follow in meeting the needs of consumers in vulnerable situations, whilst allowing the sector some latitude for innovation, and for following a range of different paths towards the same end. A charity working in the field of mental health recently commented interestingly on some disadvantages from a lack of consistency, and explained their call for a consistent response to mental health problems: “In the longer run, additional benefits would be provided if consumers could have a clear sense of what they should expect if they disclose a mental health problem to an essential services provider. Consistency could help encourage disclosures, as well as driving up standards and enhancing competition on service quality”³¹.
-
- 24** Licence conditions, Ofgem <https://www.ofgem.gov.uk/licences-industry-codes-and-standards/licences/licence-conditions>
- 25** Electricity Supply Standard Licence Conditions, Ofgem, Clause 26.5(f)
- 26** Vulnerable consumers in the energy market, Ofgem, 2018, para 1.26 https://www.ofgem.gov.uk/system/files/docs/2018/11/vulnerability_report_2018.pdf
- 27** *Ibid*
- 28** SSE and British Gas are specifically mentioned by Ofgem in this context
- 29** Fair, flexible services for all, BSI <https://www.bsigroup.com/LocalFiles/en-GB/consumer-guides/resources/BSI-Consumer-Brochure-Inclusive-Services-UK-EN.pdf>
- 30** See Dementia-friendly utility guide, Alzheimer’s Society, 2018 <https://www.alzheimers.org.uk/get-involved/dementia-friendly-communities/organisations/utilities-charter>
- 31** Levelling the playing field: How regulators can support consumers with mental health problems, Money and Mental Health Policy Institute, 2017 p24 <https://www.moneyandmentalhealth.org/regulators-report/>

1.20 As far as Scottish Water is concerned, the current web page about its additional support³² lists fewer support services than many of the energy companies, but they are similar to those offered most commonly in the energy sector (such as adapted communications, password scheme, and interpreters for non-English speakers).

1.21 In the water sector in England and Wales, the Consumer Council for Water, which represents water customers in those nations, has in the past few years done a great deal of valuable work, together with Ofwat, to drive progress there on additional support services provided by water and sewerage companies. In its work programme for 2016-19³³ it committed to “*work with other organisations and the industry to identify good practice for assisting consumers in vulnerable circumstances and press companies to provide access to an inclusive service for all water consumers*”. It conducted a wide-ranging and influential review³⁴ of special assistance schemes/registers offered by different English and Welsh water utilities for customers in vulnerable circumstances. Among other things, it recommended a consistent level of core support provision. This work has developed and continued, leading most recently to a comprehensive good practice guide³⁵, which further elaborates in detail on the consistent core support which should be expected from water companies, and calls for continuing innovation in this area to provide true benefit to consumers. The best practice identified appears to go some way beyond the current offering of Scottish Water as stated on its web site. The guidance also places a very strong emphasis on forming the right collaborative partnerships with, among others:

- > local housing associations;
- > local councils (which would in Scotland include down to Community Council level);
- > advice agencies;
- > fire and police services; and
- > local cultural and community groups.

1.22 The Consumer Council for Water supports a minimum set of standards for consumers in vulnerable circumstances; and an additional set targeted at those with mental ill-health, cognitive impairments and dementia. It is involved in work to integrate the requirements of the Mental Capacity Act (which applies in England and Wales) within the water sector, working with UKRN and the Office of the Public Guardian on this. A working group under the auspices of the National Mental Capacity Forum is also looking at this across utilities³⁶.

Priority Services Registers, and similar registers

1.23 In the energy sector, companies hold details on consumers who are vulnerable, and needing extra non-financial support, in their Priority Services Registers (PSRs), whilst Scottish Water’s similar database is called the Additional Support Register. A variety of other arrangements operate across different sectors.

1.24 In England and Wales, water companies likewise used to have various different names for their special assistance schemes/registers for customers in vulnerable circumstances. In its 2016 review of these schemes, referred to above, the Consumer Council for Water recommended that the water industry should transition to the single name ‘Priority Services’, in common with energy. It was felt this would minimise any confusion, and help both consumers and advice agencies to recognise the schemes, and to find available help easily. This recommendation was supported by both Ofwat and Water UK (the industry’s trade body), and has since been adopted across England and Wales. Where there were previously 19 different scheme names across 21 water companies, the majority of companies adopted the ‘Priority Services’ name in 2017, with the final three doing so by April 2018³⁷.

32 Additional support, Scottish Water, <https://www.scottishwater.co.uk/contact-us/our-promise-to-you/additional-support>

33 Read our new Forward Work Programme, Consumer Council for Water, 2016 <https://www.ccwater.org.uk/blog/2016/04/01/read-our-new-forward-work-programme/>

34 Special assistance schemes review, Consumer Council for Water, 2016 <https://www.ccwater.org.uk/wp-content/uploads/2013/12/Special-Assistance-Schemes-Review.pdf>

35 Vulnerability in the water sector – informing, supporting and protecting consumers, Consumer Council for Water, 2018, <https://www.ccwater.org.uk/blog/2018/09/27/water-firms-should-innovate-to-protect-consumers-in-vulnerable-circumstances-new-guidance-reveals/>

36 Presentations to seminar on affordability and vulnerability, Consumer Council for Water, November 2018

37 Information in e-mail from Consumer Council for Water, November 2018

Numbers registered, and levels of awareness of registers

1.25 There has been consistent evidence, outlined in more detail in this section, that whilst the numbers of people registered – particularly among energy consumers – have been growing rapidly, they still fall significantly short of the numbers potentially eligible; and that levels of awareness of the registers, and of the associated support services, remain correspondingly low. Furthermore, the proportion of people in Scotland who are registered appears to be below the levels of registration elsewhere in Great Britain.

Energy

1.26 Of the sectors examined, it is the energy sector which has done the most so far to identify customers in vulnerable situations. This has been linked to increased regulatory scrutiny and pressure from Ofgem, particularly since the publication of its 2013 strategy to address customer vulnerability³⁸. At the beginning of 2017, Ofgem imposed³⁹ new licence conditions on energy supply and network companies to ensure that eligibility for the PSRs matched its broad definition of vulnerability, and covered all those who needed and would benefit from PSR support services. One of the revised conditions also required companies to “take all reasonable steps to identify eligible consumers during the course of their interactions with them”. This shifted the burden to some extent between consumers and energy companies: whereas the onus was, and essentially still is, on people accepting themselves to be in need of additional support to make a specific request to be added to a PSR, there was now also more of an onus on companies to identify such customers, but only during the course of any other transactions with them. In other words, companies were not required to undertake their own separate enquiries to seek out and identify people who might be vulnerable. Later in 2017, Ofgem added a further broad vulnerability principle to the domestic

Standards of Conduct, which clarified to suppliers that to uphold their obligation to treat all domestic customers fairly, they needed to make an extra effort to identify and respond to the needs of those in vulnerable situations⁴⁰.

1.27 As well as revising regulatory conditions, Ofgem also has a mechanism for monitoring supplier performance, via its system of Social Obligations Reporting. Annual performance data from companies are collated and published in Ofgem’s regular reports on consumer vulnerability. Its latest 2018 report⁴¹ found that PSR registration was at its highest level since monitoring began in 2006.

1.28 It is encouraging that there are now approaching half a million Scottish customers on PSRs, with numbers having increased nearly 40% since the previous year, and having more than doubled since 2014. Trends are shown in the following table⁴² and chart on page 10.

1.29 It is, incidentally, to be expected that gas registrations would be some way below those for electricity. It is estimated that only 80% of Scottish households have a mains gas supply, compared with a GB figure of 86%⁴³ – whereas almost all Scottish households are connected to the electricity grid.

1.30 The upward trends in registration are positive, although there is still some way to go to ensure that all those who need support are registered. Ofgem itself identifies areas needing continuing focus. Of particular note to Citizens Advice Scotland is Ofgem’s observation that “the proportion of consumers on PSRs remains substantially lower in Scotland than in other nations”⁴⁴. The proportion of Scottish customers on the PSR is 18.56% for electricity, and 18.65% for gas.

38 Consumer Vulnerability Strategy, Ofgem, 2013 <https://www.ofgem.gov.uk/publications-and-updates/consumer-vulnerability-strategy>

39 Decision to modify gas and electricity supply, electricity distribution and gas transporter licences for PSR arrangements, Ofgem, 2016 https://www.ofgem.gov.uk/system/files/docs/2016/10/decision_to_modify_gas_and_electricity_supply_electricity_distribution_and_gas_transporter_licences_for_psr_arrangements.pdf

40 Ibid

41 Vulnerable consumers in the energy market, Ofgem, 2018 <https://www.ofgem.gov.uk/publications-and-updates/vulnerable-consumers-energy-market-2018>

42 Data obtained from *Monitoring social obligations: 2017 annual data report*, Ofgem, 2018 <https://www.ofgem.gov.uk/system/files/docs/2018/06/externalreport2017.pdf> and similar reports for previous years

43 *Sub-national estimates of households not connected to the gas network 2016*, Department for Business, Energy and Industrial Strategy, 2018 <https://www.gov.uk/government/statistics/sub-national-estimates-of-households-not-connected-to-the-gas-network>

44 Vulnerable consumers in the energy market, Ofgem, 2018 https://www.ofgem.gov.uk/system/files/docs/2018/11/vulnerability_report_2018.pdf

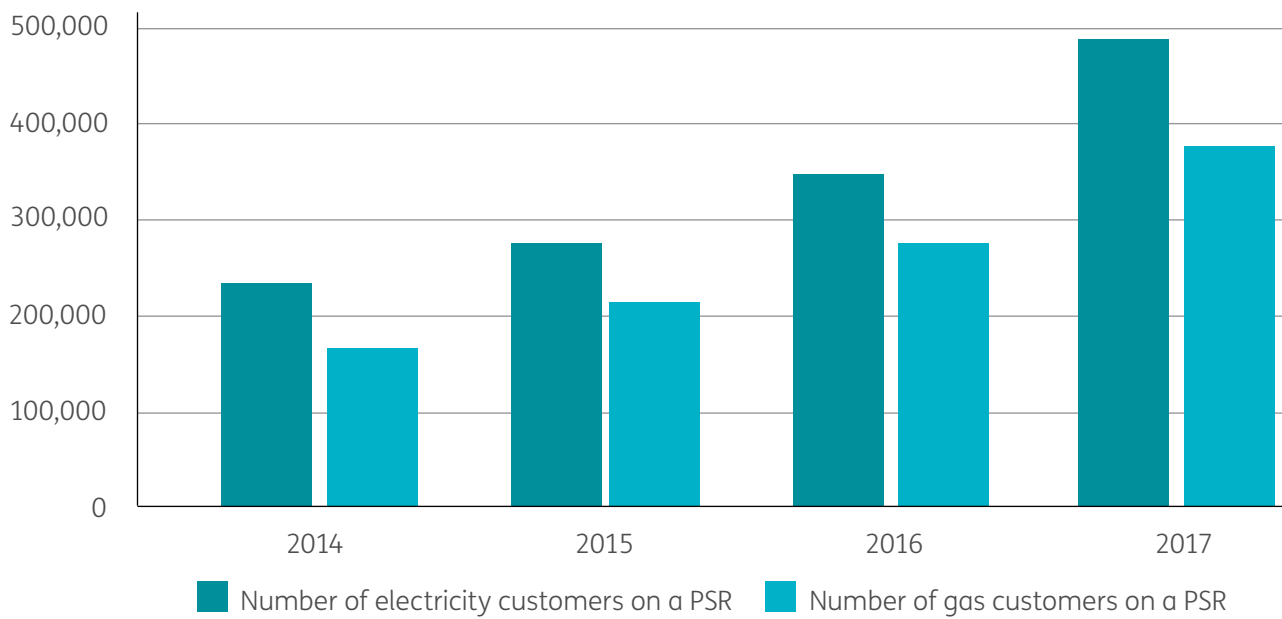
Number of electricity customers on a PSR

	2014	2015	2016	2017
<i>Scotland</i>	232,646	273,627	345,599	485,582
<i>Great Britain</i>	2,922,152	3,604,599	4,375,612	5,969,532

Number of gas customers on a PSR

	2014	2015	2016	2017
<i>Scotland</i>	164,779	212,690	273,534	374,629
<i>Great Britain</i>	2,293,109	2,985,188	3,663,464	4,758,524

Priority Services Registrations – Scottish Energy Customers



Ofgem has kindly provided the comparable percentages for England, Wales and GB as a whole – see table below⁴⁵. However, the possible causes behind this lower percentage in Scotland are not elaborated.

Proportion of electricity customers on a PSR

	England	Scotland	Wales	GB
2017	21.97%	18.56%	22.65%	21.60%

Proportion of gas customers on a PSR

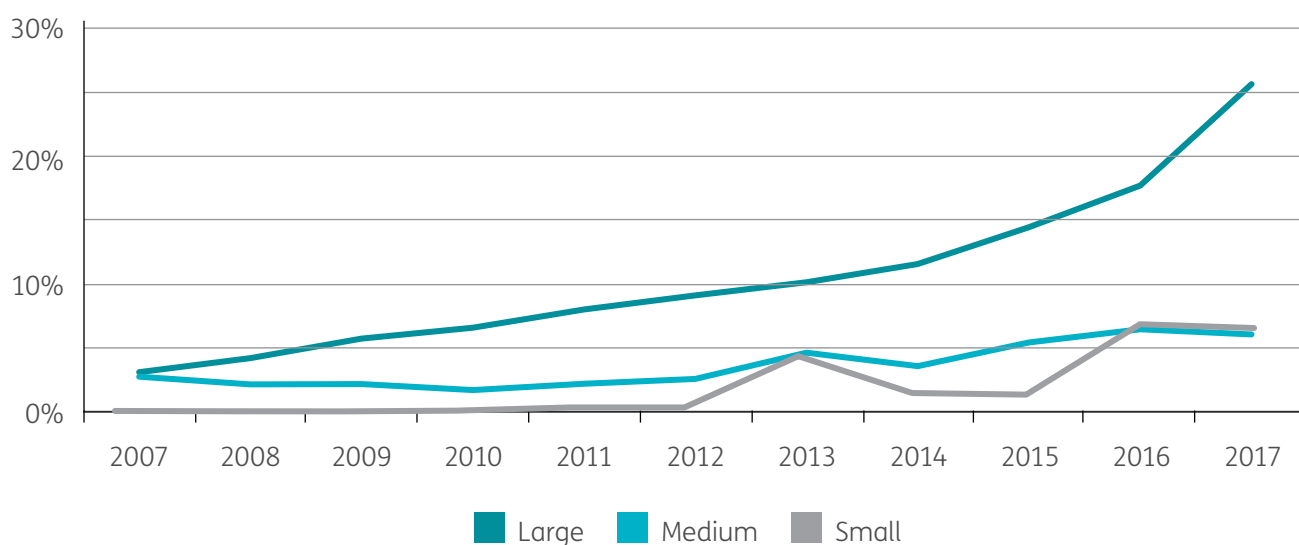
	England	Scotland	Wales	GB
2017	20.76%	18.65%	23.94%	20.79%

1.31 Ofgem also notes the following on a GB-wide basis:

- > “Some smaller and medium suppliers have considerably fewer customers on their PSRs than larger suppliers, leading to concerns that they may not be identifying eligible customers adequately”⁴⁶;
- > Similarly, “the total number of free services provided to consumers on the PSR has increased significantly for electricity and gas consumers, ...driven by large suppliers”⁴⁷;
- > “We are concerned, from some of the discussions we’ve had with suppliers, that some still seem to have a perception that vulnerability is mainly defined by age”⁴⁸.

1.32 The higher performance of larger suppliers is starkly illustrated in the following table copied from the Ofgem report. It shows that for the best-performing large energy suppliers, over 25% of their customers are on the PSR:

Proportion of electricity customers on a PSR (trend is similar for PSR gas customers) – by supplier type



45 E-mail from Ofgem, December 2018

46 *Vulnerable consumers in the energy market*, Ofgem, 2018 https://www.ofgem.gov.uk/system/files/docs/2018/11/vulnerability_report_2018.pdf

47 *Ibid*

48 *Ibid*

1.33 On the subject of both registration, and on the provision of support services to eligible consumers, Ofgem concludes: “We urge industry, and specific suppliers who scored poorly in certain areas to consider how they will improve. Particularly, we want suppliers to take advantage of the large amount of best practice examples already out there and invest adequately in support for vulnerable consumers... Vulnerability can no longer be an add-on to customer service. It needs to be an integral part of the organisation and driven by the most senior levels in the organisation”. At the time of writing, Ofgem is working on updating its 2013 Vulnerability Strategy, as well as consulting on changes to Social Obligations reporting, to “capture the most important indicators whilst minimising the reporting burden”⁴⁹. In the latter consultation⁵⁰, Ofgem is proposing to “consolidate” the number of questions asked of companies about services provided to customers relating to the PSR, whilst adding two new questions/indicators relating to the extent of data-sharing⁵¹. As for its overall Vulnerability Strategy, Ofgem indicates in its draft Forward Work Programme for 2019-21⁵² that it intends to “publish the [next] consumer vulnerability report by July 2019 and bring forward a new best-in-class strategy to address the needs of all consumers, particularly the vulnerable, by August 2019”⁵³.

Energy consumers without mains gas heating

1.34 As noted earlier, a particular feature of the Scottish energy market is the higher proportion (20%) of households without access to the mains gas network. In rural locations this proportion may be as high as 64%⁵⁴, in the Western Isles it is 84%,

and 100% in Orkney and Shetland⁵⁵. So-called ‘off-gas’ consumers have to rely on alternative sources of heating for their homes.

1.35 12% of Scottish households depend on electric heating⁵⁶. Occupiers who are in vulnerable situations would be able to access additional support services from their electricity supplier via registration on the company’s PSR⁵⁷.

1.36 However, other common sources of off-gas heating include oil (6% of households), bulk or bottled Liquefied Petroleum Gas (LPG – 1%), solid mineral fuel (1%) and biomass (1%)⁵⁸. Unlike mains gas and electricity, Ofgem does not regulate or oversee the supply of such heating fuels, and there are therefore no mandatory requirements on suppliers in these sub-sectors of the market to have specific regard to customers in vulnerable situations, nor to operate a PSR or provide additional support services.

1.37 Off-gas heating methods are associated with higher rates of fuel poverty⁵⁹, with some additional variations between off-gas fuel types. For example, Scottish fuel poverty rates are highest of all for those using LPG to heat their homes⁶⁰. Off-gas consumers have less protection around being in debt, and less access to energy efficiency advice⁶¹. Some off-gas heating methods can also be more associated with certain forms of vulnerability. Couples aged 60 or above, for example, are the most likely household type to be using heating oil – although it is fair to note that heating oil users also tend to be among

49 Ibid

50 Consultation on Revisions to Social Obligations Reporting, Ofgem, 2018 <https://www.ofgem.gov.uk/ofgem-publications/142989>

51 ‘Indicators relating to the Priority Services Register’ in Consultation on Revisions to Social Obligations Reporting, Ofgem, 2018 <https://www.ofgem.gov.uk/ofgem-publications/142989>

52 Forward Work Programme 2019-21, Ofgem, 2018 <https://www.ofgem.gov.uk/publications-and-updates/forward-work-programme-2019-21>

53 Ibid

54 Scottish House Condition Survey 2017: Key Findings, Scottish Government, 2017, Table 4 <https://www.gov.scot/publications/scottish-house-condition-survey-2017-key-findings/>

55 Scottish House Condition Survey: Local Authority Analyses, Scottish Government <https://www.gov.scot/Topics/Statistics/SHCS/keyanalyses>

56 Scottish House Condition Survey 2017: Key Findings, Table 5 <https://www.gov.scot/publications/scottish-house-condition-survey-2017-key-findings/>

57 We recently published *Hard-Wired Problems*, Citizens Advice Scotland, 2018, which examined the wider support needs of households with electric heating <https://www.cas.org.uk/publications/hard-wired-problems>

58 Scottish House Condition Survey 2017: Key Findings, Table 5 <https://www.gov.scot/publications/scottish-house-condition-survey-2017-key-findings/>

59 *Off-gas consumers: updated information on households without mains gas heating*, Citizens Advice Scotland, 2018 https://www.cas.org.uk/system/files/publications/2018-08-15_off-gas_report_final_0.pdf

60 Ibid

61 *Living without mains gas*, Citizens Advice and Citizens Advice Scotland, 2017 <https://www.cas.org.uk/publications/living-without-mains-gas>

better-off households⁶². However, all those who depend on heating oil are additionally vulnerable to sudden price rises, as oil prices are so volatile⁶³.

- 1.38 Supply is not guaranteed for consumers in vulnerable circumstances relying on deliveries of unmetered fuels, such as heating oil or LPG. However, the Federation of Petroleum Suppliers (FPS), to which many of the larger and reputable oil suppliers are associated, has a Customer Charter, based upon a Code of Practice followed by its members⁶⁴. The Charter includes a specific paragraph on ‘Dealing with Vulnerable Customers’:

“If a distributor is aware that one of its customers falls within this category, or where Government or local authorities are able to share data on those customers that they know are chronically sick, disabled or frail, then oil distributors will work with the relevant authority and take all reasonable steps to deliver essential supplies of heating oil to such customers at times when demand exceeds supply or resource capability”.

- 1.39 UKLPG, the trade association for LPG suppliers, has similarly adopted a protocol for customers in vulnerable situations⁶⁵. As well as including almost identical wording to that quoted above from the FPS Customer Charter, it details a number of other best practice standards, customer protections and support services. There is a specific section on ‘customers with visual or aural impairments’, although some other forms of vulnerability do not appear to be specifically covered in the same way. By its nature, a protocol or code of practice is different from regulatory requirements. Like the FPS, UKLPG now offers consumers a redress route for any unresolved complaints via an Alternative Dispute Resolution (ADR) process.

⁶² Off-gas consumers (see above)

⁶³ We recently published *Clubbing together: the potential for heating oil buying clubs in Scotland*, Citizens Advice Scotland, 2018, which examined the heating oil market in Scotland and the potential for collective buying solutions <https://www.cas.org.uk/publications/clubbing-together>

⁶⁴ *Code of Practice and Customer Charter*, Federation of Petroleum Suppliers, <https://www.fpsonline.co.uk/codes-of-practice/>

⁶⁵ *Industry Protocol for Vulnerable Customers*, UKLPG, 2017 <https://www.uklpg.org/advice/industry-protocol-for-vulnerable-customers>

- 1.40 Within their relatively recent new approaches to consumer vulnerability, both the FPS and the UKLPG introduced in 2017 a Cold Weather Priority scheme, to help to alleviate the problems of excess winter deaths and discomfort, and to mirror at least some features of the priority services required of mains gas and electricity suppliers. Its initial scope (UK-wide) covers customers aged 75 or over, who are potentially most at risk in cold conditions or at times of fuel shortage, but this may be extended in future. Under the scheme, each individual supplier aims to identify and maintain their own list of such customers, who are then flagged for priority support, although the scheme’s web site emphasises that supply ‘is subject to a huge range of factors and it is therefore impossible to guarantee it’⁶⁶. It is also noted that the scheme is ‘entirely voluntary’, but with an expectation ‘that most businesses in the sector will wish to join’.

District/communal heating consumers

- 1.41 Around 32,000 households in Scotland (1% of households) use some form of communal or district heating scheme⁶⁷, with an ambition to increase this to 40,000 households by 2020⁶⁸. Unlike supplies of mains gas and electricity at the individual household level, there are no specific, comprehensive statutory protections for such consumers. Only some providers adhere to the voluntary Heat Trust consumer protection scheme⁶⁹, which does set rules on consumer vulnerability⁷⁰ which are similar to Ofgem’s, including requirements for a PSR and associated support. We have already previously recommended⁷¹ that these should be made compulsory for

⁶⁶ *Cold Weather Priority*, Federation of Petroleum Suppliers, <https://www.coldweatherpriority.co.uk>

⁶⁷ *Scottish House Condition Survey 2017: Key Findings*, Table 5 <https://www.gov.scot/publications/scottish-house-condition-survey-2017-key-findings/>

⁶⁸ *Heat Policy Statement*, Scottish Government, 2015 <https://www.gov.scot/Publications/2015/06/6679>

⁶⁹ *District Heating in Scotland – Different Rules for Different Fuels: consumer protection and district heating*, Citizens Advice Scotland briefing sheet, 2017 https://www.cas.org.uk/system/files/publications/cfu_briefing_-_district_heating_in_scotland_-_26_may_2017.pdf

⁷⁰ *Scheme Rules*, Heat Trust, <http://www.heattrust.org/images/docs/Scheme-Rules-2017---with-GDPR-May-2018.pdf>

⁷¹ *Different Rules for Different Fuels: Exploring Consumer Protection in the District Heating Market*, Citizens Advice Scotland, 2017 <https://www.cas.org.uk/publications/different-rules-different-fuels-exploring-consumer-protection-district-heating-market>

suppliers in this sector. More recently, the Competition and Markets Authority (CMA) has also recommended to the Department for Business, Energy and Industrial Strategy (BEIS) and the Scottish Government the creation of a regulatory framework for all heat networks; and that “domestic heat network customers should be given similar protections to gas and electricity consumers, particularly in relation to the quality of service and protections for vulnerable customers”. These protections should include “a PSR for vulnerable customers and support for vulnerable customers”⁷². The CMA has indicated that in Scotland, it will work with the Scottish Government in taking forward these recommendations; and, for its part, in a recent Ministerial statement⁷³, the Scottish Government confirmed that it is having positive discussions with the UK Government as it looks to “agree how the CMA’s recommendations can be implemented as intended, as a coherent package for the benefit of consumers”.

Water

1.42 Registration levels in Scotland’s water sector, among customers of Scottish Water who are in vulnerable situations, present a somewhat contrasting picture to energy. Scottish Water is not required to, and does not, publish data on the numbers of customers on its Additional Support Register. During the course of our research, Scottish Water advised that it currently has around 2,000 customers registered for additional support. This figure seems very low in comparison with the nearly half a million Scottish customers on electricity PSRs⁷⁴. Scottish Water does not hold details of all its customers in the way in which energy suppliers do, since billing for water and sewerage services is handled by local

authorities alongside Council Tax payments. Usually they only have details of customers who have contacted the utility directly, perhaps to make a query or complaint. Scottish Water indicated that the reason for the lower level of registration on its Additional Support Register is similar – registration depends on those few people who contact the company, typically because of a supply problem or query, or possibly because they have heard of the register somewhere, and wish to be placed on it.

1.43 In England and Wales, some data on registration levels by water companies, for customers needing additional support, have been published by the Consumer Council for Water, which represents customers in those nations. With their 2017 and 2018 reports reviewing how the water sector addresses customer vulnerability⁷⁵, the following informative data were included⁷⁶ (see table overleaf).

1.44 In comparison with the energy sector, these figures are still relatively low, as a proportion of the companies’ total customer base. Whereas around 21% of all energy customers in Great Britain are registered on PSRs, it will be seen that none of the water companies in England and Wales has a proportion of registered customers which is much above 2% (i.e. 200 connections per 10,000 customers – see right-hand column of table), with the average being less than 1%. There is also significant variation in the proportions registered, and annual rates of progress, reported by different companies. None the less, over 340,000⁷⁷ customers in England and Wales are now registered, and the total has increased by more than 50% over the

72 Heat networks market study, Competition and Markets Authority, 2018, Section 7 https://assets.publishing.service.gov.uk/media/5b55965740f0b6338218d6a4/heat_networks_final_report.pdf

73 Energy-Efficient Scotland – Ministerial Statement, Paul Wheelhouse MSP, Scottish Parliament, 2018 <http://www.parliament.scot/parliamentarybusiness/report.aspx?r=11795&i=106744>

74 Some allowance should be made for the fact that Scottish Water’s total customer base is slightly lower than that for electricity, as around 3.6% of the Scottish population are reliant on private water supplies instead of being supplied by Scottish Water; but this does not affect the general disparity noted between the Scottish water and energy sectors

75 *Staying afloat: Addressing customer vulnerability in the water sector (2016-17)*, Consumer Council for Water, 2017 <https://www.ccwater.org.uk/research/staying-afloat-customer-vulnerability-in-the-water-sector-2016-2017/> and *Water for all: Affordability and vulnerability in the water sector 2017-18*, Consumer Council for Water, 2018 <https://www.ccwater.org.uk/blog/2018/10/30/water-for-all-meeting-the-needs-of-customers-in-vulnerable-circumstances-2/>

76 *Staying afloat: Data appendices – Priority Registers*, Consumer Council for Water, 2017 <https://www.ccwater.org.uk/wp-content/uploads/2017/09/Data-Appendices-2016-17.xlsx> and e-mail from Consumer Council for Water, November 2018, providing the latest 2017-18 data

77 The Consumer Council for Water notes that “Customers who are receiving help from both a water company and a water and sewerage company may have been counted twice” within the totals shown at the foot of the table – *Water for all 2017-18* report, footnote to p18

Customers registered on Priority Services Registers

Company	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	Per 10,000 Connections 2017-18
Water and sewerage companies							
Anglian	11,551	10,374	11,202	9,969	12,805	15,317	53
Dwr Cymru	17,921	20,309	23,052	23,747	23,712	26,196	180
Northumbrian	10,035	12,476	13,271	14,171	14,916	13,629	112
Severn Trent	22,489	26,248	29,260	31,820	35,579	38,922	93
South West	9,680	9,282	9,585	9,983	10,523	11,060	143
Southern	12,518	11,985	11,250	11,482	13,334	16,149	81
Thames	56,477	58,135	58,617	59,542	57,225	60,020	107
United Utilities	16,105	17,929	19,016	20,351	31,006	52,367	164
Wessex	4,158	4,086	4,706	5,622	6,684	8,474	69
Yorkshire	17,938	30,817	35,009	37,670	39,448	44,194	193
Water-only companies							
Affinity	14,819	17,469	17,174	16,921	24,259	24,922	175
Bournemouth	1,730	1,737	884	856	779	757	39
Bristol	1,949	1,891	2,276	2,654	3,027	3,861	77
Cambridge	729	743	752	774	768	757	57
Dee Valley	649	720	807	872	143	151	13
Essex and Suffolk	2,987	3,363	3,803	4,184	4,791	5,237	68
Hartlepool	560	587	595	585	590	651	152
Portsmouth	200	204	226	205	225	315	10
South East	6,995	6,934	8,059	7,304	7,984	8,665	91
South Staffs	13,210	12,932	12,512	12,954	11,070	10,923	197
Sutton and East Surrey	1,693	1,697	1,635	1,559	1,449	1,597	58
TOTALS	224,393	249,918	263,691	273,225	300,317	344,164	

6-year period shown in the table, with a 14.6% increase in the last year alone. Even allowing for the greater interaction which the water companies South of the border have with customers because of direct billing, the figure quoted earlier of 2,000 people in vulnerable situations, across the whole of Scotland, registered by Scottish Water for additional support still seems low by comparison – by an order of magnitude, assuming that a proportional figure for Scotland (with roughly 10% of the population) would be around the 25,000-35,000 mark.

1.45 This subject is not simply a ‘numbers game’ about the figures which different organisations have for the numbers of people registered for additional support. There are also real consequences for those who are vulnerable, and who need that support. This is perhaps most starkly illustrated in cases of supply interruption, when certain groups may need, and should expect, information and alternative arrangements rapidly.

1.46 There was a recent demonstration of this. In 2018, the severe winter weather nicknamed ‘The Beast from the East’ led to widespread

supply problems which, as far as England and Wales are concerned, were subsequently investigated by Ofwat⁷⁸, in close co-operation with the Consumer Council for Water⁷⁹. During the thaw following the freezing conditions, over 200,000 customers in England and Wales were without water for more than four hours, over 60,000 for more than 12 hours, and some for more than a week⁸⁰.

1.47 Ofwat found “*significant problems*” in water companies’ readiness and response. “*There were real differences in the performance of water companies... There are lessons to be learned for all companies – even those that performed well*”⁸¹. It had specific findings and recommendations about customers in vulnerable circumstances, including:

- “Many companies were not proactive in identifying or supporting customers in vulnerable circumstances...”
- A number of companies told us that their priority services registers (PSRs) were limited...
- We also found that some companies expect customers to identify themselves as being in vulnerable circumstances and to sign up for support... This approach does not acknowledge that customers may not recognise themselves as vulnerable or understand the term, yet still need support...
- Several companies did not co-ordinate effectively with key stakeholders to identify and support customers in vulnerable circumstances... Stakeholders noted that some companies were slow to engage with them to cross-check their vulnerability registers and identify customers in vulnerable circumstances. In some instances, due to this slow response, volunteers and council officials had to step in to support customers, including

by delivering bottled water door-to-door. Companies should lead and be actively co-ordinating with local partners to consider where they can support their response...

- Some companies demonstrated good practice in working proactively with partners, such as charities and local councils to identify customers for support, and we encourage companies to adopt this as business as usual...
- We also believe that water companies should work with energy companies to implement the changes recommended in the 2017 UK Regulators Network report about making better use of data to identify customers in vulnerable circumstances”⁸².

1.48 The Consumer Council for Water additionally stated: “*Three quarters of households and businesses that were off supply due to their water company’s network did not receive any alternative emergency supplies of water. Consumers who found themselves in vulnerable circumstances were among the worst affected, with the vast majority (93%) saying they did not get any additional support from their company*”⁸³. The associated research which it had commissioned⁸⁴ included some vivid and worrying direct quotations about the real experiences of consumers affected.

1.49 Ofwat proceeded to make a number of recommendations surrounding the incident, and called for a detailed response from the water industry by the end of September 2018. Several companies were directed to “*improve their information regarding customers in vulnerable circumstances... Companies should work collaboratively with local partners to gather more information about which of their customers are in vulnerable circumstances, how this can vary over time and by incident and consider how best they can support them. Companies should consider the vulnerability focus report*

78 *Out in the Cold: Water companies’ response to the ‘Beast from the East’*, Ofwat, 2018 <https://www.ofwat.gov.uk/pn-26-18-hard-lessons-water-sector-following-beast-east-review/>

79 *Customers’ experiences of water supply interruptions following the freeze-thaw events of March 2018*, Consumer Council for Water, 2018 <https://www.ccwater.org.uk/blog/2018/06/19/water-consumers-felt-badly-let-down-after-beast-from-the-east/>

80 *Out in the Cold: Water companies’ response to the ‘Beast from the East’*, Ofwat, 2018 <https://www.ofwat.gov.uk/pn-26-18-hard-lessons-water-sector-following-beast-east-review/>

81 *ibid*

82 *Ibid*

83 *Water consumers felt badly let down after ‘Beast from the East’*, Consumer Council for Water, 2018 <https://www.ccwater.org.uk/blog/2018/06/19/water-consumers-felt-badly-let-down-after-beast-from-the-east/>

84 *Customers’ experience of water supply interruptions following the freeze-thaw events of March 2018*, SYSTRA on behalf of the Consumer Council for Water, 2018 <https://www.ccwater.org.uk/wp-content/uploads/2018/06/SYSTRA-CCWater-Freeze-Thaw-Research-Final-Report.pdf>

Ofwat published in 2016⁸⁵ and the 2017 UKRN report on data-sharing⁸⁶ in doing this⁸⁷. The water industry's trade body, Water UK (of which Scottish Water is also a member) was called upon to "share best practice regarding communicating with customers and key local stakeholders (for example Local Resilience Forums and councils) before, during and after incidents to ensure they are well-informed and kept up-to-date, including how best to target communications and support to different types of customers, particularly those in vulnerable circumstances"⁸⁸.

1.50 In the responses submitted⁸⁹ by the water companies in England and Wales, and by Water UK, to this Ofwat request, the industry has put forward several improvements in planning and preparedness; in stakeholder and customer engagement – specifically including engagement with affected customers; and in incident response. Ofwat has also now published its response⁹⁰ following scrutiny of these plans. It welcomes the progress made, but still states that, among other things:

- "Companies need to be thinking more carefully about identifying and supporting customers in vulnerable circumstances".

Specifically:

- "Several companies have committed to large expansions of their priority services registers to ensure that customers who need additional help are identified. Companies should make sure this is delivered.
- However, we're concerned that we haven't seen enough progress on the issue of transient vulnerability. Customers become

more vulnerable the longer that they're without water, and the shape and scope of vulnerability isn't static. We expect to see more progress by companies in developing approaches to identify and support customers in vulnerable circumstances that fall outside their usual registers.

- Improving the quality of customer data will be key in identifying customers in vulnerable circumstances. We encourage all companies to get involved in the Water UK sector-wide work that stemmed from the Out in the Cold review on this topic, and the recent UKRN-facilitated work and report on data-sharing between the water and energy sectors.⁹¹

1.51 Even before the severe winter weather in 2018, Ofwat had already moved to strengthen the approach of the water industry in England and Wales to consumer vulnerability. At the end of 2017, it decided⁹² that under the 2019 price review process known as PR19, it would introduce new expectations on water companies to ensure that they both address vulnerability, and routinely report on their approach and on specified new performance metrics. These were published as an appendix to the overall PR19 price methodology⁹³. In future, Ofwat will specifically assess, among other things:

- "how well companies use good-quality available data to understand their customers and identify those that are in circumstances that make them vulnerable;
- how well companies engage with other utilities and third-party organisations, to identify vulnerability and best support those who are in circumstances that make them vulnerable; and
- how targeted, efficient and effective companies' approaches to address vulnerability are"⁹⁴.

85 *Many water customers in situations of vulnerability don't get the help they need – new report finds*, Ofwat, 2016 <https://www.ofwat.gov.uk/pn-0316-many-water-customers-situations-vulnerability-dont-get-help-need-new-report-finds/>

86 See para 1.64 below

87 *Out in the Cold: Water companies' response to the 'Beast from the East'* p33, Ofwat, 2018 <https://www.ofwat.gov.uk/pn-26-18-hard-lessons-water-sector-following-beast-east-review/>

88 *Ibid*

89 *Water industry is better prepared for extreme weather*, Water UK, 2018, <https://www.water.org.uk/news-water-uk/latest-news/water-industry-better-prepared-extreme-weather>

90 *Out in the Cold – next steps*, Ofwat, 2018 <https://www.ofwat.gov.uk/out-in-the-cold-next-steps/>

91 *Ibid*

92 *Delivering a decade of lower bills and better service for water customers*, Ofwat, 2017 <https://www.ofwat.gov.uk/pn-32-17-delivering-decade-lower-bills-better-service-water-customers/>

93 *Delivering Water 2020: Our final methodology for the 2019 price review – Appendix 1: Addressing affordability and vulnerability*, Ofwat, 2017 <https://www.ofwat.gov.uk/wp-content/uploads/2017/12/Appendix-1-Affordability-and-vulnerability-FM.pdf>

94 *Ibid*

1.52 Ofwat’s revised common list of metrics on vulnerability is as follows:

1. “Percentage of customers aware of the non-financial vulnerability assistance measures offered.
2. Number of customers on special assistance register/priority service register(SAR/PSR).
3. Percentage of customers on SAR/PSR.
4. Number of customers receiving the following services through the SAR/PSR:
 - a) Support with communication;
 - b) Support with mobility and access restrictions;
 - c) Support with supply interruption;
 - d) Support with security; and
 - e) Support with ‘other needs’.
5. Percentage of customers satisfied that the services provided by their company are easy to access.
6. Percentage of customers on SAR/PSR contacted over the past two years to ensure they are still receiving the right support”⁹⁵.

1.53 Interestingly, Ofwat continued:

“We will not require companies to have a common performance commitment for vulnerability because we recognise that no single measure reflects the complexity and dynamism of vulnerability, and the extent to which the challenges vary across companies. We are requiring companies to provide data on a number of common metrics of vulnerability to help us to better understand the nature of vulnerability issues and the variations between companies, but we are not requiring companies to set commitments on these common metrics. We consider that our strong emphasis on vulnerability in PR19 will sufficiently incentivise companies to address these issues effectively in their business plans. We will build on experience in PR19 and reconsider common performance commitments for vulnerability at PR24.

We are requiring companies to include at least one bespoke performance commitment for addressing vulnerability that reflects their specific challenges in their business plans, after engaging with customers and taking on board challenges from their Customer Challenge Groups (CCGs). The bespoke performance commitments will require companies to engage with their customers

and CCGs on their future commitments to addressing vulnerability.

We are also considering the use of a third-party expert panel and the further development of common metrics to assess and advise companies’ approaches to vulnerability across all companies during 2020-25. We will discuss this with the sector after the PR19 final determinations”⁹⁶.

1.54 The water companies in England and Wales have now submitted their 2020-25 business plans to Ofwat⁹⁷, which is scrutinising these plans and will publish its initial assessment of them at the end of January 2019⁹⁸. The Consumer Council for Water is also studying them in detail: “We welcome the fact that the plans recognise further progress is needed on ensuring water services are accessible to all and are proposing new, specific commitments relating to affordability and vulnerability. We will be looking closely at company plans to look for innovation and good practice. We will also be providing challenge and pressing for improvements where we consider plans to be insufficient in delivering effective support for consumers”⁹⁹. Among other things, it is expecting companies to measure customer awareness of available vulnerability assistance – including among customers not currently vulnerable but who may become so, to test whether people will know what help is available, in case they should need it. To measure that help and support are meaningful, it also expects tracking of customer satisfaction with the quality of the assistance they receive, via surveys or panel assessments; and external validation of support schemes¹⁰⁰.

⁹⁵ *Ibid*

⁹⁶ *Delivering Water 2020: Our final methodology for the 2019 price review – Appendix 1: Addressing affordability and vulnerability*, Ofwat, 2017 <https://www.ofwat.gov.uk/wp-content/uploads/2017/12/Appendix-1-Affordability-and-vulnerability-FM.pdf>

⁹⁷ *Water companies set out plans for 2020-2025*, Ofwat, 2018 <https://www.ofwat.gov.uk/water-companies-set-plans-2020-2025/>

⁹⁸ *Price review 2019: Ofwat to test water company business plans*, Ofwat, 2018 <https://www.ofwat.gov.uk/pn-36-18-price-review-2019-ofwat-test-water-company-business-plans/>

⁹⁹ *Water for all: affordability and vulnerability in the water sector 2017/18*, Consumer Council for Water, 2018 p23 <https://www.ccwater.org.uk/blog/2018/10/30/water-companies-can-do-more-to-help-cash-strapped-households/>

¹⁰⁰ *Presentation to seminar on affordability and vulnerability*, Consumer Council for Water, November 2018

- 1.55 In its most recent publications, the Consumer Council for Water has additionally highlighted the need to consider and act on ‘transient vulnerability’: “companies need to rise to the challenge of finding effective ways to identify customers who need temporary support”. It notes that transient vulnerability may be missed by PSRs, and states that it will be bringing the industry together to share ideas and consider this aspect further¹⁰¹. As already noted, Ofwat is starting to reflect this emphasis on transient vulnerability in some of its own expectations¹⁰².
- 1.56 Scottish Water is in public ownership and, as was noted earlier in the report, is not regulated in the same way as the water companies elsewhere in Great Britain, nor is it currently subject to specific requirements on customer vulnerability. Although it has also not come under strong criticism for lack of customer support during particular incidents of supply disruption, as occurred in England and Wales during 2018’s severe winter weather, Citizens Advice Scotland nevertheless considers that all the above recent work by Ofwat, and the Consumer Council for Water, is promoting best practice and is relevant to Scotland – in the same way in which Ofwat is applying its new approach universally, even to companies which have so far demonstrated better practice. The objective should be to ensure that those who need additional support are able to get it straightforwardly, and that this system, and communities, and Scotland as a whole are resilient in times of strain.
- 1.57 As with the levels of registration of consumers in vulnerable situations, evidence continues to show that public awareness of the registration system, and of the availability of additional support, is not as high as it should be. In 2017, during the preparatory work for this project, Citizens Advice Scotland commissioned YouGov to do a survey to assess consumer attitudes towards the identification and registration of consumers in vulnerable circumstances. Among other things, this found that 65% of people had not heard of any of the registers.
- 1.58 Awareness of registers was again included in our more recent 2018 consumer tracker survey. This found that whilst almost half of Scottish consumers might be eligible to be on a Priority Services Register, only as few as one in four of those surveyed were aware of the registers.
- 1.59 Earlier in 2018, Citizens Advice published research¹⁰³ examining the lived experience of people with mental health problems, and how they interact with providers of essential services. It covered many challenges and difficulties which this group has in engaging with suppliers in often competitive markets. Among its findings it noted that “very few of the people that we spoke to during this study were on a priority services register or even aware that these registers existed... There appears to be a need to raise awareness of priority services registers per se. But there is also need to inform customers of the benefits and additional support this offers, and when they are on a register, ensuring they receive the additional support they should be”¹⁰⁴.
- 1.60 In the water sector in England and Wales, the Consumer Council for Water carries out detailed tracking of households’ views on their water and sewerage services. In its latest survey¹⁰⁵, it found that awareness of water companies’ PSRs “remains low” at 43% across England and Wales. Although the 7-year trend was upward, awareness had fallen since 2015. We are not aware of similar data specific to Scotland, other than our own quoted earlier in this section, but the picture seems unlikely to be any better.

Levels of public awareness of registers and support services

- 1.57 As with the levels of registration of consumers in vulnerable situations, evidence continues to show that public awareness of the registration system, and of the availability of additional support, is not as high as it should be. In 2017, during the preparatory work for this project, Citizens Advice Scotland commissioned YouGov to do a survey to assess consumer attitudes

101 *Water for all: affordability and vulnerability in the water sector 2017/18*, Consumer Council for Water, 2018 <https://www.ccwater.org.uk/blog/2018/10/30/water-companies-can-do-more-to-help-cash-strapped-households/>

102 *Out in the Cold – next steps: customers in vulnerable circumstances*, Ofwat, 2018 <https://www.ofwat.gov.uk/out-in-the-cold-next-steps/customers-in-vulnerable-circumstances/>

103 *Essential service markets and people with mental health problems*, Citizens Advice, 2018 <https://www.citizensadvice.org.uk/about-us/policy/policy-research-topics/consumer-policy-research/consumer-policy-research/essential-service-markets-and-people-with-mental-health-problems/>

104 *Ibid*

105 *Water Matters: Household customers’ views of their water and sewerage services 2017*, Consumer Council for Water, 2018 <https://www.ccwater.org.uk/research/water-matters-household-customers-views-of-their-water-and-sewerage-services-2017/>

Simpler registration, and cross-sector data-sharing, for consumers needing priority services

1.61 Overall, the evidence is that a significant proportion of consumers are continuing to miss out on services which could benefit them. As different sectors and companies register consumers individually, it is also likely that some consumers may be confused or put off by multiple, similar registration campaigns, and that resources may be going towards registration which might otherwise be used to improve service delivery.

1.62 In 2017, the UK's National Audit Office (NAO) reported on an investigation into how four different sectors – water, energy, telecommunications and financial services – took specific steps to protect consumers in vulnerable circumstances. Among other things, it called for regulators & government to:

“work together to... more proactively explore options to enhance data-sharing that would allow better identification of, and support for, consumers in long-term or permanent vulnerable circumstances, in particular: continue to explore proposals for firms to securely share information about consumers who need specialist support, including working to overcome legal barriers; and consider developing a system to allow firms to easily establish consumers' eligibility for support schemes based on receipt of means-tested benefits. While this might initially relate only to existing discount schemes, such a system could prompt firms to consider what other support they might offer”¹⁰⁶.

1.63 In its recent Consumer Green Paper, the UK Government has supported the NAO recommendations and ongoing work by the UKRN (see below) and others in this area, and stated that it wants “to see more collaboration, sharing, and assessment of the effectiveness of different approaches to supporting vulnerable consumers”. It notes the need for specific action to help consumers with mental ill-health, and says that regulators will consider minimum standards on this. It adds that the new joint

UK Consumer Forum, involving government and regulators, will ensure, among its first priorities, that regulators are working together effectively, that best practice is shared and that suppliers are playing their part in ensuring that consumers in vulnerable situations are not exploited¹⁰⁷.

Data-sharing between energy and water sectors

1.64 As mentioned earlier, following the NAO investigation (see above), the UKRN then published an important cross-sector review¹⁰⁸ later in 2017. In this review, Ofgem and Ofwat, acting together under the UKRN umbrella¹⁰⁹, specifically explored the potential for companies to work more collaboratively across the water and energy sectors to make better use of non-financial data to identify customers who may be vulnerable. They concluded that cross-sector data-sharing had the potential to improve the effectiveness, and efficiency, of the approaches by these two sectors. They presented some sensible principles for data-sharing to be effective, set out their expectations about this of the sectors which they regulate, and stated how they would contribute to and monitor developments. The report included various good case studies on existing practices and initiatives from around the UK. Technical innovation in approaches to dealing with vulnerability among energy consumers has also been thoroughly explored and emphasised in another major recent review¹¹⁰ by the think tank Sustainability First, as part of their Project Inspire, which aimed to improve service delivery and quality of life for energy consumers in vulnerable situations.

1.65 The UKRN's six principles of data-sharing were set out under two broad headings – first, building customer confidence; and secondly, effective company collaboration:

107 *Modernising consumer markets – Consumer Green Paper*, Department for Business, Energy and Industrial Strategy, 2018 <https://www.gov.uk/government/consultations/consumer-green-paper-modernising-consumer-markets>

108 *Making better use of data: identifying consumers in vulnerable situations*, UKRN, 2017, <http://www.ukrn.org.uk/news/regulators-join-together-to-encourage-more-help-for-vulnerable-customers-from-energy-and-water-providers/>

109 The Financial Conduct Authority, Ofcom and the Northern Ireland Utility Regulator were involved as observers.

110 *Energy for All – Innovate for All*, Sustainability First, 2018 <http://www.sustainabilityfirst.org.uk/inspire/reports>

106 *Vulnerable consumers in regulated industries*, NAO, 2017 <https://www.nao.org.uk/report/vulnerable-consumers-in-regulated-industries/>

Building Customer Confidence

1. Customer empowerment

“Customers should be empowered through the transparency of processes, have access to their data and be able to exert personal preferences in how their data is used”.

2. Targeted customer engagement

“Customers should experience positive engagement in a timely, accurate and consistent manner. Companies should seek input from ‘trusted partners’, such as consumer bodies and charities, where they are best placed to advise or take engagement forward”.

3. Demonstrating customer benefit

“Customers should receive value from their data being shared, through a more tailored service or a better understanding of their needs. Customers that understand how they benefit from data-sharing will have more confidence in the process”.

Effective company collaboration

4. Data quality

“Companies should only share data that is good quality, up-to-date and accurate. This will enable them to better identify and support customers in vulnerable circumstances”.

5. Documenting customers’ needs

“A more consistent approach to documenting customer needs is a key enabler of efficient data-sharing and will help build customer confidence”.

6. Security of data during transfer

“By working together, companies can share learnings and best practice around good data security culture, better protecting themselves from cyber-attacks and data breaches that can erode reputation and customer confidence”.

1.66 At the time at which the UKRN reported, the energy sector had already led the way on greater consistency of data standards, and towards routine, consented data-sharing within the sector between gas and electricity companies; and between energy network operators on the one hand, and energy retailers on the other. This progress was based upon the work by the sector’s Safeguarding Customers Working Group

(SCWG) to develop and apply standardised ‘needs codes’ to facilitate two-way transfer of data in common formats.

1.67 This work soon attracted the interest of the water sector, of its regulator in England & Wales – Ofwat – and of the UKRN and consumer bodies, all seeing the opportunity to extend data-sharing across, not just within, sectors. In October 2017, at about the same time as the UKRN report, the water industry’s trade association, Water UK, announced¹¹¹ a major new joint initiative with the Energy Networks Association. The water industry would build on the successful work by the SCWG and would work towards an objective in which customers in vulnerable situations *“will be able to choose to register once to get help, rather than having to give details multiple times to different utilities”*. The announcement stated *“the aim of rolling out the scheme nationwide by 2020”*.

1.68 A joint working group was set up between Water UK and the Energy Networks Association’s SCWG. Ofgem and Ofwat’s expectations were that this working group should give them a quarterly report on progress. They also stated that they would ask individual companies to demonstrate how they were *“continuing to work together to upscale and expand on the existing cross-sector work to identify customers in vulnerable circumstances”*¹¹². It was decided that a pilot exercise would take place in 2018 in parts of North-West England¹¹³, involving United Utilities and Electricity North West (the power network operator for that region).

1.69 The UKRN has just produced a follow-up paper¹¹⁴, updating on progress across the two sectors. The United Utilities/Electricity North West pilot exercise ran over 14 weeks between February and April 2018. Its initial findings are generally positive, with customers welcoming the collaboration between sectors and the opportunity of only having to register once.

111 *Water and energy join up to give more help to customers*, Water UK press release, 2017, <https://www.water.org.uk/news-water-uk/latest-news/water-and-energy-join-give-more-help-customers>

112 *Making better use of data: identifying consumers in vulnerable situations*, UKRN, 2017, <http://www.ukrn.org.uk/news/regulators-join-together-to-encourage-more-help-for-vulnerable-customers-from-energy-and-water-providers/>

113 *Ibid*

114 *Ibid*

The trial involved only new contacts with 2,000 customers, not yet data-sharing on all established customers. This is partly due to the need for new, explicit, informed consent from the customers in question before data-sharing can take place; and partly because this was very much a ‘proof of concept’ exercise in the first instance. Likewise, the initial trial phase depended on mostly manual (but secure) interventions and exchanges between the two utilities, rather than an automated solution at this stage.

- 1.70 For the water company taking part in the trial, United Utilities, 80% of the customers whose data were shared were new PSR registrations – presumably reflecting the fact that the levels of water company registrations are currently well below those in the energy sector. As well as the generally positive feedback from customers, several useful practical lessons¹¹⁵ were identified from the trial:
- Customer trust – especially in the new GDPR regime and in the context of heightened public awareness/caution about data-sharing – is crucial. It was found this could be addressed through careful staff training and scripts.
 - Significant training, and then call time, were needed to enable employees not just to recognise and respond to vulnerability, but also to explain clearly the benefits of being on the PSR in a different sector, and the ways in which data would be used.
 - A balance between automation and the ‘human touch’ will be advisable as data-sharing is extended. Although wider roll-out will inevitably entail more automation, the pilot showed how important were the interactions with empathetic staff towards gaining customer consent.
 - Data-matching was the most time-consuming aspect. 70% of data shared were matched with no problem. For the remainder, address data could usually be matched but exceptions relating to individuals’ names were common – due to differing naming conventions between the records held for the same households by the two utilities, or differences in which household member might be listed as

responsible for payment. These customers then had to be further contacted to verify them and to ensure explicit consent. This point nicely illustrates some of the practical and data protection hurdles typically needing to be overcome before integration of data can be quickly and seamlessly achieved.

- 1.71 It was also noted that in addition to the benefits for non-financial support services, the pilot helped to identify certain customers eligible for some types of financial support. The two companies have decided to continue data-sharing as part of their business-as-usual operations.
- 1.72 Meanwhile the joint water/energy industry working group has worked on the extension into the water sector of the energy sector’s ‘needs codes’ – finding that “*with a few tweaks and exceptions, 80-90% of existing energy needs codes were relevant in water, validating the idea of sharing data between the two sectors in order to support the same customers*”. Together with data experts, the working group is learning from the data-matching problems mentioned above, and looking at the ways in which energy and water companies can match names and addresses most effectively¹¹⁶.
- 1.73 To support national implementation of non-financial data-sharing by April 2020, the working group is developing the IT and legal arrangements, and planning a more automated ‘gateway systems pilot’ for next year – this time involving three English water companies (Anglian Water, Thames Water and United Utilities) and their corresponding electricity network operators (UK Power Networks and Electricity North West). Lessons will be shared with all companies.
- 1.74 Other positive individual projects are continuing to appear. For example, Thames Water recently announced a new partnership with Scottish and Southern Electricity Networks and Age UK Berkshire, which will allow people to “*sign up to the registers of both utility companies in a single place, providing peace of mind to customers as they know they will be looked after at a potentially worrying time*”¹¹⁷.

115 *Making better use of data: identifying customers in vulnerable situations – a follow-up report*, UKRN, 2018 <http://www.ukrn.org.uk/how-safe-and-secure-sharing-of-data-between-water-and-energy-companies-is-helping-customers-in-vulnerable-circumstances/>

116 *Ibid*

117 *New partnership to help customers in need*, Thames Water, 2018 <https://corporate.thameswater.co.uk/Media/News-releases/Age-UK-partnership>

- 1.75 The UKRN has welcomed this “*significant progress*” whilst noting that continued effort will be needed to be ready for a successful roll-out in 2020¹¹⁸. Water UK has recently expressed confidence that “*we remain on track to meet the target of implementing water-energy priority services data-sharing by 2020. The arrangements will be fully compliant with GDPR requirements for customers to provide their explicit consent, and over time, as customers consent, is expected to result both in more customers being registered for priority services in the water sector, and timelier and more up-to-date information for both the water and energy sectors, improving service delivery and making access to priority services easier for customers of both services*”¹¹⁹.
- 1.76 Scottish Water is a member of Water UK and therefore in principle covered by its industry body’s UK-wide commitment to have joint arrangements with energy network companies in place by 2020. It is also participating in the joint industry working group. We understand that discussions are taking place between Scottish Water and the Scottish energy network companies (who are covered by Ofgem’s GB-wide expectations) towards the joint objectives. However, Scottish Water is in the unusual position among UK water suppliers of not yet facing specific similar regulatory scrutiny or objectives in this area to those set by Ofwat for the water companies South of the border, and therefore to an outside observer, the exact status of the 2020 target is slightly less clear in the case of Scottish Water. It is noticeable that even Ofgem, in a blog post to accompany the latest UKRN report on data-sharing, concluded that the Energy Networks Association and Water UK are now looking to roll out the data-sharing scheme “*across England and Wales*”¹²⁰ – perhaps also casting doubt on its application to Scottish Water.

118 *Making better use of data: identifying customers in vulnerable situations – a follow-up report*, UKRN, 2018 <http://www.ukrn.org.uk/how-safe-and-secure-sharing-of-data-between-water-and-energy-companies-is-helping-customers-in-vulnerable-circumstances/>

119 *Learning from the impacts of the 2018 freeze-thaw*, Appendix 3, Water UK, 2018 <https://www.water.org.uk/news-water-uk/latest-news/water-industry-better-prepared-extreme-weather>

120 *Safe, secure data-sharing helps those in vulnerable circumstances*, Ofgem, 2018 <https://www.ofgem.gov.uk/news-blog/our-blog/safe-secure-data-sharing-helps-those-vulnerable-circumstances>

Citizens Advice – development of proposed PSR sign-up tool

- 1.77 In parallel with the joint water-energy data-sharing trials promoted by the UKRN and reported above, our counterparts at Citizens Advice in London have also been exploring the concept of an online multi-sign-up tool to provide consumers (or those acting on their behalf such as a client adviser) across England, Wales and Scotland with a single portal to multiple PSR services.
- 1.78 This project is at the development stage, but the proposal¹²¹ is that the online gateway – hosted on the advice section of the Citizens Advice web site – would collect the consumer’s personal and priority needs information, and transfer it automatically to all the relevant companies in a single transaction via a secure data transfer network. This would simplify the process of getting signed up to the various registers, and help to improve registration rates. The aim is ultimately to cover both energy and water companies.

The Northern Ireland model

- 1.79 Northern Ireland (NI) has a separate system of regulation from the rest of the UK for their energy and water sectors. A single regulator, the Utility Regulator¹²², exercises combined oversight of both sectors together. As in Great Britain, each of those two sectors holds a register of, and provides additional non-financial support to, consumers in vulnerable circumstances. However, the registers which they operate also have a different name, being known as ‘Care Registers’ rather than Priority Services or Additional Support Registers.
- 1.80 Under their 2016 Consumer Protection Strategy¹²³, and specifically its objective to “*make sure there is equal access to utility services*”, the Utility Regulator committed to a review of Care Registers. In 2017, it consulted on an initial option that the Northern Ireland water company, and its electricity network operator, should share

121 *Priority Services Register, Business Case – version 0.2*, information provided by Citizens Advice, November 2018

122 *Utility Regulator* <https://www.uregni.gov.uk/>

123 *Consumer Protection Strategy decision paper launched*, Utility Regulator, 2016 <https://www.uregni.gov.uk/news-centre/consumer-protection-strategy-decision-paper-launched>

non-financial vulnerability data. Those Care Registers were to be considered first due to the urgent nature of the care provided, particularly in the event of a supply interruption or incident; and gas network Care Registers would be considered later as a follow-on project. The consultation followed feedback which the regulator had received that awareness levels and take-up were low for such a priority service.

- 1.81 Earlier in 2018, the Utility Regulator announced¹²⁴ its decision on a number of review proposals which it had previously set out in the consultation. It covers several themes which are equally relevant in Scotland, where we likewise have only one national domestic supplier of water and sewerage services, and just two electricity network operators, and it therefore makes for worthwhile reading when contemplating how the Scottish system might also be simplified and better integrated.
- 1.82 On joint registration of new applicants, the Utility Regulator has directed¹²⁵ that NI Electricity Networks and NI Water should work together to ensure that consumers eligible for registration should be included on both of the companies' Care Registers, subject to applicable data protection requirements.
- 1.83 On broader data-sharing, the consultation proposal was that the two utilities "*should proactively explore ways in which data can be shared between the two companies, within data protection regulations, and for the benefit of vulnerable consumers. For example, a data-sharing agreement between NI Electricity Networks and NI Water which seeks the express and informed consent from consumers for their information to be shared between the two companies*". The Regulator has now determined that there should be a process of engagement "*with the Information Commissioner's Office in relation to the development of a co-operation and promotion agreement between NI Electricity Networks and NI Water working within data protection guidelines and associated legislation*"¹²⁶. In other words, rather than

an integrated register, this seems to suggest robust protocols for data-sharing between the two Care Registers. The Regulator has recently been consulting on plans to take this work forward under a revised version of its Consumer Protection Strategy, to be known as the Consumer Protection Programme 2019-22¹²⁷.

Data-matching from other datasets on people in vulnerable circumstances

- 1.84 In the main utilities, the onus is essentially on people accepting themselves to be in need of additional support and then making a specific request to be added to a PSR (if they are aware that such a service exists). As we noted earlier, in the energy sector, there is now also more of an onus on companies to identify such customers, but only during the course of any other transactions with them and then still relying on the customer making an informed request, with specific consent, to become registered. The process clearly still misses out many eligible consumers, the majority of whom would probably already be listed on other datasets covering people in vulnerable situations, notably those held by public-sector agencies (including national, local and health authorities).
- 1.85 This incomplete coverage could be particularly disadvantageous for some groups who may be in most need of support. The Money and Mental Health Policy Institute, for example, has commented: "*Existing approaches to supporting consumer vulnerability, which rely upon disclosure, are ineffective, particularly for consumers experiencing mental health problems. This makes it difficult to provide proactive support, and instead vulnerability is only identified when a person is already in substantial difficulties, if at all. Over the longer term, regulators should explore how firms could use data proactively to identify those in need of greater support and work across industries to build positive defaults which help consumers avoid financial difficulties*"¹²⁸.

¹²⁴ Care Registers Review: Final Decisions Paper published, 2018 <https://www.uregni.gov.uk/news-centre/care-registers-review-final-decisions-paper-published>

¹²⁵ *Ibid*

¹²⁶ *Ibid*

¹²⁷ Review of Consumer Protection Strategy and proposed new consumer protection programme, Utility Regulator, 2018 <https://www.uregni.gov.uk/consultations/review-consumer-protection-strategy-and-proposed-new-consumer-protection-programme>

¹²⁸ Levelling the playing field: How regulators can support consumers with mental health problems, Money and Mental Health Policy Institute, 2017 p24 <https://www.moneyandmentalhealth.org/regulators-report/>

- 1.86 It is therefore worth noting some alternative operating models which take a more automated approach to matching data with other existing datasets:

Data-matching with commercial household datasets – the Cold Weather Priority scheme of the heating oil/LPG suppliers

- 1.87 We referred earlier to the differing approach to customer vulnerability operated by certain players within the unregulated off-gas markets, namely among suppliers of heating oils and LPG offering the Cold Weather Priority (CWP) scheme¹²⁹, which flags certain customers to receive priority with deliveries, particularly during times of fuel shortages or extreme cold weather, and is now starting its second winter of operation.

- 1.88 These suppliers are using various methods to identify customers who they believe fall into the CWP category (the main eligibility criterion for the first phase of roll-out is being aged 75 or over). Traditional methods still apply, especially among small suppliers with a well-known, local customer base – asking customers on the telephone when they are placing orders to check if they are eligible, or writing to customers and asking if they wish to be identified for CWP purposes.

- 1.89 Other suppliers, however, especially larger ones operating across many regions, which offer the scheme (and it is entirely voluntary) have developed an innovative method of identifying which of their customers are aged 75 or over. This involves undertaking a data exchange with commercial suppliers¹³⁰ of household-level data. In essence, a data file extracted from customer records, consisting of the fuel supplier's delivery addresses and postcodes¹³¹ is transmitted to the national market research company and then processed, according to an agreed protocol, against a national household-level data file, consisting of age and other data. The data exchange creates a CWP marker which can then be added to the customer's record.

- 1.90 To comply with the EU's General Data Protection Regulation (GDPR), which came into force in May 2018, the fuel supplier

requests and records the customer's consent to be in the CWP category at the first occasion it interacts with a CWP customer (or at the first occasion after the scheme's launch); and this consent would be valid for a fixed period of five years, after which consent would need to be refreshed. Some suppliers seek two separate consents – the first as above, and the second is for contact details to be passed to the Chief Fire Officers Association to offer a 'Safe and Well' visit¹³², an added benefit which is a means of offering additional support to CWP customers.

- 1.91 Through the element of automation, the method appears to achieve a high coverage and take-up among the eligible population, whilst still allowing people to decide whether or not they wish to opt in.

- 1.92 The sector intends to broaden the scheme out to other categories of customers in vulnerable circumstances when it is able to do so, focusing initially on people with chronic sickness or disability. We understand that some exploratory discussion has taken place with health authorities to carry out a trial of a similar form of non-personal data exchange, but there are inevitably greater challenges and sensitivities around any use of health data. One point in favour of overcoming such sensitivities, however, may be that the greater the number of different vulnerability criteria/categories which are covered, the more 'invisible' become the reasons for any customer being flagged as CWP: under this form of scheme, all that the supplier needs to know is which households are CWP, not whatever the personal reasons are behind that. We note that the PSR schemes operated by mains gas and electricity suppliers appear in these aspects considerably more sophisticated in the range of different vulnerability 'needs codes' applied at the customer level, which do then also affect the different types of support needs to be met. None the less, there may be scope to learn from some of the potential benefits of the automated approach adopted by the heating oils/LPG sector.

129 See para 1.88 below

130 e.g. Experian

131 To ensure data protection, no personal data are included

132 *Safe and Well Visits*, Chief Fire Officers Association web site, <http://www.cfoa.org.uk/21422>

Data-matching with government datasets – financial support schemes such as the Warm Home Discount

- 1.93 Another model is the method by which particular financial benefits – as opposed to non-financial support services – are provided automatically to certain categories of qualifying customers. The Warm Home Discount (WHD)¹³³ provides £140 off winter electricity bills to over 2 million UK households in vulnerable circumstances and/or on low incomes. The rebate is provided directly by larger suppliers¹³⁴ to eligible customers. The largest group of recipients – known as the ‘Core Group’ – comprises around 1.2 million households who are in receipt of the Guarantee Credit element of Pension Credit¹³⁵. The remaining households – known as the ‘Broader Group’ – are those who meet other eligibility criteria and successfully apply.
- 1.94 The annual qualifying date for the Core Group is usually mid-July. Eligible households are identified through a system of data-matching with the Department for Work and Pensions (DWP). This works through taking DWP name and address data for households in receipt of Pension Credit Guarantee Credit and matching these with energy supplier customer records. The DWP informs the suppliers which of their customers meet the eligibility criteria, and the suppliers then automatically provide these customers with energy bill rebates. In some instances where name and address details held by the DWP do not match those held by the energy suppliers, the DWP writes to customers receiving the qualifying benefit but whose data have not been matched, giving them an opportunity to call the WHD Helpline to verify their eligibility and receive the WHD.
- 1.95 The Department for Business, Energy and Industrial Strategy summarises the

-
- 133** Information on the scheme has been taken from *Warm Home Discount Scheme 2018 to 2019: consultation document*, Department for Business, Energy and Industrial Strategy, 2018 <https://www.gov.uk/government/consultations/warm-home-discount-scheme-2018-to-2019>
- 134** Only those with more than 250,000 domestic customer accounts, covering 94% of the market, are currently required to participate, although this threshold will be lowered to 200,000 in 2019/20 and 150,000 in 2020/21; a few other smaller suppliers also participate on a voluntary basis
- 135** *Pension Credit*, <https://www.gov.uk/pension-credit>

advantages of the data-matching method as follows:

“This system of data-matching means that most households eligible under the Core Group receive their rebate without having to take any action. As well as providing excellent customer service, this is also a very cost-effective process which ensures the rebate reaches those (particularly the most vulnerable) who might otherwise miss out because they fail to apply... The data-matching... is almost universally popular with stakeholders and we are keen to extend its use”¹³⁶.

- 1.96 The Broader Group of customers who can receive the WHD is based upon receipt of a wider range of various means-tested benefits. However, data-matching is not used: customers have to apply to their electricity supplier. Energy suppliers are also permitted to apply their own additional eligibility criteria, subject to Ofgem approval.
- 1.97 The UK Government has recently acquired new powers on data-sharing with utilities under the Digital Economy Act 2017¹³⁷ and supporting regulations¹³⁸. These enable the potential expansion of the automatic provision of support (i.e. the Core Group) to low-income working-age households, rather than just those receiving pension credits. They also enable rebates to be prioritised for those in the coldest homes using official housing stock data. The Government has retained the existing Core Group eligibility criteria for this winter (2018/19), but has stated that it will consult shortly on the proposed expansion¹³⁹.
- 1.98 The Digital Economy Act sets out broad

-
- 136** Information on the scheme has been taken from *Warm Home Discount Scheme 2018 to 2019: consultation document*, Department for Business, Energy and Industrial Strategy, 2018 <https://www.gov.uk/government/consultations/warm-home-discount-scheme-2018-to-2019>
- 137** Digital Economy Act 2017, Part 5 *Digital Government*, Chapter 1 *Public Service Delivery* <http://www.legislation.gov.uk/ukpga/2017/30/part/5/chapter/1>
- 138** The Digital Government (Disclosure of Information) Regulations 2018 <https://www.legislation.gov.uk/uksi/2018/912/contents/made>
- 139** *Warm Home Discount Scheme: The Government Response to the Warm Home Discount Scheme 2018/19 Consultation*, Department for Business, Energy and Industrial Strategy, 2018 <https://www.gov.uk/government/consultations/warm-home-discount-scheme-2018-to-2019>

conditions and objectives for data-sharing to take place, but provides a limited degree of flexibility for these to be modified in the secondary regulations. The conditions set out in this primary legislation include:

- The data-sharing has to be “for the purpose of assisting people living in fuel poverty¹⁴⁰ by:
 - (a) reducing their energy costs;
 - (b) improving efficiency in their use of energy, or
 - (c) improving their health or financial well-being.”¹⁴¹

1.99 The UK Government explained the advantages of such an approach:

“Information-sharing can lower the administrative costs of identifying eligible households and make it easier for those households to receive support – for example, by reducing the amount of information that households need to provide to demonstrate their eligibility for support. Information-sharing can also enable the automatic offer or provision of assistance without households having to apply. Relying on citizens to step forward and apply for support often results in people missing out, and too often these are the most vulnerable in society. The objective will help energy suppliers to identify consumers who are fuel-poor, as the Government can use information on property characteristics or social security-related benefits to inform energy suppliers which of their customers should receive or may be eligible for support”¹⁴².

1.100 This form of data-sharing for the WHD has also subsequently been adapted¹⁴³ to enable energy suppliers automatically to identify similar groups of customers as eligible for the pre-payment price cap¹⁴⁴ (or ‘safeguard tariff’) and who will then transfer at the end

of 2018 to the default tariff price cap¹⁴⁵. In the consultation for this additional measure, the UK Government specifically explored whether suppliers could as an alternative rely on their PSR data to apply the safeguard tariff, but concluded as follows:

“Although this approach might cover some consumers who are on benefits, it would not guarantee the same level of consistency and accuracy in terms of identifying disengaged vulnerable consumers at risk of fuel poverty. Under data-matching, this type of consumer would receive safeguard protection automatically. Using supplier-held data would be a less accurate proxy that is less likely to capture the people who need it most”¹⁴⁶.

1.101 This explicitly acknowledges that the PSR scheme is not the best method for “consistency and accuracy” when it comes to identifying certain groups who most need help. The WHD/safeguard tariff data-matching example may again suggest there is further debate to be had about whether a more automated solution drawing on public-sector datasets could be found to help to identify those who should receive non-financial support services, as well as financial benefits.

1.102 We note that as far as data-sharing between two public bodies is concerned, as opposed to data-sharing between one public body and a utility provider, the Digital Economy Act provides that legitimate purposes (including in the area of fuel poverty or energy efficiency schemes) can include:

“the facilitation of the provision of a benefit (whether or not financial) to individuals or households”¹⁴⁷.

140 The WHD was established under the Energy Act 2010 and defined as a form of such assistance

141 Digital Economy Act 2017, Part 5 *Digital Government*, Chapter 1 *Public Service Delivery* <http://www.legislation.gov.uk/ukpga/2017/30/part/5/chapter/1>

142 The Digital Government (Disclosure of Information) Regulations 2018, Explanatory Memorandum, para 7.7 <https://www.legislation.gov.uk/uksi/2018/912/memorandum/contents>

143 Included within the Digital Government (Disclosure of Information) Regulations 2018

144 *Prepayment energy price cap*, Ofgem, <https://www.ofgem.gov.uk/energy-price-caps/about-energy-price-caps/price-my-energy-bill-capped/prepayment-energy-price-cap>

145 *Default tariff price cap*, Ofgem, <https://www.ofgem.gov.uk/energy-price-caps/about-energy-price-caps/price-my-energy-bill-capped/default-tariff-price-cap>

146 *Consultation on data-sharing regulations for a safeguard energy tariff*, Department for Business, Energy and Industrial Strategy, 2018 <https://www.gov.uk/government/consultations/data-sharing-regulations-for-a-safeguard-energy-tariff>

147 Digital Economy Act 2017, <http://www.legislation.gov.uk/ukpga/2017/30/section/35> – our emphasis on the words ‘whether or not financial’

Data-matching on people in vulnerable circumstances during emergency response/ resilience situations: Scottish Government Persons at Risk Distribution (PARD) project

1.103 In the course of our review, the Scottish Government's Resilience Division has kindly informed us about some related development work it has recently been leading in the field of civil contingencies. This provides a further relevant example of innovative, sophisticated automatic approaches to identifying people in vulnerable situations by drawing on established public-sector datasets.

1.104 During civil emergencies, it can clearly be essential that those who are most vulnerable are identified extremely rapidly. There are statutory duties of planning and response which fall principally upon local authority departments (particularly emergency planning and social care) and their partner health authorities. An added focus on these local authority responsibilities under the Civil Contingencies Act 2004¹⁴⁸ has been given by particular incidents from various parts of the UK, and subsequent inquiries, over recent years which have highlighted the feasibility of, and need for, identifying and giving priority to those in vulnerable circumstances during response and evacuation procedures. Previous methods of going through lists of people have been too cumbersome – they can take several days, sometimes longer than the time it takes for the emergency itself to pass.

1.105 Some Scottish councils¹⁴⁹ have pioneered 'Persons at Risk Distribution' (PARD) electronic systems for this purpose, a version of which the Scottish Government intends should soon be freely rolled out to councils nationwide. In essence, the system allows councils, during an emergency, to interrogate their own social work and local health board datasets, and almost instantaneously identify persons at risk due to their vulnerability, and their

locations (addresses are based upon a national standard for local authorities known as Unique Property Reference Numbers (UPRNs)¹⁵⁰) within areas affected by the emergency. The results can be displayed in various formats on maps, quickly enabling council teams and/or emergency services to plan routes and response times to reach the people most in need, and either evacuate them or provide whatever support is necessary. The results can also be filtered by ten different kinds of vulnerability criteria:

- > Unable to walk unaided;
- > Blind;
- > Bed-bound;
- > Wheelchair user;
- > Hearing-impaired;
- > Frail/elderly;
- > Mental health;
- > Confusion (including dementia);
- > Learning disability (including Asperger's syndrome/autism); or
- > Reliance on powered machinery.

1.106 The tool relies on access to a cleansed social work dataset within the local authority, as well as existing secure data transfer routes between the local authority and the NHS National Services Scotland dataset on Scottish Patients at Risk of Re-admission and Admission (SPARRA)¹⁵¹.

1.107 The data can only be accessed in an emergency, in accordance with strict information security and data protection protocols, and are purged after use. No new databases are created.

1.108 One of the roles which utility companies' PSRs are intended to have is for the identification of customers in vulnerable circumstances during incidents of supply disruption. A minority of such incidents may also be civil emergencies – for example, a large-scale fire, or extreme weather event, affecting an area. Under the Civil Contingencies Act, utilities are themselves classified¹⁵² as 'Category 2' Responders, having a role in co-operating and sharing information with 'Category 1' Responders

148 Civil Contingencies Act 2004, <https://www.legislation.gov.uk/ukpga/2004/36/contents>

149 Falkirk, for example – see *Digital map will save lives of vulnerable in emergency*, The Scotsman newspaper, 2018 <https://www.scotsman.com/news/digital-map-will-save-lives-of-vulnerable-in-emergency-1-4772221>; also Dumfries & Galloway – see *Scottish Government award for delivering excellence*, Confederation of Scottish Local Authorities, 2016 <https://awards.cosla.gov.uk/service-innovation-and-improvement-dumfries-and-galloway-council-pard-persons-at-risk-database-project/>

150 *One Scotland Gazetteer*, Improvement Service <http://www.improvementservice.org.uk/one-scotland-gazetteer.html>

151 *What is SPARRA?*, NHS National Services Scotland <http://www.isdscotland.org/Health-Topics/Health-and-Social-Community-Care/SPARRA/>

152 Schedule 1, <https://www.legislation.gov.uk/ukpga/2004/36/schedule/1>

(such as local authorities, health authorities and emergency services). There is a clear relationship and similarity between the PSR method, and the PARD method, of identifying those in most need – but the PARD method is more automated and likely to be much more complete and accurate. Once it is developed and implemented nationwide, it may also offer a potential model for Government and public agencies, including perhaps large national or regional utilities, from which to learn and/or to deliver wider non-financial benefits, in a consistent way, to people who need extra support – if sensitive information security and data protection requirements can be accommodated.

Data-matching: the ‘Tell Us Once’ approach

1.109 Many existing approaches to identifying vulnerable people, needing additional support, rely on those people having to notify a range of different organisations one by one. In another area of public services, however, Government has developed a concept known as the ‘Tell Us Once’ approach.

1.110 The ‘Tell Us Once’ service¹⁵³ allows citizens to tell all relevant government departments in a single notification, when someone dies. This helps people at a difficult and vulnerable time, when they have experienced bereavement. The local Registrar of Births, Deaths and Marriages acts as a gateway to the service, following the registration of a death. Once informed, the ‘Tell Us Once’ service will then further notify HM Revenue and Customs; the DWP; the Passport Office; the Driver Vehicle and Licensing Agency; the local Council; and some others including veterans’ schemes and certain public pension scheme providers. It is, incidentally, notable that the scheme does not currently extend to utilities or other essential service providers.

1.111 The ‘Tell Us Once’ concept may set another useful precedent in considering options for simpler registration with providers of essential services for consumers in vulnerable situations.

153 *Tell Us Once*, HM Government <https://www.gov.uk/after-a-death/organisations-you-need-to-contact-and-tell-us-once>

2. New research undertaken for this review

- 2.1 In the context of all of the above background, Citizens Advice Scotland saw that there was a case for investigating ways to increase the number of Scottish consumers registering for support, and to simplify the overall process for consumers. At the same time, we appreciated the need to maintain consumers' rights to privacy and protection of their personal data – particularly important for consumers in vulnerable situations. We also bore in mind that registration itself is merely a means to an end; and it is the support services and extra help which are delivered as a result of registration which are important.
- 2.2 To shape our thinking on this subject, we decided to commission a new piece of research specific to Scotland. First, we discussed the existing position in broad terms with various relevant organisations and then, in November 2017, hosted a seminar bringing together stakeholders and sectors. This was timed to co-incide with the UKRN's launch of its important 2017 cross-sector review¹⁵⁴, and we invited the UKRN to present the main themes and findings of their work to a Scottish audience. We consulted those attending about the potential scope for our research.
- 2.3 In February 2018, following a competitive tendering process, we appointed Ipsos MORI Scotland as contractors for the project. The aims of the research were to investigate the experiences and perspectives of Scottish consumers, in vulnerable situations, in registering across sectors for additional forms of support. We sought to build on the UKRN study and other previous available evidence, to identify ways in which the customer experience and process could be improved. The objective was to identify mechanisms to make registration for Scottish consumers in vulnerable situations easier, and more effective and widespread.

- 2.4 The precise research question given to Ipsos MORI was:

Research question: *What are the experiences and perspectives of Scottish consumers in vulnerable situations with regard to additional support provided by essential service providers, and how could the customer experience and process of registering across sectors for additional forms of support be improved?*

- 2.5 We should like to thank Ipsos MORI for their professional work and support on the project, and all those who took part in the study. It began with a review of relevant policy papers and research to date, together with an examination of current provision. This phase was then followed by detailed interviews with stakeholders from across the regulated industries and beyond; 40 in-depth interviews and 2 focus groups with consumers in vulnerable situations; and finally, an action-planning workshop with key stakeholders.
- 2.6 We are publishing Ipsos MORI's full technical research report alongside this one. It contains a detailed account of the methodology and findings. The following extracts are taken from its executive summary and list of recommendations.

Industry and stakeholders' perspectives on current provision

- 2.7 In describing the nature of the additional support they provided to consumers in vulnerable situations, energy industry representatives tended to say that their focus was on identifying individuals' specific circumstances and needs, and adapting to these, rather than on offering a very standard suite of options. Representatives from the water and postal sectors similarly described being committed to pursuing a very customer-centric approach to the

¹⁵⁴ *Making better use of data: identifying customers in vulnerable situations*, UKRN, 2017 <http://www.ukrn.org.uk/news/regulators-join-together-to-encourage-more-help-for-vulnerable-customers-from-energy-and-water-providers/>

provision of support (and indeed other) services. However, it was clear that they were some way behind the energy sector in this regard. This appeared to reflect the fact that they had faced less regulatory pressure, and the very different nature of their interactions with consumers – which, for the most part, were limited to one-off, or a series of one-off, transactions, such that they had had less impetus to learn about different individuals' needs and record this information.

- 2.8 Processes for obtaining access to non-financial support services varied between sectors. Energy suppliers, and the two electricity network operators, had PSRs; while Scottish Water had an Additional Support Register. The postal sector had no equivalent, reflecting the nature of its interactions with consumers, though it did offer means by which customers could request any additional support they might need.
- 2.9 Stakeholders generally reported that uptake of additional support services and, where available, priority service registration, had increased in recent years, and especially so over the last year. However, there was a consensus that more needed to be done to increase uptake of registers and of services generally and, specifically, that there was a need for a more 'proactive rather than reactive' approach on the part of providers to ensure support services were sufficiently 'visible' to consumers.

Consumer awareness and experiences of support provision in the regulated industries

Awareness of non-financial support services

- 2.10 Generally, consumers had low awareness of non-financial support services unless they had actually used them or knew someone who had. Participants who were aware of services had generally been told about them by their provider when setting up an account, or when their provider visited their home for another purpose. Participants who had had no such interaction with their providers (as well as some of those who had) were comparatively uninformed about available support services, unless they knew someone else who had benefitted from these. It was common for participants to suggest

spontaneously that providers ought to do more to bring support services proactively to the attention of consumers, otherwise consumers may never know about provision from which they could potentially benefit.

Awareness of priority registers

- 2.11 Awareness of priority services registers was very mixed, with as many participants unaware as aware of them. Generally, participants had become aware of registers in the same ways as they had become aware of individual support services: they were told about them by their providers when setting up an account, or during some other form of interaction with their provider. For their part, participants who were unaware of registers expressed surprise, and in some cases annoyance, that their providers had not brought these to their attention, and reiterated their calls for more proactive awareness-raising about provision on the part of suppliers.

Experience and perceptions of registers and registration

- 2.12 Reflecting the mixed level of awareness of priority services registers noted earlier, around half of interviewees and focus group participants said they had gone through the process of registering for non-financial support. Perceptions of registers among those who were on them were generally positive. Registers were seen as a vital resource that made it easier for those in vulnerable situations to access essential services.
- 2.13 In terms of the process of registering for such services, the dominant view among those with experience of it was that it was quick and straightforward. Indeed, nobody identified any specific issues or problems with it. Only a couple of the registered consumers interviewed had experience of switching suppliers and re-registering. Nonetheless, they spontaneously raised concern about the need to register with different companies when switching from one supplier to another. They felt it placed undue onus on consumers to inform providers about their support needs and potentially risked their missing out on important services.

Use and perceptions of non-financial support services

- 2.14 Overall, usage of non-financial support services was low, even among some of those who were on a register. However, perceptions of additional support services among those who had used them were overwhelmingly positive. Participants felt that the services were adequate, appropriate for their needs, and generally of good quality. They made no specific suggestions for additional, or improved, services.
- 2.15 Among those that had not used any of the additional support services, for some this reflected the fact that they were unaware of the existence of services. Others felt they did not need support – either because they did not consider themselves to be in a vulnerable situation, because they had not experienced any difficulties or because they had an informal support network.

Improving the consumer experience

Attitudes towards data-sharing between providers

- 2.16 Consumers identified a range of potential benefits of data-sharing; the main one being that it would help to promote awareness of available support services and, relatedly, see consumers gaining automatic access to those services for which they were eligible. Participants also commented that data-sharing would help obviate the burden on consumers of having to contact multiple organisations to explain their circumstances, request access to services and/or to register. At the same time, most consumers also raised concerns around data-sharing between suppliers. Most commonly, they were concerned about the potential for their data to ‘fall into the wrong hands’ and be subject to misuse.
- 2.17 Participants stressed the importance of their consent being acquired in advance of their data being shared with another provider. They would also want to be informed about the nature of the data-sharing proposed, and be reassured that their personal details would be treated securely and not shared beyond essential service providers.

- 2.18 Industry representatives and other stakeholders, though generally aware of the potential benefits of data-sharing, felt that the necessary systems were not yet in place to enable it to be taken forward in the way consumers envisaged. They were concerned about potential confusion among providers regarding accountability and who would be responsible for protecting, as well as updating, the data. They also identified practical barriers to data-sharing arising from differences between existing registers, in terms of the format in which organisations record consumers’ details as well as the type of details they record. Further, stakeholders felt that certain conditions would need to be met in order for data-sharing to work; not least very clear and transparent communication with consumers about precisely how their data would be used.

Other improvements: a single register?

- 2.19 Participants perceived a number of potential advantages of a single register. In particular, they contended that it would promote greater consumer awareness of, and consequently access to, support services. They also widely commented that a single register would serve as an effective ‘one-stop shop’ such that, once consumers have registered, they can rest easy in the knowledge that providers were aware of their circumstances and needs, and would cater for them accordingly.
- 2.20 Support for a single database was, however, largely contingent on their being provided with clear information about how their data would be used, and their consent being requested prior to any new instance of a supplier gaining access to it. Some consumers were, in addition, keen to retain a degree of control over which of their details were shared. While they were generally happy with their support needs being shared, they were less so about the idea of the specific details of their conditions or vulnerability being shared. More generally, participants commonly expressed a view that measures should be in place to ensure that any single database could only be accessed and used for the express purpose of targeting support services.

2.21 Industry representatives and other stakeholders held more mixed views than the consumers on the desirability and practicality of a single database. On the one hand they shared the consumers' views that such a single resource could potentially simplify the process and mean that consumers would be free from the burden of having to register with multiple suppliers and on multiple occasions. At the same time, there was a strong sense that the change would risk losing some strengths of the existing system, while potentially creating a range of unintended consequences: for example, it was felt that an overly standardised approach could result in the information contained in the database being too general to allow for the provision of services that were truly tailored to individuals' needs. Some stakeholders also identified practical challenges related to maintaining the accuracy and currency of a single register, given that certain vulnerabilities are transient and subject to change.

Ipsos MORI recommendations

2.22 The research and subsequent action planning workshop among stakeholders led Ipsos MORI to identify a number of recommendations for improving the process of providing non-financial support for consumers in vulnerable situations. These recommendations can be grouped into three main themes: ways of identifying and engaging with consumers in vulnerable situations; means of streamlining and simplifying the registration process; and the need to identify means of cleansing existing data sets to ensure consumer details are kept up to date.

2.23 Citizens Advice Scotland supports these recommendations made by Ipsos MORI.

Identifying and engaging with consumers in vulnerable situations

2.24 One of the challenges identified in the research was that of ensuring all those who are potentially eligible for support are identified as such by providers and given the opportunity to access it. Several actions were identified to encourage greater awareness and engagement among consumers. While these initiatives were already being pursued by some providers, there is scope for these to be adopted more widely and more consistently by organisations across the regulated industries.

2.25 Recommendation 1 – Better consumer-facing information about support services focused on consumer needs, rather than around categories of vulnerability

One of the most prominent themes of the research was the need for continued consideration of how vulnerability is defined in the regulated industries. While providers have clearly taken the regulators' lead in adopting a very broad definition, it may be that there is scope to broaden this still further to ensure that groups of customers who might benefit from services do not 'fall through the net'. Stakeholders also stressed the importance of recognising that consumers may not always know when they are in a vulnerable situation, and that vulnerability can be subjective depending on each individual's circumstances. They therefore felt that any consumer-facing communications used by providers should concentrate on the individual's needs, rather than on their vulnerability – asking questions such as 'what sort of help do you need?' rather than 'which of these categories do you fit into?'

2.26 Recommendation 2 – Sharing of good practice in identifying and engaging with consumers

The review of existing provision identified a wide range of ways in which providers across the regulated industries had sought to identify those eligible for additional support, suggesting the need for the continued sharing of good and best practice to ensure approaches that have proven effective are more widely pursued. These approaches include signposting of services between and across organisations and sectors; and getting out into the community – neither of which were standard practice. In the water sector, where there is no existing consumer database, there may be particular benefits to be seen from increased efforts to engage proactively with consumers in vulnerable situations by working through existing community groups and resources.

2.27 Recommendation 3 – More widespread training of staff to identify consumers in need

In line with the focus on consumer needs, staff training was seen as an important way to improve the identification of consumers who may benefit from additional support.

Examples of good practice in relation to staff training emerged in the research, but, again, these were not standard. A move towards a more widespread and consistent approach, drawing on these examples of good practice, should therefore be encouraged.

2.28 Recommendation 4 – Closer collaboration and information-sharing between third sector, public sector and providers

Myriad organisations engage with and provide services to consumers in vulnerable situations but, as noted above, providers still faced challenges in ensuring that all those potentially eligible for support were identified as such. There was an appetite across the different research audiences for closer working and sharing of intelligence between providers and the public sector, particularly the NHS, which was seen as an obvious and reliable source of information on the most vulnerable members of society, and the types of support from which they would most benefit. Closer working between these organisations should therefore be encouraged, particularly so that third-sector (e.g. charities working with older people) and public-sector (e.g. health and social care services) organisations could easily signpost consumers to support from their essential service providers. Such signposting may help to address the challenges associated with identifying eligible consumers in the water sector, and help to encourage greater uptake of additional support from water consumers. This recommendation echoes that of the Utility Regulator in Northern Ireland and examples of good practice seen in England and Wales; for example the Wellington Healthy Homes initiative (involving collaboration between health providers and energy companies)¹⁵⁵. Stakeholders felt that this signposting would be made easier through a more streamlined approach to the registration process (see below).

155 See *Making better use of data: identifying customers in vulnerable situations*, UKRN, 2017 p13 <http://www.ukrn.org.uk/news/regulators-join-together-to-encourage-more-help-for-vulnerable-customers-from-energy-and-water-providers/>

2.29 Recommendation 5 – More widespread gathering of consumer feedback

Among those consumers that had made use of additional support services, views on the quality of those services were generally positive. However, feedback from stakeholders indicated that not all providers were gathering feedback from consumers about the quality of their additional support services. This may mean that there is unidentified scope for service improvement. By adopting a more widespread and consistent approach to consumer feedback, providers may uncover opportunities to further enhance service quality and respond more closely to the needs of consumers.

- 2.30 One of the strongest findings of the research is the necessity of, and appetite for, a redoubling of efforts to raise consumer awareness of the very existence of support services in the regulated industries, beyond those already mentioned above. The research pointed to the need for a multi-layered approach, from the ongoing incorporation of relevant messaging in providers' existing customer communications; to large-scale media campaigning as a means of reaching people in their homes.

Simplifying the current process

- 2.31 The challenges associated with the current system of multiple registration were noted by consumers and stakeholders. However, while there was some support among consumers for greater sharing of information between the different regulated industries, stakeholders were more cautious, stressing that any such sharing of information should be predicated on clear and unambiguous consent being acquired from consumers. In the context of recent high-profile cases of data breaches, as well as the new GDPR, careful consideration would need to be given to a number of aspects, including how much detail about consumers' vulnerabilities would be shared – there would need to be enough detail to ensure appropriately tailored service provision but not so much that consumers might be put off granting consent for their data to be shared. As a minimum, as recommended by the Utility Regulator in Northern Ireland¹⁵⁶, such data-sharing should be supported by a data-sharing agreement

156 See para 1.83 above

between the relevant organisations. To ensure a robust level of scrutiny of this process, stakeholders suggested that regulators should play a role in making sure that providers in the regulated industries are seeking consent in the correct way.

- 2.32 In light of these concerns around data-sharing arrangements, the following recommendations were therefore put forward as an alternative means of addressing the challenge of multiple registration and simplifying the current process:

2.33 Recommendation 6 – Putting procedures in place to support the sharing of information between organisations

Stakeholders and consumers felt that sharing of Priority Service Register information between providers could ease the transition for consumers, reduce the burden on the consumer to inform the companies themselves, and ensure that they received the support services they were eligible for. In developing an approach towards data-sharing, lessons could be learned from existing approaches such as the data-matching process used as part of the Warm Home Discount¹⁵⁷ scheme. Through this process, the DWP informs suppliers which of their customers are eligible for the scheme, which means these customers automatically receive an energy bill discount each winter, without the need to take any action such as filling out applications, thus reducing the burden on customers. However, it was stressed that any sharing of PSR information should be predicated on clear and unambiguous consent being acquired from consumers. It was seen as essential that consumers are made aware of what information was being shared, who it was being shared with, and for what purpose. To ensure a robust level of scrutiny of this process, stakeholders suggested that regulators should play a role in making sure that providers in the regulated industries are seeking consent in the correct way.

2.34 Recommendation 7 – Simplifying the current registration process through a central resource

Rather than a single register, which may create a number of challenges relating to integration of data from numerous organisations, it was felt that a more practical and consumer-centred alternative would be a single registration process. In practice, this could involve a central resource through which consumers provide their details, from which they are then signposted towards the registers that best meet their needs. Appropriate consent would need to be included, by consumers specifying which organisations they were happy to register with (e.g. their energy provider, network operators, and Scottish Water). From a consumer perspective, this would mean that they would provide their details once, but providers would still maintain and be responsible for their own registers. It was suggested that the central resource could be in the form of a website or a mobile app, and could work in a similar way to the existing Citizens Advice web resource¹⁵⁸ which provides information on how to sign up to Priority Service Registers, and provides links taking the user directly to the registration form for their energy providers. It could also work in a similar format to the Vulnerability Registration Service¹⁵⁹, a platform that allows customers to record their personal circumstances to protect themselves against debt or financial problems. These models, and other potential options, could be tested further through piloting and user testing (see below).

¹⁵⁷ See para 1.95 above

¹⁵⁸ *Getting extra support from your energy supplier*, Citizens Advice, <https://www.citizensadvice.org.uk/scotland/consumer/energy/energy-supply/get-help-paying-your-bills/getting-extra-support-from-your-energy-supplier/> [Note: this suggestion may also refer to the further development concept of Citizens Advice's proposed PSR sign-up tool – see paras 1.77 and 1.78 above]

¹⁵⁹ *Vulnerability Registration Service*, <https://www.vulnerabilityregistrationservice.co.uk/>

2.35 Recommendation 8 – Testing the concept of a single registration process through area-based pilots

Stakeholders suggested that pilots could be carried out, targeted in areas with high proportions of people in vulnerable situations or in areas that experience or are likely to experience high levels of supply interruption. Pilots could involve a single agency, such as a local authority, community group, or other public or third sector group, taking responsibility for identifying and referring people in their area who are in vulnerable situations, and signposting them towards the registers that are relevant to their needs. As noted in the previous point, the pilots would not involve the creation of new, single registers, but rather test approaches that best help to connect consumers with existing registers. It was felt that these pilots could help to identify what sorts of organisations would be best placed to take responsibility for overseeing the implementation of the central registration resource. Other approaches that could be tested in the pilots include:

- > Collection of data – whether the organisation responsible for making referrals would capture consumer data and pass it on to the appropriate providers, or simply direct the consumer to their provider to whom they provide their data directly.
- > Consent – the most appropriate approach to capturing consent for use of consumer data, which may vary depending on the data collection method.
- > Delivery mode – whether a stand-alone website, a webpage of an existing website, mobile app, or paper-based approach works best.

Data cleansing

2.36 Recommendation 9 – Improved approaches to data cleansing to ensure that consumer details are as up to date as possible

Beyond the considerations above, this further recommendation emerging from the research includes removing deceased consumers from their registers and other databases, and removing those who are no longer in a vulnerable situation (e.g. if they no longer have young children, or their temporary health condition is no longer an issue). Stakeholders in the workshops suggested that each individual organisation should be responsible for updating their own information, but also suggested that providers could engage more with the ‘Tell Us Once’ scheme¹⁶⁰, which lets consumers tell their local authority about a death or birth, resulting in information being passed on to several government departments. Through the existing Tell Us Once scheme, departments that are informed of a death include the Driver and Vehicle Licensing Agency, Passport Service, Pension Service and HM Revenue and Customs. The scheme does not currently include utility providers, though such an approach could go some way to addressing concerns highlighted earlier in relation to difficulties keeping track of customers and updating their details accordingly. Lessons on data cleansing could also be drawn from previous initiatives, such as that carried out by Western Power Distribution (WPD), which updated 50% of its PSR records through a data cleanse programme in 2016/17¹⁶¹.

160 See paras 1.109 to 1.111 above

161 See *Making better use of data: identifying customers in vulnerable situations*, UKRN, 2017 p16 <http://www.ukrn.org.uk/news/regulators-join-together-to-encourage-more-help-for-vulnerable-customers-from-energy-and-water-providers/>

3. Additional Citizens Advice Scotland policy recommendations

- 3.1 Drawing upon our review of the existing landscape, and the further evidence and insight generated by the Ipsos MORI research, Citizens Advice Scotland makes the following additional short- and medium-term recommendations (summarised in the table shown in the Executive Summary) targeted at utilities, regulators and government:

Utilities – energy companies

3.2 **Recommendation 10** – Continued and transparent progress by energy companies operating in Scotland towards maximising PSR uptake and best practice

Energy companies have made the most progress among essential service providers on strategies for dealing with consumer vulnerability and on the identification of, and support for, consumers in vulnerable situations. However, it is recognised, including by Ofgem, that there is more to be done, particularly by smaller suppliers, in raising awareness and uptake.

- 3.3 In the short term, we recommend that energy companies should continue to increase PSR registration levels significantly – towards similar levels as are being achieved in England and Wales, and then continuing a rapid upward trend with the aim of maximising coverage across the eligible population. Energy companies (including smaller suppliers in particular) should be publicly adopting recognised standards and best practices, both in identifying eligible consumers and in associated support services delivered – in line with the suppliers singled out by Ofgem and others as applying good practice. They should continue to be scrutinised and challenged in this area – see also recommendations for Ofgem below.

Utilities – Scottish Water

- 3.4 **Recommendation 11** – Development and implementation by Scottish Water of a new strategy on consumer vulnerability, to include adoption of ‘Priority Services Register’ terminology, significant increase in PSR registrations and support services delivered, and a structured discussion/scrutiny/oversight process on this topic.

This review has established that Scottish Water appears to be out of step with not only the energy sector, but also with the water sector in England and Wales, in its approach to consumer vulnerability.

- 3.5 In the short term, we recommend that Scottish Water should develop and publicly adopt a new high-level strategy on consumer vulnerability. We believe that it should consider changing the name of its Additional Support Register to ‘Priority Services Register’, in line with the similar recently standardised adoption of this terminology elsewhere in Great Britain¹⁶². This should help to reduce confusion, and raise awareness and recognition, among both consumers and advice agencies. It would also facilitate more co-ordinated communications campaigns to promote registration. We would expect that this should tie in with Scottish Water aiming to achieve a significant increase in the levels of registration of customers in vulnerable situations, and delivery of non-financial support services, to reach similar levels to other water companies and then towards comparable levels with the energy sector. Scottish Water should commit to routine discussion, scrutiny and oversight on this topic with consumer bodies (including in particular the Customer Forum for water), government and perhaps, if required, the Water Industry Commission for Scotland – using established and agreed performance

¹⁶² See para 1.23 above

metrics, drawing on the good recent work done in England and Wales by Ofwat and the Consumer Council for Water.

- 3.6 Scottish Water has outlined to stakeholders¹⁶³ its draft strategic plan for the 2021-27 regulatory period, and we note that it puts forward a commitment to increase significantly the level of support to customers in vulnerable circumstances. There will over the coming months be an opportunity for stakeholders to co-create a tailored support plan for such customers, including through the use of specifically trained and trusted employees. This is an encouraging and positive step.

Data-sharing – energy and water sectors

3.7 Recommendation 12 – Commitment to data-sharing between Scotland’s energy and water networks

As highlighted earlier in this report, there is a commitment by Water UK, in partnership with the Energy Networks Association and under scrutiny from Ofwat, Ofgem and the UKRN, to achieve water-energy PSR data-sharing, subject to data protection rules and consent, by 2020; but the status of this commitment in Scotland needs to be clarified.

- 3.8 In the short term, we understand that Scotland’s two electricity network operators, SP Energy Networks and Scottish and Southern Electricity Networks, may already have begun discussions on data-sharing with Scottish Water, as part of the UK-wide dialogue being co-ordinated between the two sectors. We hope that this co-operation will be given priority. Clearer structures, objectives and timescales for this work should be confirmed.

3.9 Recommendation 13 – Exploration of whether energy network companies should be the ‘lead’ essential service provider in identifying consumers in vulnerable situations, to include scope for automatic transfer of PSR information during ‘switching’ of energy retailers

In the medium term, assuming that water-energy data-sharing along the above lines is progressed, there may be merit in considering whether one of the parties should be the ‘lead’ utility in identifying and holding data on customers in vulnerable circumstances.

- 3.10 In any particular area of Scotland, if the regional electricity network company¹⁶⁴ is sharing PSR data with Scottish Water on the one hand, and with other energy suppliers and retailers¹⁶⁵ on the other, it may be unclear to consumers and other interested bodies (including government and public sector agencies) which, if any, of the parties holds the ‘primary’ or ‘master’ PSR and is leading on the co-ordination, regular cleansing and updating of the datasets; and on discussions with the public sector towards further improvements and integration.
- 3.11 The energy sector has made the most progress in PSR services; and within that sector, this progress appears to have been led by the distribution network companies, under the auspices of the Energy Networks Association. In the Ipsos MORI research, stakeholders within the energy sector also persuasively highlighted the risk of losing their progress, experience and considerable expertise, if it were to be recommended that a completely new system for identifying those who are vulnerable, or a new single publicly-run register, should be set up.
- 3.12 Furthermore, it is only the electricity network companies which are constantly connected to every household in Scotland. Scottish Water’s network is not comprehensive across the whole of the country, owing to the c.3.6% of the population with private water supplies. Likewise, gas companies do not reach all households: around 20% are not connected to the gas network. As for energy retailers, consumers are increasingly switching between different retailers – and therefore they too do not have a constant connection with the same customer base.
- 3.13 As discussed earlier in this report, network companies also play a trusted and important role in civil emergency planning and

¹⁶³ Letter to Citizens Advice Scotland, December 2018

¹⁶⁴ Depending on location, either SP Energy Networks or Scottish and Southern Electricity Networks

¹⁶⁵ Including Scotland’s gas network operator (Scotia Gas Networks)

incidents, in which consistent and accurate information about people in vulnerable circumstances is of such vital importance.

3.14 It is for these reasons that we are suggesting that electricity network companies could be given a clear leadership role for PSRs in the future. Appropriate governance and co-funding arrangements between them and other participating sectors (initially water, but this could in principle be extended to other sectors providing support services to people in vulnerable situations) may need to be explored, to correspond with this recommendation, which if taken forward could be further developed by the joint working group which we are also proposing in a later section below.

3.15 If the electricity network companies were considered to hold a ‘master’ PSR, this could also help to facilitate an automatic process of transfer of PSR data when a consumer in vulnerable circumstances ‘switches’ between energy retailers. Some participants in the Ipsos MORI research expressed concern about the current need to re-register with the new retailer. Subject to customer consent, this could be avoided, or at least the burden reduced, if the network operator were able to ‘flag’ the PSR eligibility automatically to the new supplier after switching.

Ofgem

3.16 Recommendation 14 – Further research, explanation and reporting of why Scottish PSR registrations are below the GB average, and of why some companies are behind others in PSR registrations and in support services provided

3.17 In the short term, we recommend that Ofgem should conduct further investigation into the reasons why Scottish PSR registrations in the energy sector are significantly below the levels in England and Wales.

3.18 Ofgem has also identified that some companies have significantly higher levels of PSR registrations, and support services provided, than others; but, as far as we are aware, more detailed analysis and explanation (including at a specifically Scottish level) have not been conducted or provided in depth.

3.19 Analysis of this would be helpful. It would allow greater scrutiny of the performance of different companies to take place, and enable all interested parties to understand what is best practice, including what works best specifically in Scotland with its different circumstances and range of stakeholders.

3.20 We recommend that this information be reported to the Scottish Government and Parliament.

3.21 Recommendation 15 – Greater consistency of regulatory expectation on levels of PSR registration, support services delivered, and data cleansing

3.22 In the medium term, following on from the above, we would then expect greater Ofgem pressure on companies to be applied (as far as is possible within a ‘principles-based’ regulatory approach) to ensure that the highest levels of PSR registration and support, and best practices, are achieved more widely and consistently.

3.23 In terms of support services provided, the existing reports on consumer vulnerability published by Ofgem tend to concentrate on aggregated figures for support services provided across GB. As noted in an earlier section of this report, it is not easy to establish, from these reports, what are trends or best practices across different types of support services; or to discern the picture across different companies, or across Scotland in particular. More information, and consistency of regulatory expectation, could help greater number of consumers in vulnerable situations across Scotland, to receive the non-financial support services they need, and to which they are entitled.

3.24 Likewise, Ofgem and other regulators could, over time, set out greater consistency of expectation about frequency of PSR data cleansing. There is currently significant variation across the industry, but a gradual move towards routine data updating/cleansing – perhaps biennially, or ultimately even annually – seems desirable.

Scottish Government

3.25 Recommendation 16 – Establishment of a joint public/private-sector working group

The Scottish Government has taken a close interest in this review, and in how registration and support for consumers in vulnerable situations in Scotland can be improved. In the water sector, it exercises oversight over Scottish Water. In the Scottish Government's Energy Strategy¹⁶⁶, it committed to the development of an Energy Consumer Action Plan, and is in the process of developing this, including possible actions to benefit those who most need support. It is also leading and progressing innovative new approaches to civil emergency resilience and response, in which co-ordinated identification, by all responders, of people in vulnerable circumstances is of central importance. In this context, we would like to work with the Scottish Government to bring together the various agencies and utilities, public and private, to discuss and take forward a joint programme of work on many of the recommendations made in this review.

3.26 In the short term, we recommend the early creation of a joint public/private-sector working group, to discuss, develop and implement such a programme.

3.27 Recommendation 17 – Co-ordination of joint communications, awareness-raising initiatives, data-sharing pilots and processes

3.28 Once the working group above is established and has agreed its plan of action, we would anticipate that in the medium term, it would be the body which co-ordinates the initiatives, joint communications, pilot projects and processes recommended by Ipsos MORI and Citizens Advice Scotland in this review. This work should involve the main providers of essential services, but in partnership with public-sector agencies including councils, health authorities, emergency services and possibly Scotland's new social security agency, Social Security Scotland¹⁶⁷ – particularly if it were in future decided to explore data-sharing trials, along similar lines to those currently operating between the UK Government's DWP and energy companies in the sphere of financial benefits.

¹⁶⁶ *Scottish energy strategy*, Scottish Government, 2017 <https://www.gov.scot/publications/scottish-energy-strategy-future-energy-scotland-9781788515276/>

¹⁶⁷ *Social Security Scotland*, <https://www.socialsecurity.gov.scot/>

3.29 Recommendation 18 – New Ministerial Objectives for Scottish Water on consumer vulnerability

Our earlier recommendations in this section for Scottish Water included committing to a new strategy on consumer vulnerability, to agreed performance metrics and a system of reporting, scrutiny and oversight. As an alternative to new legislation or regulation, the Scottish Government could exercise such an oversight mechanism via established frameworks.

3.30 In the medium term (to be introduced for Scottish Water's 2021-27 regulatory period), we recommend that as an alternative to regulation, the Scottish Government should set new Ministerial Objectives for Scottish Water relating to consumer vulnerability. We have already put this proposal forward in our consultation response¹⁶⁸ on 'Investing and Paying for Your Water Services from 2021'.

3.31 This would help to ensure that the delivery of water and sewerage services meets the needs of consumers in vulnerable circumstances and that Scottish Water's approach to registering and supporting such consumers matches the latest regulatory developments in England and Wales, and best practice in sectors across the UK which provide essential services.

UK Government

3.32 Recommendation 19 – Consideration to amending the Digital Economy Act to allow data-sharing for specified non-financial benefits

In an earlier section of this report, we highlighted certain automated methods of data-sharing with utility companies from established public-sector datasets, including for the delivery of financial benefits such as the Warm Home Discount. We noted that such forms of data-sharing are provided for under the Digital Economy Act, which also allows specified public agencies to share data with each other for delivering certain non-

¹⁶⁸ *Consultation Response: Investing in and Paying for Your Water Services from 2021*, Citizens Advice Scotland, 2018 <https://www.cas.org.uk/publications/cas-submission-scottish-government%E2%80%99s-%E2%80%98investing-and-paying-your-water-services-2021%E2%80%99>

financial benefits (including, for example, in the area of fuel poverty or energy efficiency schemes). However, unlike financial benefits, this non-financial aspect does not currently extend to data-sharing with utilities. Such data-sharing can therefore not presently be used to help to increase PSR registrations of those who are eligible.

- 3.33 In the medium term, the UK Government may wish to review this apparent anomaly. This is assuming that there is both increasing public trust in improved data-processing techniques, and a willingness to explore further co-operation and integration between the public and private sectors in consistently and accurately identifying people in vulnerable situations, to ensure that they receive all the financial and non-financial benefits and support services which they need (and to which they are entitled).

Long-term aspiration

- 3.34 Finally, following on from the recommendation in the previous paragraph, it may be worth at least mooting – for consideration in due course by the joint working group we have proposed – a longer-term ‘blue sky’ suggestion.
- 3.35 This builds on Ipsos MORI’s concept of a ‘single registration process’ which ‘could involve a central resource through which

consumers provide their details’, including a ‘website or mobile app’. It may be worth envisaging a regular (possibly annually?) nationwide, or region/council-wide, registration process, supported by the public sector, in which those who qualify (according to various vulnerability criteria – maybe drawing initially on an automated data-matching process from one or more public-sector datasets) are able to consent to, and/or tick off, all the specific additional forms of support – across sectors and across public services – which they need. Their details would then be automatically enrolled via that single portal.

- 3.36 Whereas the existing process is to a large extent led by service providers, such a solution would give people a greater lead and degree of control, with easy digital solutions also allowing people to opt in to, or out of, specific support services at any time between registration periods.
- 3.37 Ipsos MORI and we have proposed above a number of practicable recommendations for the short and medium terms, together with brief thoughts on a possible longer-term vision.
- 3.38 If implemented, these would go a long way towards simpler and more widespread registration and support for consumers in vulnerable situations.

4. Associated documents

4.1 This report is being published alongside the following detailed research report:

- > Research into simpler registration for consumers in vulnerable situations, Ipsos MORI, August 2018.

www.cas.org.uk



@CitAdviceScot



CitizensAdviceScotland

The Scottish Association of Citizens Advice Bureaux –
Citizens Advice Scotland. Scottish charity (SC016637) and
company limited by guarantee (89892)

