

## ESAN Annual General Meeting and Members’ Meeting

### Thursday 17 October 2024 at CCW, Birmingham and online on Teams

### 1.34pm – 3.43pm

#### Minutes for approval

#### Attendees: AGM/Members’ Meeting

Professor Cosmo Graham, ESAN Chair; Chris Downs, ESAN Treasurer; Andy White, CCW; Juliette Flach, Christians Against Poverty; Frankie Galvin, Fair By Design; Dion Tickner, NEA

Vanessa Goodchild-Bradley, ESAN Coordinator

#### Attendees: Members’ Meeting only

Mabel Stevenson and Maeve McSparron, UREGNI; Meg Van Rooyen Money Advice Trust; Ellie Gaddes, Independent Age; Andrew Lincoln, Ofwat

Apologies were received from: Tim Dodsworth, ESAN Trustee; Rachel Strong, Uregni; Danielle Butler, National Energy Action and ESAN Trustee; John Kamoto, ESAN Trustee

## Section A: Annual General Meeting

### A1. Welcome and introductions

A.1.1 Professor Graham welcomed everyone to the meeting and all those present (in person and online) introduced themselves.

### A2. Minutes of 2023 AGM and matters arising

A2.1 The Minutes of the AGM held on 25 October 2023 were approved. There were no matters arising.

### A3. Trustees update

A3.1 Trustees leaving since 2023 AGM:

John Kamoto, Age UK

Dr Danielle Butler, NEA

Professor Graham thanked Danielle and John for their contributions to ESAN, their input to the Future of ESAN working group and wished them both well for the future.

A3.2 Election of new Trustee:

Professor Graham proposed Dion Tickner as a new ESAN Trustee, seconded by Andy White and unanimously **agreed** by members present.

### A4. Election of officers

A4.1 Appointment of Chair

Every 2 years, the ESAN constitution required the appointment of the Chair to be agreed at the AGM. Professor Graham had been re-elected at the meeting in 2023 and said that he was happy to continue as Chair. There were no other nominations and Juliette Flach proposed Professor Graham to continue as Chair, seconded by Chris Down and unanimously **agreed** by members present.

### A5. Annual Report and Accounts

A5.1 The Treasurer (Chris Downs) presented the Annual Report and Accounts (ARA) 2023-2024, which had been circulated before the meeting.

A5.2 The Treasurer explained the financial summary and accounts. This showed that there was a deficit last year of over four thousand pounds, which was a quarter of ESAN’s annual expenditure. The deficit was due to a fall in membership and subscription income. Since April 2024, the fall in membership had continued and ESAN was operating at a substantial deficit.

A5.3 The reasons for the fall in membership were varied and included:

* Post-Covid, a lot more work was now undertaken online.
* Charities and regulators had declining resources.

Since its’ inception as a charity, funded by subscriptions, the regulators had subsidised the operating costs of ESAN. Recently, many of the regulators that were previously key members of ESAN, can no longer justify the expenditure on the ESAN subscription. This was particularly the case recently, with the emergence of more networks and ways for regulators to be able to talk to the voluntary sector.

For voluntary organisations, the same reasons applied to their ability to justify the time and resources needed to engage with ESAN. The situation had been discussed at length in member meetings and Trustee meetings. ESAN Trustees did not think the situation would change in the near term.

A5.4 The Treasurer explained that as a charity, Trustees had a responsibility to be sure that ESAN could cover its’ expenditure. A Future of ESAN working group was set up to look at options to address the decline in membership and income, but it did not come up with any options to put to the membership at the AGM today.

At their meeting on 19th September 2024, Trustees discussed the situation and proposed, as set out in the Chair’s Introduction to the ARA, that as a charitable organisation, ESAN should be wound up by April 2025.

The Chair said that Trustees were not wedded to this and that they were open to any alternative proposal from members.

A5.5 The Chair explained the process for winding up ESAN, which would include putting a draft plan to members at the next meeting in January/February 2025. This would also include proposals for what to do with any balance remaining in the ESAN bank account. There would then be a special AGM in April 2025, specifically to vote on winding up ESAN. This was the formal process that needed to be followed in line with Chairty Commission rules. The ESAN constitution required three quarters of members present to vote in favour of any proposal.

The Chair explained that April 2025 coincided with the end of the Network Coordinator’s current contract.

A5.6 There would be a small surplus in the ESAN bank account and ESAN’s constitution specified that on dissolution of the charity, any surplus funds must be applied to an organisation with a similar purpose to ESAN. Consequently, the funds could either be returned to member organisations or given to a good cause. It would be up to members to decide on this.

A5.7 The Chair said that ESAN had been going since 1998 but there was no clear way forward at the moment, apart from dissolving the charity. The ESAN network could continue without ESAN being a charity and it could keep the ESAN name.

The Chair said he was very sad about the situation and reminded members that ESAN had started as a way for voluntary organisations to find out what other organisations were doing and what was going on in the pre-internet age. ESAN meetings were a very good way for everyone to keep informed and they were a safe space for regulators and voluntary organisations to network and find out what they were each doing.

With digital communications, regulators could now more easily keep the voluntary sector informed. There were more ways now for everyone to talk to each other and post-Covid there were far fewer in-person meetings.

The Chair said that it could be that ESAN had run its’ course, but members could have alternative proposals for how to continue the network and he invited members to consider this and to share any comments.

**Action: All members to consider alternative proposals to winding up ESAN and to contact the Chair with ideas:** **jcosmog@gmail.com**

Andy White said that he shared Professor Graham’s disappointment, but he understood the situation facing the charity.

A5.8 Approval of the Annual Report and Accounts

**Approved**: Members confirmed their approval of the Annual Report and Accounts for publication and submission to the Charity Commission.

**Action: Network Co-ordinator to submit the approved ARA to the Charity Commission.**

A5.9 The Chair said that ESAN would need to tell all members of the formal proposal to wind up the charity.

The Coordinator would check if the notice to members should be sent by post and what information should be included, in terms of the text of the resolution and the proposal(s) for what to do with any remaining funds.

**Action: Coordinator to check with the Charity Commission the requirements for winding up ESAN as a charity.**

### A6. Membership update

A5.1 Members noted that the following members had left ESAN over the course of the year: Citizens Advice; Turn 2 Us; Ofcom and Financial Ombudsman.

A7. Any Other Business

None

Part One of the meeting closed at 1.55pm.

***Break***

Part Two of the meeting commenced at 2.09pm.

## Part B: ESAN Members’ meeting

### B1. Welcome and introductions

B1.1 The ESAN Coordinator welcomed everyone to the meeting. All those present introduced themselves.

### B2. Presentation: Maeve McSparron, Analyst and Mabel Stevenson,

Manager, Consumer Protection Team, Utility Regulator for Northern Ireland (Uregni):

Research on consumer lived experiences of energy hardship

B2.1 Maeve McSparron and Mabel Stevenson explained that the research formed part of the UR’s Consumer Protection Programme for 2021-2024. The research, carried out between November 2023 and January 2024, aimed to understand the lived experiences of energy debt, self-disconnection and self-rationing amongst consumers in Northern Ireland. The research findings would be used to inform discussion on how to improve the supplier response and approach to debt.

Northern Ireland has a higher proportion of Prepayment Meter (PPM) users than in the rest of the UK. The research looked at self-disconnection, energy rationing, those people who were close to having energy debt and the impact of energy hardship on people’s daily lives. The research comprised interviews with 42 people and was completed at the end of last winter.

B2.2 In many cases, those interviewed had experienced a change of circumstance, such as retirement or ill-health. Energy requirements were often determined by having medical needs, small children or being elderly. Overall, those interviewed were reluctant to identify as vulnerable and were just trying to get by, often by drastically cutting back on their energy use. A lot of people were also cutting back on food, skipping meals in order to feed their children, having cold showers or taking their family to a local swimming pool in order to use the hot showers there.

B2.3 Mabel and Maeve explained some of the impacts on people from living in energy hardship and rationing their energy use. These included anxiety, sleeplessness, depression and hopelessness. Physical health suffered as existing medical conditions were made worse, respiratory conditions were cited, along with either weight loss or gain from limiting their diet to what they could afford, as well as the onset of new medical conditions.

Participants also experienced social withdrawal, as people were forced to cut everything back to the essentials and no longer take part in events, activities with their children, haircuts, and connection to Wi-Fi. Many people were relying on food banks or charity shops.

Most of those interviewed had not engaged with their energy provider to seek support, as they assumed it would be difficult to contact them or assumed they wouldn’t be able to help. Participants were also reluctant to borrow money to pay for energy, or to take on any new debt. There was a high reliance on third party supports, for example the use of food banks. When they did contact their energy provider, participants had positive experiences.

B2.4 Researchers asked what would help people experiencing energy hardship. There was support for making energy cheaper for those on low incomes or ill people (social tariffs), as well as community initiatives, warm banks and government funded energy vouchers. People did not ask for more money, but for specific help with their energy costs.

Those interviewed also wanted more advice on energy efficiency and to have a better understanding of where to cut back. The Consumer Protection team highlighted the need for more outreach work by energy suppliers and more information to be made available about the support that suppliers, third parties and government could offer.

The research included several case studies and quotes, which the team encouraged everyone to read, with examples of how closely some people were watching their budgets. The summary of the research included the key facts and findings.

B2.5 Maeve and Mabel explained how UR would use the findings of the research. The Consumer Protection Programme encompassed some specific projects, including an Energy Hardship and Debt Engagement Group, made up of suppliers, UR colleagues, Consumer Bodies and the Consumer Council for Northern Ireland (CCNI). The group focuses on improving supplier communications on debt, looking at the consumer journey and making recommendations on how suppliers communicate with customers.

A Consumer Energy Charter would run from November 2024 to March 2025, to encourage consumers to get in touch with their supplier. The charter focused on energy debt and used consumer friendly language to engage consumers.

An Energy Literacy Project would provide advice on energy efficiency. Work with CCNI would help to understand and remove any barriers to improving efficiency.

A review of supplier Codes of Practice (CoP) would be informed by the research and add protections to suppliers’ licence obligations. This would include review of the CoP on Payment of Bills (which focuses on steps to address or prevent debt) and review of the CoP for Prepayment Meter customers.

The UR Head of Function for Consumer Protection sits on the Fuel Poverty Project Board who are leading on the development of a consultation on a new Fuel Poverty Strategy for NI. This research has been shared with the Fuel Poverty Project Board.

In summary, the research findings would be used to help achieve:

* Improved and effective communications with consumers at risk of debt.
* Build trust between consumers and essential services providers.
* Encourage consumers to engage with their service providers.
* Inform projects within our consumer protection programme.

The Uregni research was available on:

[Energy Hardship: Consumer Lived Experiences 2024 - full report | Utility Regulator](https://www.uregni.gov.uk/publications/energy-hardship-consumer-lived-experiences-2024-full-report)

[Energy Hardship: Consumer Lived Experiences 2024 - summary report | Utility Regulator](https://www.uregni.gov.uk/publications/energy-hardship-consumer-lived-experiences-2024-summary-report)

***Questions and discussion***

Members made the following points:

Third party consumer bodies, as trusted partners, can be the voice-piece for information and help to address any mistrust.

There are a lot of bodies that consumers do talk to, and trust and it would be helpful to involve them in communications.

We need consumers to be more aware of the system already in place and the joined up way that consumers are protected, including by the Energy and Communications Ombudsman service.

Many customers experience digital exclusion. Suppliers can assume that everyone is online or has a mobile phone and sufficient credit to call them.

Q: It was very interesting to hear about the unique situation in Northern Ireland, where there are many people living off-grid. What is the plan for these people?

A: Over 60% of the population in NI use oil. UR do not currently have powers to regulate oil. We have shared our findings with the Fuel Poverty Project Board which is lead by the DfC Climate Change Division. DfC will be putting out a consultation on a new Fuel Poverty Strategy in November 2024.

Q: Money Advice Trust works with third parties to get in touch with suppliers. It is a problem if advisers cannot get through to customer help lines, or the help available isn’t good. This does not build trust. Advisers need to be confident of what a supplier will do to help.

A: Consumers may need courage to make contact, and they need their supplier to provide positive help.

The Consumer Protection team had a consumer tracker that showed a high level of satisfaction and there was a need to get this message across.

The new code of practice for customer service levels included targets on call wait times. The code of practice on support for vulnerable customers will implement a wider definition of vulnerability.

Q: New Fair By Design (FBD) research on the poverty premium looked at flexible payment methods. Did the people you interviewed not ask for these?

A: We did not find many people who were actually in debt, as they were mainly suffering hardship by trying to avoid debt.

The Consumer Protection team’s key messages were to encourage people to engage with their supplier, to work with them to develop a payment plan and to be aware of what happens when consumers contact their supplier.

Uregni had found that a lot of people on PPMs wanted to stay on these as they did not want unexpected big bills. They put a lot of effort into managing their budgets.

Juliette from CAP (Christians Against Poverty) noted that people on PPMs may not be in energy debt but they may be in debt elsewhere or are going without things. Juliette encouraged Uregni colleagues to talk to the CAP teams in Northern Ireland about their work on deficit budgets. Mabel and Maeve noted that the CAP team in NI sit on the UR’s Consumer Protection Advisory Group.

Mabel and Maeve explained that people in Northern Ireland do not currently have smart meters. The evidence from the research was that some people on PPMs were going unnoticed in terms of how they were restricting their energy use. This underlined the importance of consumers and suppliers getting in touch with each other.

B3. Presentation: Andy White, Senior Leader, Consumer Council for Water (CCW):

Update on the Guaranteed Standards Scheme and WaterSure

Update on Ofwat Price Review

B3.1 Andy provided the background to the Guaranteed Standards Scheme (GSS) which was set up in 1989 and said this had been overtaken by many water companies setting up their own schemes. These offered different levels of compensation and the GSS was overdue for review, having last been updated in 2001. In the last 18 months, CCW had carried out research on the scheme, a call for evidence and stakeholder discussions.

CCW had then submitted its’ recommendations to Defra and the Welsh Government. The new Westminster government had used the CCW recommendations to form its’ consultation. CCW was very pleased to get this moving so quickly. The consultation ended on 6 October and CCW was now waiting to hear the conclusions from Defra and the Welsh Government.

B3.2 Changes proposed in the recommendations included:

* Increasing the compensation levels from £20 to £40/£50 and uprating the mechanism to allow automatic upgrades in the future.
* Removal of exemptions for severe weather.
* New standards on incorrect debt judgements, with compensation rising from £40 to £100.
* Priority Service Standards to be backed by compensation, with compensation of £50 for failure to provide a service, e.g. a braille bill if required.
* Water quality incidents would incur compensation of £10 per day from the 3rd day of having to boil water.
* New standards on water meter reading and installation:
	+ £40 compensation if meters are not read every 2 years.
	+ Free water if meters are not installed within 8 weeks.

B3.3 Andy provided an update on the WaterSure review. This was largely unchanged since its’ introduction in 2000. It was mandatory in England and voluntary in Wales. The aim of the scheme was to reduce the risk of low income metered households with high water needs having to cut back on essential use.

Currently, a household would need to have 3 or more children, be on certain benefits, or have a medical condition, to qualify for their water bills to be capped. CCW welcomed the full review of the scheme.

The first step in the review was a call for input. CCW had received 24 responses, around two thirds of these from water companies. The responses were on the CCW website:

[WaterSure Call for Input Responses - CCW](https://www.ccw.org.uk/publication/watersure-call-for-input-responses/)

B3.4 CCW were now starting the engagement process, and developing the following key recommendations:

* To extend the list of qualifying benefits, but with an upper income threshold – it was clear that people with disabilities face higher costs.
* To cap bills at the average metered bill level, which is less than the average bill – some companies already offer this.
* Lower the bill cap for single occupier and set this at the average bill for a single occupier.
* Remove 2-tier evidence for medical conditions and tighten rules to reflect this.
* List more conditions and highlight that the list is not exhaustive and could include more conditions.
* Make the WaterSure Scheme mandatory in Wales.

Additional recommendations included:

* More scope for water companies to work collectively to promote WaterSure Scheme.
* Look at the overlap between the Priority Services Register and WaterSure Schemes.

A discussion with stakeholders would take place soon and recommendations would be sent to Defra and the Welsh government by February 2025.

Andy shared the dates of the stakeholder discussion sessions and invited ESAN members to attend:

Thursday 28th November 2pm to 3pm

[**Join the meeting now**](https://teams.microsoft.com/l/meetup-join/19%3Ameeting_OTljNzI2MjMtMjhhZi00NmEyLWFlYzYtNTFkNmNkYWUzY2Qw%40thread.v2/0?context=%7b%22Tid%22%3a%2296a3c477-8bbf-4de4-a470-2b8cdba012ab%22%2c%22Oid%22%3a%22195fbb34-4d15-4e5a-8d2c-5cb4d84189bf%22%7d)

Meeting ID: 318 039 629 517

Passcode: CXtumR

B3.5 Andy gave an overview of the Ofwat Price Review. Ofwat set price limits for water bills every 5 years, with PR24 determining the prices that companies could charge for 2025-2030.

Companies submitted their business plans to Ofwat by October 2023. Ofwat had published the draft determinations in July 2024 and aimed to publish the final determinations in December 2024. This could possibly delayed until January. Customers would then receive their annual water bill soon after this.

B3.6 The average bill was due to rise by £95 by 2030. The Price Review provided for an £89bn investment programme to address pollution, support customers and improve water quality. Water companies would be required to double the social tariff support, to reach an extra 1.4m customers. This varied between companies and CCW would prefer to see a universal social tariff.

B3.7 Andy shared the breakdown of bill changes by company and shared CCW’s views on the draft determinations.

* Only 16% of people polled thought that the water companies proposals were affordable.
* Households currently in water poverty would still be in poverty in 2030.
* CCW questioned the extent to which Ofwat had challenged companies on their engagement with customers.
* CCW welcomed the investment to reduce water pollution and improve water quality.

***Questions and discussion***

Andrew Lincoln (Ofwat) said that the presentation provided a good summary of the review and that Ofwat would pick up some of the points made by CCW when it published the final determinations.

**Action: Andy White to share CCW presentation with all ESAN members.**

### B4. Presentation: Juliette Flach, Senior Policy and Public Affairs Officer, CAP (Christians Against Poverty):

Deficit Budgets: The cost to stay alive

B4.1 Juliette Flach gave an introduction to CAP’s work on debt advice and money management. The research aimed to unpick the realities of deficit budgets and the impact this had on people’s lives. The research had looked at the proportion of people in the whole population with deficit budgets. Polling with YouGov had put this at 22% of adults in the UK.

What this meant in practice for these people was that 21% of people were skipping meals and 28% were limiting their energy use. It was established that 9% of people in the UK had debt that they do not know how to repay.

B4.2 Half of the CAP client base have a deficit budget. In practice, this meant that CAP were seeing repeat clients. Other advice and support agencies will also see a huge number of people who, despite all the advice and support provided, are trapped.

People living with deficit budgets often had different vulnerabilities. Those with additional needs were generally more at risk of being in a deficit budget, with common challenges being race, age and gender.

The Deficit Budget research involved research by YouGov, interviews with clients and focus groups. These revealed the impacts on people’s lives and decisions and on those supporting them, such as advice workers. This created a very challenging environment for advisers.

There were personal and societal impacts from this situation, with strain put on family and friends, who might be lending money.There was also the impact of having a deficit budget on a person’s heath, with a consequent impact on the NHS, as well as on support services, food banks and other initiatives.

B4.3 The research looked at how people on deficit budgets survive. This included reducing the cost of essentials, using savings and selling items. People also tried to increase their income by using credit or borrowing. It was clear that some people were unable to increase their income due to their health, confidence or proximity to work opportunities.

B4.4 Juliette outlined some of the costs to people’s lives, including going without essentials, getting into challenging situations, using credit and being unable to get to any financial stability.

The report acknowledged the realities of what people are facing if their finances do not add up and that if a situation seems impossible, this will affect a person’s ability to engage with support. Their mental well-being and resilience will be affected.

The full report (42 pages) is available on: [Deficit budgets: The cost to stay alive | CAP UK](https://capuk.org/about-us/policy-and-research/deficit-budgets-the-cost-to-stay-alive)

A summary is also available [here](https://bynder.capuk.org/m/47cf36d261aadc7c/original/Deficit-Budget-briefing-report-summary.pdf?_gl=1*1l2i01s*_gcl_au*Mjk4NDc4MzMyLjE3MjU3NDQ4ODU.*_ga*MjcwMDQ3NzcyLjE3MjU3NDQ4ODU.*_ga_JDHF1MTESF*MTczMDIxMzk5MC40LjEuMTczMDIxNDAyOC4yMi4wLjUyMzkzMTQ2MQ..).

***Questions and discussion***

The Chair noted the links between the CAP report and the Uregni research. Mabel and Maeve from Uregni said they had read the report and found it very helpful.

Juliette said the challenge now that we know the problem, is what to then do about this, particularly for people facing multiple debts and challenges. It might not be possible to put insolvency in place and to become debt free.

Professor Graham thanked all presenters for their very interesting presentations.

### B5. Members updates

B5.1 Members shared updates, which would also be included in the October ESAN newsletter.

B5.2 Fair By Design (FBD): Frankie Galvin had shared new FBD research on [Flexible Payment Methods](https://fairbydesign.com/new-research-from-fair-by-design-reveals-how-flexible-payment-methods-could-support-low-income-households-in-managing-their-energy-bills-and-budgets-more-effectively/). The research had been launched on 7 October and was based on focus groups run with the University of Bristol. People interviewed had welcomed the option of flexible payments and FBD were now keen to share the research and work with some of the regulators on this.

B5.3 Trust Alliance Group: Natalie Ogden reported that the Energy Ombudsman had published the 6-month statistics for 2024, showing that overall complaints were down but complaints on customer service had gone up.

Link: [Energy Ombudsman releases updated complaints data… | Energy Ombudsman](https://www.energyombudsman.org/news/energy-ombudsman-releases-updated-complaints-data-for-2024)

Members asked why they thought complaints had changed. Natalie said TAG thought that some complaints reflected the recent focus on energy and that energy complaints tended to go up and down with changes to the price cap. During the cost of living crisis, it could also be that people were less likely to tolerate poor customer service.

B5.4 Money Advice Trust (MAT): Meg Van Rooyen said that MAT were very busy working on consultations by the FCA and by Ofgem (the Vulnerability Review). Other news included research into small business skills, an MP’s Hub, to take referrals to the MAT National Debtline and a new online tool called My Money step.

### B6. Members Meeting 17July 2024 minutes and matters arising

B6.1 **Approved**: The minutes of the 17 July ESAN members meeting were **approved** with no amendments.

B6.2 There were no matters arising or actions from the meeting.

### B7. Chairman’s update

B7.1 Professor Graham had explained during part one of the meeting, the AGM, the financial situation facing ESAN and the proposal to wind up ESAN as a charity.

### B8. Treasurer’s report

B8.1 The annual report and end of year accounts (ARA) to April 2024 had been presented at the AGM. The financial summary highlighted the ongoing financial situation and the deficit at the end of the year. The ARA had been approved and would be submitted to the Charity Commission.

B8.2 The Treasurer, Chris Downs, explained that in relation to the proposal to wind up the charity, the aim was to complete this by April 2025.

There would be around £14,000 in assets to distribute and Chris welcomed suggestions from members for how these should be distributed.

**Action: All members to send suggestions on how to distribute ESAN assets when the network is wound up:** **chris.downs@esan.org**

### B9. Any Other Business

B9.1 None.

### B10. Dates of future ESAN meetings:

B10.1 2025 ESAN meetings would take place in:

January/February 2025

April 2025

Professor Graham welcomed any invitations to host the January or April meetings or to present at these.

**Action: Members interested in hosting or presenting at the January or April meetings to contact** **admin@esan.org.uk**

There being no further business, Professor Graham thanked Andy at CCW for hosting the meeting and members and speakers for the presentations and closed the meeting at 3.43pm.

Summary of actions:

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| --- | --- | --- | --- |
| **Item** | **Action** | **Who** | **Deadline** |
| A5.7 | All members to consider alternative proposals to winding up ESAN and to contact the Chair with ideas: jcosmog@gmail.com  | All members | Jan 2025 |
| A5.8 | Co-ordinator to submit the approved ARA to the Charity Commission. | Co-ordinator  | ASAP |
| A5.9 | Coordinator to check with the Charity Commission the requirements for winding up ESAN as a charity. | Co-ordinator  | ASAP |
| B3.7 | Andy White to share CCW presentations with all ESAN members. | Andy White | ASAP |
| B8.2 | All members to send suggestions on how to distribute ESAN assets when the network is wound up: chris.downs@esan.org.uk  | All members | Jan 2025 |
| B10.1 | Members interested in hosting or presenting at the January or April meetings to contact admin@esan.org.uk | All members | ASAP |