

Consumer Work Plan Consultation c/o Tom Brooks Citizens Advice 200 Aldersgate Street London EC1A 4HD

13th February 2018

Dear Tom,

CITIZENS ADVICE CONSUMER WORK PLAN 2018/19

On behalf of the Committee on Fuel Poverty (CFP), please find below our response to Citizens Advice's (CA) consultation on its consumer work plan for 2018/19.

The CFP is an advisory Non-Departmental Public Body whose role is to advise the Government on policies aimed at reducing fuel poverty in England. You can find more background on the CFP, including its remit and latest annual report, here. Details of the members of the Committee are here.

Our comments are restricted to the Energy Themes within the draft work programme. The numbers refer to those in Annex B of the document.

1. Strengthening Consumer Rights in a Changing World

- 1.2. CA intend to commission research into consumer attitudes about the use of their smart meters data. It would be helpful to CFP if this research could consider attitudes to sharing data to help access ECO and energy saving advice from local community groups. Open banking legislation is allowing customers to allow Third Party Intermediaries (TPIs) to access their banking details to help source cheaper services. Evidence of how TPIs active in the energy sector are engaging and the benefits to customers would be helpful in considering how far customer data can lead to wider benefits than just energy savings to address some of the wider causes of fuel poverty.
- 1.4 It would be helpful for CA to engage with others carrying out research into developing new markets and to hone in on how they might include or exclude more vulnerable households. For example, collaboration with UKERC and ENA members will be helpful as they are engaged on this path.
- 1.6 Ensuring new market entrants are mindful of the needs of vulnerable customers and those at risk of fuel poverty will be a helpful focus. Additionally, in any consideration of customer protection for households on heat networks that are currently outside the remit of Ofgem, CA could very helpfully assess whether there is a greater prevalence of fuel poor households receiving heat from the heat networks than the general population and any specific regulatory improvements that could help those households.

2. Ensuring Major Projects and Infrastructure investment deliver good value for consumers

- 2.3 In the assessment of the hidden costs of energy (i.e. government policy costs) it would be helpful if CA could seek at assess the impact on levels of fuel poverty and provide case studies of both positive and negative impacts? CSE did an assessment of distributional impacts on behalf of the former Fuel Poverty Advisory Group (CFP's predecessor) in 2012 and it showed losers to be low income households reliant on electric heating. Proposals on how any negative impacts could be mitigated would be helpful.
- 2.6 It would be helpful to engage with CFP on the work package which is considering accessible and deliverable energy efficiency policy with particular reference to ECO and the CFP's recommendations on how it can be changed to help meet with Fuel Poverty milestones. Additionally, research into meeting the private rented sector SAP standards and finance options is of interest to the Committee, which is proposing higher levels of landlord investment and tax allowances to incentive them.

3. Reformed Markets that do not exploit consumers' behaviour

3.3 Analysis of how the price caps impact specifically on fuel poverty levels would be helpful as part of the work to understand the impact of CMA remedies.

4. Protecting and Empowering Vulnerable Customers

- 4.1 It is unclear how CA will approach their work on increasing the number of households receiving direct financial support or access to energy efficiency measures from their energy supplier, but CFP would welcome the opportunity to reflect with CA on the design of ECO, Warm Home Discount and whether new proxies can help in identifying Low Income-High Cost fuel poor households, for example PPM customers who regularly self-disconnected
- 4.6 Identifying vulnerable customers and establishing referral networks to link into services and self-referring will be welcome and a question on the state of the housing would help potentially with ECO targeting

If you have any questions about the above, or wish to discuss this further, you can contact Jenny Saunders, the CFP member who has led on this work, via the Committee Secretary, Phil Nash (phil.nash@beis.gov.uk 0300 068 5127).

Yours sincerely,

David R Blakemore

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Chair, Committee on Fuel Poverty