

Anonymous Respondent 3

I live in xxxxxxxx which is supplied by xxxxxxxx Heat (monopoly provider) and have no choice of Heat Provider. I have contacted the Ombudsman regarding billing issues and had my complaint upheld (August 2017) but issues remain around frequent outages and lack of consumer protection.

My comments on your consultation document are as follows:

Article 50: mis-selling - costs:

[Heat Company] claimed in advertisements on [Heat Company] website e.g. April 2015 "What's a heat network? Heat networks, also called district heating schemes, supply heat from a central source to homes and businesses through a network of pipes carrying hot water ... Set prices - charges are designed to be no more expensive than heating provided by a traditional gas boiler ..." which was complained about to ASA as "misleading"

- Complaint to ASA was upheld April 2016 and [Heat Company] was told to amend or remove the advertising. The claim breached CAP Code (Edition 12) rules 3.1 (Misleading advertising), 3.7 (Substantiation) and 3.38 (Other comparisons). I bought my property in August 2015 therefore I was mis-sold this property based on incorrect information provided by [Heat Company] Heat and therefore [construction company].

Article 53: Services and Standards:

i) Frequency of bills: I did not receive a bill for the first 18 months despite repeated calls to [Heat Company] Heat (8+ phone calls initiated and paid for by myself to chargeable number and phone call, email and 2 x letters of complaint - all complaints were ignored, phone calls did not result in bill requested despite repeated assurances. I then received an incorrect over-estimated bill in July 2017 and threat of legal action if I did not pay within 10 days with no offer of payment plan or response to complaint. I contacted the ombudsman and was only at this point offered an apology, payment plan and accurate bill (minus first 12 months based on back billing code). Back billing complaints are a serious issue in my area. It is distressing being threatened with legal action coupled with incorrect bills/ huge back bills despite best efforts to obtain a bill - this needs to be addressed i.e. minimum periods for billing i.e. quarterly. Even estimated back bill was opaque and did not reflect my energy usage over previous 18 months but I paid due to lack of transparency/ threatening letters.

ii) Meter types (smart reading): I have never been offered a smart meter despite being in a new build only 2 years old and the first owner. I have specifically requested a smart meter, most recently in November 2017 in person at the [Heat Company] offices Open Day but was told they were out of stock - no restocking date was offered. I have been waiting 2 years now. I am usually only given 48 hours to supply a heat reading or an estimated reading is provided for my bill - always an over-estimate. Solution: supply smart meters immediately.

iii) payments for system maintenance even if not taking heat - very high standing charges even when [Heat Company] has frequent outages and is unable to supply heat/ hot water. There are frequent outages on at least monthly basis lasting for many hours. I report these on helpline but often get an answerphone message saying it is a known fault. No refund of standing charge is ever offered despite outage meaning I cannot take hot shower or use heating. This affects large parts of my town frequently. To my knowledge, no refund has ever been offered for non-supply. Solution: for all outages of 4+ hours, standing charge as a minimum should be refunded to all affected customers automatically on next bill. Effectively this is a breach of contract and in a monopoly situation such as [Heat Company's] breach is a serious breach of contract. Elderly and young families are particularly vulnerable as left with no heating.

iv) Maintenance of HIU (in place of boiler): high standing cost is meant to include service of HIU on 2 year basis according to [Heat Company]. I had been in property 28 months with no offer of service (supposedly by letter). I contacted [Heat Company] in November 2017 and said service was overdue and I had not been contacted. They said they were months behind schedule but did offer to service my property due to me coming in person to their office. Solution: breach of contract therefore employ more engineers or refund customers as customers have already paid for this service.

I would appreciate greater protection for consumers with immediate effect. Failure to supply in particular should be dealt with at highest level since we have no option to change supplier and therefore are extremely vulnerable.

Regards,

Xxxxxxxx

Follow up letter from Anonymous Respondent 3

I should add that in late December 2017 a letter was sent to all households in xxxxxxx granting a one-off £20 credit towards the next bill based on what the letter acknowledged were frequent interruptions to supply. However, the frequent interruptions to supply continue and no further credit has been offered. I spent 30+ minutes on hold trying to report the last outage in January 2018 but couldn't get through to a person - it is the middle of winter so to have no heating or hot water is a huge inconvenience. Therefore, the sentence 'To my knowledge, no refund has ever been offered for non-supply' should be deleted or a clarifying statement put in afterwards saying a one-off £20 credit was given in December 2017 in response to the frequent outages (edited below with amendment) although the outages still continue.

Regards,

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