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ADE Covid Consumer Agreement Monitoring

In May 2020 several heat network suppliers signed an Agreement to ensure that heat network customers were protected and supported during the Covid-19 pandemic¹.

A one-off qualitative assessment has been completed by signatories to demonstrate the additional support they are providing their customers during this time. These assessments are published on the ADE's Agreement webpage.

In addition, monthly data on debt, disconnections and financial support provided are collected, aggregated and published by Heat Trust every three months. The intention is that this will provide transparency on signatories' adherence with the Agreement. The data will largely be displayed as a percentage of all customers covered by the Agreement.

Figures for the period April to June 2021 are presented below. Data for previous reporting periods can also be found on the ADE's website.

April to June 2021 aggregated quantitative data

All suppliers provided data within the deadline.

Submissions included in this report cover 77,041 customers. Of these, 83% were credit meter customers and 17% were pre-payment customers.

¹ <https://www.theade.co.uk/news/policy-and-regulation/hn-agreement>



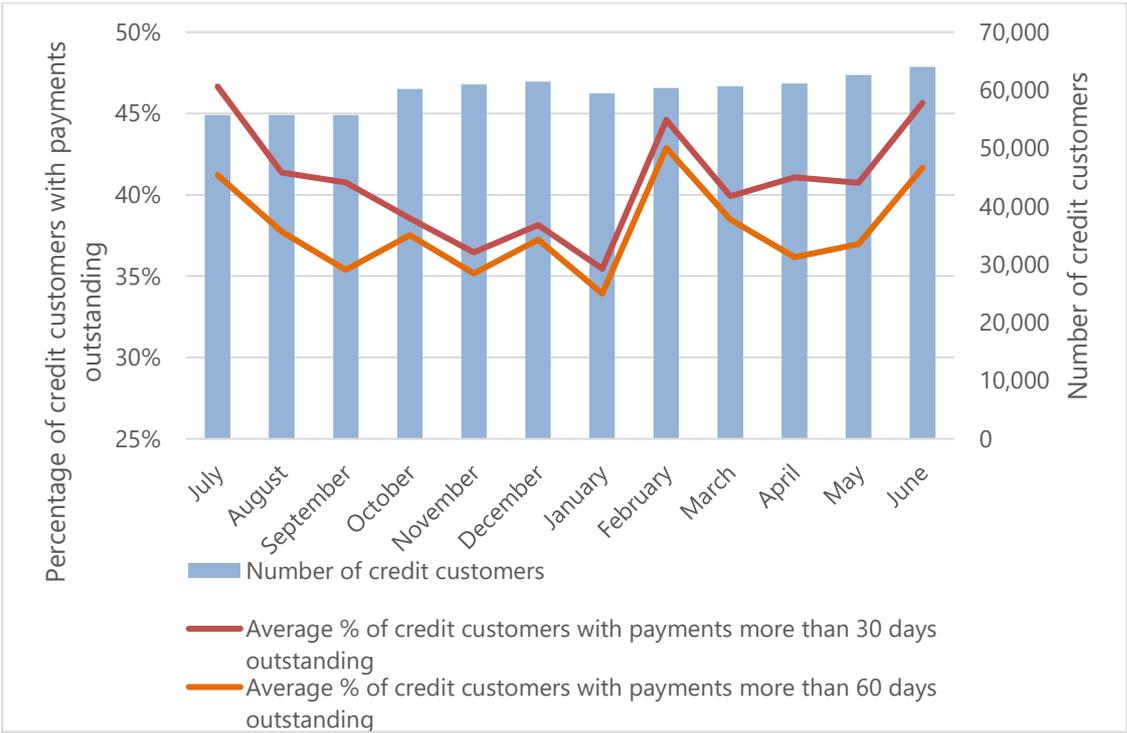
Customers in debt

On average, suppliers reported that the number of customers with 60-day debt has decreased by 0.77% since the same time last year².

The percentage of customers with outstanding payments rose in June to almost the peak of February.

	April	May	June
Percentage of all customers with payments more than 30 days outstanding	41.06%	40.73%	45.64%
Percentage of all customers with payments more than 60 days outstanding	36.17%	36.96%	41.66%

These numbers have fluctuated over the last year, despite a slight increase in numbers of customers included in the monitoring, see graph below.



² Calculated by weighted average of the spread of customers across suppliers using the mid-way point of the categories; "Increase - More than 10%", "Increase - 5-10%", "Increase - 0-5%", "No change", "Decrease".



Disconnections

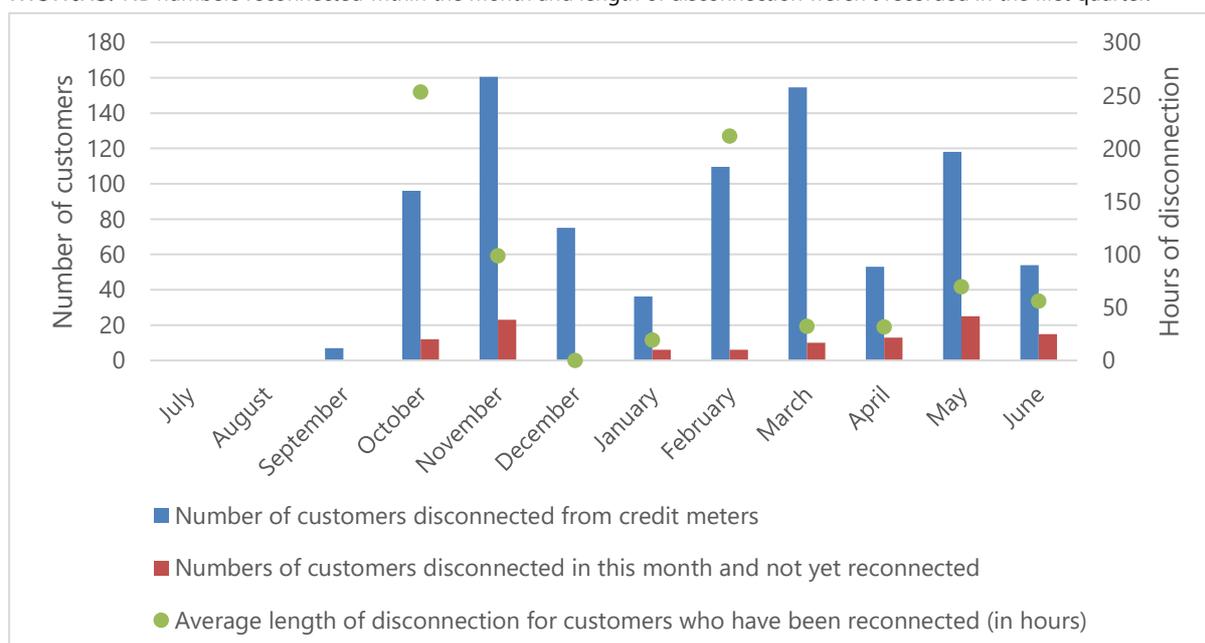
Some customers were disconnected from supply in April, May and June, see table below.

For 85% of the disconnections the reason given was "habitual non-payer". "Property occupied but no heat supply agreement signed" was the cause of the remaining 15% of disconnections.

	April	May	June
Percentage of customers disconnected from credit meters	0.09%	0.19%	0.08%
Number of customers disconnected from credit meters	53	118	54
Percentage of these disconnections reconnected within 24 hours	73.43%	58.56%	43.48%
Number of customers who were disconnected and reconnected within 24 hours	39	69	23
Average length of disconnection for customers who have been reconnected (in hours)	31.5	69.5	56
Percentage of customers disconnected in this month who are not yet reconnected	24.5%	21.2%	27.8%
Numbers of customers disconnected in this month and not yet reconnected	13	25	15

This does not include disconnections for safety or theft.

Disconnection over the last year has varied widely, from zero in the first two months, see the graph below. The average length of disconnection has remained relatively short in recent months. NB numbers reconnected within the month and length of disconnection weren't recorded in the first quarter.



Financial support

A lower proportion of prepayment customers were provided with discretionary credit, continuing the downward trend seen in previous reporting periods. Furthermore, no prepayment customers were moved to a credit meter as a way to minimise the risk of disconnection this quarter.

	April	May	June
Percentage of pre-payment customers provided with discretionary credit	0.09%	0.07%	0.06%
Percentage of pre-payment customers moved to a credit meter as a way to minimise risk of disconnection	0.00%	0.00%	0.00%

Number of discretionary credits provided is defined as total number of one-off payments to be later recovered from customers through instalments.

One respondent did note they were unable to provide the data on pre-payment customers moved to credit.

The support for pre-payment customers through providing discretionary credit, or moving them to credit metering as a way to minimise risk of self-disconnection, has steadily decreased over the last year, see the chart below.

