

Advice in Detail: Energy

Issues brought to the Citizens Advice Service in Scotland in 2013/14



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Executive Summary

The Energy Advice in Detail publication provides an annual analysis of the energy issues on which consumers in Scotland seek advice. The Citizens Advice Service in Scotland advised on a total of 21,101 energy issues in 2013/14, an increase of almost 50 per cent from the previous year. Of this figure, clients took 18,330 energy issues to their local CAB and contacted the Citizens Advice Consumer Service (CACS or “the helpline”) with a total of 2,771 energy issues.

In 2013/14 the volume of energy advice provided by CAB increased by almost 60 per cent. The service dealt with 18,330 issues compared to 11,517 issues in 2012/13. The energy advice and support given by Scottish CAB throughout this year is estimated to have secured over £220,000 of financial gain for clients. CAB case evidence highlights a series of financial pressures that faced households throughout 2013/14. Key issues included; low pay, underemployment¹, increased living costs and rising debt, in addition to the impact of austerity policies such as below-inflation social security payments, social security cuts and under-occupancy charges or ‘the bedroom tax’. Further pressures arose from social security administration issues such as increased sanctions and long waits for assessments. CAB evidence further demonstrated the impact of sustained customer service issues, many of which occurred as a result of the billing system updates implemented by some energy suppliers.

The energy issues presented to CACS increased by 6 per cent, from 2,614 to 2,771 in 2013/14. For every £1 spent on the helpline £12 in client financial gain was generated. The majority of clients that contacted the helpline with energy issues in 2013/14 were seeking information on a variety of issues, such as how to determine if they were on the best tariff, how to access price comparison services or simply to find the correct contact details for their supplier. Case evidence from the helpline in 2013/14 suggested that energy suppliers were not providing their clients with clear, accessible and timely information. CACS cases further highlight that households often did not have a full understanding of their rights and responsibilities within the energy market and relied on the CACS service to signpost relevant information.

From the body of evidence gathered in this report, CAS highlights ten key areas where it appears that the energy market is not serving consumers effectively, or where it is clear additional support is required to ensure that consumers are not disadvantaged by an inability to engage with the market and/or to heat their home.

- **Customer Service standards**

Service Standards are too often below the reasonable expectations of consumers. Throughout our evidence it is clear that recurring issues such as long call waiting times and billing errors cause significant detriment to those affected.

- **Welfare reform and social security administration**

Throughout our case studies, the impact of reforms to the social security system is tied intrinsically to a household’s ability to sufficiently heat their home. Those who have been sanctioned or had their social security payments altered may be additionally disadvantaged by accruing debt or becoming disconnected from their energy supply.

- **Vulnerability**
 Case evidence presented to our service suggests that people in vulnerable situations are not always receiving the support they require. Furthermore, the services that can be made available through Priority Services Registers are not always delivered.
- **Accessible support/schemes**
 Schemes such as the Warm Home Discount are not accessible to all eligible consumers. Our evidence shows that barriers such as online registration, annual applications or limited windows for registration can prevent certain households from accessing this support.
- **Parity of service**
 Our case studies highlight that certain groups of consumers may receive a second class service for their energy account, owing to factors such as the meter their household uses or the way they heat their property. In particular, people with pre-payment meters, time-of-use meters, electric heating or non-regulated heating systems may not be able to access the same pricing, ability to switch, support or protections that are available to other consumers.
- **Debt repayment**
 Our case evidence highlights a number of issues with debt collection processes. Repayments are often set too high for consumers to afford and implemented without due consultation. If a debt is transferred to a collection agency, the additional costs added can be disproportionate and unaffordable.
- **Off-gas consumers**
 Households who do not heat their home with mains gas require greater financial support. Consumers attending CAB reported that they were unable to afford to fix their off-gas heating systems if they become faulty or broke down and were frustrated to find that they could not access support owing to the type of heating system available to them.
- **Smart meters**
 Some of the early adopters of smart meters have found that they are unable to realise the benefits of these systems. Conversely certain groups of consumers are aware of the benefits that they may offer to them but are not yet able to access the technology.
- **Changes to energy market**
 Well intended changes to the energy market such as changes to the rules around standing charges have had some adverse effects on households. A significant body of our evidence suggests that changes to the rules are often implemented in a manner that disadvantages consumers.
- **Small businesses**
 Small businesses contacting our service may be disadvantaged by the rules surrounding business energy contracts, such as a lack of a cooling off period for them to confirm whether they have received suitable terms of service.

What we do

Citizens Advice Scotland and its 61 member bureaux form Scotland's largest independent advice network. CAB advice services are delivered using around 250 service points throughout Scotland. Citizens Advice Scotland (CAS) is the umbrella organisation for Scotland's network of Citizens Advice Bureaux (CAB). The aims of the CAB Service in Scotland are:

- to ensure that individuals do not suffer through ignorance of their rights and responsibilities or of the services available; or through an inability to express their needs
- to exercise a responsible influence on the development of social policies and services, both locally and nationally

The Scottish CAB service has provided long-standing support to energy consumers. The energy advice provided by CAB supports clients across a wide range of issues, from managing debt and arrears to accessing additional support, including available grants or funds. CAB support is offered in person, online and over the phone.

As well as providing advice on energy, the Scottish CAB Service is a holistic advice service, offering support with a wide variety of issues from social security and debt to housing, employment and a growing array of consumer issues. In 2014/15 the Citizens Advice Service network helped over 323,000 clients in Scotland alone and dealt with over one million advice issues.

The Citizens Advice Consumer Service ("the helpline") has been held by Citizens Advice Scotland since 2012 and provides specialist advice on energy issues. Consumers can access this advice by phone, email, web form and post and can get self-help advice online.

From April 2014, Citizens Advice Scotland and our sister organisation in England and Wales, Citizens Advice, took on the roles, responsibilities and functions of Consumer Futures. This includes a statutory responsibility to represent consumers across the essential regulated services of energy, post and, in Scotland, water.

The Consumer Futures team examines evidence gathered from Scottish CAB, the GB-wide consumer helpline and the Extra Help Unit as well as conducting new research. This evidence is used to advocate for change in the interests of current and future consumers. For more information on these changes please [see our website](#)².

Our impact 2013/14

It is estimated that the Scottish CAB service contributed a total benefit to the common good in Scotland of £168.7 million in 2013/14³. Throughout 2013/14, the energy advice and support given by Scottish CAB is estimated to have secured over £220,000 of financial gain for clients.

Client financial gain arises from a variety of situations, including clients being supported to manage or write off debt or gain access to better tariffs, to secure the benefits payments or government schemes they are entitled to, such as the Warm Homes Discount.

Introduction

The Energy Advice in Detail publication provides an annual analysis of the energy issues that face consumers in Scotland. This report utilises evidence recorded in 2013/14 by both Scottish Citizens Advice Bureaux (CAB) and the Citizens Advice Consumer Service (CACS or “the helpline”). We include both quantitative statistics and qualitative case study evidence within the report. The statistics provide an overview of the total number of energy issues on which people in Scotland sought advice, from the service in 2013/14. Case study evidence is presented alongside these figures to place the energy issues within the wider, and often complex, context of issues that households face.

This report is structured to analyse evidence from CAB and the helpline separately as they use different methods of recording. For reference, we include a comparison with the energy advice data gathered by the service in 2012/13.

Throughout this report, the statistics presented highlight some significant increases in the number of energy issues presented to the Citizens Advice service in Scotland in 2013/14. Whilst it is not possible to identify the precise reasons for the higher numbers of issues recorded over this period, growing advice needs may be explained in part by the wider issues facing consumers, such as the high price of energy and increased cost of living (further identified in the Background and Context section of this report). It may also relate to the extending reach of bureaux-led energy advice projects and is likely attributable in part to a number of specific supplier customer service issues that occurred over this period.

Energy Advice 2013/14

The Citizens Advice service in Scotland advised on a total of 21,101 energy issues in 2013/14ⁱ, an increase of almost 50 per cent from the previous year. Of this figure, clients took 18,330 energy issues to their local CAB and contacted the helpline with a total of 2,771 energy issues.

- ▶ Energy issues increased by 49% from 14,131 to 21,101
- ▶ CAB energy advice increased by almost 60% from 11,517 issues to 18,330 issuesⁱⁱ
- ▶ CACS helpline advised on 6% more energy issues from increasing from 2,614 to 2,771

The key changes in energy advice provision by service 2012/13 – 2013/14 are highlighted below:

Citizens Advice Bureaux

Fuel Debt

- Total fuel debt issues increased by 12% from 4,239 to 4,762
- Issues with difficulties making payments for almost 70% of all fuel debt issues
- Issues with direct deductions from benefits rose by 27% from 179 to 227 issues

Regulated Fuel

- Total regulated fuel issues increased by almost 89% from 7,015 to 13,222
- Issues with switching supplier rose from 30 to 843 (+ 2710%)
- Issues with the Warm Home Discount rose from 65 to 1,697 (+ 2511%)
- Issues with charges increased from 74 to 1,143 (+ 1445%)
- Issues with selling methods and techniques decreased by 90% from 756 to 74

Non-regulated Fuel

- The number of non-regulated fuel issues increased by 32% from 263 to 346
- Issues with charges increased by 75% from 32 to 56 issues
- Billing and meter reading issues increased by 143% from 21 to 51 issues

Citizens Advice Consumer Service

- Total energy issues increased by 6% from 2,614 to 2,771
- Over a third of issues related to information requests (975 issues)
- Billing error issues increased by 6% from 757 to 802 issues and accounted for 29% of all helpline issues
- Debt/disconnection issues increased by 14% from 205 to 233

ⁱ This refers to 'new' issues, the CAB service also provides advice on 'repeat' issues (clients who have come back for more advice on the same issue) which takes the total number of issues advised on to 30,394

ⁱⁱ A methodology change and the inclusion of Citizens Advice Direct stats to 2012/13 data means that the total number of energy issues in 2012/13 have been revised to reflect this and are included as a higher figure in this report than the previous publication

Issues raised by bureaux

CAB case evidence highlights a series of financial pressures that faced households throughout 2013/14. Some of the key issues included; low pay, underemployment⁴, increased living costs and rising debt, in addition to the impact of austerity policies such as below-inflation social security payments, social security cuts and the so-called 'bedroom tax'. Further pressures arose from social security administration issues such as increased sanctions and long waits for assessments.

CAB evidence further demonstrates a number of issues that clients experienced when attempting to engage directly with their energy supplier. A variety of serious customer service issues arose as a result of changes made to some suppliers billing systems. This resulted in a number of problems, including unacceptable delays to customer service call waiting times. Call waiting times presented a major hurdle for consumers seeking to resolve issues with their energy supplier, not least for those unable to afford the cost of calls, or for reasons of ill-health unable to remain on call-waiting for extended periods of time.

Issues raised by the helpline

The majority of clients that contacted the helpline with energy issues in 2013/14 were seeking information. Consumers sought advice on a variety of issues, such as how to determine if they were on the best tariff, how to access price comparison services or simply to find the correct contact details for their supplier. Billing issues were also common, with people frequently seeking advice on back-billing issues or the clarity of their bill. Estimated and unexpected bills caused recurring issues and spurred consumers to seek advice questioning the accuracy of charges and to determine whether they were in fact liable for payment of a bill.

Case evidence from the helpline in 2013/14 suggested that energy suppliers were not providing their clients with clear, accessible and timely information. CACS cases further highlight that households often did not have a full understanding of their rights and responsibilities within the energy market and relied on the CACS service to signpost relevant information.

Background and Context

For many households, 2013/14 was a year of financial strain. Despite signs that the economy was beginning to improve and move towards its pre-recession peak, consumer budgets continued to be squeezed. The cost of living remained high and the Consumer Price Index grew by 2.8 per cent to March 2013⁵. The Joseph Rowntree Foundation calculated a 4 per cent increase to the minimum household income required to ensure an adequate standard of living⁶.

In Scotland, the Scottish Government has a statutory responsibility to eradicate fuel poverty, as far as is reasonably practicable, by November 2016⁷. The government sought to tackle fuel poverty predominantly through home energy efficiency schemes⁸. In spite of efforts to improve the energy efficiency of homes, in 2013 almost 40 per cent⁹ of Scottish households remained fuel poor and fuel poverty continued to rise, increasing by 4 per cent between 2012 and 2013, and affecting an additional 100,000 households¹⁰.

Annual energy bills more than doubled in the UK between 2002 and 2012. Most of the Big Six¹¹ energy suppliers introduced further price increases towards the end of 2012 and again at the end of 2013¹², in spite of a dip in wholesale gas prices that began late that year¹³. Price increases contributed towards rising household energy bills in spite of reduced energy consumption, the average UK household was consuming 17 per cent less energy in their home in 2012 than they were in 2002¹⁴.

The high cost of domestic energy bills hit Scottish consumers disproportionately, with average household bills £80 higher in Scotland than the GB average¹⁵. The additional costs associated with heating homes north of the border are attributed to a combination of factors including a colder climate and larger numbers of hard-to-treat, energy inefficient homes¹⁶. Certain groups of Scottish consumers were further disadvantaged, as energy was more expensive for those who paid by prepayment meter or who lived in properties off the mains gas grid¹⁷. The Citizens Advice Fair Play for Prepay campaign highlighted that customers with prepayment meters pay on average £80 a year more than direct debit customers and receive a second class service¹⁸.

An analysis of the distribution of fuel poverty demonstrates that instances of fuel poverty are more prominent for households that are not connected to the mains gas grid¹⁹. The high cost of energy for consumers reliant on electricity, oil, bottled gas or solid fuel to heat their property was cited as a major factor in determining the Minimum Income Standard required for households in remote and rural areas of Scotland. This research found that households in these areas typically require a 10-40 per cent greater income than needed elsewhere in the UK to maintain a minimum acceptable standard of living²⁰.

In the wider UK policy context, fundamental changes were made to the social security system throughout 2013/14, as ushered in by the Welfare Reform Act (2012)²¹. The key changes included (but were not limited to):

- the introduction of the under occupancy penalty or 'bedroom tax', which reduced Housing Benefit for people deemed to have a spare bedroom
- the abolition of parts of the Social Fund, replaced by the Scottish Welfare Fund in Scotland
- initiation of the process to replace the Disability Living Allowance with Personal Independence Payments

- the introduction of a Benefit Cap to limit the amount of benefits that some people could receive²²

The impact that rising costs and reduced incomes had on households was made clear by the marked increase in people turning to food banks. Trussell Trust figures calculated a 400 per cent growth in use in 2013/14 from the previous year²³. Recent evidence from Citizens Advice Bureaux, and from a range of other organisations, strongly suggests that social security reforms and poor administration were and continue to be a major factor in creating the need for food parcels²⁴.

Energy Campaigns 2013/14

Citizens Advice Scotland and members of the Scottish CAB Service host a series of local and national energy information campaigns annually. These schemes aim to support consumers to secure the lowest available price for their energy and to encourage them to adopt cost-saving energy efficiency measures. The two key national energy campaigns are outlined below.

Energy Best Deal

CAS has been responsible for the Energy Best Deal campaign (EBD) in Scotland since 2011. EBD provides trainer-led group sessions to frontline workers and consumers. The sessions are designed to raise awareness on how to reduce energy costs by switching tariff, payment method and/ or supplier; how to get help from suppliers and government if paying energy bills is a struggle; and how to save money by being more energy efficient at home. Between October 2013 and April 2014, 187 sessions were delivered by 18 Citizens Advice Bureaux in Scotland with 1,300 attendees. Independent evaluation of the project found that almost all (97%) consumers who responded said they found the session useful.

Big Energy Saving Week

Big Energy Saving Week (BESW) is a joint project between the Citizens Advice service, Government, Energy Saving Trust, Age UK and other voluntary and charitable organisations. BESW is a national campaign designed to help people cut their fuel bills and access all the financial support they are entitled to. BESW focuses on raising awareness of energy and efficiency issues among the general public through joint working between the voluntary sector and energy suppliers. The main aim of the week is to bring together consumers with all the advice and assistance that is out there in relation to their fuel bills. Big Energy Saving Week 2014 recorded a minimum total reach in the UK of 81,771,269 peopleⁱⁱⁱ.

ⁱⁱⁱ UK population is 63.23 million, meaning that BESW was potentially 'on the radar' for the entire population at least once, if not more than once across the period 27 -31 Jan 2014.

CAB Data

This report is structured to examine each of the three main CAB energy categories individually. The categories are;

- Fuel debt
- Fuel - regulated
- Fuel - non-regulated

Each of the three categories included above can be further broken down into a number of advice codes. Multiple advice codes can be assigned to one case, as client issues may be multifaceted and complex. Within this report the figures used capture each energy issue advised on by referring to the advice codes recorded the first time a client presents with an issue. This means that if a client attends their local CAB more than once for advice on the same issue it is only counted once.

An example of the advice codes that relate to the fuel debt category is included below:

- Complaints
- Court claim and enforcement
- Creditor harassment
- Direct deductions from benefit
- Difficulty making payments
- Liability for debt

Fuel Debt

Scottish CAB advised consumers on 4,762 fuel debt issues in 2013/14. The fuel debt advice sought increased by 12 per cent from the previous year. Issues categorised as fuel debt cover a range of advice needs and may relate to a variety of issues, such as a household's ability to pay for their energy, whether they are responsible for paying a sum of money (for example whether an unexpected bill has been generated in error or is an accurate charge), or issues with different types of debt reclamation processes and enforcement.

Fuel debt issues relating to difficulties making payments increased by 13 per cent from 2,870 to 3,253 issues, and accounted for almost 70 per cent of all fuel debt issues in 2013/14. Difficulty making payments has accounted for the majority of fuel debt issues presented at bureaux over the past three editions of this publication. Clients attending bureaux reported a series of reasons for accruing fuel debt. The catalyst for debt accrual was often cited as a low or temporarily limited income (e.g. from changes to the social security regime).

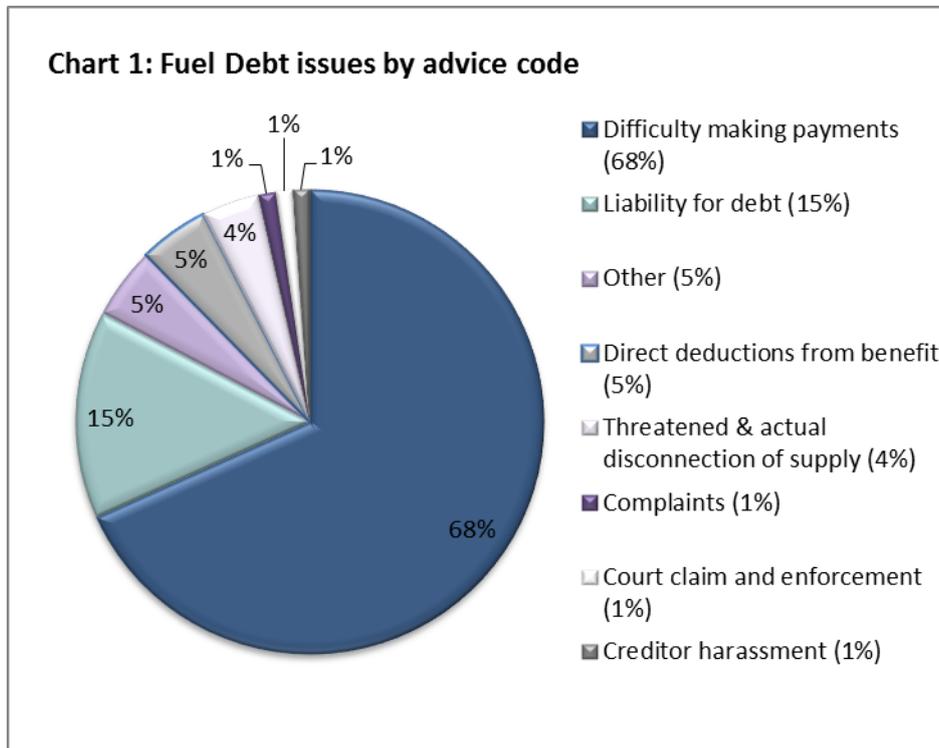
The number of issues that clients sought advice on relating to the direct deduction of fuel costs from benefits and their liability for debt both increased by over 25 per cent. The 'other' fuel debt category accounts for 5 per cent of all fuel debt issues and relate to a variety of concerns. In 2013/14 examples of issues categorised as 'other' include the accrual of debt owing to suspected faulty meter equipment, delays to supplier investigation of a fuel debt issue, difficulties experienced when setting up debt payment plans and a selection of other issues that fall out with the list of categories provided below.

Table 1 presents the number of issues brought to bureaux per fuel debt category in 2013/14 compared with 2012/13. Categories are listed in descending order, with the fuel debt category that recorded the highest number of issues listed first.

Table 1: Number of fuel debt issues

CAB Advice Code	2012/13	2013/14	% Change
Difficulty making payments	2,870	3,253	13%
Liability for debt	544	688	27%
Other	195	237	22%
Direct deductions from benefit	179	227	27%
Threatened and actual disconnection of supply	186	191	3%
Complaints	35	58	66%
Court claim and enforcement	63	55	-13%
Creditor harassment	64	53	-17%

Chart 1 presents each advice code as a proportion of the total issues in the fuel debt category.



Case studies

Difficulty making payments

The cases below highlight some of the issues that consumers reported as a result of unexpected bills or sudden reductions to their household income. In some cases this significantly impacts the client's ability to pay for their energy as they are living on an extremely limited budget:

- ▶ An East of Scotland CAB reports of a couple in receipt of social security, struggling to make ends meet. The client brought in an electricity bill demanding full payment of just over eighty pounds owed. They phoned their supplier to offer payment the following week however the supplier was unsympathetic. The clients have been skipping meals. They enquired about getting a pre-payment meter, but were advised that as they live in a flat, the supplier would have to lay new cable. The clients are being harassed and threatened by debt collectors and the stress is affecting their mental health.
- ▶ A West of Scotland CAB reports of a client that lives alone in a two bedroom housing association property. The client used to work two jobs but had to give up their night shift and now works thirty hours per week. The client was recently awarded partial housing benefit but this has been reduced to fifty pence per week due to bedroom tax deductions. The client has been unable to afford to cover the costs of living with her wages, has accrued high rent arrears and is struggling to keep up with her agreed rent payments. The client has consequently developed high gas and electricity arrears.

The case below details the issues experienced by a client who faced a 'poverty premium' in that as she struggled to pay for her fuel debt, her energy suppliers placed pressure on her to install prepayment meters to recoup the debt. The client felt that this would result in additional costs:

- ▶ A North of Scotland CAB reports of a client with outstanding debts that she is struggling to pay off including rent, council tax and electricity. She has received an urgent notice

from her energy supplier who is putting pressure on her to have her two hundred pound electricity arrears cleared by having a prepayment meter installed. She is a single parent who works thirty two hours per week and lives in housing association accommodation. She is reluctant to install prepayment meters because she knows it will cost her more in the end. She has no credit on her mobile to contact her supplier so contacted them from CAB. The supplier would not accept her refusal. After being put under pressure by him, she told him on the advice of the CAB adviser that she had to leave, and hung up. The supplier's advisor said he would phone her back to discuss the prepayment meter again that evening, which upset the client.

For those clients with fuel debt, sometimes their only perceived option is self-disconnection. The cases below describe issues faced by clients in this position; these cases further highlight a common issue faced by clients who do not have credit on their mobile or access to a phone to contact their supplier:

- ▶ A Central Scotland CAB reports of a client who has had no fuel for two months over winter. The client has been staying with friends and may be at risk of losing her tenancy as it may be deemed that she has abandoned her property. The client has accrued debt on her pre-payment meters and now any credit goes towards paying this debt. The client does not have a phone and so is unable to communicate with her supplier.
- ▶ A Central Scotland CAB reports of a client who is in arrears with his gas and electricity and has no means to get the supply reconnected. He has no means of cooking and has been without gas and electricity for three months. He has used his initial employment support allowance payment to buy groceries and is not due another payment for eight days. He has no access to a phone and is therefore unable to contact the supplier himself.

Liability for debt

CAB evidence suggests that some debt collection firms buy a client's debt from their energy supplier and apply significant administrative fees to this debt. The cases below provide examples of clients questioning their liability for this debt:

- ▶ A West of Scotland CAB reports of a client who had received a letter from a debt collection agency stating that they were recovering a debt of £1,088 owed to the client's energy supplier. The debt collection agency had added an additional 32 per cent to the bill for administrative charges.
- ▶ An East of Scotland CAB reports of a client who came in with a letter from a debt collection agency requesting that he repays the sum of £365.72 to his former energy supplier. The client stated he had previously tried to contact his former supplier with his new address to arrange a final payment. The client phoned the debt recovery firm to explain that he would have difficulties making a full payment. The client was unsure how this amount of debt had been reached. The CAB advisor spoke to the supplier who informed her that the client owed them £281.33, the additional £85 related to charges placed by the debt management agency. This accounts to a 30 per cent increase to the sum owed by the client.

Fuel debt issues persistently include problems experienced by tenants moving into properties with prepayment meters. If the previous tenant accrued debt on their meter a new tenant is often left to clear this debt. It can be difficult for a new tenant to easily resolve this. The case below highlights the difficulties experienced by a client in this position:

- ▶ A Central Scotland CAB reports of a client who is concerned as he has just moved into a new property and his meter is showing £60.45 arrears. The client was advised that someone would come and reset the meter to clear the arrears; however the client's mobile phone ran out of money because he had to dial an 0845 number, before the adviser could tell him when engineer would come out to do this.

Additional fuel debt issues

Energy Efficiency

The case below highlights the high costs associated with heating energy inefficient properties, which can be a significant financial burden and can present serious issues for clients managing a low income:

- ▶ A West of Scotland CAB reports of a client living with her two children. She lives in a council house and is falling behind with her financial commitments. The client spends a large amount of her income on heating her home. Her house has high ceilings and is poorly insulated and costs £70/80 a week for gas and electricity.

Bill clarity

Ofgem introduced rules which sought to simplify tariffs in 2012. Suppliers must have a standing charge and although they are able to set this at zero, CAB evidence demonstrates a number of low users of energy who were affected by these changes. The case below outlines an issue experienced by a vulnerable client who cannot understand his bill as it appears to relate to standing charges for the gas supply to his property, which he does not use. It further highlights an issue with the supplier's approach to reclaiming this debt, as the option they push is not suitable for the client's needs and does not sufficiently account for his vulnerability:

- ▶ A West of Scotland CAB reports of a client in receipt of pension credit who lives alone. The client received a gas bill that he does not understand as he has never used his gas and does not know how to work it. The bill is for £143.86. The client is sixty five years old and hard of hearing with some coping difficulties and has been faced with a gas bill he cannot afford. The advisor contacted the energy supplier and a reasonable weekly payment plan was agreed. Despite the advisor outlining the client's difficulties the supplier wanted this payment via pre-payment meter. The advisor made it clear that the client would be at risk of self-disconnection with this payment method and was told this was the only option as he is deaf and he would just need to put a card into the meter. The client and advisor turned down the payment plan and decided to look into fuel direct as a payment method.

Small Businesses

Small businesses also attend the CAB service for advice on their energy bills. The case below describes the pressure that poor administration from a supplier placed on a small business:

- ▶ A West of Scotland CAB reports of a client who owns a local start up business. She was contacted by a supplier shortly after setting up the business in 2012, they informed her that they were the providers of electricity to her premises. She provided them with her meter readings but did not receive any utility bills. In June 2013 she was contacted by the supplier's disconnection department who stated that they were cutting her off because she had arrears of £3,000. It appears that they had the wrong address for the client and bills had been sent there in error. The client explained that she had received

no bills and corrected her postcode with them. Due to the forcefulness of the company she started paying £350 per week on the arrears because she was terrified that she would lose her business. The client contacted the company to state that she could no longer maintain the same weekly payments and could offer £100 per month on the arrears. They refused to accept this. The client has recently been served with papers for a warrant of entry to disconnect her services. She also received a further bill wrongly addressed but forwarded by the other business for a current bill which was using estimated readings. Having now provided accurate readings the client expects her debt to be lower than projected as the estimated readings were much higher than the true readings.

Regulated Fuel

The majority of households in Scotland heat their homes with mains gas or electricity. The provision of these fuels is regulated and the industry must adhere to codes designed to protect the interests of consumers. The regulated fuel category covers all CAB advice provided on issues specific to mains gas or electricity accounts. Regulated fuel advice covers a wide range of issues including problems with billing, metering, switching supplier, accessing support schemes, complaints/ redress and threatened or actual disconnection.

Consumers in Scotland visited their CAB with 13,222 regulated fuel issues in 2013/14. This was an increase of almost 90 per cent from 2012/13. Whilst it is not possible to determine the exact reasons for this large increase in the volume of issues, it may be attributed in part to a number of factors. These include the poor performance of specific energy suppliers over this period. Ofgem opened investigations into the complaints handling and customer service standards of both N-Power²⁵ and Scottish Power²⁶ at different points in 2014. Other contributing factors are likely to be rising energy prices and an increase in advice provision resulting from the growing reach of CAB energy campaigns such as Energy Best Deal.

Further breakdown of the regulated fuel category demonstrates some substantial increases within regulated fuel advice codes. Client issues with switching supplier (including unwanted switching) grew by 2710 per cent from 2012/13 figures moving from 30 to 843 issues. The number of issues relating to the Warm Homes Discount increased 2511 per cent from the previous year growing from 65 to 1,697. Consumer issues with charges grew by 1445 per cent, moving from 74 to 1,143 in 2013/14. Conversely, issues with selling methods and techniques dropped considerably from 2012/13 figures reducing by 90 per cent from 756 to 74.

Two additional categories were added to the regulated fuel advice codes in 2013/14. These related to issues with being added to the 'Priority Services Register²⁷', and any issues experienced with a 'Change of tariff with an existing supplier'.

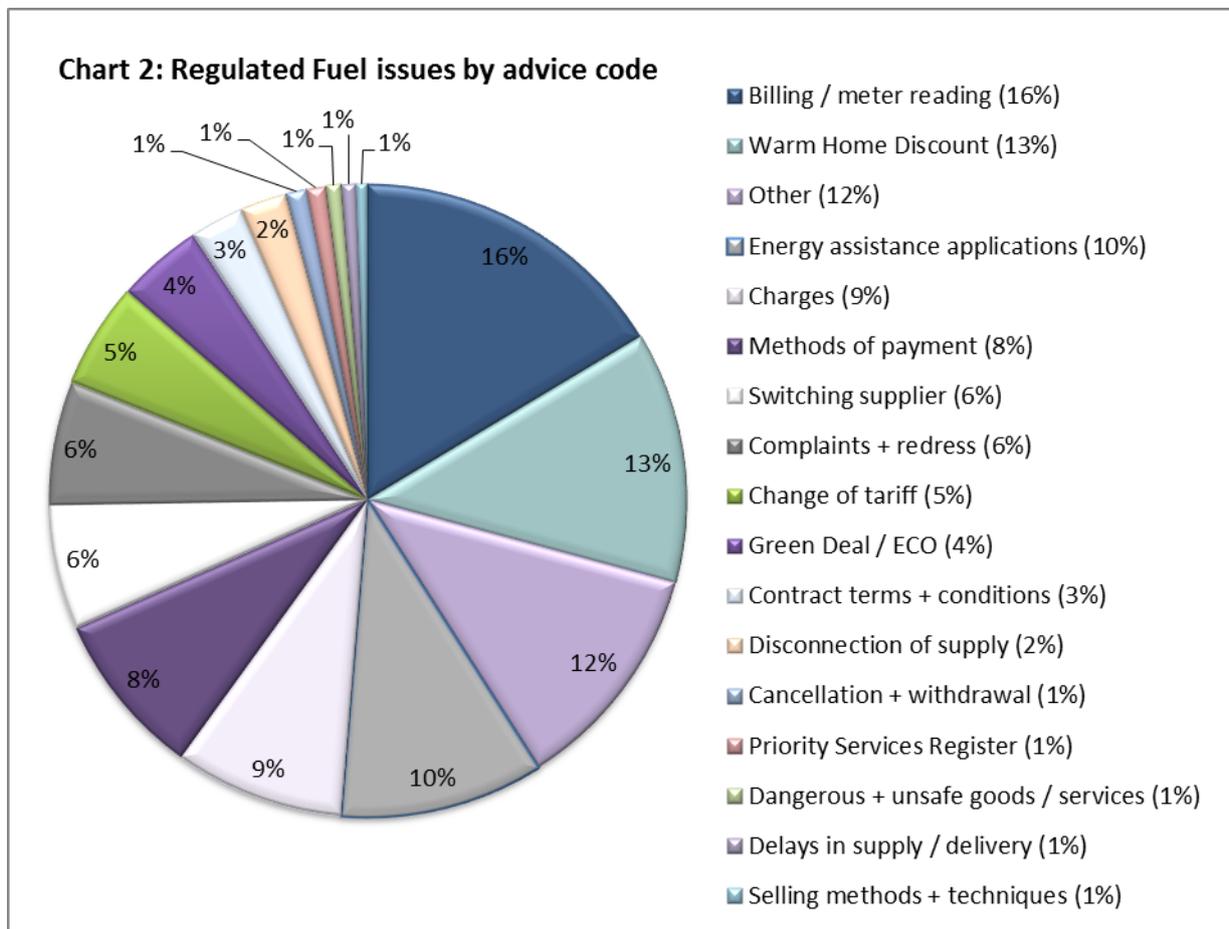
Table 2 presents the number of issues brought to bureaux per regulated fuel category in 2013/14. Categories are listed in descending order, with the regulated fuel category that recorded the highest number of issues listed first.

Table 2: Number of regulated fuel issues

CAB Advice Code	2012/13	2013/14	% Change
Billing / meter reading	1467	2165	48%
Warm Homes Discount	65	1697	2511%
Other	503	1558	210%
Energy assistance applications	457	1364	199%
Charges	74	1143	1445%
Methods of payment	131	1112	749%
Switching supplier (including unwanted)	30	843	2710%
Complaints + redress	938	840	-10%
Change of tariff (with existing supplier)	-	708	-
Green Deal / Energy Company Obligation	1213	573	-53%
Contract terms + conditions	461	361	-22%
Disconnection of supply	79	313	296%

Cancellation + withdrawal	103	141	37%
Priority Services Register (added to)	-	129	-
Dangerous + unsafe goods / services	247	102	-59%
Delays in supply / delivery	60	99	65%
Selling methods + techniques	756	74	-90%

Chart 2 presents each advice codes as a proportion of the total issues in the regulated fuel category.



For the regulated fuel category, this report looks at key cases in the two most commonly used regulated fuel advice codes (billing/meter reading and Warm Home Discount) before highlighting a selection of further issues from this category.

Case Studies

Billing/meter reading

Issues with billing and meter reading represented the greatest volume (16%) of regulated fuel issues presented at CAB in 2013/14. The volume of issues relating to this advice code increased by almost 50 per cent from the previous year. Clients seeking advice on billing and metering issues reported a variety of problems such as supplier errors, including administrative errors, incorrect or unclear bills and inaccurate meter readings.

A key issue facing energy consumers in 2013/14 was the excessive call waiting times required to contact specific suppliers. This issue is reflected in billing and meter reading issues. Long call waiting times left many consumers powerless to resolve their problems

owing to the high cost of lengthy calls, an inability to get through to the supplier or because of poor customer service when eventually able to make contact. CAB advisers were also impacted as delays affected the dedicated advisor helplines. This negatively affected the CAB service by limiting advisers' capacity and their ability to help clients resolve specific issues within an appointment.

The following cases outline a selection of the issues that faced consumers as a result of poor customer service from certain suppliers:

- ▶ An East of Scotland CAB reports of a client who lives with his partner and three year old child in private rented accommodation. The client was querying an electricity bill which he thinks is excessive. He uses a prepayment meter, so is unsure why he has a bill at all. The advisor tried to phone their supplier but they were advised of a two-three hour wait on the call queue. The advisor waited forty minutes but there was no answer.
- ▶ A South of Scotland CAB reports of a client seeking advice on an overdue electricity bill of £206.19. The client moved from his flat into another in a nearby town as he was unable to climb the stairs. Whilst in his original flat he paid £40 per month by direct debit for his electricity. When he moved, the client contacted the supplier to set up a direct debit and provided his bank details but nothing was processed. Since then he has attempted to set up a direct debit on several occasions, and has asked others to help him do this but he has been unable to do so due to being put on hold for long periods of time and then being cut off when the service timed-out. The client is unable to pay the outstanding bill and this is causing debt to build up.
- ▶ A South of Scotland CAB reports of an elderly client with a variety of health issues who is registered on the Priority Services Register and is seeking assistance with her current energy bill which amounts to £3,245. She became aware there was a problem with her bill following a payment of £582 taken from her account. The client has now cancelled the direct debit to avoid any further payments and has switched off her heating as she is worried about the bill increasing. The client spoke to her supplier who asked her to arrange for someone to take a meter reading on her behalf and they advised her to expect a call back that afternoon. She did not receive a call. The client cannot understand the bill as she has been making monthly payments of £29 as agreed which she assumed was covering her usage. Her meters have always been read by the supplier as she is unable to do so. The client is very distressed.
- ▶ An East of Scotland CAB reports of a client who moved into her flat eighteen months previously. The client registered with an energy supplier but since then has not had a bill, despite contacting them repeatedly, sending them regular readings electronically and eventually contacting the complaints department. The client is worried about receiving a large bill at some point in the future.

Warm Home Discount

The volume of Warm Home Discount (WHD) issues increased from 65 in 2012/13 to 1,697 2013/14. There are a number of factors that may have contributed to this substantial increase. A high volume of clients were referred to the WHD scheme by CAB advisers through energy campaigns, whilst many clients sought help with the application process. There were a number of barriers to accessing the scheme, including a lack of clear eligibility criteria, which can vary between suppliers, and the need to reapply within an annual window, as opposed to being automatically enrolled.

The cases outlined below highlight some administrative issues experienced by clients attempting to access the Warm Home Discount scheme:

- ▶ An East of Scotland CAB reports of a client attempting to establish when they will receive the Warm Home Discount. The advisor spoke to the supplier who informed them that they have not received the client's completed application. The client is certain that she has completed the form and returned it as she was aware it may entitle her to a substantial credit on her electric meter. The client is also sure that she received a letter confirming that the supplier had received the application. The supplier stated that nothing could be done at their end without evidence.
- ▶ A West of Scotland CAB reports of a client who was upset as her supplier told her she doesn't qualify for the Warm Home Discount. She phoned to apply and was told because her husband claims pension credit and is not the electricity account holder, they don't qualify. The advisor went through the qualifying criteria for the supplier's Warm Home Discount and the clients qualify as a household - primarily based on total household income. The CAB advisor contacted the department who manage the scheme, details of full household income were taken and the supplier confirmed that the clients do indeed qualify. The supplier apologised for the previous adviser not checking full qualifying criteria and placed the client on the Priority Services Register due to her husband's vulnerability.

A key issue highlighted in the case below identifies that a supplier's tariff costs increased to almost exactly the same value as the Warm Home Discount award, which negated any financial benefit that a client may have been able to garner from the scheme:

- ▶ A West of Scotland CAB reports of a client who came to bureau seeking advice regarding his Warm Home Discount (£130) which he has been told that he qualifies for. The client has since received a letter from his electric supplier stating that they have increased his electricity tariff by £133 per annum which completely offsets the Warm Home Discount.

Additional regulated fuel issues

Social Security

The impact of social security cuts were clear throughout the energy cases presenting at CAB in 2013/14. As the largest portion of the Scottish population relies on regulated fuel, the impacts were most visible in this category.

The cases below highlight a selection of issues experienced by clients whose changed circumstances, social security eligibility or sanctions abruptly left them without enough money to heat their home:

- ▶ A North of Scotland CAB reports of a client who is partially sighted and depressed and has been found not to have limited capability for work. The client presented at bureau in a very distressed state. The client had a letter which confirmed that her claim for Employment Support Allowance has been turned down. She has had no payment for a month. The Job Centre has no record of her past claims and so are unable to state what dates or benefit she has been on recently, when or if her sick line runs out. The client has no money at all; no food, no electricity and no phone credit, plus a letter saying she is not entitled to housing benefit. She has to walk six miles to get to her local CAB or Job Centre, using a main road with no pavements. She is unable to see cars or pot holes. The CAB advisor made claims for housing benefit, crisis grants and a food parcel on her behalf but there is no guarantee when or if the client will get any of

these. The client had to walk another mile to be interviewed for her suitability for a food parcel. The client will have to walk home again carrying the food parcel.

- ▶ A West of Scotland CAB reports of a client that suffers from post-traumatic stress disorder, depression, anxiety and panic attacks. The client was deemed fit for work following a medical assessment, he submitted an appeal and continued receiving employment support allowance assessment phase rate payments until a month ago when they suddenly stopped. The client has no electricity or money and needs assistance. It appears that because he didn't provide reasons for appealing or sign his appeal it was considered invalid. It has been sent to the tribunal service to decide whether the client qualifies to continue with his appeal. Until the decision is made that his appeal may continue, he will not receive payments. When he approached the job centre about having no income and struggling he was not provided with a form to complete, but told that a new employment support allowance form would be sent out - this was Monday and by Thursday the client still hadn't received the form.
- ▶ An East of Scotland CAB reports of a client requiring advice regarding a benefit sanction made due to an administrative error. Despite the Department for Work and Pensions admitting that this was their administrative error, the sanction process means that a decision can still take up to 21 days. Subsequently this client will have to live with no money for three-five weeks. The client has also applied to the Scottish Welfare Fund for a hardship payment which has been refused due to the sanction. The client has no money for fuel.
- ▶ An East of Scotland CAB reports of a client looking for help with the completion of his crisis grant application. The client has eighty pence left in his bank account and has not eaten for two days. He became ill after his construction work dried up. He has no electricity or hot water and the only food he has in his house is dried spaghetti which he cannot cook as he has no power. The client was extremely distressed and upset by the way he was treated by the council in order to access social security. Given the difficulties the client was facing with no money, no food, heating or hot water, it seems unreasonable of the council to expect the client to submit a Scottish Welfare Fund crisis grant form in a town twelve miles away. He already walked four miles to his local CAB as he has no money to afford a bus fare.

Electric Heating

For consumers of regulated fuel, affordability issues can be particularly pronounced for those reliant on electric space heating. The cases below highlight some of the affordability issues facing these consumers:

- ▶ A South of Scotland CAB reports of an elderly client who came to his local CAB concerned about the rising price of his electricity bills and with the forecast of more rises, his inability to pay for his energy consumption in the future. His bills have gone up from £55 - £93 per month in the last year. His provider has assured him he is on the best tariff for storage heaters. He lives in retirement (social) housing. His weekly income is £177.43 and he is in receipt of pension credits. He considered switching electricity provider but was told he would have to install new electricity meters at an estimated cost of £300-400 and this is too expensive for him. Another provider is available only online, but he does not know how to access the internet. He gave up his landline to reduce his expenditure and wanted the CAB to help him contact various numbers to help with the problem.

The case below highlights a specific issue whereby a social housing provider has installed a heating system powered by an electric boiler ('wet electric'). These systems can be extremely expensive to run, and can cause significant detriment to clients:

- ▶ A West of Scotland CAB reports of a client living in social housing where a wet electric heating system has been fitted despite the fact that the tenant complained at the time that this system was known to be very expensive. He is unable to turn down the temperature of his boiler so the water is constantly too hot. From his previous monthly outgoing for heating of approximately £50.00 per month he was obliged to set up a direct debit for £71.00. Despite paying his direct debit every month he has now run up arrears of £821.82. His new direct debit has been assessed at £115.00 per month plus repayment of arrears over a three year period. This is too high as he is living solely on benefits. The client is unhappy that his supplier allowed his debt to mount up when it was evident that his direct debit payment of £71.00 per month was inadequate. He has complained about the cost of the system many times and has had to call out both the council and the heating manufacturers on a number of occasions when the system has failed and overheated.

Energy Efficiency Schemes

Scottish and UK Government energy efficiency schemes have aimed to tackle fuel poverty and reduce carbon emissions by improving the energy efficiency of properties. This support was largely targeted at consumers of regulated fuel types in 2013/14 and as such CAB case evidence in the regulated fuel category identifies a number of consumer issues regarding the delivery of these schemes. Some of these issues are highlighted in the cases below:

- ▶ A West of Scotland CAB reports of an elderly client who was approved for a grant for a new boiler in June. The client is still waiting for her new boiler as her supplier have informed her they cannot appoint a contractor in her area for this nationwide scheme (HHCRO) until at least five other people qualify in the area. The client meanwhile has no hot water and no central heating.
- ▶ A North of Scotland CAB reports of a retired client with electric storage heaters. The storage heater in the main living area does not work and the whole system is inefficient and very expensive to run. The client wanted to know if there is any financial help available towards the cost of replacing his heating system. CAB contacted Home Energy Scotland who explained that as the client is not on benefits the only current scheme open to him would be the possibility of a Green Homes Cashback Voucher. The only way to access this scheme is to have a Green Deal Assessment (cost £100-£400) which has to be paid for by the client. There is a possibility that the client may get some of the cost back but this is in no way certain. Depending on what the assessor says will depend on what voucher (if any is granted). The client does not want to proceed.

Mis-selling to business

An analysis of further regulated fuel case evidence highlighted an example of mis-selling experienced by a small business in the regulated fuel market. The case study below details this issue:

- ▶ A South of Scotland CAB reports of a client who received a call from a supplier advising him that he could save considerable money on his business energy supply. The adviser quoted the rates they would give him over the telephone. The client received no written confirmation of the agreement and did not sign any form of contract. The client was

subsequently sent a letter confirming the contractual agreement for the supply of electricity which quoted different figures. The client feels that he has been mis-sold the supply of electricity as he was provided with incorrect tariff information. When the client called the supplier to query this, they advised him that they do not have a recorded call with the rates he was quoted, however they do have a recorded call where by the client agreed to switch to them as supplier. He later received another letter which confirmed that his supply contract will commence in a few months. The letter states that the client cannot sign or verbally agree to any other contract with any other supplier and states that doing so would result in him incurring a £400.00 charge.

Non-Regulated Fuel

The most recent figures suggest that around 20 per cent²⁸ of the Scottish population relies on non-regulated fuels such as heating oil, coal and bottled gas to heat their property. The volume of non-regulated fuel issues brought to bureaux is generally quite low. However, in 2013/14 the volume of non-regulated fuel advice provided by CAB increased by 47 per cent from the previous year. There were 346 non-regulated fuel issues in 2013/14 compared with 236 issues in 2012/13.

The number of client issues in the non-regulated fuel category accounts for less than 3 per cent of the total number of issues in the regulated and non-regulated fuel categories. This may, in part, be attributed to the rurality of many households reliant on non-regulated fuels who may access energy advice in alternative ways, such as online or over the phone. It may also reflect awareness amongst clients of the lack of regulation for these fuel types, discouraging them from seeking advice.

However, the non-regulated fuel cases presented at bureaux often reflect serious issues. Clients regularly struggle with the high cost of non-regulated fuels. Heating oil prices typically follow crude oil prices and whilst this has largely been on a downward trend since the highs of 2012/13 there are seasonal spikes²⁹ and the volatility of prices can make it difficult for consumers to budget. The cost of filling an oil tank is often out with a clients' budget, leaving them with limited options for heating their home. In some instances this may result in households relying on alternative heating sources, such as electric heaters or a coal fire, which are expensive and may not provide sufficient heat.

In more extreme cases clients may self-disconnect and be left without any form of heating. In these instances there is a lack of sufficient support available to help even vulnerable clients to stay warm. Additional issues arise from the costs associated with the upkeep or replacement of non-regulated heating systems. For many consumers repairing or replacing elements of their heating system, such as an oil tank, can be unaffordable and 2013/14 cases identified a frustration that consumers felt with the lack of sufficient government support available for households reliant on these fuel types.

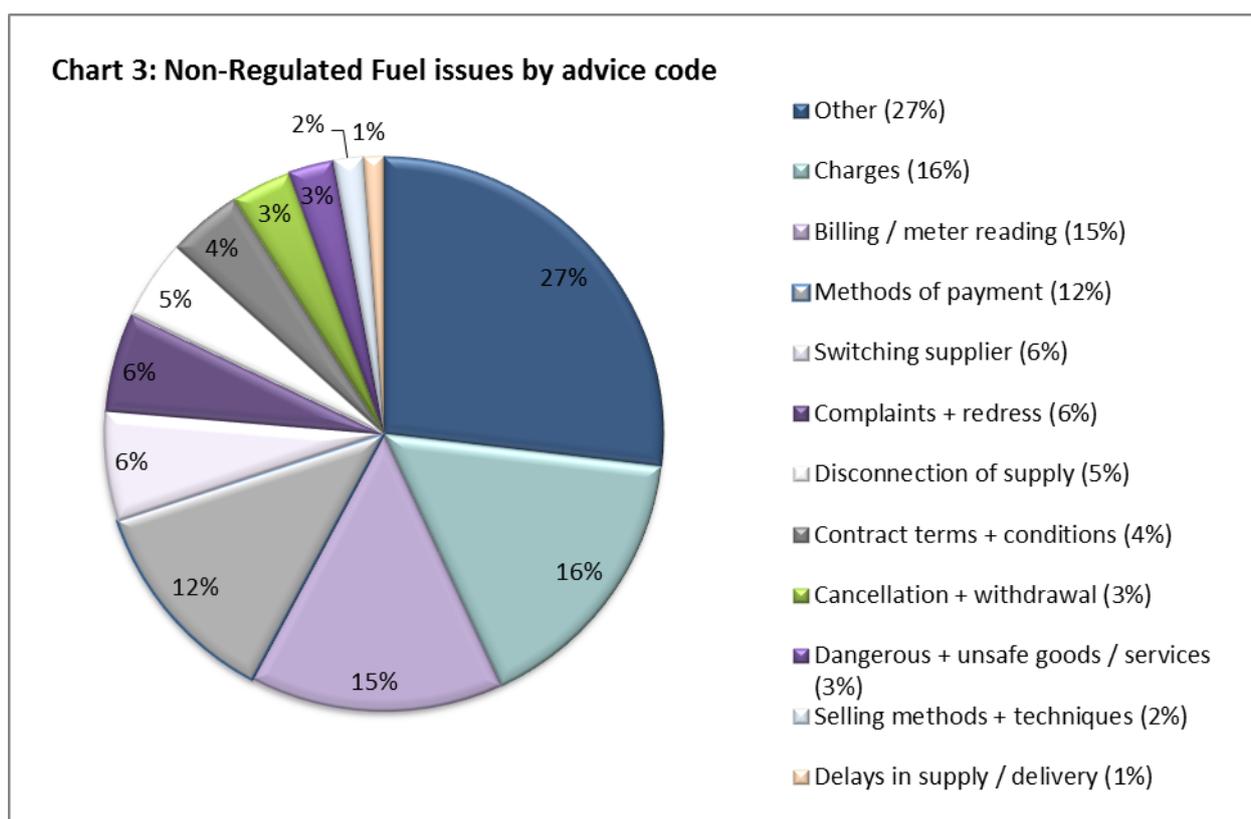
The most common non-regulated fuel category in 2013/14 was 'other'. It is likely that a lack of clear support structures and the smaller volume of issues presented at bureaux goes part of the way towards explaining why non-regulated fuel issues are often categorised as 'other'. This code can be explored in part by reviewing the social policy feedback forms submitted by bureaux. These forms include qualitative data which advisers submit to exemplify particularly worrying problems or systematic flaws in the market which disadvantage consumers. In 2013/14 social policy feedback for non-regulated fuel cases categorised as 'other' largely reflected the lack of financial support and access to schemes to help clients that rely on non-regulated fuels for heating to upgrade or replace their system.

Table 3 presents the number of issues brought to bureaux per non-regulated fuel category in 2013/14. Categories are listed in descending order, with the non-regulated fuel category that recorded the highest number of issues listed first.

Table 3: Number of non-regulated fuel issues

CAB Advice Code	2012/13	2013/14	% Change
Other	90	93	3%
Charges	32	56	75%
Billing / meter reading	21	51	143%
Methods of payment	24	42	75%
Switching supplier (including unwanted)	9	22	144%
Complaints + redress	24	20	-17%
Disconnection of supply	12	16	33%
Contract terms + conditions	11	15	37%
Cancellation + withdrawal	2	12	500%
Dangerous + unsafe goods / services	7	9	29%
Selling methods + techniques	5	6	20%
Delays in supply / delivery	3	4	33%

Chart 3 presents each advice codes as a proportion of the total issues in the non-regulated fuel category.



Owing to the smaller volume of cases in this category, a selection of non-regulated fuel case studies which typify or present specific policy issues clients presented with at CAB in 2013/14 are included below.

Case Studies

Affordability

As mentioned above, the cost of unregulated fuels can be unaffordable for clients. The case below highlights an issue experienced by a client who has run out of heating oil and cannot afford to purchase any more:

- ▶ A North of Scotland CAB reports of a fuel poor client who is a single parent with a small child. The client is not currently working. She recently separated with her partner and he is currently not paying any maintenance. The client has debts of £12,655 and no income, except child benefit, housing benefit, and Disability Living Allowance (lower rate). The client lives in social housing with an oil fired heating system. The client has no oil left and no funds to purchase additional oil, this has meant that she has to rely on electric heaters (using a prepaid card) to heat the property. This is an expensive solution and it is exacerbating her debt problem. The client is currently has a £246 debt with her oil supplier.

Price Increases

Consumers of unregulated fuel are not afforded the same level of price protection as provided by electricity and gas suppliers. The case below highlights the lack of information provided to a client regarding his heating oil supplier's price increases:

- ▶ An East of Scotland CAB reports of a client who is unhappy with recent increases in the price of heating oil. He received no prior warning of this price increase save the new bill. The client brought in his new bill and his previous one. Both the price per litre and the standing charge had been increased. The client thinks the increase is unreasonable and that he should have been notified prior to the change. The client has read that energy suppliers need to warn people. The advisor explained to client that the supply of oil is subject to a different system of regulation. The client lives in an estate, the energy to heat the houses was originally provided to each house by a central tank of oil. Over the years more or less all of his neighbours have switched to gas or electricity. The client does not feel he has the option to switch his fuel source as he had a new boiler installed just a few years ago, so making the large investment required for a switchover to another energy source would be too much.

Financial Support

The clients below attended their local CAB seeking advice on any financial support available for issues with their non-regulated fuel system:

- ▶ A North of Scotland CAB reports of a client who has oil fired central heating. His boiler broke down and is not fixable as it's old and has been repaired several times before. The client came in to ask if he would be eligible for help to get a new boiler as it costs £2,000 and he cannot afford this. The client has no heating or hot water and is not in good health having had a serious cancer operation last year. The CAB advisor found that he will not be eligible for government support as this is only available to gas or electric systems. The advisor was concerned about the lack of available support as the Western Isles have the highest fuel poverty rate in the UK but most of their residents are excluded from any assistance as they do not have access to mains gas.
- ▶ A West of Scotland CAB reports of an elderly client enquiring about whether she is eligible for any assistance with grants or schemes to help towards a new boiler for her

oil-fired central heating. The advisor was unable to find any information on accessing grants or discounts on oil heating as it is an unregulated fuel.

- ▶ A North of Scotland CAB reports of a client (80) and his wife (75) who attended bureau for advice on home improvement grants. The client currently heats his water and home by coal fire, which is not practical and is expensive. Both he and his wife suffer ill health, which makes preparing and cleaning the fire increasingly difficult. The client states that as they are unable to pay the cost for dross to keep the fire burning through the night so the house is cold when they wake up, which has a negative effect on their health. Once the fire has been built and lit it takes a substantial amount of time to heat both the house and the boiler for hot water. The client is hoping to improve the system to reduce his energy costs as he is currently also paying a substantial amount for his electricity by pre-payment meter. The client has approached three companies for quotes and is not in a position to finance the required work.

Helpline Data

The Citizens Advice Consumer Service (referred to as CACS or ‘the helpline’) has eleven main categories relating to energy advice^{iv}. Each of these categories can be further broken down into a series of advice codes. This report provides an overview of all energy issues brought to the helpline before looking in greater detail at the top five categories which consumers sought advice on^v.

- Billing Error
- Customer Service Failure
- Debt/Disconnections
- Distribution/Transportation
- Information
- Marketing
- Metering
- Pre-payment Meters
- Price Comparison Services
- Smart Meters
- Transfers

^{iv} There were 13 categories in 2012/13. A full explanation of all the definitions used in this report is available in a glossary in Appendix 1

^v Analysis is limited to the Top 5 categories as these comprise the majority of issues brought to the helpline.

Citizens Advice Consumer Service

The Citizens Advice Consumer Service (CACS or 'the helpline') has been in operation since 2012. Consumers in Scotland contacted the helpline with 2,771 energy issues in 2013/14. This was an increase of 6 per cent from the 2,614 energy issues advised on in 2012/13. It is worth noting that the helpline likely received a higher volume of Scottish energy cases in 2013/14 than reported here, however within the parameters of this report, if a consumer chose not to provide their postcode then they have not been included in the analysis.

The helpline provides quick, convenient and impartial advice. Consumers frequently utilised the helpline service seeking various types of information in 2013/14. Consumers also regularly contacted the helpline for clarification on issues and processes relating to their energy accounts. CACS case evidence suggests that consumers often did not know how to resolve a wide-range of issues associated with their energy supply. Similarly, they were often uncertain of their rights and responsibilities, and whom to contact when they experienced an issue with their energy supplier.

The majority of Scottish consumers contacting the helpline in 2013/14 were seeking information (35%). A key function of the helpline is to signpost consumers towards the information they require to enable them to resolve issues. Billing errors accounted for almost 30 per cent of helpline issues and increased by 6 per cent from the previous year. Issues with debt and disconnection can relate to serious problems for clients, who may be threatened with disconnection or struggling to afford to pay for their energy, in 2013/14 the number of debt/disconnection issues increased by almost 14 per cent from 205 to 233. Issues with transfers commonly refer to erroneous transfers. These can be difficult issues for clients to resolve, as they may need to liaise with two suppliers. Transfers issues increased by 3 per cent in 2013/14 from 169 to 174 issues. Metering issues increased by over 4 per cent from 265 to 276 and accounted for 10 per cent of helpline issues.

Owing to the nature of the helpline, case notes tend to be recorded in short hand. This enables the advisor to engage with the client and to advise them efficiently. As such, the helpline case studies are generally less detailed than those from CAB and they have been edited from note form to provide a clearer narrative for inclusion in this report.

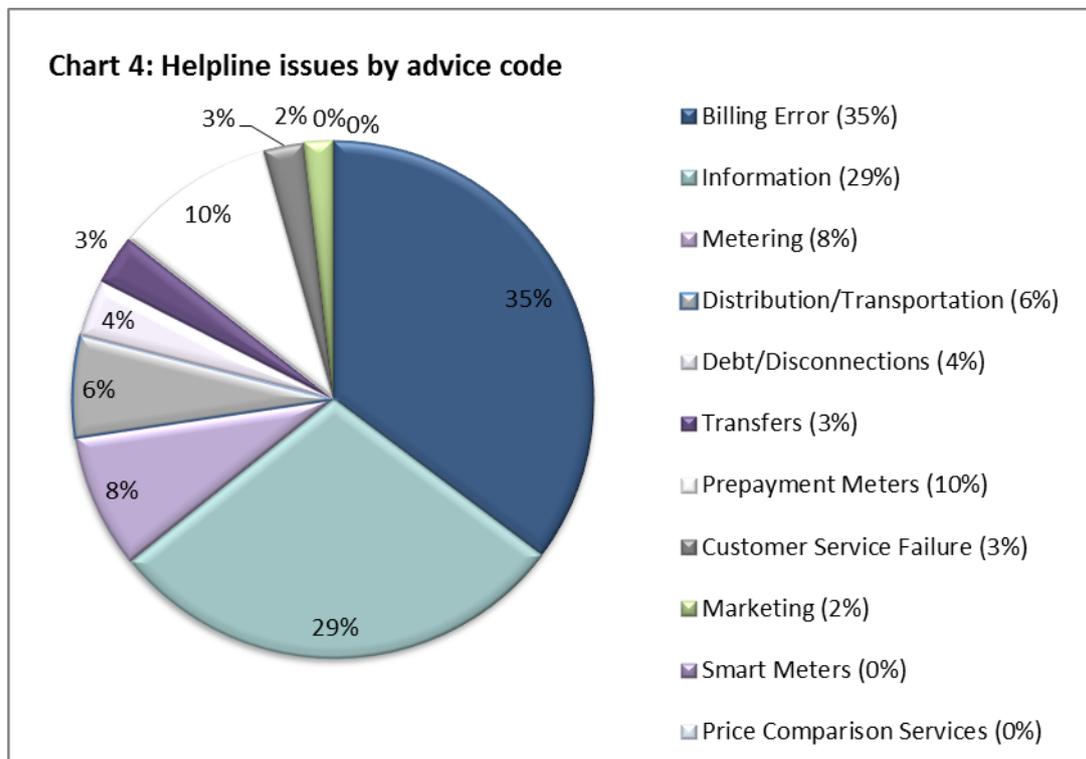
Table 4 presents the breakdown of CACS issues by category. This report examines the top five helpline categories in greater detail, looking at the type of advice clients sought by presenting the advice codes for each of the helpline categories included in the table below. The statistics are accompanied by case studies from specific calls that highlight typical or notable issues experienced by clients.

Table 4: Number of helpline energy issues

Helpline Advice Code	2012/13	2013/14	% Change
Information	921	975	6%
Billing Error	757	802	6%
Metering	265	233	-12%
Distribution/Transportation	42	276	557%
Debt/Disconnections	205	174	-15%
Transfers	169	101	-40%
Prepayment Meters	205	87	-58%
Customer Service Failure	74	70	-5%

Marketing	46	51	11%
Smart Meters	1	1	0%
Price Comparison Services	1	1	0%

Chart 4 presents each advice code as a proportion of the total issues brought to the helpline.



Information

The types of information consumers sought from the helpline in 2013/14 related primarily to pricing, for example how to determine whether they were on the best tariff, or how to access a price comparison service. People also contacted the helpline to identify the correct contact details for their supplier, which may highlight an issue with the presentation of contact information on certain suppliers' websites.

Table 5 presents the type and volume of information issues that clients sought advice on in 2013/14, compared with figures from the previous year.

Table 5: Number of information issues

Information	2012/13	2013/14	% Change
Pricing Information	376	511	36%
Company Contact Details (non compliant purposes)	300	197	-34%
How to change supplier	53	65	23%
Energy Efficiency advice	80	61	-24%
Non domestic contract issues	55	58	6%
Supply point number information	41	40	-2%
Unable to categorise (UTC)	-	25	-
Complaint About Price Comparison Provider	-	11	-

Maximum resale price	11	4	-64%
Smart Metering information	-	2	-
Priority Services Register	5	1	-80%

Given the rising costs of energy, it is perhaps not surprising that consumers most commonly contacted the helpline for pricing information. In 2013/14, helpline case evidence demonstrated that clients commonly required pricing advice at the end of a fixed rate contract period with their supplier.

Clients may also contact the helpline to find the correct company contact details for their supplier. The volume of these calls has dropped by over a third from the previous year suggesting that this information may now be more readily available elsewhere. However, as this remains the second most common information issue brought to CACS there may be a need for suppliers to display their contact telephone numbers more clearly on communications such as letters, bills and on their website.

The case below highlights an issue whereby a client does not know how to verify whether she is being offered the best tariff deal after her fixed term contract ends:

- ▶ A client called the Citizens Advice Consumer Service for advice as her current fixed-term energy tariff ends in June 2013. The client's supplier has offered her a further fixed-term tariff that will fix her rates until June 2015. The client has contacted the helpline as she is unsure whether to accept this offer and would like advice on how to complete a price comparison. CACS case evidence demonstrated some confusion around suppliers' pricing information.

The case below highlights a particular issue whereby a consumer has experienced an increase to their energy costs at a higher rate than the average national price increase advertised by their supplier:

- ▶ A client called the Citizens Advice Consumer Service for advice as they had been notified by their energy supplier that their tariff had increased by 14 per cent in October 2012. The client had seen public information from the supplier which stated that they had only implemented a 9 per cent increase. The client contacted their supplier and they were advised that whilst the average energy price increase was 9 per cent, the actual increases depend on where the client lives. The client contacted the helpline to see whether this inconsistent pricing was justified.

Some of the pricing information cases that clients contacted the helpline with highlighted the distrust that many people feel towards both energy suppliers and the energy market as a whole:

- ▶ A client called the Citizens Advice Consumer Service for advice as they had been contacted by an energy supplier who informed them they would be able to offer the client savings of £400 on their bills annually. The client contacted the helpline to seek advice on the validity of these claims.

Households also contacted the helpline with more complex energy pricing information issues relating to affordability:

- ▶ A client called the Citizens Advice Consumer Service for advice as they are in a dispute with their supplier over their monthly direct debit energy payments which have increased to £147 per month. The bills that the supplier has sent are based on actual readings. The client questions the amount because the supplier recently changed their meter. The client would like advice on these costs and more generally on energy prices.

Billing Error

Billing error issues accounted for almost 30 per cent of all issues recorded by the helpline. Unexpected and/or estimated bills can cause budgeting issues for households and can leave people feeling like they have been short changed. The most common billing issues related to back-billing and catch up bills which accounted for a third of all billing error cases. Issues with the clarity of bills were the second most common issue, having decreased by a fifth since the previous year when they ranked as the top issue.

Table 6 presents the type and volume of billing error issues that clients sought advice on in 2013/14, compared with figures from the previous year.

Table 6: Number of billing error issues

Billing Error	2012/13	2013/14	% Change
Back-Billing/Catchup Bill Received	233	266	14%
Clarity of bill	277	219	-21%
Failure to refund	57	96	68%
Customer Not Responsible for Bill/Debt	87	81	-7%
New Bill Not Received/Frequency of Bills	27	54	100%
Failure to set up DD / DD at incorrect level	33	38	15%
DD unauthorised withdrawal	10	17	70%
Final bill not received	10	17	70%
Missing/Misdirected Payments (credit meter)	2	5	150%
Disputed use of premises : Business/Domestic	4	3	-25%
PPM Statements	2	3	50%
Amount on bill does not match smart meter energy display	2	1	-50%
Incorrect opening / closing meter reading on transfer	5	1	-80%
Online tariff problem	4	1	-75%
Multiple MPRs/MPANs for one site	3	0	-100%
Security deposits	1	0	-100%

The most common billing error issues concerned back-billing and catch up bills. A back-bill or 'catch-up' bill is sent by a gas or electricity supplier when they determine that a customer hasn't been correctly charged for their energy use. Estimated bills can cause serious issues for clients as if their agreed payments are not in fact covering their energy usage they can be met with a large back-bill after meter readings are provided. Consumers may contact the helpline with a variety of issues concerning the clarity of their bill. These can include queries as to the authenticity of the sum of a bill or uncertainty over their obligation to pay for a disputed bill.

The cases below highlight issues with increases to consumers' monthly direct debits. These issues occurred either after a meter reading was taken or due to an administrative error by

a supplier. In both instances the consumer was left confused and questioning the legitimacy and fairness of the price increase:

- ▶ A client called the Citizens Advice Consumer Service for advice as her mother had been paying £89 per month by direct debit for her energy bills until January when this increased to £120. The client then received a letter to say this will now rise to £145 based on an accurate meter reading. The client is seeking advice as her mother only uses electricity and does not have a gas supply so she felt this figure was too high.
- ▶ A client called the Citizens Advice Consumer Service for advice as her supplier did not take the agreed monthly direct debit from her account to cover her energy costs for two months. The supplier then notified her that they will be increasing these monthly direct debits from £45 to £77 per month. The client would like to know if the supplier can do this.

The cases below demonstrate issues experienced by consumers who questioned the legitimacy of their back-bill and/or ongoing payments. Both clients contacted the helpline owing to the difficulties they had encountered when attempting to resolve their billing issues directly with their supplier.

- ▶ A client called the Citizens Advice Consumer Service for advice as she has been receiving high bills for two years from her energy supplier. She has attempted to dispute these bills with her supplier, who conceded that the amount seems implausible. However, the supplier then proceeded to close the case. The supplier keeps adding charges to the total amount owed as the client struggles to make payments and the client has now accrued £2,366 debt. The client receives family credit and child benefit she works part-time and goes to college. The supplier has sent a letter which states that the client needs to pay the sum owed within five working days or they will start legal proceedings. The client was referred to the Extra Help Unit.
- ▶ A client called the Citizens Advice Consumer Service for advice as he is unclear about why he recently received a bill for a five week period for the sum of £500. The letter states that it is not a catch up bill but is an actual bill. When the client attempted to discuss the high cost of this bill with their supplier he was simply told that he must have used the energy.

The cases below highlight the confusion and dissatisfaction experienced by clients whose tariff had been changed to include a standing charge:

- ▶ A client called the Citizens Advice Consumer Service for advice as their supplier recently placed them on a tariff that has lower unit costs, but includes a standing charge. The client is not happy about the introduction of a standing charge and wants to know why the supplier has included it.
- ▶ A client called the Citizens Advice Consumer Service for advice as the client's tariff was recently renewed and he is now being charged a standing charge. The client does not know if he should be paying this standing charge.
- ▶ A client called the Citizens Advice Consumer Service for advice as he is being charged a standing charge on the meter in his garage. In previous years the client has not had any costs associated with this meter.

The cases below highlight issues clients experienced when trying to clarify the amount owed to their energy supplier. A lack of clear information or an informed explanation leaves the clients doubting whether the supplier is providing accurate information:

- ▶ A client called the Citizens Advice Consumer Service for advice as he has received two bills for his electricity account, one for £195 and one for £145. When he contacted the supplier for clarification, he was told that he owes the £195, without explanation. When the client asked why he had been sent two bills with different amounts the supplier hung up on him.
- ▶ A client called the Citizens Advice Consumer Service for advice on an ongoing issue they have had with their energy supplier. The client moved into a new address some time ago and set up a new energy account whilst keeping open her previous account, as she owns both properties. The supplier claims that she owes £600 for the property she owns but does not live in. This property has not been inhabited for the four month period they are referring to. The client is being contacted every other day and despite having submitted numerous meter readings keeps receiving estimated bills for the property she is not resident in. The client would like to change supplier but her current supplier keeps providing her with conflicting information. The client has written letters of complaint and provided evidence of meter reading submissions. The client is not willing to pay this estimated bill as she feels it is too high considering that the heating is only on for an hour each night to stop the property's pipes freezing. The client is highly distressed about the situation and was referred to the Extra Help Unit.
- ▶ A client called the Citizens Advice Consumer Service for advice as he is experiencing an issue with his energy supplier who keeps billing him incorrectly. The client regularly supplies meter readings but his supplier keeps sending incorrect, estimated bills. The estimated bills state that the client's bill is a lot higher than it actually should be based on his meter readings. This has caused him stress and the client would like to make a formal complaint.

The cases below highlight issues whereby an energy supplier has increased their customers' monthly direct debit, despite the customers' accounts having consistently been in credit. The lack of explanation as to the reason for increasing the monthly charges causes stress and confusion for the clients and further highlights the issues created when there is a lack of communication from the supplier:

- ▶ A client called the Citizens Advice Consumer Service for advice regarding an increase to her monthly energy payments. The consumer's energy account is in credit for £45 but her supplier recently notified her that they will be increasing her monthly direct debit from £90 to £105. The client is questioning why the supplier needs to put up the price when she has always been in credit with them.
- ▶ A client called the Citizens Advice Consumer Service for advice on his energy payments. His account states that he is £580 in credit with his energy supplier after the first quarter of the year. However the supplier recently notified him that they will be increasing his monthly direct debit from £50 to £71. The client has contacted their supplier but they will not explain the reasons for this increase.

Metering

Metering issues accounted for 10 per cent of the energy issues that clients contacted the helpline about in 2013/14. The number of clients seeking metering advice from CACS was similar to the figures seen in 2012/13. The most common issue related to Meter Provision or Exchange, where issues ranged from consumers seeking advice on how to gain a prepayment meter, to replacing old and/or faulty meters and understanding associated tariffs. Clients with issues regarding their meters' accuracy increased by almost 12 per cent from 68 to 76, these issues can be difficult for people to resolve as they may require a supplier to visit their property. There were several metering cases that related to the early installation of smart meters in some properties.

Table 7 presents the type and volume of metering issues that clients sought advice on in 2013/14, compared with figures from the previous year.

Table 7: Number of metering issues

Metering	2012/13	2013/14	% Change
Meter Provision or Exchange	82	84	2%
Meter accuracy	68	76	12%
Meter reading/data collection	51	56	10%
Supply Point Administration Query (MPRN/MPR)	36	30	-17%
Meter Positioning	18	18	0%
Suspected Meter Tampering	10	12	20%

The metering provision or exchange case evidence from the consumer helpline highlights that consumers can be uncertain about who is responsible for their meter and who to contact if they encountered any issues regarding their meter:

- ▶ A client called the Citizens Advice Consumer Service for advice as she wants to have a new gas meter installed. The client wants to know who can install the meter.
- ▶ A client called the Citizens Advice Consumer Service for advice as he wants to know who to contact to get his meter tested.

The case below highlights an issue whereby a client has had a prepayment meter installed in their property against their wishes. The client does not want this type of meter but is expected to cover the costs of replacing or substituting the prepayment meter:

- ▶ A client called the Citizens Advice Consumer Service for advice with a query regarding her prepayment meter. The client's energy supplier installed the meter without her consent. The supplier has stated that they will require £140 to replace this system and reinstall the credit facility.

Consumers that question the accuracy of their meter can be left in a difficult situation as they may not have the means to prove this and may be required to negotiate with their supplier, which can be a daunting and difficult prospect. The case below highlights an issue experienced by a consumer who contacted the helpline as they questioned the accuracy of their new smart meter:

- ▶ A client called the Citizens Advice Consumer Service for advice. The client changed supplier the previous year and provided meter readings to their new supplier. The new supplier came out to fit a smart meter and took the old meter away. The first bill the

client received seemed accurate but the client thinks that the second bill is not accurate and is too high.

When a meter breaks down or becomes faulty a household may go for a period of time using power that is not being accurately measured. The case below shows the difficulties that can arise from estimated bills accrued during this period:

- ▶ A client called the Citizens Advice Consumer Service for advice. The client uses online billing and every month the client submits meter readings. In April the client noticed that their meter was not moving. The meter has now been replaced. The client received a bill for that period and thinks that the supplier has over-estimated this, the client has started a complaints procedure as he received a bill for £84 but thinks he should be paying about half of that. The client is willing to pay for the energy used but not at amount that the supplier is asking for.

The case below highlights a case whereby a vulnerable consumer is unable to access their meter and has to rely on estimated bills:

- ▶ A client called the Citizens Advice Consumer Service for advice. The client is 91 years of age has high blood pressure and a slight heart problem and is the carer for his disabled wife. The client recently changed supplier and wanted a smart meter as his gas meter is faulty and as the meter is half buried in the ground and unreadable, they are unable to take any meters readings from it. The client is currently paying estimated bills and his supplier won't do anything about the issue, so the client cannot get accurate bills.

A Meter Point Administration Number, also known as MPAN is a 21-digit reference number used to uniquely identify electricity supply points in people's homes. The gas equivalent is the Meter Point Reference Number. Consumers require these numbers to switch their supplier. The case below highlights an issue experienced by a consumer who would like to switch their energy supplier but is unable to do so owing to a lack of identifiable information on their meter:

- ▶ A client called the Citizens Advice Consumer Service for advice. The client would like to switch to this supplier but her meter does not have an MPRN or a serial number. This supplier can't take over because of this and the gas distributor in their local area state that they can't do anything for the same reason. The client would like to know how to proceed.

Clients suspected of meter tampering can have their supply cut off and face significant charges to reinstate this supply. The cases below highlight that this can impact vulnerable consumers:

- ▶ A client called the Citizens Advice Consumer Service for advice as he has been cut off because the supplier has said he was tampering with it, the client says it was damaged in a police incident. The client lives alone and has a brain injury so claims Disability Living Allowance.
- ▶ A client called the Citizens Advice Consumer Service for advice on behalf of her son who has schizophrenia and is attending counselling for drug addiction. The client's son tampered with his electricity meter due to his mental condition, his supplier disconnected the supply as a result. The client has spoken to several suppliers. His

current supplier has advised that her son would need to pay a £300 reconnection fee and £1,500 for the electricity that was not paid for prior to disconnection.

Debt/Disconnections

Issues with debt and disconnections account for 8.4 per cent of issues brought to the helpline. The type of debt /disconnection issues that clients sought advice on included debt recovery practices, unaffordable debt repayments and properties disconnected under warrant.

Vulnerable consumers that contact the helpline with complex cases referring to disconnection or threatened disconnection and/or significant debt are referred to the Extra Help Unit for further support. The Extra Help Unit (EHU) was part of Consumer Focus in 2013/14 before becoming part of Citizens Advice Scotland in April 2014.

Table 8 presents the type and volume of debt/disconnection issues that clients sought advice on in 2013/14, compared with figures from the previous year.

Table 8: Number of debt/disconnection issues

Debt/Disconnections	2012/13	2013/14	% Change
Debt recovery practices	70	76	9%
Disconnection following due process	70	43	-39%
Unsuitable or unaffordable payment scheme to cover debt	36	42	17%
PPM self disconnection (unable to credit meter)	6	23	283%
Vulnerable Consumer disconnected	13	17	31%
Disconnection/Forced PPM Without Proper Process	3	16	433%
Unable to Request Suitable Payment Methods (Fuel Direct, PPM)	-	9	-
Disconnection/Forced PPM in Error	2	6	200%
Disputed Rights of Entry	-	1	-

If debt recovery practices are not effectively managed they can cause households significant distress. Consumers contacting the helpline with debt or disconnection issues may not be clear about what to expect from their supplier or of their consumer rights. Clients may be asked to repay a debt at an unaffordable rate. If repayment rates are arrived at without prior consultation with the client then they can result in undue stress for that client. A number of key issues resulting from supplier's debt recovery practices are highlighted in the cases below:

- ▶ A client called the Citizens Advice Consumer Service for advice. The client has a monthly direct debit set up with their supplier for electricity but no longer has a direct debit set up for gas. The supplier has informed the client that they obtained a warrant of entry into their property but the client doesn't know if the supplier is gaining entry to disconnect the gas or to install a prepayment meter. The supplier sent the client a text message which advised that they are going to disconnect the supply but when the client contacted the supplier they told her they will install a prepayment meter. The supplier is arriving at the client's property tomorrow. The client was referred to the Extra Help Unit.
- ▶ A client called the Citizens Advice Consumer Service for advice on a debt that they have with their energy supplier. The client owes £1,567 for gas. The supplier has asked

her to repay £265 a month which she cannot afford. The client has not spoken to their supplier yet but would like to negotiate a more affordable payment plan.

- ▶ A client called the Citizens Advice Consumer Service for advice as their energy account has been passed to a debt collection agency without any prior warning. The client was expecting a call back from their supplier last week but never received one and now the case is with debt collectors.
- ▶ A client called the Citizens Advice Consumer Service for advice as they recently returned home to find that someone had entered the property. The letter was addressed to a different person and this was the first time the client had received any correspondence regarding an issue with their energy supply or entry to the property. The supplier had obtained a warrant to enter the property for a debt held by another person. The supplier has offered the client a goodwill gesture of £50 for entering in error but the client does not think this is not enough and would like to know what to do.
- ▶ A client called the Citizens Advice Consumer Service for advice. The client has built up arrears of £3,000 and the supplier want to install a prepayment meter in the property. The client lives two and a half miles from the nearest shop and the nearest city is five miles away. The client is of a pensionable age and receives pension credits. The client still works and is self-employed. The client had a payment plan set up with his supplier but he couldn't afford it and missed two of the payments. The client had a heart by-pass at the end December and suffers from a mild form of epilepsy. The client wants help to stop the prepayment meter being fitted.

If a consumer can't reach a repayment agreement with their supplier to pay off debt, their supplier can apply to a court for a warrant to enter their home to disconnect the energy supply. A supplier must send a notice telling their customer that they're applying to the court. The cases below highlight issues experienced by clients whose supplier does not appear to have followed due process for disconnection:

- ▶ A client called the Citizens Advice Consumer Service for advice. Their supplier disconnected the energy supply to the client's property on Monday. The client never received any notification of the visit. The client has arrears of £2,118 and now has to pay disconnection charges of £350, reconnection charges of £121 and a deposit of £1,000. The property was a holiday let until the client moved in and as he works from home he went on to a business rate. The client has had no income since August 2012 and only receives working tax credit. His partner is due to go into hospital tomorrow for major operation so they need power in the property. The client was referred to the EHU.
- ▶ A client called the Citizens Advice Consumer Service for advice on behalf of his mother who suffers from various mental health issues. The client moved to the property in 2001 and had a dry meter. The client paid whatever was owed every week, a few weeks later she received a bill in the excess of £1,000. The client lives in a caravan and does not use hot running water or a tumble dryer, they use gas for heat and cooking. The client was shocked by this large bill and unable to resolve the issue with her supplier so she continued to pay as usual. Then without warning in the summer of 2004 the supplier power cut off the electricity supply completely. The client was left without electricity for several weeks. The clients have received several bills with a meter number that isn't theirs. The caravan site warden has confirmed that the meter they are paying for doesn't actually exist.

- ▶ A client called the Citizens Advice Consumer Service for advice as her supplier had just disconnected her energy supply. The client owes them £1,200. She paid £400 towards this the day that the supplier came to disconnect her and was previously paying it off in instalments. The supplier's representative entered the client's business premises and shouted at one of the client's staff, telling her to switch off her computer. The client asked why she was in the shop and the supplier's representative replied that she would not talk to the client and that the client knew why they were there. The supplier's representative did not show a warrant, she presented a letter for a previous bill which had already been paid. The supplier's representative instructed her two colleagues to disconnect the electricity meter. The consumer was aware that she was in debt and had been paying toward this a bit at a time. She did not get a court letter and has not seen a warrant. She rang them up now and they said it will cost £3,000 to get her supply back on, including the debt. The client has been diagnosed with anxiety and is in receipt of working tax credits. The client was referred to the Extra Help Unit.

Transfers

Transfers accounted for 6.3 per cent of helpline issues in 2013/14, a very similar proportion to the volume of issues received in the previous year. The majority of transfer issues related to a breach of the erroneous transfer charter. The volume of issues relating to this advice code increased from 19 cases in 2012/13 to 57 cases in 2013/14. Problems arising from contracts decreased by almost a quarter, and accounted for just under 30 per cent of transfer issues, having been the top advice code the previous year.

Table 9 presents the type and volume of transfers issues that clients sought advice on in 2013/14, compared with figures from the previous year.

Table 9: Number of transfers issues

Transfers	2012/13	2013/14	% Change
Breach of Erroneous Transfer Charter	19	57	200%
Problems arising from Contracts	66	50	-24%
Transfer windows	15	19	27%
Supplier Objection - reasons unknown	22	17	-23%
Cancelled contract not actioned	13	9	-31%
Failure to correctly apply for transfer	15	6	-60%
Supplier objection to transfer on grounds of debt	9	5	-44%
Supplier unable to supply	5	5	0%
Supplier Objection to Transfer on Grounds of Contract Terms (deemed contacts)	4	4	0%
Transfer in error due to incorrect supply point information	-	1	-
Transfer Not Actioned After Price Notification Received	1	1	0%

Whilst the total number of transfer issues reported to the helpline is relatively low, erroneous transfer issues more than doubled in 2013/14. Erroneous transfers can be confusing, difficult to resolve and can result in detriment for clients. In the worst cases erroneous transfers can result in households accruing debt, particularly if they are unaware that the transfer has taken place and have assumed that their monthly payments have continued to be debited by their agreed supplier.

The cases below highlight complex issues experienced by clients who have experienced an erroneous transfer:

- ▶ A client called the Citizens Advice Consumer Service for advice regarding an erroneous transfer on their business electricity account. The supplier that took the account tried to switch the clients account back but their original supplier rejected this attempt. The client was not made aware of this refused attempt for two years. She has received an estimated electricity bill for £1,275. She thought she was paying as normal for both gas and electricity to her agreed supplier. She phoned the supplier that made the erroneous transfer and they said the consumer will have to give a meter reading and set up a payment plan. The client was referred to the Extra Help Unit.
- ▶ A client called the Citizens Advice Consumer Service for advice. The client has a prepayment meter for their electricity account and a gas credit meter. The client received a letter from their supplier advising them that their gas supply may have been transferred in error. The letter was addressed to the occupier. The client received another letter advising them of the same issue a few weeks later, the supplier advised in the letter than their original supplier had declined for the client to be transferred back to them. The client then received a bill from their new supplier for £323 and a second bill for £1,474.
- ▶ A client called the Citizens Advice Consumer Service for advice on behalf of her husband. The client's gas supply was erroneously transferred to a different supplier in May 2013. The client has spoken to both their old and their new suppliers and both have advised the client that they are looking in to it. The client spoke with their old supplier this morning and they are still negotiating to transfer the supply and they should have the client's gas supply by the end of August. The old supplier keeps advising the client that they will have the supply back by the end of the following week. The client would like this issue to be resolved to have his gas supply returned back to the original supplier. The client was referred to the Extra Help Unit.

The contractual agreement between a consumer and their energy supplier is protected by law. A number of issues can arise when a fixed-term contract comes to an end or if a supplier does not abide by the terms of the contract. For consumers a tariff may be increased significantly by automatically being switched to the 'standard tariff' whilst for small businesses deemed contracts or out of contract rates can be set at particularly high rates:

- ▶ A client called the Citizens Advice Consumer Service for advice as his supplier has been charging an 'out of contract rate' because the consumer did not set up a contract. The client would like to know if there is anything they can do about this.
- ▶ A client called the Citizens Advice Consumer Service for advice as his energy supplier changed his account tariff without any warning. In doing so the consumer has been placed in debt of £1,500.

Issues can arise when tenants' rental contracts include clauses about switching energy suppliers. The rules around whether landlords are allowed to determine a properties energy supply can be complex and cause uncertainty for consumer as to their rights. The case below highlights a consumer seeking clarification on this process:

- ▶ A client called the Citizens Advice Consumer Service for advice regarding whether a landlord can stop a tenant from switching their energy supplier. (CASE ID 118471)

Conclusion

The evidence gathered by both Citizens Advice Bureaux and the Citizens Advice Consumer Helpline clearly demonstrates that consumers are affected by a host of external pressures and energy market problems. The diversity of issues brought to the service in 2013/14 demonstrates how the complexity of the energy market can cause a variety of issues for consumers. Many households find they are ill-equipped to resolve these issues without seeking guidance and support. The specific supplier issues seen throughout 2013/14 created a variety of problems for their customers, which were compounded by poor communication, a lack of information and a failure to effectively resolve the problems generated. The continuing failure of some suppliers to provide acceptable levels of customer service prevented consumers from effectively engaging with the market and often prevented them from resolving any issues encountered.

The Citizens Advice service in Scotland experienced a significant increase in the volume of energy issues advised on throughout 2013/14, handling almost 50 per cent more issues than in the previous year. This can be explained in part as the result of an increased drive by the Citizens Advice service to engage with 'hard to reach' energy consumers through campaigns and targeted projects. The increased volume of energy advice is also influenced by an increased demand for advice as a result of a variety of factors including the rising costs of energy, lower incomes and the increased cost of living. These factors are coupled with the significant influence that wider policy changes, such as reform of the social security system and administration, had on people's budgets and lives.

CAB and CACS case evidence in 2013/14 shows how energy issues can disproportionately impact specific groups of consumers. Costs associated with calling an energy supplier or with resolving debt issues (e.g. through installation of a pre-payment meter) disproportionately affect poorer consumers. Consumers in vulnerable situations may not be getting the support they are entitled to through Priority Services Registers. This includes additional support, such as visits to a property to conduct meter readings. This is a particular issue for those who are unable to engage with aspects of the market owing to their vulnerability or who are managing an extremely limited income and are not able to budget for fluctuations in their outgoings. Furthermore, consumers who are not able to heat their property with gas may pay significantly more to heat their home and are not privy to the same level of financial support if they experience issues with their heating system.

From the body of evidence presented in this report, CAS highlights ten key areas where it appears that the energy market is not serving consumers effectively, or where it is clear additional support is required to ensure that consumers are not disadvantaged by an inability to engage with the market and/or to heat their home.

1. Customer Service standards

Service Standards are too often below the reasonable expectations of consumers. Throughout our evidence it is clear that recurring issues such as long call waiting times and billing errors cause significant detriment to those affected.

2. Welfare reform and social security administration

Throughout our case studies, the impact of reforms to the social security system is tied intrinsically to a household's ability to sufficiently heat their home. Those who have been sanctioned or had their social security payments altered may be additionally disadvantaged by accruing debt or becoming disconnected from their energy supply.

3. Vulnerability

Case evidence presented to our service suggests that people in vulnerable situations are not always receiving the support they require. Furthermore, the services that can be made available through Priority Services Registers are not always delivered.

4. Accessible support/schemes

Schemes such as the Warm Home Discount are not accessible to all eligible consumers. Our evidence shows that barriers such as online registration, annual applications or limited windows for registration can prevent certain households from accessing this support.

5. Parity of service

Our case studies highlight that certain groups of consumers may receive a second class service for their energy account, owing to factors such as the meter their household uses or the way the heat their property. In particular, people with pre-payment meters, time-of-use meters, electric heating or non-regulated heating systems may not be able to access the same pricing, ability to switch, support or protections that are available to other consumers.

6. Debt repayment

Our case evidence highlights a number of issues with debt collection processes. Repayments are often set too high for consumers to afford and implemented without due consultation. If a debt is transferred to a collection agency, the additional costs added can be disproportionate and unaffordable.

7. Off-gas consumers

Households who do not heat their home with mains gas require greater financial support. Consumers attending CAB reported that they were unable to afford to fix their off-gas heating systems if they become faulty or broke down and were frustrated to find that they could not access support owing to the type of heating system available to them.

8. Smart meter

Some of the early adopters of smart meters report issues have found that they are unable to realise the benefits of these systems. Conversely certain groups of consumers are aware of the benefits that they may offer to them but are not yet able to access the technology.

9. Changes to energy market

Well intended changes to the energy market such as changes to the rules around standing charges have had some adverse effects on households. A significant body of our evidence suggests that changes to the rules are often implemented in a manner that disadvantages consumers.

10. Small businesses

Small businesses contacting our service may be disadvantaged by the rules surrounding business energy contracts, such as a lack of a cooling off period for them to confirm whether they have received suitable terms of service.

Glossary

The top level categories relating to energy issues in citizens advice bureaux are;

- **Fuel debt** refers to issues around debt including when clients have trouble paying off energy debts or when they dispute liability for a debt.
- **Fuel – regulated** refers to the most common energy sources such as mains gas and electricity, regulated by Ofgem. Billing and charges are some of the most common issues in this category.
- **Fuel – non-regulated** generally refers to off-grid energy sources such as heating oil, bottled gas and coal which are not regulated in the same way as mains gas and electricity. The issues brought to bureaux in this category mostly concern billing, additional charges and methods of payment.

The top level helpline categories are;

- **Billing Error** – this category refers to issues with consumers' energy bills. The most common "billing error" issues raised with the helpline concern the clarity of an energy bill or with consumers receiving a 'back-bill' or 'catch-up' bill requesting funds they may not have realised they owed.
- **Customer Service Failure** – this category refers to issues with the customer service provided by energy suppliers. Common "customer service failure" issues relate to consumer complaints not being registered or the length of time consumers are required to wait in a phone queue.
- **Debt/Disconnections** – this category refers to any issues a consumer may have with energy debt and imposed or self disconnection. The most common issues in this category relate to debt recovery practices, disconnection and unaffordable payment schemes.
- **Distribution/Transportation** – this category refers to issues with connections, supply and supply safety. The most common "distribution/transportation" issues concern connections and alterations of supply.
- **Information** – this category refers to any issues consumers may have in gaining access to information about their energy supply/supplier. The most common "information" issues raised concerned pricing information, company contact details and energy efficiency advice.
- **Marketing** – this category refers to any issues consumers may have with an energy company's marketing, their staff or issues with fraud. The most common "marketing" issue is misrepresentation, with consumers perceiving that they have been given false or misleading information.
- **Metering** – this category refers to any issues consumers may have with their energy meters. The most common "metering" issues refer to provision or exchange of a meter, meter accuracy and meter reading.
- **Pre-payment Meters** – "pre-payment meter" issues most commonly relate to incorrect tariffs and incorrect debt repayment rates, or with issues in changing to or from the pre-payment meter method.
- **Price Comparison Services** – this category refers to any issues that consumers may have with price comparison providers.
- **Smart Meters** – this category refers to any issues that consumers may have with smart meter installation.
- **Transfers** – this category refers to any issues consumers may have with transferring from one energy supplier to another. The most common "transfer" issues refer to contracts, supplier objections (for unknown reasons) and issues with transfer times or transfers not being completed.

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Citizens Advice Scotland and its member bureaux form Scotland's largest independent advice network. CAB advice services are delivered using service points throughout Scotland, from the islands to city centres.

The CAB Service aims:

to ensure that individuals do not suffer through lack of knowledge of their rights and responsibilities, or of the services available to them, or through an inability to express their need effectively

and equally

to exercise a responsible influence on the development of social policies and services, both locally and nationally.

The CAB Service is independent and provides free, confidential and impartial advice to everybody regardless of age, disability, gender, race, religion and belief and sexual orientation.

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