



## THE CITIZENS ADVICE SERVICE IN SCOTLAND

**ENERGY ADVICE  
2014/15**

### CLIENTS



We helped clients  
with 28,000 energy  
issues

### ENERGY ADVICE BY SERVICE



Citizens  
Advice  
Bureaux



Citizens Advice  
Consumer  
Helpline



The Extra  
Help Unit



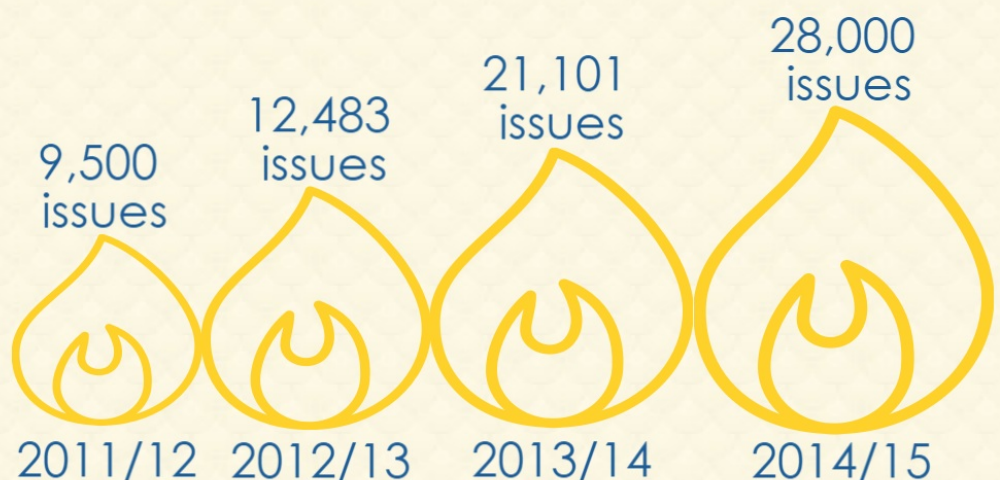
### ACCESSING OUR ADVICE

Our service has grown to meet the needs of energy consumers. We provide advice in person, over the phone and online, and increasing numbers of citizens advice bureaux now offer home visits to clients with energy issues.



### GROWING TO MEET A RISING DEMAND FOR ADVICE

Our energy advice provision has grown by 130% since 2011.



# CITIZENS ADVICE BUREAUX



Handled 20.3%  
more issues than  
the previous  
year



On average  
clients were  
£450 better off  
through CAB  
energy advice



250 service  
points in  
Scotland

## ADVICE GIVEN

The advice provided by Scottish Citizens Advice Bureaux supports clients across a wide range of energy issues, from managing debt and arrears to securing the support they are entitled to - whether that's accessing financial support through the Warm Homes Discount and energy efficiency programmes or help with finding the cheapest tariff.

CAB evidence is central to our policy and advocacy work. The evidence gathered from client's experiences allows us to analyse issues in real time, to highlight the difficulties experienced by consumers and to work to address market, policy and consumer issues.

## TOP 5 ENERGY ISSUES\*

16%



Billing and meter  
reading

12%



Difficulty making  
payments

10%



Warm Homes  
Discount

7%



Complaints &  
redress

7%



Methods of  
payment

\*As % of all energy issues brought to the CAB service 2014/15. Rounded to whole numbers and combining regulated fuel, non-regulated fuel and fuel debt codes.



# CITIZENS ADVICE CONSUMER HELPLINE

**HELPED  
CLIENTS IN  
SCOTLAND  
WITH 4,799  
ENERGY  
ISSUES**



Handled 60.7%  
more issues than  
the previous  
year



£12 client  
financial gain  
generated for  
every £1 spent



Joined the  
Citizens Advice  
Service in 2012

## ADVICE GIVEN

The Citizens Advice Consumer Helpline (CACH) provides flexible, specialist advice on consumer issues, including energy. Consumers can access this advice by phone on 03454 04 05 06, or by email, web form and post. Advice is provided from contact centres across Great Britain, including a centre in Stornoway.

CACH is available throughout Great Britain and provides an excellent platform for quick, impartial advice. Vulnerable consumers contacting CACH are referred to the Extra Help Unit for additional support. We gather a breadth of data on energy issues from CACH and share this with partner organisations, including enforcement and regulation bodies. Helpline data sharing can be achieved in real-time, providing valuable insight into the issues consumers experience day-to-day.

## TOP 5 ENERGY ISSUES\*

41%



Billing  
error

22%



Information

13%



Metering

10%



Debt/  
Disconnection

6%



Transfers

\*As % of all energy issues brought to CACH in 2014/15. Rounded to whole numbers.

# EXTRA HELP UNIT

**HELPED  
CLIENTS IN  
SCOTLAND  
WITH 1,150  
ENERGY  
ISSUES**



£1 million  
financial redress  
secured p.a. for  
consumers in  
Great Britain



700 complaints  
handled per  
month across  
Great Britain



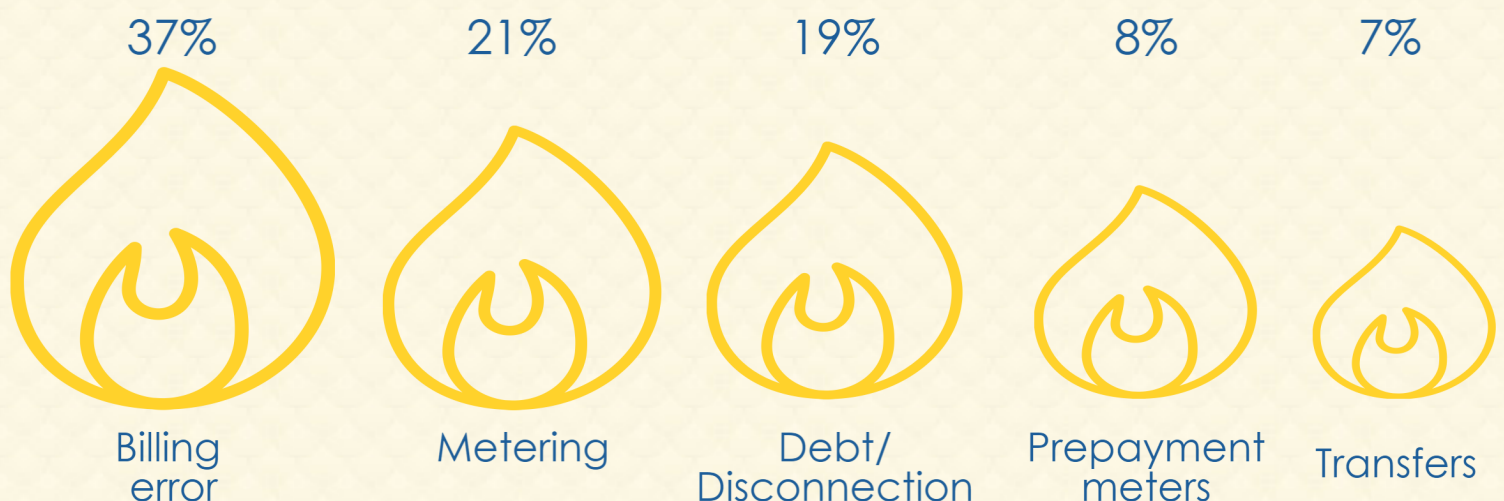
Joined the  
Citizens Advice  
Service in 2014

## ADVICE GIVEN

The Extra Help Unit (EHU) provides expert help on complex energy issues. The EHU joined CAS in 2014 and fulfils our statutory duty to help vulnerable energy consumers. The EHU works closely with the policy units within the Citizens Advice service, regulators and energy suppliers with the aim of improving practices and the regulations that affect consumers.

The EHU operates an 'Ask the Advisor' service to help other advice providers obtain the information they need to resolve their client's complaint. The 'Ask the Advisor' service phone number is 0344 980 0041. Advice providers are also invited to use the EHU's knowledge base, which is a database of frequently asked energy questions, offering detailed information about regulations or more unusual concerns.

## TOP 5 ENERGY ISSUES\*



\*As % of all energy issues brought to the Extra Help Unit 2014/15. Rounded to whole numbers.



# ENERGY POLICY ISSUES

## OUR OBJECTIVE



### RISING COSTS

Rising energy prices and increased living costs have squeezed household budgets over recent years. The Citizens Advice service works to secure more affordable energy, more transparent markets and to empower consumers to confidently engage with the market.

## EMERGING ISSUES\*



UK energy bills more than doubled 2002-2012



Average earnings in 2012 were roughly the same as their real value in 2003



Between 2002-2012 households used 17% less energy in their home



Scottish energy bills were £108 pa more than in England 2002-2012



Big 6 price cuts in 2015 were between 1.3% -5.1%. Yet wholesale gas prices had dropped by ~28%

## OUR ACHIEVEMENTS

- An independent competition investigation is being undertaken into the energy market, taking into account the unique issues affecting consumers in Scotland
- Our tariff options research, conducted with Citizens Advice, informed the CMA's thinking on remedies to address the higher costs of energy for those who don't switch
- Our calls for energy price cuts have been heeded, for example by British Gas. We're still working hard to encourage others to reduce their prices
- Our research helped shape Scottish Government plans for regulation of energy efficiency in private sector housing

\* Stats from ONS and uswitch

# ENERGY POLICY ISSUES

## OUR OBJECTIVE



### FUEL POVERTY

Today in Scotland, two in every five households are in fuel poverty, meaning many have to make the choice between heating and eating. We believe that keeping the lights on and heating your home are basics, not luxuries. Reducing fuel poverty is a key aim of the service.

## EMERGING ISSUES\*



2 in 5  
(39.1%)  
households  
in Scotland  
live in fuel  
poverty



1 in 10  
(10.5%) of  
households in  
Scotland live  
in extreme  
poverty



Up to 71% of  
households in  
the Western  
Isles may live in  
fuel poverty



100,000  
households fell  
into fuel poverty  
between  
2012/13 and  
2013/14



The Scottish  
Government  
have a legal duty  
to eradicate fuel  
poverty by  
November 2016

## OUR ACHIEVEMENTS

- Energy efficiency has been declared a national infrastructure priority in Scotland, paving the way for increased funding to tackle fuel poverty and climate change
- We are a member of the Scottish Fuel Poverty Forum and support the Scottish Government in the design and delivery of fuel poverty programmes
- CAS and Citizens Advice co-commissioned a series of research to inform support for fuel poor and vulnerable consumers. This includes an analysis of energy affordability in Europe and a study of locally delivered, area based energy efficiency schemes.

\* Stats from the Scottish Housing Condition survey, the Scottish Government and Comhairle Nan Eilean Siar



# ENERGY POLICY ISSUES

## OUR OBJECTIVE



### MARKET ISSUES

The energy market does not serve all consumers equally and trust in the market is at an all time low. The Citizens Advice service has worked to promote a fairer, smarter energy retail market that better serves all consumers, including the most vulnerable.

## EMERGING ISSUES\*



1 in 5 Scots pay for their energy with prepayment meters



Prepay energy customers pay an average of £226 more per year than they would on the cheapest online direct debit deals



The CMA interim findings reported that the Big Six may over charge consumers by £1.2b p.a.



14% of households in Scotland rely on high cost electrical heating in contrast with 8% of those across GB



Only 34% of households in the UK have ever switched their electricity or gas supplier

## OUR ACHIEVEMENTS

- Industry wide commitment to Fair Play for Prepay energy consumers, meaning 20% of electricity customers and 17% of gas customers in Scotland will get a fairer deal
- Big 6 agreed to donate £6 million of unallocated payments to their trust funds or other support services, meaning consumers in Scotland will benefit from around £500,000 as a result of the Fair Play for Prepay campaign
- Big Energy Saving Week and wider promotional work built consumer awareness of the benefits of switching and insulating
- Green Deal consumer protection improved as a result of our intervention

\* Stats from DECC, Citizens Advice, the CMA



# ENERGY POLICY ISSUES

## OUR OBJECTIVE



Advice and information plays a vital role in empowering consumers to navigate complex markets. The Citizens Advice service continues to develop and grow in response to the increasing advice needs of energy consumers.

## EMERGING ISSUES\*



Only 7% of under 35s say they fully understand their energy bill



Millions of people could save around £200 if they shopped around and switched their energy tariff or supplier



10,349 consumers attended Energy Best Deal sessions in GB 2013/14 and 75% of clients took some action after their advice session



Independent research shows that advice positively benefits ~70% of clients



The number of energy issues brought to the Citizens Advice service has increased by 1/3 p.a. since 2011

## OUR ACHIEVEMENTS

- Company performance league tables help consumers find the best deal and the best service
- Save Energy, Save Money and Stay Warm guide produced to help people living in tenements to make their homes warmer, save energy and save money
- Scottish citizens advice bureaux supported to do more for energy consumers with additional funding available through Energy Best Deal and a variety of other programmes
- Our evidence on consumer detriment led to enforcement action against a number of energy suppliers. Recent evidence shows a subsequent improvement in performance

\* Stats from The Energy Savings Trust, Citizens Advice, the Fraser of Allander Institute



# ENERGY POLICY ISSUES

## OUR OBJECTIVE



### FUTURE ENERGY

The energy services market is evolving rapidly. We monitor any new services subsidised by consumers to ensure they provide value for money. We also work to ensure that consumer protection, advice and information keeps pace with new technology, services and systems.

## EMERGING ISSUES\*



Equivalent of 100% of Scotland's electricity to be generated from renewable sources by 2020



It is estimated that the GB smart meter roll out will cost £11 billion



2020 target of 40,000 Scottish homes to be connected to district heating networks



2020 target of 500MW of community energy generation in Scotland



44,223 installations of microgeneration renewables in Scotland 2009 - 2014

## OUR ACHIEVEMENTS

- Scottish Government's Heat Generation Policy recognises the need for consumer protection in heat markets
- Ofgem more informed of consumer view on the regulation of non-traditional business models in the energy market
- Invited to join Scottish Government's Expert Commission on District Heating
- GB wide research called for the Smart Meter Installation Code of Practice to require suppliers to provide a dedicated service for consumers in vulnerable situations

\* Stats from Scottish Government, Consumer Focus, Gemserv