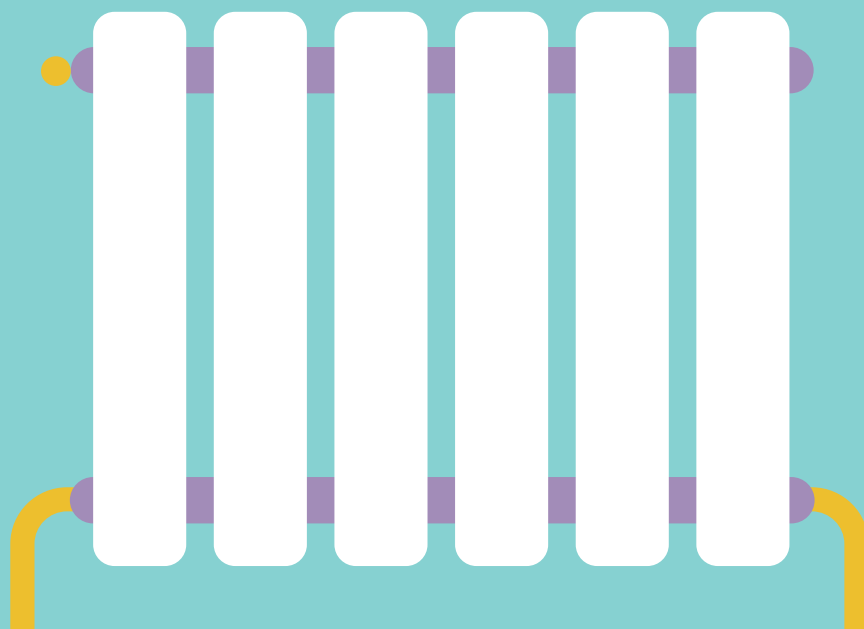


Out in the cold

Ben Wealthy
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Introduction

Disabled people are often forced to pay more for their energy. This is just one area where disabled people experience a financial penalty. Along with other products like specialised equipment, clothing and insurance, disabled people face extra costs of £570 a month related to their impairment or condition.¹

Whilst the average UK household spends £1,214 a year on energy, over a quarter of households with a disabled person spend more than £1,500 a year.²

Increasingly, there is a focus on how best to support consumers in the energy market. The regulator, the Office of Gas and Electricity Markets (Ofgem), has limited the cost of energy for certain “vulnerable” groups³, while the Government has published a Bill that would place a temporary cap on energy prices⁴.

However, if we truly want an energy market that works for all consumers, then change must go much further. The challenges that disabled people face in the energy market are varied – from finding the best deal, to accessing the right support for energy costs – but not insurmountable.

This report outlines the need for a shift in approach from Government, Ofgem and energy suppliers; change that recognises, and tackles, the extra costs disabled people face for energy. Whilst some reforms will take time, there are clear opportunities to act. Addressing the challenge of extra costs is crucial to create a fairer energy market for disabled people.

1. Scope (2018). The disability price tag – Policy report, <https://www.scope.org.uk/Scope/media/Documents/Publication%20Directory/The-disability-price-tag-Policy-report.pdf>

2. Analysis of the Living Costs and Food Survey (2017), <https://www.ons.gov.uk/peoplepopulationandcommunity/personalandhouseholdfinances/incomeandwealth/methodologies/livingcostsandfoodsurvey>

3. Ofgem (2018). What is a vulnerable customer ‘safeguard’ tariff?, <https://www.ofgem.gov.uk/about-us/how-we-work/working-consumers/protecting-and-empowering-consumers-vulnerable-situations/consumer-vulnerability-strategy/vulnerable-customer-safeguard-tariff>

4. Business, Energy and Industrial Strategy Department (2018). Government introduces new legislation to cap poor value energy tariffs in time for next winter, <https://www.gov.uk/government/news/government-introduces-new-legislation-to-cap-poor-value-energy-tariffs-in-time-for-next-winter>

Methodology

This report has been informed through the polling of 1,000 disabled adults with an impairment or condition⁵. We also carried out focus groups with disabled people to gather further insight into their experiences as consumers in different markets, including the energy market.

Recommendations

The Government should:

- review the impact of the Equality Act in improving web accessibility to ensure disabled people are not disadvantaged when accessing information and support related to their energy costs,
- work with Ofgem, suppliers, local councils and disability organisations to run an awareness campaign about the support that is available to help disabled consumers with their energy bills,
- review the core eligibility criteria for the Warm Home Discount to ensure support is targeted at disabled people who face extra energy costs more effectively,
- work with Ofgem and energy suppliers to reform the Priority Services Register so that disabled people receive a consistent level of service to support them with their energy costs, and
- amend the Digital Economy Act to enable more “vulnerable” consumers to benefit from Ofgem’s safeguard tariff, evaluating the impact of any changes to data sharing on supporting disabled people who face additional costs for energy.

Ofgem should:

- assess the quality of service that energy suppliers provide to disabled consumers to support disabled people when choosing a supplier, and
- amend its definition of a “Vulnerable Situation”, as part of its Consumer Vulnerability Strategy, to include situations where disabled people face extra costs for energy because of their impairment or condition.

Energy companies should:

- explore the ways in which smart technology and data – with the consent of individuals – could be used to more effectively support disabled customers, and
- improve how they gather information about the needs of their customers to ensure they are successfully identifying and supporting disabled people who may struggle to engage in the market, including individuals who face additional costs for energy.

5. Polling carried out by Opinium between 31 May and 8 June 2017. The sample has been weighted to reflect a nationally representative audience.

The current energy landscape

Energy is an essential service that we all use.

There is increasing discussion about the price consumers pay for energy. Analysis by the Competition and Markets Authority estimates that domestic customers paid an average of £1.4 billion a year more than they would have done under a well-functioning energy market over the period 2012 to 2015⁶.

This concern about energy prices is being reflected in regulatory and political activity, particularly in relation to “vulnerable” consumers.

A note on the term “vulnerable consumers”

The term “vulnerable consumers” is used to refer to consumers who may find it difficult to understand and navigate markets. This can make it harder to access services, lead to financial difficulty and/or result in a poor customer experience overall⁷.

Ofgem have introduced a cap on energy prices for people on pre-payment meters (a ‘pay-as-you-go’ method of paying for your energy) through its “vulnerable” consumer ‘safeguard tariff’⁸. It was subsequently extended to include customers in receipt of the Warm Home Discount (an annual discount on energy bills for certain groups of consumers)⁹, and Ofgem are looking to widen the scope of the tariff further¹⁰.

Alongside this, the Government has said it will publish a Green Paper to look at markets which are not working fairly for consumers, outlining its intention to intervene where necessary¹¹. This can be seen already in the energy market with the introduction of the Domestic Gas & Electricity (Tariff Cap) Bill, which would place a price cap on domestic standard variable tariffs and default tariffs¹².

6. Competition and Markets Authority (2016). Modernising the Energy Market, https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/531204/overview-modernising-the-energy-market.pdf

7. National Audit Office (2017). Vulnerable consumers in regulated industries, <https://www.nao.org.uk/report/vulnerable-consumers-in-regulated-industries/>

8. Ofgem (2018). What is a vulnerable customer ‘safeguard’ tariff?, <https://www.ofgem.gov.uk/about-us/how-we-work/working-consumers/protecting-and-empowering-consumers-vulnerable-situations/consumer-vulnerability-strategy/vulnerable-customer-safeguard-tariff>

9. Ofgem (2017). Decision to extend the PPM safeguard tariff to those consumers in receipt of Warm Home Discount, <https://www.ofgem.gov.uk/publications-and-updates/decision-extend-ppm-safeguard-tariff-those-consumers-receipt-warm-home-discount>

10. Ofgem (2017). Providing financial protection to more vulnerable consumers <https://www.ofgem.gov.uk/publications-and-updates/providing-financial-protection-more-vulnerable-consumers>

11. The Conservative Party (2017). Forward Together – The Conservative and Unionist Party Manifesto 2017, <https://www.conservatives.com/manifesto>

12. Business, Energy and Industrial Strategy Department (2018). Government introduces new legislation to cap poor value energy tariffs in time for next winter, <https://www.gov.uk/government/news/government-introduces-new-legislation-to-cap-poor-value-energy-tariffs-in-time-for-next-winter>

New technology is also changing the way in which consumers engage in the energy market. Notably, smart meters make it easier for consumers to know how much energy they are using. There are also opportunities here for energy suppliers to use this data on energy consumption to target support at “vulnerable” consumers more effectively.

The extra costs of energy for disabled people

Many disabled people are faced with no choice but to consume more energy because of their impairment or condition.

Over a third of disabled adults feel that their impairment or condition has an impact on what they pay for energy¹³. Disabled people with limited mobility told us that they have to use more heating to stay warm, whilst other disabled people who use items of assistive technology said they need to use extra electricity to charge these items.

A third of disabled adults say that their impairment or condition has a **significant impact** on their energy costs

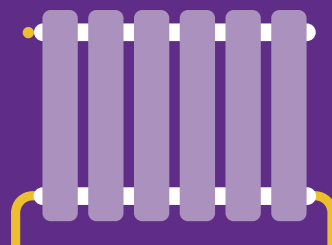


13 Scope poll (2017)

This leaves disabled people with expensive energy bills. The average UK household spends £1,214 a year on energy – however, over a quarter (27 per cent) of households with a disabled person, roughly 4.1 million households, spend more than £1,500 a year on energy.¹⁴ Of these, 790,000 households spend over £2,500 a year on energy.¹⁵

It is no surprise then that over half (55 per cent) of disabled people have worried about paying their energy bills¹⁶. Fuel poverty is also a significant problem for disabled people – in England alone, households with a disabled person make up 38 per cent of all fuel poor households in England.¹⁷

More than **900,000 households** with a disabled person in England are living in **fuel poverty**



Fuel Poverty

In England, a household is said to be in fuel poverty¹⁸ if:

- they have required fuel costs that are above average (the national median level), and
- were they to spend that amount they would be left with a residual income below the official poverty line.

14. Analysis of the Living Costs and Food Survey (2017), <https://www.ons.gov.uk/peoplepopulationandcommunity/personalandhouseholdfinances/incomeandwealth/methodologies/livingcostsandfoodsurvey>

15. Ibid

16. Scope poll (2017). Respondents were asked whether they had worried about paying their energy bills in the previous 12 months.

17. Department of Business, Energy and Industrial Strategy (2017). Fuel poverty Detailed tables: 2015, <https://www.gov.uk/government/statistics/fuel-poverty-detailed-tables-2017>

18. Department for Business, Energy and Industrial Strategy, 2017 (2015 Data) (2017), https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/639118/Fuel_Poverty_Statistics_Report_2017_revised_August.pdf

Additional costs for energy – along with other disability-related costs for things like specialised equipment, clothing and taxis – leave disabled people with significantly less money to live on. Scope research shows that after housing costs, disabled people spend on average almost half of their income (49 per cent) on extra costs¹⁹.

In the long-term, extra costs have a damaging impact on disabled people's financial resilience. Disabled people have savings and assets worth £108,000 fewer than non-disabled people, on average.²⁰ Furthermore, households containing a disabled person are twice as likely (16 per cent) as households without a disabled person (8 per cent) to have unsecured debt totalling more than half their household income.²¹

This makes it harder for disabled people to do things like get a job, access education and training opportunities, socialise with friends and family, and participate fully in society²².

In the following sections we look at ways in which Government, Ofgem and energy suppliers can help to tackle the extra costs disabled people face for energy.

19. Scope (2018). The Disability Price Tag (policy report), <https://www.scope.org.uk/Scope/media/Documents/Publication%20Directory/The-disability-price-tag-Policy-report.pdf?ext=.pdf>

20. McKnight A. (2014) Disabled people's financial histories: uncovering the disability wealth penalty, CASE paper 181, <http://sticerd.lse.ac.uk/dps/case/cp/casepaper181.pdf>

21. Scope (2013). Disabled people and financial well-being – credit and debt, <https://www.scope.org.uk/Scope/media/Documents/Publication%20Directory/Disabled-people-and-financial-well-being-information-and-advice-1.pdf?ext=.pdf>

22. Scope (2014). Priced Out, <https://www.scope.org.uk/Scope/media/Documents/Publication%20Directory/Extra-Costs-Report.pdf?ext=.pdf>

Sarah Jane's story

I have a visual impairment. I also have arthritis, as well as a history of epilepsy and brain disorders. I need plenty of light and I get cold easily.

I'd say my energy bills are doubled because of my impairment, as I need to keep warm. It has a huge effect on your life. If you're worried about the costs of simple daily activities like turning the light on or running a warm bath, it's devastating.

My husband is disabled as well and we have a son. High energy costs impact on all of us. Before I got support from a hardship fund, we were paying as much as £250 a month and our debt reached £16,000.



Lynley's story

Three years ago I suffered a sacral spinal fracture due to early-onset osteoporosis, which damaged nerves and has left me with permanent neurological pain.

Before I became disabled, I never gave heating a second thought. It was not on that often as we were so busy. But now, as I'm at home every day, things are very different. My living standards have changed dramatically.

I do face extra energy costs because of my condition. I find it hard to stay warm as I can't move around to generate any heat. I need the heating on pretty much constantly. I also use an electric heat pad to help manage my pain and an electric powerchair to go outside. This equipment requires charging frequently.

My energy bills are much higher than before, and coupled with the loss of my income as a teacher, have made getting by very difficult. Funding any kind of reasonable social life is extremely difficult and any disposable income is now virtually non-existent.



Getting a good deal

The energy market offers a wide range of choice for consumers in terms of suppliers and types of tariff. In recognition of this choice, consumers are often encouraged to change supplier or tariff to secure a cheaper deal.

Disabled people are already savvy consumers, with 62 per cent of disabled people saying that they shop around when searching for an energy supplier.²³

“I shop around every single year for every bill I pay. Energy, insurance, car insurance and many other products and services. I shop around. Nothing is ever going on renewal. It’s like giving money away if you opt for automatic renewal.” Karen

When it comes to changing supplier, Disabled people switch tariffs with the same supplier almost as often as non-disabled consumers²⁴ – 14 per cent of disabled consumers compared to 18 per cent of non-disabled consumers.²⁵

Despite being proactive as consumers, disabled people are still faced with high costs for their energy bills.

Improving switching rates alone won’t tackle the extra costs that disabled people often face for their energy. There are specific considerations for disabled people that need to be addressed when navigating the energy market, such as knowing about support available for energy costs, or the service energy suppliers provide to disabled people.

There is a strong incentive for suppliers here as well.

Disabled people are consumers and contributors to the economy in the same way as everyone else. There are over 13 million disabled people in the UK²⁶ whose combined household expenditure, the so-called ‘purple pound’, totals £249 billion a year²⁷ – this presents a clear and sizeable consumer base for businesses to reach.

23. Scope poll (2017)

24. Ofgem (2017). Consumer engagement survey, <https://www.ofgem.gov.uk/publications-and-updates/consumer-engagement-survey-2017>

25. Ibid

26. ONS (2017). Family Resources Survey 2015/16, <https://www.gov.uk/government/statistics/family-resources-survey-financial-year-201516>

27. Department for Work and Pensions (2016), The spending power of disabled people and their families in 2014/15, and changes since 2012/13, https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/572187/spending-power-of-disabled-people-and-their-families-2014-15.pdf

Supporting disabled people to find the best supplier

As with all consumers, disabled people need adequate and comprehensive information to navigate markets and make effective purchasing decisions. Yet, less than half (49 per cent) of disabled people say that they only have some of the information they need or want when shopping online or in-store²⁸.

Many disabled people will have specific needs as energy consumers. 56 per cent of disabled adults say that a reputation for offering good levels of customer service to disabled adults is an important factor when choosing an energy supplier²⁹.

Price comparison tools can lack this sort of information. Having this additional level of information would enable disabled people to make more informed choices when navigating the energy market, a market which now includes more than 60 suppliers³⁰.

“We have always been on a standard variable tariff which is expensive. We have sent email after email asking to be put on a tariff that meets our needs. It is very difficult to switch without any help.” **Jeanine**

In recognition of this, Ofgem should consider how it could use its profile as the market regulator to assess the quality of service that energy suppliers provide to disabled people. This could involve ranking suppliers according to their approach to disabled consumers, for example through the accessibility of communication methods, and the level of support they offer to disabled people with high energy costs.

Recommendation: Ofgem should assess the quality of service that energy suppliers provide to disabled consumers to support disabled people when choosing a supplier.

28. The Extra Costs Commission (2015). Driving down the extra costs disabled people face – Interim report, <https://www.scope.org.uk/Scope/media/Interim-report/Interim-report.pdf>

29. Ibid

30. Ofgem (2018). Infographic: Bills, process and profits, <https://www.ofgem.gov.uk/publications-and-updates/infographic-bills-prices-and-profits>

Increasing digital inclusion

The best energy deals are increasingly found online, whilst energy suppliers commonly use online methods to communicate with their customers. However, not all disabled people are able to benefit from a digital marketplace.

There is currently a digital divide between disabled people and non-disabled people – 22 per cent of disabled adults have never used the internet, compared to five per cent of non-disabled adults.³¹

Even when disabled people do use the internet, inaccessible web content is another barrier – 55 per cent of disabled people have experienced issues with inaccessible websites when shopping or accessing information online in the last 12 months.³²

Tackling digital exclusion is therefore key to ensuring disabled people have the same options as energy consumers as everybody else, whether that's switching supplier online, reading information about energy grants and support, or accessing bills online.

Digital access is covered by the Equality Act, which requires companies to anticipate and remove barriers faced by disabled people in accessing goods or services, putting in reasonable adjustments where this is not possible. The current situation leaves a degree of interpretation as to how far companies must go to increase digital accessibility.

There is a need to ensure the effectiveness of the Act to support more disabled people to get online, including as energy consumers.

Recommendation: The Government should review the impact of the Equality Act in improving web accessibility to ensure disabled people are not disadvantaged when accessing information and support related to their energy costs.

Promoting existing support

Support does exist to help consumers with their energy costs. However, many disabled people could be missing out on this support, not because they aren't eligible, but because they are unaware that it exists or because there are barriers to accessing it.

31. ONS (2017). Internet users in the UK 2017, <https://www.ons.gov.uk/businessindustryandtrade/itandinternetindustry/bulletins/internetusers/2017>

32. Scope poll (2017)

Research by the Extra Costs Commission, a year-long inquiry into the extra costs faced by disabled people, found that familiarity amongst disabled people with grants to support people with their energy bills was low: 40 per cent are unfamiliar with the Warm Home Discount, 85 per cent are unfamiliar with the Energy Companies Obligation,³³ and more than 80 per cent of disabled people have not heard of the Priority Services Register.³⁴

Raising awareness of these grants and schemes is crucial. The Government, suppliers, local councils and disability organisations must all step up.

Recommendation: The Government should work with Ofgem, suppliers, local councils and disability organisations to run an awareness campaign about the support that is available to help disabled consumers with their energy bills.

Key support for consumers with their energy bills

Warm Homes Discount

This scheme provides a one-off bill reduction of £140. The main eligibility for this scheme is based upon receipt of the Guarantee Credit element of Pension Credit, which is known as the “core” group.

Some suppliers also offer the discount to other groups, such as disabled people or people with young children. This is known as the “broader” group.

Energy Companies Obligation

This scheme requires certain energy suppliers to install energy-efficiency measures in homes to help reduce carbon emissions and tackle fuel poverty. This includes things like loft and wall insulation and more efficient boilers.

Priority Services Register

The Priority Services Register (PSR) is a free service provided by suppliers and network operators to a range of consumers, including pensioners and disabled people.

Each supplier has its own PSR, offering a range of non-financial support services, such as advanced notice of planned power cuts and account and bill information in an accessible format.

33. Extra Costs Commission (2015). Interim technical report, <http://www.scope.org.uk/Scope/media/Interim-report/technical-report.pdf>

34. Ibid

Support for disabled energy consumers

We have outlined the importance of raising awareness of existing support for disabled people in the energy market. However, existing eligibility for different grants and schemes mean that disabled people with high energy costs could be missing out on support.

“Our household contains a number of disabled people, and we are at home more than other families, therefore the house needs to be warm all the time. The high cost of energy means we are left with little disposable income.” **David**

It's vital we think about who is “vulnerable” in the energy market, and that Government, Ofgem and suppliers consider the financial penalty of disability when determining eligibility for support for consumers in the energy market.

A regulatory approach that recognises extra costs

As disabled people face unique instances of detriment in the energy market, it is important that there is sufficient scope within Ofgem's regulatory approach to respond successfully to these challenges.

Ofgem's decision to introduce a broad vulnerability principle in the Standards of Conduct³⁵ is to be welcomed.

However, the definition of consumer vulnerability should be expanded to recognise the detriment disabled people face due to extra energy costs associated with their impairment or condition.

This needs to be underpinned with clear guidance for energy suppliers – informed by the experiences of disabled people – on how these additional energy costs may arise. Having this clarity would help to improve the way in which energy suppliers support disabled consumers.

Recommendation: Ofgem should amend its definition of a “Vulnerable Situation”, as part of its Consumer Vulnerability Strategy, to include situations where disabled people face extra costs for energy because of their impairment or condition.

35 Ofgem (2017) Standards of conduct for suppliers in the retail energy market, <https://www.ofgem.gov.uk/publications-and-updates/final-decision-standards-conduct-suppliers-retail-energy-market>

Reforming Warm Home Discount eligibility

The Warm Home Discount provides a one-off £140 discount on a person's electricity bill.

However, eligibility criteria will not always capture disabled people who pay a high price for their energy. Beyond the “core” group, eligibility is typically based upon receipt of out-of-work benefits, such as Income Support, Jobseekers' Allowance and Employment and Support Allowance. Yet disabled people not in receipt of these benefits may face additional energy costs.

“Access to the Warm Home Discount is a real problem, just making a phone call when you are experiencing tremendous amounts of pain and chronic fatigue can be impossible. It would help if it could be provided automatically to disabled customers.” **David**

A comprehensive formula is needed that identifies disabled people who face high energy costs. Other factors should also be considered to assess the financial impact of these costs on disabled people, such as income levels.

Personal Independent Payment (PIP) is one option for a proxy for disability. This payment helps disabled people with some of the extra costs faced as a result of an impairment or condition. PIP is not means-tested and can be accessed both in and out of work, making it a useful proxy for targeting support towards disabled people who have to consume a high amount of energy.

“I wouldn't mind my energy company knowing I was on disability benefit because then that would set off an alert for any scheme they introduced that could support someone like me.” **Karen**

Further work would be needed to set an appropriate income threshold as part of a new eligibility criteria for the Warm Home Discount, but it is likely that high energy costs will have a more acute impact on the financial resilience of disabled people on lower incomes.

The Government should work with Ofgem and energy suppliers to review the “core” eligibility criteria for the Warm Home Discount to ensure it is targeted effectively at people who most need support with their bills, including disabled people who face additional energy costs.

Recommendation: The Government should review the ‘core’ eligibility criteria for the Warm Home Discount to ensure support is targeted at disabled people who face extra energy costs more effectively.

Improving the Priority Services Register

The Priority Services Register (PSR) provides “vulnerable” consumers with non-financial support in the energy market.

Each supplier has their own PSR with varying eligibility criteria. This leads to an inconsistent service for consumers, meaning disabled people who switch suppliers may not be eligible for support from their new supplier’s PSR.

For instance, if disabled people miss out on the support offered by the PSR for bills in an accessible format, this could make it harder for individuals to understand their tariff and compare it with other deals on the market.

“The way bills are broken down are very hard to understand. For disabled people, it is especially important that bills clearly set out how much energy has been used and how much it costs. This will help customers make informed choices.” **Bren**

The PSR should be reformed to improve the experiences of disabled energy consumers. This requires developing a shared approach across energy suppliers to identifying and supporting disabled people who face extra costs for their energy.

Recommendation: The Government should work with Ofgem and energy suppliers to reform the Priority Services Register so that disabled people receive a consistent level of service to support them with their energy costs.

Capturing and making use of data

Technological innovations are transforming the way in which data is collected and used across public services, and in the wider economy.

We are already seeing this in the energy market with the introduction of smart meter technology. The Government is also looking at reforms to legislation to improve the way data is shared between different groups to support consumers with their energy costs.

These advances have the potential to improve how the energy market works for consumers, but it must include disabled people who face additional costs for their energy.

By developing a more robust approach to identifying and understanding the needs of disabled people in the energy market, the Government, Ofgem and energy suppliers will be in a stronger position to help reduce energy costs for these consumers.

Making better use of smart meter data

Smart meters are a new form of technology in the energy market. They allow consumers to see how much energy they are using and what it is costing them. Meter readings are also sent to energy suppliers directly.

The Government's ambition is for every home to have a smart meter by 2020.³⁶ As roll out continues, there is a significant opportunity to help address the problem of additional energy costs for disabled people.

One of the benefits smart meters offer for customers is more accurate billing and the ability to scrutinise, and therefore potentially reduce, their energy usage. This also puts customers in a stronger position to know whether they are getting a good deal on their energy, allowing for better informed decisions when switching in the energy market.

“Now I have a smart meter I will never have to go in the spider infested cupboard outside again. My energy company emails me every month with the bill so I can keep tabs on my usage.”

Karen

36. Smart Energy GB (2018), About the smart meter roll out, <https://www.smartenergygb.org/en/smart-future/about-the-rollout>

However, some disabled people will have no choice in reducing their energy usage.

Suppliers should explore the ways in which smart technology and data – with the consent of individuals – could be used to more effectively support disabled customers. By identifying customers with high energy consumption, suppliers could use this data to develop and target support at “vulnerable” customers, including disabled people, from improving the quality of communication to offering the best value tariffs.

Recommendations: Suppliers should explore the ways in which smart technology and data – with the consent of individuals – could be used to more effectively support disabled customers.

Improving data sharing between Government and energy suppliers

There is no perfect way of identifying all “vulnerable” consumers. However, there are opportunities to make better use of data to improve the process.

This is happening already. The Government is proposing to amend the Digital Economy Act, which would allow for data sharing between the Department for Work and Pensions and energy suppliers to enable more “vulnerable” consumers in the future to benefit from Ofgem’s safeguard tariff.³⁷

It is crucial that any further extension of the safeguard tariff benefits disabled people who face high energy costs. However, it clear that this cannot happen without a change in legislation.

As part of any move to amend the Digital Economy Act, the Government and Ofgem should evaluate the impact of data sharing on identifying and supporting disabled people who face additional costs for energy. This insight would help to inform how data sharing could support disabled energy consumers more widely, such as reform of the PSR (as outlined previously).

Recommendations: The Government should amend the Digital Economy Act to enable more “vulnerable” consumers to benefit from Ofgem’s safeguard tariff, evaluating the impact of any changes to data sharing on supporting disabled people who face additional costs for energy.

37. The Department for Business, Energy, and Industrial Strategy (2018). Data sharing regulations on a safeguard tariff, <https://www.gov.uk/government/consultations/data-sharing-regulations-for-a-safeguard-energy-tariff>

Understanding the needs of customers

Whilst better use of data-sharing has the potential to help more disabled people with their energy costs, there is more energy suppliers can do beyond this to understand the needs of their disabled energy consumers.

All of us can become “vulnerable” and face barriers to engaging in markets as consumers – either for a temporary period in our lives or permanently – whether being involved in an accident, experiencing mental health problems, or losing a loved one.

The term “vulnerable” can itself be challenging, as over half of disabled adults (53 per cent) do not think of themselves as a “vulnerable” consumer.³⁸ By using this language to target support at specific groups of consumers, disabled people who could benefit may inadvertently be missing out.

It is crucial therefore that energy suppliers take the time to fully understand the needs of their consumers, for both new and long-serving customers. A shift in approach is needed to look at “vulnerability” more broadly, focusing on the day-to-day challenges a customer may be facing and the impact this has on their energy costs and ability to engage successfully in the energy market.

“I get letters requesting meter readings; I can’t read the meter. I’ve told my energy company three times but they just keep asking. I’ve been with two different suppliers now and it’s the same thing.” **Sarah Jane**

This would put suppliers in a stronger position to best support all individuals who may experience challenges as consumers, including disabled people with extra costs for energy.

Recommendation: Energy suppliers should improve how they gather information about the needs of their customers to ensure they are successfully identifying and supporting disabled people who may struggle to engage in the market, including individuals who face additional costs for energy

38 Scope poll (2017)

Conclusion

As we have outlined, disabled people face many challenges as energy consumers.

However, these are challenges which can be overcome. The actions set out in this report would have a significant impact on disabled people. If implemented in full, these would transform the energy market for disabled people.

But for change to happen, Government, Ofgem and energy suppliers must all step up, and play their part. Some of these actions will require legislative change; but there are several non-legislative measures which can be acted upon now to drive change more quickly.

As part of Scope's work to tackle the financial penalty of disability, we will be continuing to engage with Government, Ofgem and the energy industry further to ensure the additional costs disabled people face for their energy are reduced.

Scope exists to make this country a place where disabled people have the same opportunities as everyone else. Until then, we'll be here.

We'll provide support, information and advice through our services when disabled people and their families need us. And we'll raise awareness of the issues that matter. We'll keep influencing change across society until this country is great for everyone.

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