

BUDGET ENERGY CONSULTATION RESPONSE

Consumer Protection Strategy Review and Proposed New Consumer Protection Programme commencing

Introduction

Budget Energy welcomes the opportunity to comment on the Utility Regulator's review of their Consumer Protection Strategy and proposed new Consumer Protection Programme.

Budget Energy recognises the positive impact the UR's Consumer Protection Strategy has in supporting, protecting and reflecting the needs of all energy consumers. With almost 60,000 customers Budget Energy will continue to play a key role working with a wide range of stakeholders to understand and respond to consumer needs. Responding to the needs of our customers and providing excellent service is at the core of everything we do. Budget Energy received the highest 'Customer Satisfaction' score across all Northern Ireland energy suppliers in the last two Consumer Council Customer Satisfaction Survey's (March and October 2018)

We value the importance of the UR having an updated, revised and forward looking Consumer Protection Strategy and provide the following comments to support a final version being agreed.

General Points

- The decision to incorporate the Consumer Protection Strategy into the wider Corporate Strategy is a positive step and one which will ensure protecting and representing consumers sits at the core of the organisation.
- Budget Energy agree that the key priorities contained in the Consumer Protections Strategy (Affordability, Equal Access and Empowerment) provide the right framework for taking forward actions. In addition, we also believe the rationale to extend the original 'Leadership' objective within the strategy to 'Leadership and Engagement' is sound.
- Budget Energy agree with the UR's assessment in relation to the Equality Impact Assessment of the proposed strategy. Indeed, successful delivery of the strategy and proposed programme will deliver a positive impact for many sections of the community, help address vulnerability and improve options for all customers to engage positively with the energy market.
- Budget Energy recognises that many of the proposed actions are at a high level and will require further work to develop into detailed project plans with accompanying timescales, outcomes and resource requirements. It will be important for the UR to develop a clear reporting framework to regularly update on progress and outcomes achieved by the Consumer Protection Strategy.

- In the following section we have provided a number of points in relation to specific actions contained within the proposed plan. However, these are set in an overarching context where we support the main objectives and direction of the strategy – as it is aimed at supporting consumers. Many of the actions are not for the UR to deliver in isolation and will require input from stakeholders, especially suppliers. Therefore, it is essential that there is a clear delivery plan over the next 3 years so suppliers (and other stakeholders) can forward plan and allocate resources.

Specific Points

- A key focus for the Consumer Protection Strategy is on vulnerability and how best to support consumers who may face an unforeseen change in their circumstances. Recognising that any consumer could be vulnerable at any time (situational vulnerability) is an important theme of this action and one Budget Energy supports. Energy suppliers will often identify issues with a customers' bill or consumption pattern that may indicate a problem may exist. In addition, the energy supplier may be a first point of contact for the customer to discuss any issues or problems which may exist. Therefore, it is important energy suppliers are supported in building their understanding and expertise in working with vulnerable consumers.

As part of the strategy the UR should confirm their position in relation to fuel poverty and proposed engagement with organisations such as the NI Fuel Poverty Coalition as part of the programme delivery.

In Northern Ireland there is particular concern about the impact of Welfare Reform (Universal Credit) and especially the ending of mitigation measures in 2020. As part of this strategy it is important that the UR develops effective working relationships with the health sector and organisations such as Advice NI, Stepchange and the independent advice sector.

- Back Billing. The UR has already undertaken initial work on this project and engaged with suppliers. This mirrors work that has been completed earlier this year in GB. Alongside this work programme Budget Energy would suggest that the Review of GSS (Year 3 Project) is also progressed. This has been on the 'good to do' list for some time and with market changes and developments in terms of consumer behaviour it may be beneficial to focus on this action as part of the planned programme delivery
- Review of Energy Efficiency Scheme (NISEP). This will be important for suppliers to understand how they can best support efficient use of energy by consumers.
- Budget Energy would ask for further detail to be provided on the proposed Consumer Insights Tracker (which is aimed at looking at consumer engagement, experience and attitudes in the domestic energy markets). How the Insights Tracker will work, how it will complement REEM monitoring and what it will be used for are important considerations to clarify. As suppliers have a great deal of intelligence regarding consumer behaviour and market intelligence it is important, they are fully engaged as a part of this work.
- The proposed programme includes a key 'leadership and engagement' role for the UR in bringing together a range of interest groups (suppliers, networks, consumer groups etc) to examine key consumer, market and competition issues. This is to be welcomed and there are a wide range of challenges and opportunities within the market to consider. In supporting

these discussions, the UR can play a key role in identifying research, best practice and highlighting any regulatory considerations.

- Budget Energy is supportive of the Suppliers Care Registers Review and extension of the Quick Check 101 to suppliers.

In summary, Budget Energy is generally supportive of the direction and focus of the revised Consumer Protection Strategy and Planned Programme of delivery. As highlighted, we understand that the projects proposed are currently 'high level' so we expect further information and engagement as these are worked into full project plans.

Budget Energy confirms that we will continue to work with the Utility Regulator and other stakeholders in delivery of the Consumer Protection Strategy to ensure consumers are protected, benefit from choice, competition and high levels of service.

For any questions relating to this response please contact Jason McKnight on email jason.McKnight@budgetenergy.co.uk or by phoning 0800 012 1177.

Your Sincerely,



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