

Rt Hon Grant Shapps MP Secretary of State Department for Business, Energy & Industrial Strategy 1 Victoria Street London

Energy Suppliers with PPM Customers

4 December 2022

Dear CEOs,

I have heard reports that some of your customers on prepayment meters are not receiving their vouchers under the government's Energy Bills Support Scheme (EBSS).

Given the scheme has been up and running for two months now, this is deeply concerning – particularly as these customers are often the most vulnerable. The £400 discount will make a real difference, and many will be planning ahead based on receiving this money.

I have had numerous concerns raised with me from viewers of *Good Morning Britain*, and the strength of despair and frustration felt by prepayment meter (PPM) customers is all too clear. There are several issues that have consistently been raised:

- Customers report being told by their supplier that the Government has not yet provided the necessary funding as you know this is not the case, and the full payment to pass onto customers is reaching you in time each month
- Customers report being told by their supplier's call centre that it is the Government, Citizens Advice or another entity which is sending out PPM vouchers it is your responsibility to issue these to your customers
- With many facing issues, customers report they are being subjected to excessive wait times when calling their supplier it is especially unhelpful if they are not receiving a prompt resolution to their query or are unable to reach call centres within a reasonable timeframe.

On this last point in particular, the industry regulator Ofgem recently found several suppliers to be failing in this area, so if changes aren't made, I will ask them to increase efforts to make sure vulnerable customers get the support to which they are entitled.

You can appreciate how confusing this must be for customers, and we cannot have a situation where people in need of support are being given inaccurate information or waiting excessively long times to speak to anyone. While this is an automatic process for the vast majority, it is imperative that traditional PPM customers understand what action they need to take and how they can access this support. Therefore, I am asking you to ensure your call centre staff are providing clear and accurate information to customers.

The data we have collated from you, and published on 18 November, indicates £1.8bn worth of payments were delivered in October, which represents 97% of households, and that all PPM vouchers were dispatched. It is welcome news that the payments have been made in the first month of the scheme. However, the same dataset shows 41% of PPM vouchers had not yet been redeemed. While I accept there will be some factors behind this – such as the warmer weather in October - we must make sure customers are able to access the support available to them. I am keen to understand why the data with which we've been provided does not appear to match the reality when it comes to traditional prepayment meter customers.

The Energy Minister wishes to hold a call with you next week to discuss. I will be asking you to confirm to him the measures you have put in place to address the nondelivery of PPM vouchers, and how you plan to address the other issues raised in this letter.

I said live on *Good Morning Britain* that I would battle for these customers, and that is what I will do. Money has been set aside to help households with their heating and hot water bills this winter, so it is imperative they get this support.

The delivery of EBSS is a complex and large undertaking and I appreciate the work so far to get support to customers. But as the cold weather sets in we have a duty to protect the most vulnerable, not leaving them to worry about their fuel bills. It is on all of us to make this happen.

I look forward to hearing the outcome of the call where this will be discussed further.

I am copying this letter to Graham Stuart MP, Minister of State for Energy and Climate, and Jonathan Brearley, Ofgem CEO.

Yours sincerely,

RT HON GRANT SHAPPS MP Secretary of State for Business, Energy & Industrial Strategy