



Navitas – August '16

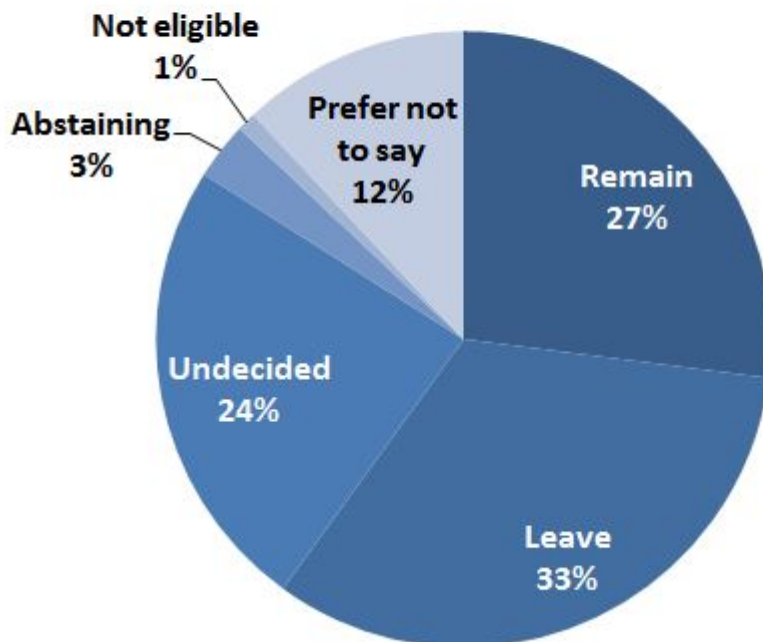
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Brexit & your business

2 months have now passed since Britain held the referendum on its European Union membership, and whether as a business owner you were pleased or disappointed by the result, it has been a somewhat unsettled summer.

In the run up to this historic vote, we asked our panel of 1,000 SMEs* for their thoughts on the referendum, what they'd like to happen, and concerns they had from a business perspective.

How do you think you will vote in the referendum?



The majority of our panel did actually say they would vote to leave the EU, reflecting the final result on voting day.

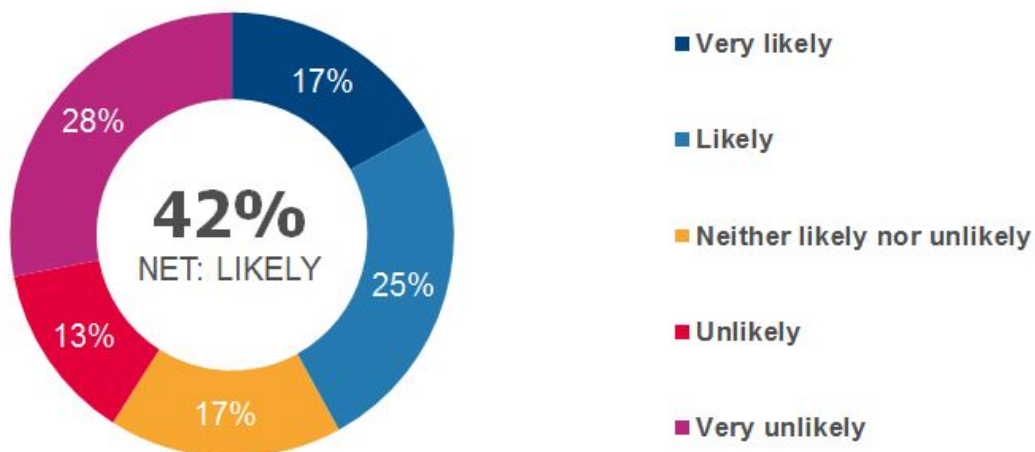


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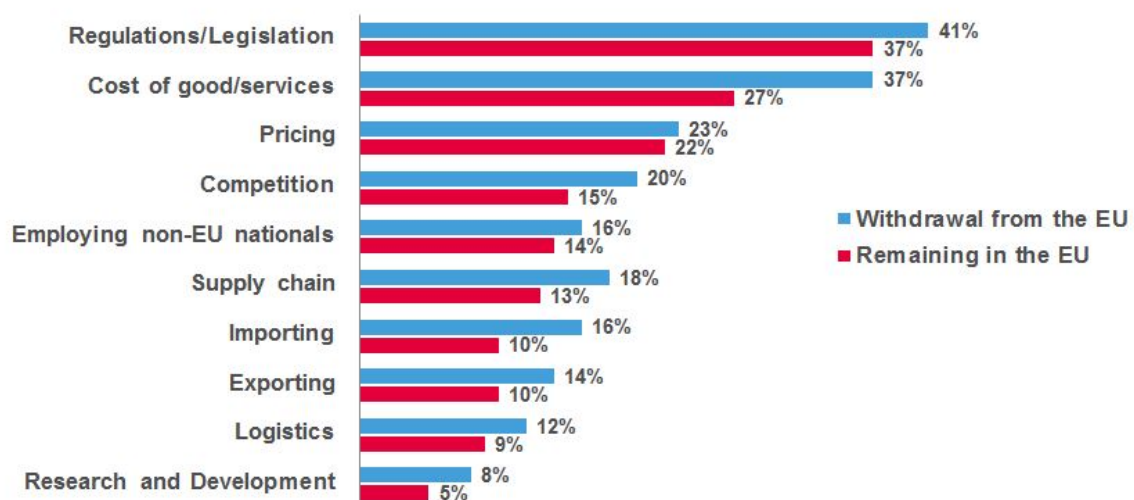
Pre-referendum, 42% of businesses we surveyed said that they were likely or very likely to hire new personnel in the next year:

Likelihood to hire new personnel



SME owners saw regulations or legislation as having the biggest impact on their business in the case of either remain or leave:

Areas impacted by withdrawal from / remaining in the EU





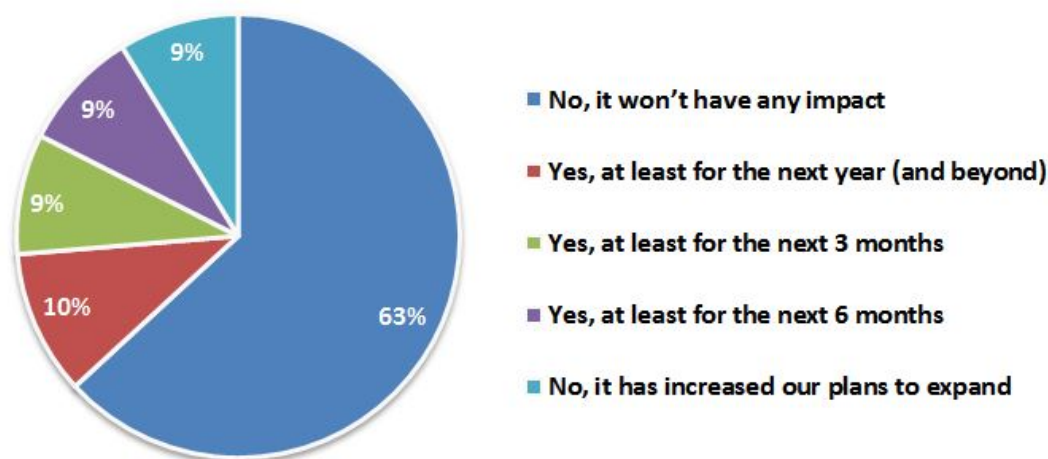
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The cost of goods was seen as a major concern in the event of a leave vote, and overheads will certainly have been affected by the slump in the pound's value since the referendum.

In our post-referendum poll, a **massive 63%** of SME owners said that the Brexit result would have no impact on their business growth plans, in keeping with the response we had to our question about recruitment plans:

Will Brexit prevent your business from expanding?



9% went so far as to say that the referendum result has had a positive impact on their expansion plans. Only 1 in 5 felt that the vote to leave would prevent their business expanding in the next 3-6 months. Very much business as usual following Brexit for many of Britain's SMEs, then!

One thing's for certain, the changing relationship between Britain and the European Union offers possibly as many opportunities as it does challenges for businesses, and as ever the companies that will thrive are those that are able to adapt to new and developing situations. [Read more about adapting in business.](#)

If your business is still facing uncertainty since the decision was taken to leave the European Union, [read our tips on ways to take back control.](#)

Why not join us on twitter [@npowerbusiness](#) [#energytogrow](#)



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Erroneous meter set-up: Around 350 customers to be refunded in full and appropriate compensation paid

E.ON UK has said sorry and confirmed that around 350 residential and small and medium-sized enterprise (SME) customers will be refunded and appropriately compensated after the discovery of a potentially industry wide meter set-up issue. The energy industry trade body, Energy UK, is working with all suppliers to identify the total number of customers affected across the industry and Ofgem has been informed of this work. E.ON is also undertaking urgent work to establish whether any former customers have been affected and will treat these in the same way as current customers. Attempts will be made to contact any affected former customers as soon as this work is completed.

In the rare cases where an issue has been identified amongst the company's current customers it was generally because customers with a metric meter had been registered as having an imperial meter or vice versa within our systems as well as industry data – this mistake meant that the conversion factor of 2.83 between cubic feet and cubic metres had been wrongly applied, or not applied at all, resulting in customers either being overcharged or undercharged.

Within the customers it currently supplies, E.ON has identified all those affected by this issue where the affected meter is still in situ and continue to work to identify any historic meters that have subsequently been exchanged that may have been impacted. E.ON will contact all customers individually. Customers do not need to take any action.

- Around 350 current customers, where the meter remains in situ, have been found to be overcharged as a result of this mistake. All overcharged amounts will be refunded in full plus interest and appropriate compensation.
- Around 250 current customers, where the meter remains in situ, have been found to be undercharged as a result of this mistake. They will not have to pay anything towards the undercharge.



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OFGEM's Energy Shake Up – is it Enough?

Posted on August 4, 2016 by energylinx



On the back of the two-year CMA investigation in to the gas and electricity market, OFGEM has announced new plans designed to increase competitiveness and make the energy market fairer for all.

According to the CMA's investigation, two thirds of households are paying over the odds for their energy compared to those who have switched suppliers. It warned that as much as 70% of customers were on the more expensive "default" standard variable tariff.

The investigation ended in June and Energylinx think it's great to see OFGEM quickly taking forward the CMAs recommendations to increase competition and reach people who aren't engaged in the market.

The Changes

By introducing a cap on prepayment meters, the first of OFGEMs changes should save four million UK households around £75 a year. This will begin in April and will end in 2020.

In an attempt to engage customers who don't regularly compare and switch their energy tariff, the regulator will also be trialling more effective prompts to encourage customers to switch.



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Proposals include working with suppliers to help "disengaged" customers shop around. As part of this OFGEM has revealed plans to pilot a database service in 2017, which will allow rival suppliers to offer those customers on standard variable rates for three years, better value deals.

OFGEM has plans to roll out smart meters to every household in the UK by 2020, and to make switching suppliers faster and easier and drive down energy bills.

Is it enough?

Whilst any shake-up of the energy industry is welcomed, many have questioned whether this is enough to encourage customers who just aren't bothered about switching their gas or electricity supplier.

Consumers are frequently told of the benefits of switching energy supplier. They hear it from the government, consumer groups, energy suppliers, and energy comparison websites. Yet, for the majority this falls on deaf ears.

"The Disengaged" as CMA refers to them, tend to be on low incomes, have few qualifications, are tenants or are aged over 65. So, pensioners all around the country and those struggling to make ends meet, aren't engaging with the industry. They aren't doing the one simple thing that could have a massive impact on their energy bills and the latest OFGEM report has been criticised for "not going far enough" for them.

Ed Kamm, managing director of First Utility, told the BBC that one problem with the proposals was that they were 'helping those who already shop around and doing little to properly help those who are continuing to pay much more than they need to or should'.

Whilst Which? Welcomed OFGEMs report, they acknowledged the difficulty in establishing the proposals.

Alex Neill, Which? Director of Policy and Campaigns, said:

"After two years of investigation into the energy market it's now time for action, so it's good to see OFGEM swiftly taking forward the CMAs recommendations to increase competition and reach people who are not engaged in the market.



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The regulator faces a huge challenge in implementing all of these recommendations in a way that stimulates competition to deliver better outcomes for many more consumers. For this to happen the industry will need to commit to working with the regulator to ensure people get a fairer deal on their energy."

Energy UK agrees that customers need to be at the heart of what the industry does. In a statement, it said:

"Over two million customers have switched (energy supplier) in 2016 so far. There are now 44 suppliers in the market, offering different tariffs for different needs. Prices are now £200 cheaper than in 2014 with over 40 deals under £900."