

Natalie Don MSP  
Social Justice and Social Security Committee  
The Scottish Parliament  
Edinburgh  
EH99 1SP  
Sent via email to - [SJSS.committee@parliament.scot](mailto:SJSS.committee@parliament.scot)

1 March 2023

Dear Natalie,

Thank you for writing to us alongside Ofgem to raise awareness of your work around applications for utility warrants in Scotland. Energy UK is the trade association for the energy industry with over 100 members.

As the trade association, we do not hold the sort of data or sample evidence you have requested on our supplier members. The data requested, such as the number of warrants applied for, will be held by the suppliers as well as the regulator.

In regard to your questions about process and regulation, energy suppliers are subject to supplier licence conditions set for all energy suppliers and regulated by Ofgem. This includes conditions around applying for warrants for prepayment meters, as well as protecting vulnerable customers.

The relevant sections of the Supplier Licence Condition are 28B: *Warrants relating to Pre-payment Meters and other supplier actions to recover debts*, and SLC0: *Standard of Conduct including Vulnerability Principle*.

*SLC 0: suppliers must treat domestic customers fairly, ensuring that customers are provided with complete and transparent information. This includes suppliers identifying and understanding the individual circumstances and needs of vulnerable customers, resulting that vulnerable customers are being treated fairly.*

*SLC 28B.1 "Must not exercise a Relevant Warrant (or otherwise exercise a statutory power which would give rise to the grounds for obtaining a Relevant Warrant) in respect of a Domestic Customer's premises where such action would be severely traumatic to that Domestic Customer due to an existing vulnerability which relates to their mental capacity and/or psychological state and would be made significantly worse by the experience."*

*SLC 28B.2 "Must not charge a Domestic Customer in respect of any costs associated with a Relevant Warrant where: (a) that Domestic Customer has a vulnerability which has significantly impaired their ability to engage with the licensee or a Representative in relation to the recovery of a Relevant Payment; or (b) that Domestic Customer has a severe financial vulnerability which would be made worse by charging them any costs associated with a Relevant Warrant"*

Alongside these Supplier Licence Conditions, our supplier members have gone further through committing to Energy UK's Vulnerability Commitment. This details voluntary commitments that go above and beyond the Licence to drive continuous improvement and the provision of extra support to vulnerable households, including processes that are in place prior to reaching the point of requesting a warrant, although it is worth noting that for each supplier the precise process taken will vary.

**Energy UK**

26 Finsbury Square  
London EC2A 1DS

T 020 7930 9390  
[www.energy-uk.org.uk](http://www.energy-uk.org.uk)  
t @EnergyUKcomms

This Commitment also looks at the process that suppliers take after the installation of a prepayment meter under warrant, such as communicating information on how to top up, or providing credit. The Commitment last year also investigated identification of vulnerable customers as a key theme of the compliance panel hearings that signatories undertake. Examples of best practice around the identification of vulnerable customers can be found [here](#)

Alongside rising costs, and increased pressure, energy suppliers have continued to increase the support they provide to customers, including additional funding for customers in fuel poverty. All major retail suppliers have their own funds, independently managed by fund administrators or in partnership with consumer bodies like Citizens Advice. Suppliers in the UK provide discretionary support of around £54 million on top of the more than £1billion in mandatory schemes they deliver every year (link to support document or attach to email).

As you will be aware, all suppliers have currently voluntarily paused warrant installations of prepayment meters while they review their processes and Ofgem has launched both a Market Compliance Review and a review of [Prepayment Rules and Protections](#)

Yours sincerely,

Dhara Vyas  
Deputy CEO, Energy UK