

## Feedback on Consumer Care Guidelines:

### Office for Seniors Policy Group, MSD:

We agree with Josie that the code and guidelines are a welcome change and that they are supportive and flexible in meeting the needs of older persons, most especially for the medically dependent.

The Office for Seniors does wish to raise a couple of points that may warrant further consideration:

- **24** Retailers to notify prepay customers when credit balance reaches a certain level – an estimated two-day power usage appears to be a very short lead time.
- **27** Retailers to engage with customers experiencing payment difficulties (not on a payment plan)
  - (g) (ii) offer to refer the customer to any of those support agencies as appropriate, with the customer's agreement;
  - (h) (iii) if, within seven days of implementing the pause, the retailer receives confirmation from the support agency or agencies that the customer is engaging constructively with the agency, wait a further seven days after the initial seven days has elapsed;

We are not sure would be how this would work with MSD and what would confirmation that MSD are engaging constructively look like? Clients can apply for an advance of up to \$200.00 to assist with an overdue power bill or to be reconnected. I'm not sure of the frequency that this can occur or the specific qualification criteria. If the client is already receiving assistance for heating and power through the Disability Allowance, they would not qualify - essentially they've already been supported with that cost.

Lastly and most importantly, we wish to highlight the 111-contact code and the potential inclusion of it or something similar for power companies given bundled internet/phone are often fibre driven and reliant on power. Older persons are more likely to have medical emergencies and may be reliant on a landline for communication.

[Commerce Commission - 111 Contact Code FAQs \(comcom.govt.nz\)](https://www.comcom.govt.nz/111-contact-code-faqs)

### Policy group:

Section 5: This section (and many others) refer to "referring that customer to the support agency or agencies". I think this section runs up against the aim of "making obligations more workable", per Appendix C.

While retailers can refer clients to support agencies (like MSD) and the only route available is the vulnerable consumer process. I worry we'll get a situation where a gentailer staff member attempts to call or email us on a client's behalf and hits a brick wall.

Also gentailers may not have an idea that the support MSD offers is relatively limited – we can offer the Winter Energy Payment and recoverable assistance, the latter of which puts people into debt, which may exacerbate their bad financial situation. That consideration should also be taken into account.

Section 10: Can we guarantee that a retailer, being mandated to consider any engagement the person has had with support agencies to obtain assistance with the payment of electricity costs, and upon learning that the person is on an MSD benefit, won't use that as *adverse evidence* to decline them a contract? It cuts both ways.

Section 11(b)(i): This is an okay one – gentailers should be aware (or made aware) that MSD can set up automatic redirections for our clients, and an arrangement can be made if it's what gets the client able to be on a contract. This is on a case-by-case basis and requires "good cause", so may not be an option for all clients.

Section 27(g)(i): I would add – "... that the customer is aware or has been reminded of the availability of financial mentoring services, **the ability to have a redirection of assistance payments**, and..."

Section 27(h)(iii): There's another barrier here implied by the wording. MSD may run into privacy trouble if they confirm a client is engaging constructively *directly to* the retailer, ie. bypassing the client. Can we add: "from the support agency or agencies (including such confirmation which has been sent directly to the customer)"?

Sections 27(j) and 40(f): I can see what you mean about there being a distinction between Work and Income and "support agency" in some areas but not others. This would personally bother me since it would imply that a gentailer isn't bound to consider W&I when thinking about the kind of support a customer could access.

Section 31(3)(c) and (4)(c): "refer the customer to one or more appropriate support agencies offering financial mentoring services" ... MSD is a major source of knowledge of some of these services, such as those which provide access to microfinance loans. Some may be likely to only accept clients if they come referred by MSD. I recommend discussing this with Building Financial Capability at MSD.

### **Building Financial Capability:**

Did not raise any concerns