

Written evidence submitted by Scope (DEB 85)

About Scope

Scope is a pan-disability charity. 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 provide support, information and advice to more than a quarter of a million disabled people and their families every year. We raise awareness of the issues that matter.

Summary

Scope welcomes the opportunity to submit evidence to the Public Bill Committee examining the Digital Economy Bill.

Many disabled people face extra costs associated with their disability, on average £550 a month.¹ Driving down these costs will require action by government, businesses, disability organisations and disabled people themselves.

This Bill provides an opportunity to support disabled people to reduce the additional costs they face as consumers in the communications market and in the energy market. Addressing the problem of extra costs would help to strengthen disabled people's financial resilience, putting individuals in a stronger position to contribute to, and benefit from economic growth as employees, savers and consumers.

Recommendations

- **The Government should place an obligation on Ofcom to monitor and report on the extent to which disabled people are able to switch communications provider.**
- **The Government should enable disclosure of information by specified persons – as defined by Clause 29, Section 3 – to gas and electricity suppliers in connection with the Priority Services Register, to help reduce energy costs for disabled people**

Introduction

Theresa May's first speech as Prime Minister stressed the importance of reducing the significance of entrenched advantage and improving the life chances of all people.² Crucial to this is minimising the impact of disability-related costs faced by disabled people.

¹ Scope (2014). Priced Out, <https://www.scope.org.uk/Scope/media/Documents/Publication%20Directory/Extra-Costs-Report.pdf?ext=.pdf>

² 10 Downing Street. Statement from the new Prime Minister Theresa May. 13 July 2016, <https://www.gov.uk/government/speeches/statement-from-the-new-prime-minister-theresa-may>

Scope research shows that disabled spend an average of £550 a month on costs associated with their disability.³ This might include paying for expensive items of disability equipment such as a powered wheelchair, a greater consumption of energy, or higher insurance premiums.

These costs have a significant impact on disabled people's financial stability. This can be seen by the fact that:

- Disabled people have an average of £108,000 fewer savings and assets than non-disabled people.⁴
- Households containing a disabled person are twice (16 per cent) as likely as households without a disabled member (eight per cent) to have unsecured debt totalling more than half their household income.⁵

Alongside the role of extra cost payments in helping disabled people to meet some of these additional costs – Disability Living Allowance and Personal Independence Payment – there is also a need to think about ways in which to drive down these costs. This was the focus of the Extra Costs Commission,⁶ a year-long inquiry that identified solutions to reduce extra costs.

Building upon the work of the Commission, the Digital Economy Bill offers a valuable opportunity to empower disabled people as consumers. In turn, this has the potential to reduce the additional costs disabled people experience.

This submission will focus on the potential of this Bill to support disabled people as consumers in two particular markets, communications and energy.

The Digital Economy Bill and driving down the extra costs of disability

1. Switching communications provider

Scope welcomes the Part 1, Clause 2 of the Bill which amends the Communications Act 2003 and widens the scope of Ofcom's powers to set general conditions for communications providers to comply with arrangements to enable somebody to switch from one provider to another.

Making it easier to change communications provider on request would support disabled people in making best use of their spending power by accessing communications services that meet their needs and at the best possible price.

³ Scope (2014), Priced Out

⁴ McKnight, A. (2014). Disabled people's financial histories: uncovering the disability wealth penalty, CASE paper 181.

⁵ Scope (2013). Disabled people and financial well-being - credit and debt.

<http://www.scope.org.uk/Scope/media/Documents/Publication%20Directory/Credit-and-Debt.pdf?ext=.pdf>

⁶ More information about the Extra Costs Commission can be found at <http://www.scope.org.uk/get-involved/campaigns/extra-costs-commission>

However, disabled people often have poor experiences as consumers, which could hinder their ability to get the information and support they need to change communication provider. For instance, three quarters of disabled people have left a shop or business because of poor disability awareness or understanding.⁷

Some of the challenges encountered may include poor disability awareness training amongst staff, or information being provided – whether in print or online – in a format that is inaccessible to the individual.

In order to assess the impact of proposed powers for Ofcom around switching communications providers on disabled people, as set out in Clause 2 of this Bill, the regulator should monitor the extent to which disabled people are able to easily change providers.

Recommendation: The Government should place an obligation on Ofcom to monitor and report on the extent to which disabled people are able to switch communications provider.

Part 1, Clause 2, (3)

In Section 3, insert new subsection (ii) that reads: **“Ofcom should monitor, and report on, the extent to which disabled people are able to switch communications provider”**

2. Disclosure of information to gas and electricity suppliers

Disabled people will often have to consume more energy as a result of their impairment. For example, someone with limited mobility will need more heating to stay warm, whilst someone with multiple sclerosis may have higher energy costs associated with maintaining an optimum temperature to help manage their condition. Other individuals who use assistive technology devices will need to use extra electricity to charge these items.

The impact of these costs is demonstrated by the fact that there are 833,000 fuel poor households in England with a disabled person, which constitutes over 35 per cent of all fuel poor households.⁸

There are certain schemes to support disabled people with their energy costs, such as the Warm Homes Discount and the Energy Companies Obligation. Another useful scheme is the Priority Services Register, which enables certain consumers, including disabled people, to

⁷ Extra Costs Commission (2015). Driving down the extra costs disabled people face – Final report, <http://www.scope.org.uk/Scope/media/Interim-report/Extra-Costs-Commission-Final-Report.pdf>

⁸ Department of Energy and Climate Change (2015). Fuel poverty detailed tables: 2013, <https://www.gov.uk/government/statistics/fuel-poverty-detailed-tables-2013>

access services to help them reduce their energy costs, e.g. free advice on being more energy-efficient. There are also services that help disabled people to engage with their energy provider effectively, e.g. receiving bills and meter readings in an accessible format.

However, awareness of the Priority Services Register is low amongst disabled people – 83 per cent of disabled people have not heard about this service.⁹

Whilst there is a need to raise awareness of this service amongst disabled people, it is also important to consider how better use of data sharing between government and energy providers, and between energy providers themselves, could help to successfully identify disabled people who would benefit from the Priority Services Register.

Recommendation: The Government should enable disclosure of information by specified persons – as defined by Clause 29, Section 3 – to gas and electricity suppliers in connection with the Priority Services Register, to help reduce energy costs for disabled people.

Part 5, Chapter 1, Clause 30

In section 3, amend Subsection (a) to read: **“a support scheme under Part 2 of the Energy Act 2010 (schemes for reducing fuel poverty) and/or the Priority Services Register”**

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⁹ Extra Costs Commission (2015). Interim technical report, <http://www.scope.org.uk/Scope/media/Interim-report/technical-report.pdf>