

Energy Advice in Detail: Report Briefing

The Citizens Advice Service in Scotland has grown to meet a rising consumer demand for energy advice. Since 2011, our energy advice provision has increased by 130%. In 2014/15 alone we provided advice and support on 28,000 energy issues experienced by consumers throughout Scotland.

Our case evidence highlights a series of financial pressures that faced households across Scotland since 2013. Some of the key issues that affected consumers' ability to heat their homes included; low pay, underemployment, 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 under-occupancy charge. Further pressures arose from social security administration issues such as increased sanctions and long waits for assessments. The impact of changes made to some suppliers billing systems were also a key problem and Scottish Power in particular created a number of issues for consumers and our advisers.

From the body of evidence presented within the Energy Advice in Detail reports, 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 consumers 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. This can affect rural areas disproportionately.

- **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.

About the service

Citizens Advice Scotland has a statutory duty to represent consumers within the energy market. The Energy Advice in Detail publication provides an annual analysis of the energy issues that our clients seek advice on and places these issues within the policy context of that period. Today we publish two editions of the Energy Advice in Detail report, covering energy advice provision in Scotland throughout both 2013/14 and 2014/15 respectively.

Key data

Our Energy Advice 2013/14

- Energy issues increased by 49% from 14,131 to 21,101
- CAB energy issues increased by almost 60% from 11,517 issues to 18,330
- The Citizens Advice Consumer Service¹ (CACS) advised on 6% more energy issues increasing from 2,614 to 2,771

Our Energy Advice 2014/15

- Energy issues increased by 33% from 21,101 to 28,000
- CAB energy issues increased by a fifth from 18,330 to 22,051
- CACS helpline advised on 73% more energy issues, increasing from 2,771 to 4,799
- The Extra Help Unit (EHU) advised 1,150 vulnerable consumers