

Appendix 6.4: Results from the CMA’s information request on restrictions in tenancy agreements and the ‘Tenants Survey’

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Introduction

1. In our provisional findings,¹ we have identified a combination of features of the markets for the domestic retail supply of gas and electricity in Great Britain that give rise to an AEC through an overarching feature of weak customer

¹ [Provisional findings report](#).

response. One of the features contributing to the AEC was that customers may face actual and/or perceived barriers to switching.

2. In our notice of possible remedies,² in the context of Remedy 4a ('measures to address barriers to switching by domestic customers'), we asked: 'Are specific measures required to facilitate switching for customers living in rented accommodation (either social or private)?'.
3. In the responses to our provisional findings and notice of possible remedies, Ofgem, Citizens Advice and Citizens Advice Scotland made reference to restrictive terms in tenancy agreements.³ In order to understand the extent to which such restrictive terms are present in tenancy agreements and their potential impact on tenants' willingness to engage in the retail energy markets, including their willingness to switch tariff and/or energy supplier, we carried out two pieces of research, the results of which are set out in this paper. These were:
 - (a) a CMA information request to letting agencies and housing associations regarding energy supply in residential properties let to tenants; and
 - (b) the CMA's survey of tenants in Great Britain (GB), conducted by Ipsos MORI on our behalf. Hereafter, this is referred to as the 'Tenants Survey'.
4. The responses to our information request have been used to inform our understanding of the barriers to switching supplier that may be experienced by tenants with respect to contractual restrictions associated with tenancy agreements and other barriers to switching which may limit tenants' ability to engage in the retail domestic energy markets.
5. In the Tenants Survey we focus on tenants' perceptions of their rights around the contractual aspects of their tenancies and their consideration of switching supplier and/or tariff and their actual switching behaviour.
6. Detailed tables of survey results were provided to the CMA by Ipsos MORI along with a dataset and a technical report. The tables, technical report and questionnaire are published on our webpages.⁴ The CMA's view of the survey, and additional commentary, are provided in Annex B. In summary, it is the CMA's view that the Tenants Survey was undertaken to a high standard and that the responses given may be considered to be representative of the

² Remedy 4a(f): [Notice of possible remedies](#).

³ Centrica, EDF Energy and Simplify Digital (Voltz) also made references to restrictive terms in tenancy agreements in their responses to our provisional findings and notice of possible remedies.

⁴ Ipsos MORI tables, technical report and questionnaire for the Tenants Survey (see Appendices 6.5, 6.6, and 6.7).

views and behaviours of domestic energy customers in the rental sector within GB.

Information request on restrictions in tenancy agreements

Introduction

7. To assist the CMA with its analysis, an information request was sent to letting agencies and housing associations regarding energy supply in residential properties let to tenants.

Scope

8. The information request was sent to 20 of the largest housing associations and 13 of the largest letting agencies in the UK to ensure both significant market and geographic coverage.
9. 18 of the 33 recipients of the information request responded. Of those that responded, twelve were housing associations, and six were letting agencies.
10. The information request required the respondent to provide ‘the standard contract [...] most commonly used to let [...] residential properties’ with the questions in Sections A & B both referring to the contract provided. Consequently, restrictive clauses may be incorporated in other standard contracts used by respondents less frequently.
11. However, since the proportion of properties that letting agencies let on their most commonly used standard contract indicates that a high percentage of properties are covered by the standard contracts provided (94.5% average), the results are likely to be representative of the prevalence of contractual restrictions in letting agency respondents’ tenancy agreements.
12. While the proportion of properties that housing associations let on the standard contracts provided varied considerably, the majority of properties were let on the standard contracts provided.
13. Given the response rate, we have included the results for illustrative purposes only as we do not regard the results obtained as amenable to any quantitative analysis.

Findings: Section B – Energy supply terms

14. In our information request, the CMA sought to identify and determine the prevalence of terms in standard contracts that could discourage or prevent tenants from switching energy supplier. We were interested in terms that:

- (a) require tenants to **inform** their landlord if they switch supplier;
 - (b) require tenants to obtain their landlord's **permission** to switch energy supplier; and
 - (c) require tenants to **return** the energy supplier back to the original supplier if they switch during the tenancy.
15. Of the 18 responses received three of the respondents (Strutt & Parker, Chestertons and Acorn), [REDACTED].⁵ In particular:
- (a) [REDACTED];⁶
 - (b) [REDACTED];⁷ and
 - (c) [REDACTED].⁸
16. None of the housing associations that responded to our questionnaire included contractual restrictions in their standard contracts which could discourage or limit tenants' ability to engage in the retail domestic energy markets. Instead, some of the housing associations indicated that they have services which help their tenants explore best value offers and means to change provider.⁹

'Permission' terms

17. In the context of terms that require tenants to obtain consent prior to switching energy supplier, the CMA's guidance to letting agencies on compliance with consumer protection law provides that: '[i]f tenants are required to seek the landlord's consent, landlords should not unreasonably withhold or delay their consent and any terms of an agreement between landlords and letting agents should not have the effect of preventing or unreasonably delaying the landlord's consent.'¹⁰
18. However, in two of the three standard contracts provided by Strutt & Parker, there is no such limitation on either the landlord's or agent's discretion.¹¹

⁵ See Annex D: Contractual clauses.

⁶ See Annex D: Contractual clauses – Strutt & Parker: RTA – 4.33, LCLTA – 15.4, LTA – 9.7; Chestertons: 2.23; Acorn: 15.5.

⁷ See Annex D: Contractual clauses – Strutt & Parker: RTA – 4.33, LCLTA – 15.4, LTA – 9.6; Chestertons: 2.23. Both clause 4.33 of Strutt & Parker's RTA and clause 2.23 of Chestertons' most commonly used standard contract provide that such consent should not be unreasonably withheld.

⁸ See Annex D: Contractual clauses – Strutt & Parker: LCLTA – 15.5, LTA – 9.8; Acorn – 15.7.

⁹ Circle Housing; Midland Heart; [REDACTED].

¹⁰ CMA (2014), *Guidance for letting professionals on consumer protection law* (CMA31), p69.

¹¹ See Annex D: Contractual clauses – Strutt & Parker: LCLTA – 15.4, LTA – 9.6.

19. Where the standard contract required tenants to obtain their landlord's permission to change energy supplier and where tenants are responsible for energy supply, the proportion of requests refused by landlords and relevant decision makers was low. For instance, [redacted] indicated that 20% of its tenants who had such terms in their contracts made requests to switch energy supplier, and, of those, only 10% of the requests were refused, for reasons such as landlords being wary due to boiler maintenance contract cover and landlords generally not liking meters to be changed to prepayment meters.

'Return' terms

20. The terms identified, which require tenants '[t]o pay any costs incurred by the Landlord or the Agent in transferring the account back to the original supplier at the end of the Tenancy',¹² are seemingly less onerous than requiring tenants themselves to return the account back to the original supplier.

Findings: Section C – Prepayment meters

21. In Section C of the information request, the CMA sought to identify what proportion of tenants sought permission from their landlords to remove their prepayment meters in 2014 and what proportion of such requests were refused.
22. Many of the respondents did not have the information required to answer the questions in Section C of the information request.¹³ Indeed, the majority of respondents were uncertain how many of their properties had an energy prepayment meter in 2014.
23. The majority of the respondents that had properties with prepayment meters indicated that tenants were not required to seek permission to remove prepayment meters. Broadly, this aligns with recipients' responses to whether their contract requires their tenants to obtain permission before switching energy supplier.
24. Of the letting agencies that indicated that they included terms in their most commonly used standard contract which require tenants to obtain permission before switching energy supplier:

¹² See Annex D: Contractual clauses – Strutt & Parker: LCLTA – 15.5, LTA – 9.8; [redacted].

¹³ Notably, only two housing associations gave an indication of how many of their properties had an energy prepayment meter in 2014 (Bromford Housing Association – 'vast majority'; Notting Hill Housing – [redacted]). By contrast, five of the six letting agencies that responded gave an indication of how many properties had an energy prepayment meter in 2014 (McCartneys – 1; Chestertons – 5% (approx); Strutt & Parker (London) – one property, (Regional) – nil/zero; Countrywide – 1,080 (approx); [redacted]).

- Strutt & Parker indicated that the tenant, in their only property with a prepayment meter, did not seek permission to remove their prepayment meter.
- Chestertons kept no records of what proportion of their tenants sought permission to remove their prepayment meter in 2014 and consequently could not answer what proportion of such requests were refused.

Findings: Section D – Recommended energy supplier

25. In Section D of the information request, the CMA sought to identify whether energy suppliers or their agents were recommended to tenants.
26. Neither the letting agencies nor the housing associations that responded indicated that they recommended an energy supplier or its agents to their tenants.
27. However, two respondents¹⁴ indicated that while they did not recommend an energy supplier or its agents to their tenants, they had arrangements with preferred suppliers during void periods (ie periods where the property was unoccupied and the landlord had responsibility for energy consumption).
28. Countrywide and Bromford Housing Association indicated that the benefits of such arrangements were:
 - a single supplier, single point of contact, automated account administration and administration fees, energy saving advice and access to energy efficiency measures;
 - an administration fee received by the letting agent/housing association from the energy supplier; and
 - that it helped move the empty home through the safety checks and allowed the property to be available for onward letting sooner.
29. All of the respondents indicated that such arrangements do not restrict tenants from changing supplier as soon as they move in..
30. Two housing associations indicated that they recommended their own PCWs, which provide switching services for their tenants,¹⁵ and another indicated that they signpost their tenants to Ofgem’s ‘go energy shopping’ guide.¹⁶

¹⁴ Bromford Housing Association; Countrywide.

¹⁵ [redacted]; Circle Housing.

¹⁶ First Wessex.

31. Neither housing association indicated that they received a commercial benefit from recommending their own PCWs, although [] indicated that tenants received £15 cashback on a successful switch if they used its comparison website to switch.

Tenants Survey

Key findings from the Tenants Survey

32. The survey aimed to investigate whether, and to what extent, tenants may experience particular barriers to engaging in the retail domestic energy markets that might require specific measures to facilitate switching for customers living in rented accommodation (either private or social).¹⁷
33. The CMA considers that the weighted results from the Ipsos MORI omnibus survey may be considered to be representative of the views and behaviours of tenants across GB and that the results presented in this paper are sufficiently robust to be used as evidence for the energy market investigation. Details are provided in Annex B and in the Ipsos MORI technical report.¹⁸
34. The Tenants Survey interviewed 1,255 tenants eligible to complete our survey from a total host sample of 4,007; after further screening and filtering, 999 answered the questions concerning their perceptions about their rights to switch energy supplier and about their engagement in the retail domestic energy markets.
35. Below we report what we consider to be the key findings.¹⁹

Characteristics of tenants

36. The split between private and social renters among respondents to the Tenants Survey was approximately 60:40. When compared to respondents from the CMA customer survey,²⁰ tenants overall are: more highly represented in the 18–34 age group (and less represented in the 55+ group, in particular); more likely to have internet access; more likely to be in lower income bands; less likely to have a degree, but more likely to have GCSEs or

¹⁷ Remedy 4a(f): [Notice of possible remedies](#).

¹⁸ Ipsos MORI' tables, technical report and questionnaire for the Tenants Survey (see Appendices 6.5, 6.6, and 6.7).

¹⁹ We report in the text only those results that are statistically significant and material. See also Annexes B and C for further discussion. Charts in later sections which compare results between sets of subgroups also include some variables where there are no significant differences between subgroups for the purposes of illustration.

²⁰ [GfK Report for the CMA on the Customer Survey](#)

lower/no qualifications; and, notably, much more likely to have a prepayment meter(s)/prepay for one or both fuels.

Tenants' perceptions of rights and contractual aspects

37. Over three-quarters (77%) of respondents think they are allowed to switch supplier(s) without permission from their landlord,²¹ and a further 7% think they can switch with their permission. Of the 84% who think they can switch supplier (with or without permission), three-quarters think they are not required to switch back when moving out/at the end of their tenancy and most of the others don't know if they need to or not.

Tenants' activity in the retail domestic energy markets and reasons for non-engagement

38. The detailed sections below look at both consideration of switching and actual switching during the time the tenant has lived at their home (including internal tariff switching where they claim not to have switched supplier or considered it).
39. Just over half (56%) of tenants surveyed said that they have not considered switching either tariff or supplier while they have lived at their current home. The reasons cited by the highest proportion of respondents for not considering switching supplier are that they are 'happy with their current supplier/tariff' (64% gave this reason) followed by 'can't be bothered' (27%).
40. During the time that they have lived at their current home, 27% of tenants surveyed said they had switched supplier and 31% had switched supplier and/or tariff (ie an additional 4% had switched internally only); nearly two-thirds (65%) hadn't switched either. We asked those who hadn't switched supplier why that was; a few tenants mentioned reasons related to their tenancy/landlord, including possible barriers to switching to a fixed-term contract because their tenancy is too short (4% mention this) and their landlord prefers them not to switch (2% mention this), but by far the most commonly cited reasons are 'happy with current supplier/tariff' (43% mention this) and 'can't be bothered' (18% mention this).
41. There are a number of reasons why the results on engagement above are not directly comparable with those from, for example, the CMA customer survey;

²¹ In this paper, the term 'landlord' is used to cover any of: local authority/council, housing association/housing trust, landlord, or letting/management/estate agent, as appropriate.

more detail is given in the main results, Annex B and the Ipsos MORI technical report.

Characteristics of tenants surveyed

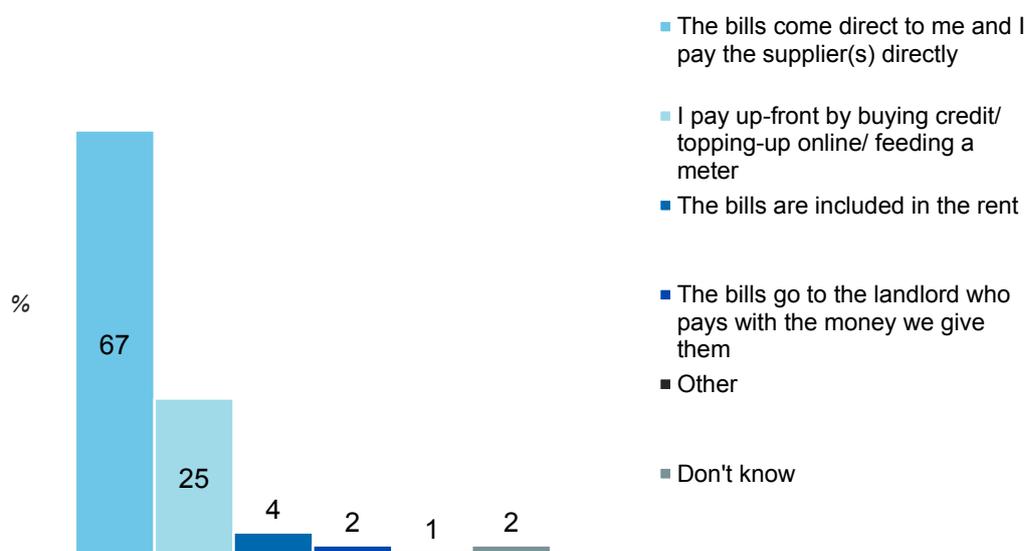
42. Detailed demographics with weighted counts and percentages for the total respondent group of 1,255 are provided in the Ipsos MORI tables. The following summaries are selected from these (percentages may not add to 100% where 'don't knows'(DK)/'refused' are not shown and because of weighting):
- (a) Tenure: private (59%), local authority (LA) (25%), housing association (HA) (15%), total social (40%).
 - (b) Length of tenure: 1 year or less (28%), 1 to 3 years (24%), more than 3 years (46%). One-third (33%) had lived in their current home more than 5 years and 23% more than 10 years.
 - (c) Age: 18–34 (46%), 35–54 (32%), 55+ (22%).
 - (d) Social grade: AB (12%), C1 (24%), C2 (21%), DE (43%).
 - (e) Household income: below £9,500 (19%), £9,500 to £24,999 (28%), £25,000 and over (20%), DK/refused (33%).
 - (f) Country: England (86%), Wales (5%), Scotland (9%). The base for Wales is too low for it to be included in the subgroup analysis later in the paper.
 - (g) Education: degree (23%), A-levels (20%), GCSEs (30%), lower or none (19%).
 - (h) Ethnicity: white (81%), non-white (19%).
 - (i) Internet access: use at least daily (77%), use less than daily (8%), never use but have access (4%), don't have access (11%).
43. When compared to respondents from the CMA customer survey,²² tenants overall are: more highly represented in the 18–34 age group (and less represented in the 55+ group, in particular); more likely to have internet access; more likely to be in lower income bands; less likely to have a degree, but more likely to have GCSEs or lower/no qualifications; and, notably, much

²² [GfK NOP customer survey report](#).

more likely to have a prepayment meter(s)/prepay for one or both fuels (see below for the results on prepayment among tenants).

44. There are significant associations between many of the demographic variables and this should be noted when interpreting the results throughout this paper. Some of these are highlighted in a later section and the Ipsos MORI tables include detailed two-way tables of the demographic variables.
45. The following charts show the make-up of the respondent group by characteristics of their energy supply and indicate differences between subgroups.

Figure 1: Energy payment method(s)



Source: Ipsos MORI tables.

Notes:

1. Question JW09 – ‘How do you pay for your energy?’

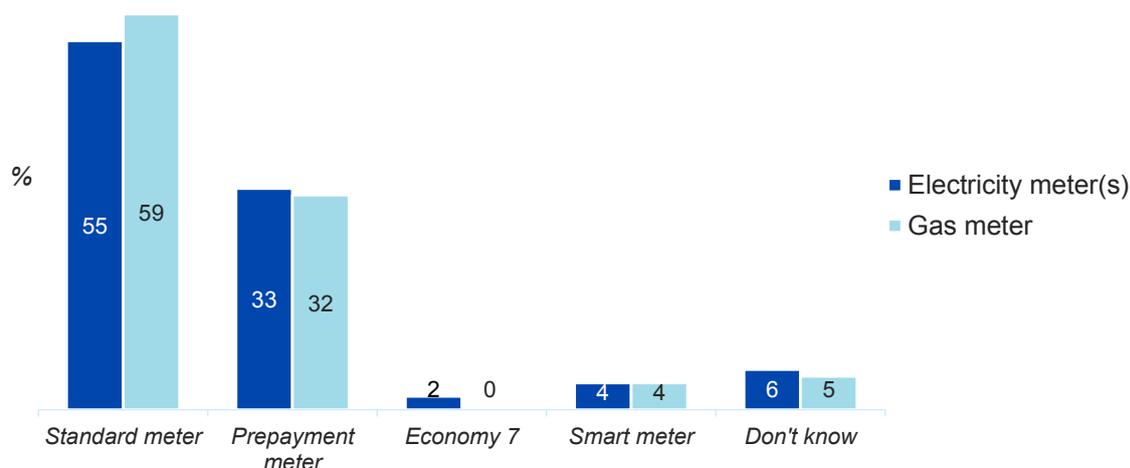
2. Base = All GB tenants 18+ who have mains electricity or gas: 1,185.

3. This was multicoded as tenants may pay for their gas and electricity via different payment methods. Therefore the sum is >100%.

46. Figure 1 above shows that over two-thirds of tenants say they pay bills direct to suppliers and a quarter say they prepay (for one or both fuels). The percentage of those paying bills directly (excluding prepay, which is looked at under meters) – 67% overall – is higher among the following groups:
- (a) Private renters (73%) compared with social (59%).
 - (b) Age 55+ (73%) compared with 18–34 (65%).
 - (c) Social grade groups AB (78%), C1 (77%), C2 (71%) compared with DE (57%).
 - (d) Those in England (69%) compared with Scotland (51%).

(e) Working (74%) compared with not working (64%).

Figure 2: Meter type(s)



Source: Ipsos MORI tables.

Notes:

1. Question JW07a – ‘What type of electricity meter is installed for your home?’; JW08 – ‘What type of gas meter is installed for your home?’.

2. Bases = All GB tenants 18+ who have mains electricity and who pay for energy direct to supplier or through someone else or pay up front: 1,035; all GB tenants 18+ who have mains gas and who pay for energy direct to supplier or through someone else or pay up front: 891.

3. Respondents could pick more than one answer at JW07a, but only one option at JW08.

47. Figure 2 above shows that about a third of tenants have a prepayment meter for their energy (similar for electricity and gas), higher than the percentage of domestic energy customers as a whole (around 14 to 16%). No tenants reported having a teleswitch meter, including dynamically teleswitched meters, or an Economy 10 meter. The percentage with a prepayment meter for electricity, 33% overall, is higher among the following groups (broadly similar results were observed for gas prepayment meters):

(a) Social (49%) compared with private (21%) renters.

(b) Lived at property 5 years or more (39%) compared with up to a year (27%).

(c) Social grades DE (45%) and C2 (31%) compared with AB (16%) and C1 (21%).

(d) Low income groups, eg below £9,500 (42%) compared with a household income of £25,000 and over (23%), but the third ‘DK/refused’ on income were lowest at 21%.

(e) No/low qualifications and GCSEs (both 42%) compared with degree (17%).

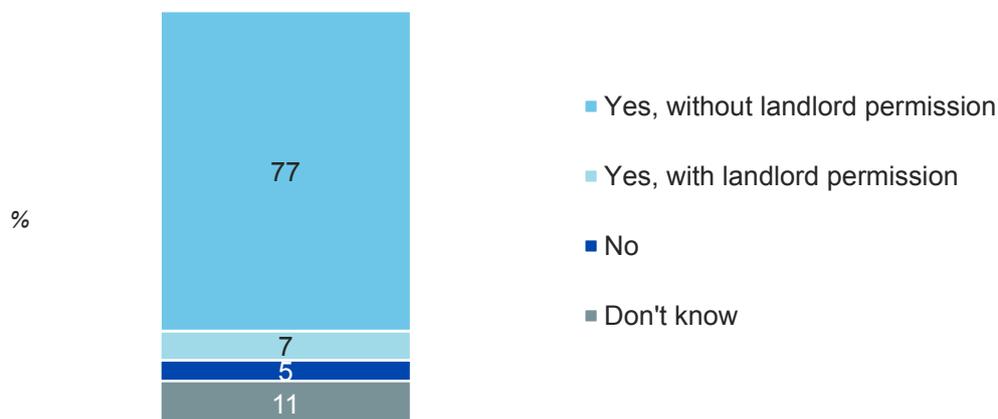
(f) Those in Scotland (48%) compared to England (31%).

Tenants' perceptions of rights and contractual aspects

Right to switch

48. We asked tenants if they were allowed to switch energy supplier(s) for their home to test their knowledge and/or perceptions of tenants' rights.

Figure 3: 'Are you allowed to switch energy supplier(s) for your home?'



Source: Ipsos MORI tables.

Notes:

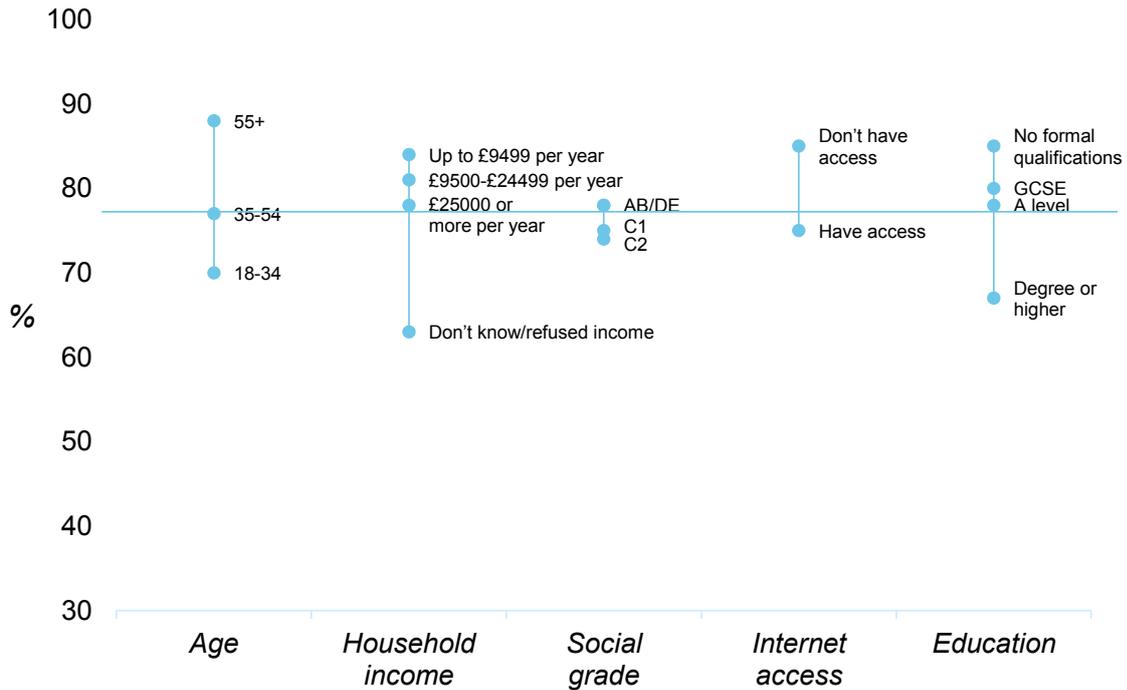
1. Question JW12a – 'Are you allowed to switch energy supplier(s) for your home?'
2. Base = All GB tenants 18+ who pay energy bills direct to an energy supplier: 999.

49. Awareness of the ability to switch supplier (with or without permission) is 84%, lower than overall figure of 89% from the CMA customer survey, but comparable with the 83%/85% of social/private renters, respectively

50. The following two charts show the differences between tenant subgroups according to a number of demographic and other variables in the proportions who think that they can switch supplier without permission.²³

²³ The charts serve to highlight differences in estimated proportions between subgroups of interest and not whether or not these observed differences are statistically significant or material to the investigation; the Ipsos MORI tables indicate all statistically significant differences between subgroups, but we note that the CMA only considers these to be robust where the unweighted base for a subgroup is 100 or more.

Figure 4: Allowed to switch without permission, by demographics

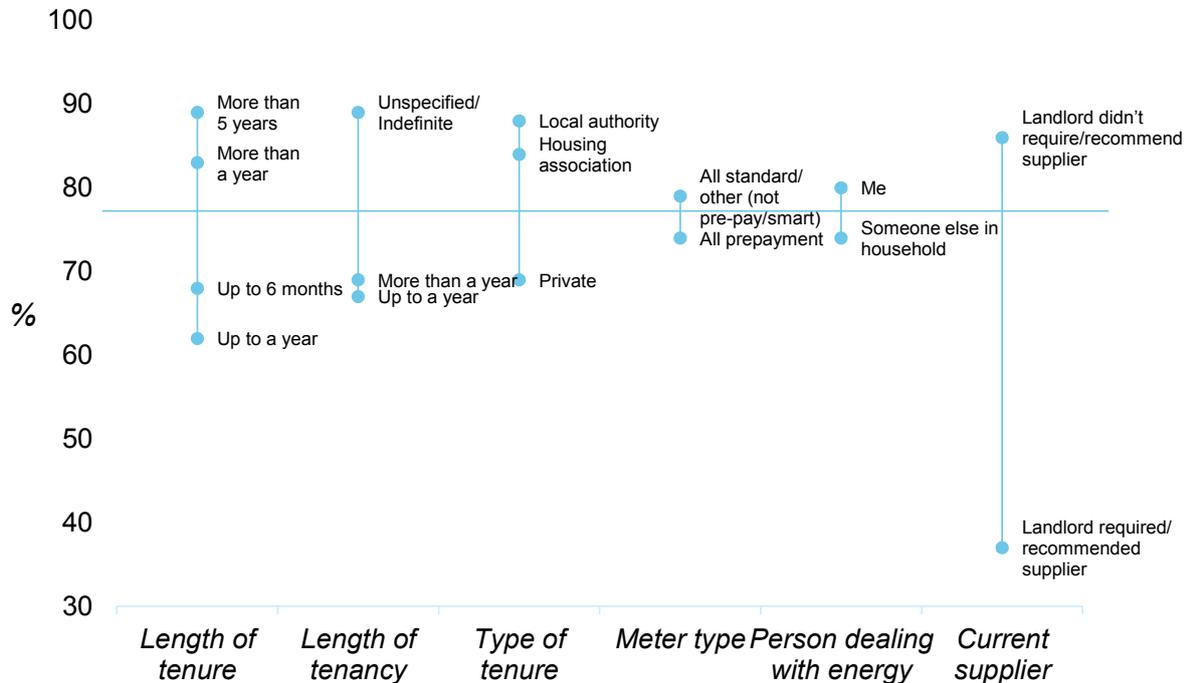


Source: Ipsos MORI tables.

Notes:

1. Question JW12a – ‘Are you allowed to switch energy supplier(s) for your home?’
2. Base = All GB tenants 18+ who pay energy bills direct to an energy supplier: 999.
3. Horizontal line represents overall result (77%).

Figure 5: Allowed to switch without permission, other variables



Source: Ipsos MORI tables and CMA analysis of survey data.

Notes:

1. Question JW12a – ‘Are you allowed to switch energy supplier(s) for your home?’.
2. Base = All GB tenants 18+ who pay energy bills direct to an energy supplier: 999.
3. Horizontal line represents overall result (77%).

51. Overall, 77% think they can switch without needing permission. Those who are in the following groups are more likely to think this:
- (a) Aged 55+ compared with those aged 18–34 and those aged 35–54.
 - (b) No internet access compared with those with internet access.
 - (c) No qualifications compared with those with a degree.
 - (d) Lived in home for more than 5 years compared with lived in home for up to a year (also applies for those who have lived in their home for over a year).
 - (e) In social rented housing compared with private tenants.
 - (f) Their landlord didn't require or recommend that they use a particular supplier.
52. Of the 84% who say they can switch (with or without permission), three-quarters say they would **not** have to switch back before moving out/at the end of their tenancy and most of the others said they 'don't know' – only 3% said they would have to switch back.
53. We asked those who didn't know if they were allowed to switch, why that was (they were prompted to provide multiple reasons if they wished). Table 1 below summarises the results.

Table 1: Reasons given by tenants for not knowing if they are allowed to switch supplier or not

<i>Reason</i>	<i>%</i>
Consideration/Understanding (NET)*	69
I never really thought about it	33
Don't know what the contract allows	23
Not sure that tenants are allowed to switch	9
I leave these things to the person in charge of bills	8
Not sure whether tenants have the right to choose their energy supplier	2
Would be prevented/Struggle (NET)	3
Contract issues (NET)	2
Other	4
Don't know	24

Source: Ipsos MORI tables.

*Where a category ends in '(NET)' and is shown in bold this includes all those customers mentioning one or more of the subcategories within that category. If a customer mentions more than one of those subcategories, they will only count once towards the 'NET' figure.

Notes:

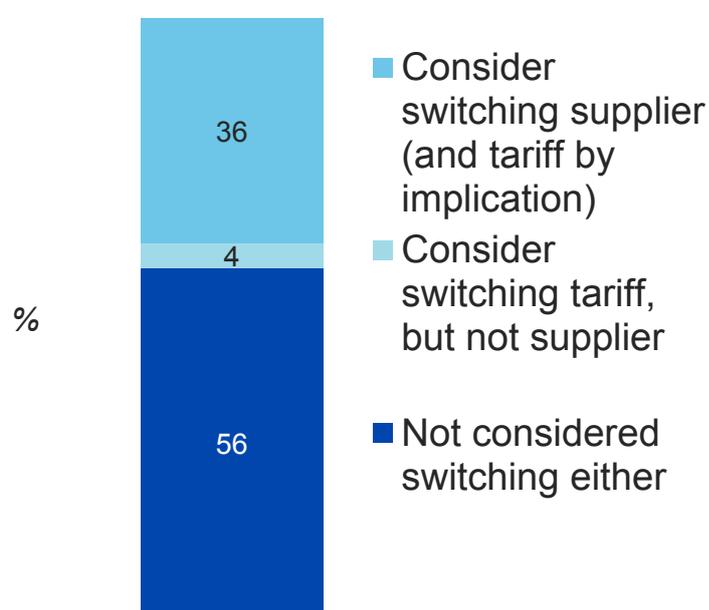
1. Question JW16 – 'Why do you say that you don't know whether you are allowed to switch energy supplier(s)?'.
2. Base = All GB tenants 18+ who pay energy bills direct to an energy supplier but don't know whether they are allowed to switch energy supplier: 110.
3. Respondents could give more than one reason.

54. The most commonly cited reason given was that the respondent had never really thought about it (mentioned by a third), followed by 'don't know what the contract allows' (mentioned by 23%).

Consideration of switching supplier and/or tariff, during the time living in current home

55. We asked most respondents about their consideration of switching energy supplier(s) and, for others, inferred it from actual switching behaviour. We asked a subset of tenants who were less engaged on this measure (consideration of switching supplier) whether they had considered internal switching, that is changing tariff within their existing supplier. This enabled tenants to be categorised into one of three groups in terms of consideration of switching (Figure 6). Full details of how these groups were derived is provided in the Ipsos MORI technical report and we also comment in Annex B to this paper.

Figure 6: Consideration of switching supplier and/or tariff



Source: Ipsos MORI tables.

Notes:

1. Base = All GB tenants 18+ who pay energy bills direct to an energy supplier (excluding DKs): 977.
2. Derived from questions JW12B/JW12C/JW18/JW19A/JW19B.
3. Don't knows were excluded hence the sum <100%.

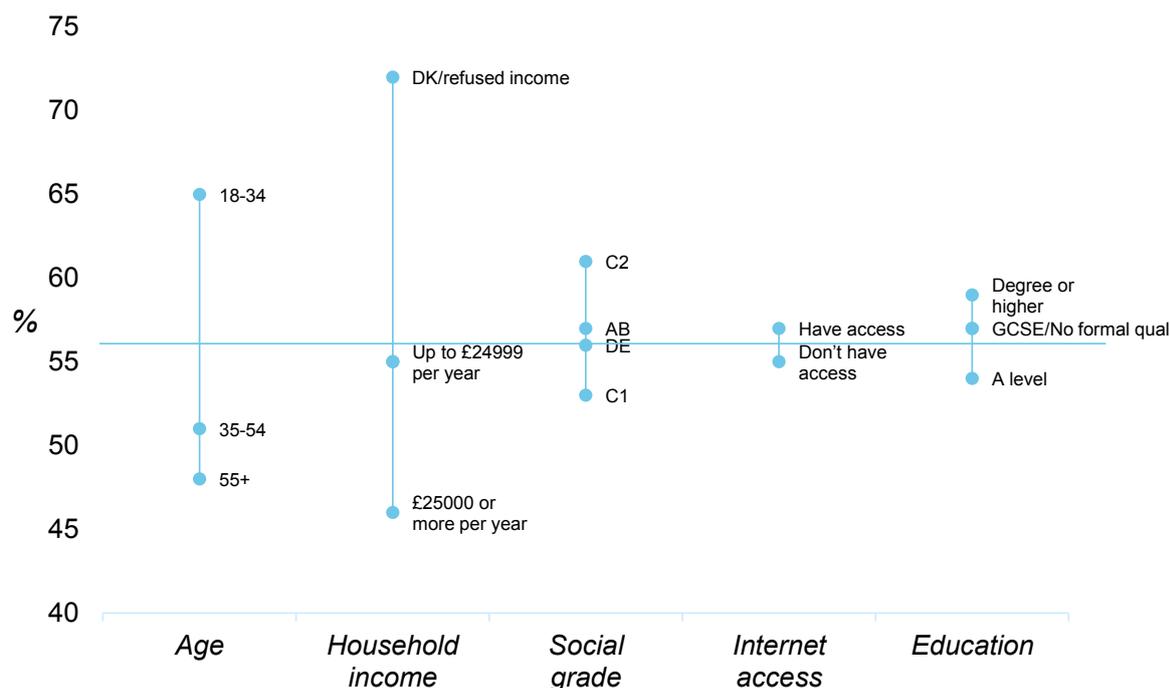
56. From Figure 6 above we see that 36% of tenants (excluding a small percentage of 'don't knows') had considered switching supplier (and therefore considered switching to a different external tariff), these tenants may, or may not, have also considered switching tariff internally. A further 4% of tenants have *only* considered internal tariff switching and 56% have not considered switching either internally or to another supplier while living in their current home.

57. As explained in Annex B, these figures are not directly comparable to those in the CMA customer survey for a number of reasons, including the time frame for consideration specified in the questions asked. In the CMA customer

survey we found that around a third (34%) of all respondents had either thought that switching supplier was not possible (5%) or had never considered switching supplier (29%); for tenants renting in the social sector the figure was higher at 44% (compared with the 33%).²⁴

58. The following two charts show the differences, between subgroups of tenants according to a number of demographic and other variables, in the proportions who say they haven't considered switching supplier or tariff while living in their current home.²⁵

Figure 7: Not considered switching either supplier or tariff



Source: Ipsos MORI tables.

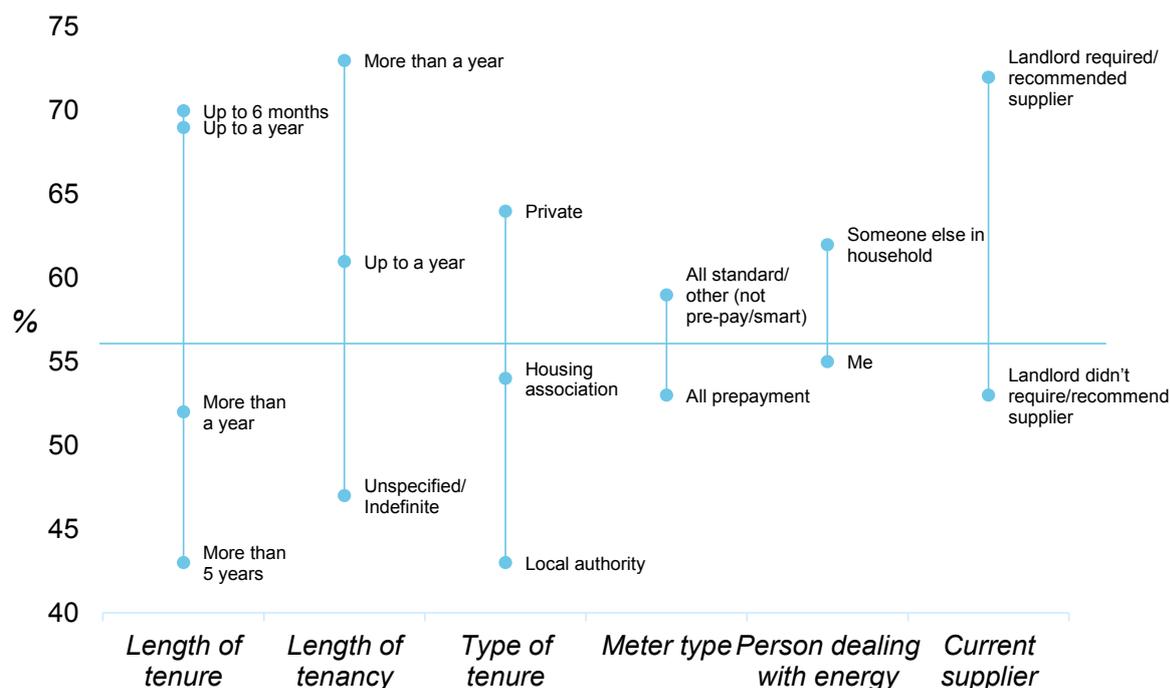
Notes:

1. Base = All GB tenants 18+ who pay energy bills direct to an energy supplier (excluding DK's): 977.
2. Derived from questions JW12B/JW12C/JW18/JW19A/JW19B.
3. **Horizontal line represents the average result (56%).**

²⁴ GfK NOP customer survey report, Figures 13 & 14.

²⁵ The charts serve to highlight differences in estimated proportions between subgroups of interest and not whether or not these observed differences are statistically significant or material to the investigation; the Ipsos MORI tables indicate all statistically significant differences between subgroups, but we note that the CMA only considers these to be robust where the unweighted base for a subgroup is 100 or more.

Figure 8: Not considered switching either supplier or tariff (continued)



Source: Ipsos MORI tables and CMA analysis of survey data.

Notes:

1. Base = All GB tenants 18+ who pay energy bills direct to an energy supplier (excluding DK's): 977.
2. Derived from questions JW12B/JW12C/JW18/JW19A/JW19B.

59. Lack of consideration of switching is associated with a range of demographic and other characteristics that cannot be considered to be independent of each other. For example, those in social housing (particularly where rented from the local authority) have longer tenancies/have lived in the same property longer and are disproportionately more likely to be in the oldest age group (55+). The Ipsos MORI tables show pairwise relationships between the demographic variables, which provide indications of associations between any two variables.
60. Notably, those who have lived in the property for less than six months (and less than a year), and those who are using a supplier required or recommended by their landlord are particularly unlikely to have considered switching.
61. We asked those who had not considered switching supplier why they had not done so. Table 2 shows the percentages of tenants mentioning a range of reasons (they were prompted to provide more than one answer if they wished).

Table 2: Reason for not considering switching supplier

<i>Reason</i>	<i>%</i>
Consideration/ Understanding (NET)*	94
Happy with current supplier/tariff	64
Can't be bothered	27
Wouldn't save anything by switching	9
I have never really thought about it	8
Difficult to work out who to switch to	5
Length of tenancy too short to bother	3
I leave these things to the person in charge of the bills	2
Worried that I would choose the wrong supplier	2
I'm not sure how to switch	1
Would be prevented/struggle (NET)	2
Concerns about those they rent from (NET)	1
I have just moved in	1
Other	1
Don't know	2

Source: Ipsos MORI tables.

*Where a category ends in '(NET)' and is shown in bold this includes all those customers mentioning one or more of the subcategories within that category. If a customer mentions more than one of those subcategories, they will only count once towards the 'NET' figure.

Notes:

1. Question JW13 – 'Why have you not considered switching energy supplier(s) for your home?'

2. Question is multicode.

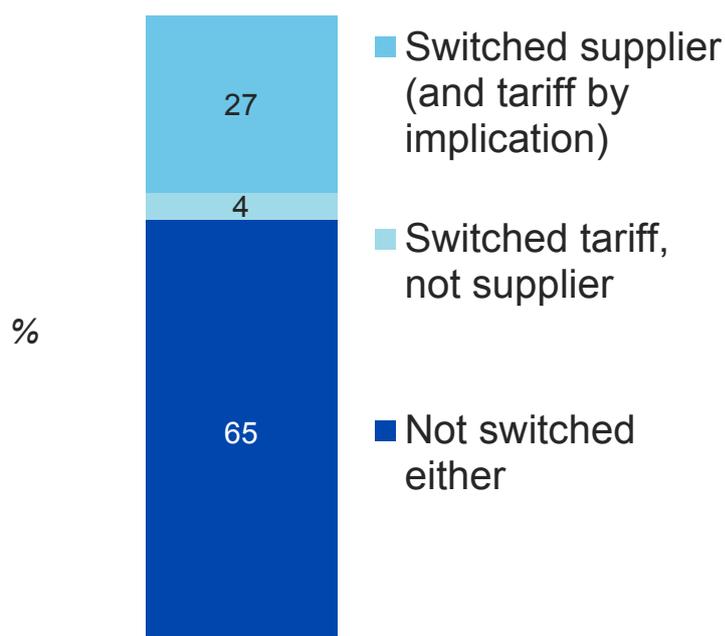
3. Base = All GB tenants 18+ who pay energy bills direct to an energy supplier and have not considered switching energy supplier: 497.

62. The most commonly cited reason for not considering switching supplier was that the respondent was 'happy with their supplier/tariff', followed by 'can't be bothered'. There were few significant and material differences between subgroups of tenants saying 'happy with supplier/tariff'.

Actual switching of supplier and/or tariff during time living in current home

63. We asked respondents whether they had switched energy supplier(s) during the time they had lived in their current home. We asked a subset of tenants who were less engaged on this measure (consideration/switching of supplier) whether they had switched internally, that is changed tariff within their existing supplier. This enabled tenants to be categorised into one of three groups in terms of stated switching behaviour (Figure 6). Full details of how these groups were derived is provided in the Ipsos MORI technical report and we also comment in Annex B to this paper).

Figure 9: Switching of supplier and/or tariff



Source: Ipsos MORI tables.

Notes:

1. Base = All GB tenants 18+ who pay energy bills direct to an energy supplier (excluding DKs): 976.

2. Derived from questions JW12C/JW19A/JW19B.

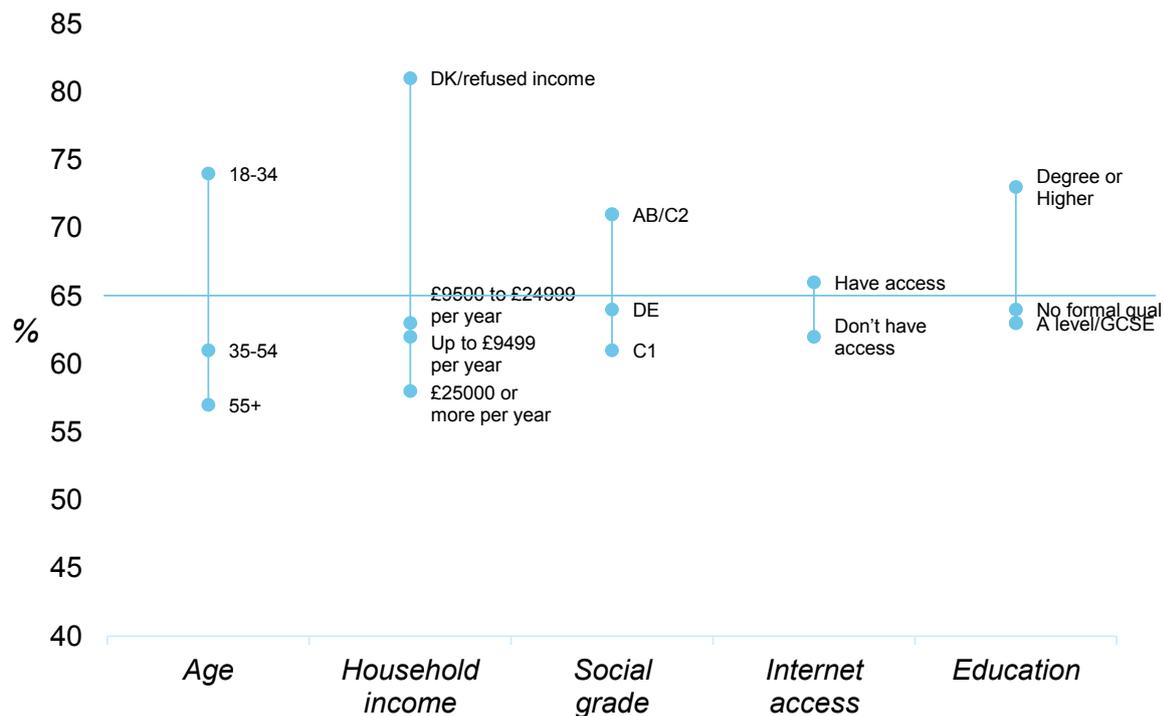
3. Don't knows were excluded hence the sum <100%.

64. 27% of respondents said they had switched supplier and 31% said they had switched supplier and/or tariff; nearly two-thirds (65%) said they hadn't switched either.
65. These results relate to switching during the time the tenant has lived in the property, this is one reason why they are not directly comparable with the CMA survey results (see also Annex B). In the CMA customer survey, we found that 44% of all respondents said that they had switched supplier at least once (ever), with 25% switching in the past three years and 13% switching in the last year; among tenants, fewer switched in the last three years than for the respondent group overall (approximately 19% for social renters and 22% for private renters).²⁶
66. The following two charts show the differences between tenant subgroups according to a number of demographic and other variables in the proportions who say they haven't switched supplier or tariff while living in their current home.²⁷

²⁶ CMA (2015), [Appendix 8.1 to the provisional findings report](#).

²⁷ The charts serve to highlight differences in estimated proportions between subgroups of interest and not whether or not these observed differences are statistically significant or material to the investigation; the Ipsos MORI tables indicate all statistically significant differences between subgroups, but we note that the CMA only considers these to be robust where the unweighted base for a subgroup is 100 or more.

Figure 10: Not switched either supplier or tariff

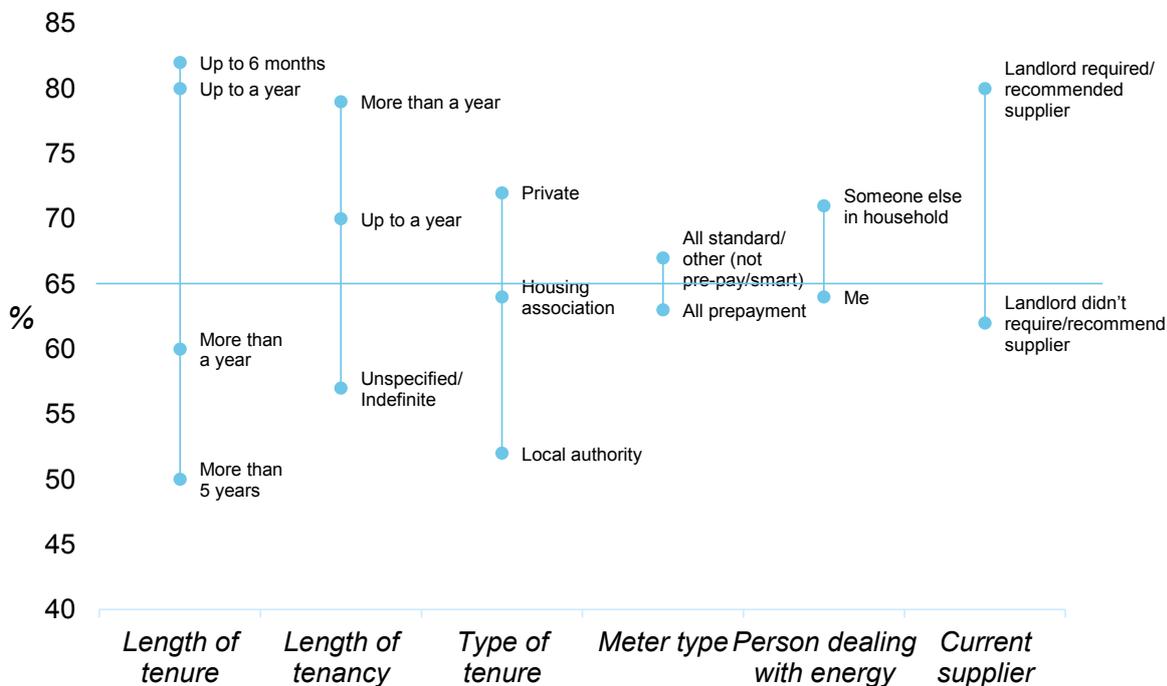


Source: Ipsos MORI tables.

Notes:

1. Base = All GB tenants 18+ who pay energy bills direct to an energy supplier (excluding DKs): 976.
2. Derived from questions JW12C/JW19A/JW19B.

Figure 11: Not switched either supplier or tariff (continued)



Source: Ipsos MORI tables and CMA analysis of survey data.

Notes:

1. Base = All GB tenants 18+ who pay energy bills direct to an energy supplier (excluding DKs): 976.
2. Derived from questions JW12C/JW19A/JW19B.

67. As discussed above, the results in the charts above are likely to reflect, in part, associations between groups of demographic and other variables. It is, nonetheless, notable that the subgroups least likely to have switched (either supplier or tariff) are those who:
- (a) are aged 18–34 (74%) compared with those aged 55+ (57%);
 - (b) are private renters (72%) or housing association tenants (64%) compared with those who rent from the local authority (52%);
 - (c) have lived at their property for up to a year (80%) compared with 5 years or more (50%); and
 - (d) say they use a supplier(s) required or recommended by the landlord (80%) compared with those who say they chose the supplier themselves (53%).
68. We asked those who had not switched supplier why they had not done so; Table 3 shows the percentages of tenants mentioning a range of reasons (they were prompted to provide more than one answer if they wished).

Table 3: Reasons for not switching supplier

<i>Reason</i>	<i>%</i>
Consideration/Understanding (NET)*	77
Happy with current supplier/tariff	43
Can't be bothered	18
Wouldn't save anything by switching	7
Difficult to work out who to switch to	7
Length of tenancy too short to bother	5
I have never really thought about it	4
Worried that I would choose the wrong supplier	2
I'm not sure how to switch	2
I leave these things to the person in charge of energy	1
Would be prevented/Struggle (NET)	7
In debt to current suppliers	2
Existing supplier makes the switching process too difficult	2
I have a poor credit rating	2
Don't trust suppliers to switch me smoothly	2
Would have to switch back to original supplier before we moved out	1
Concerns about those they rent from (NET)	6
Length of tenancy is shorter than the fixed-term contracts I want/would be charged exit fees for terminating a fixed-term contract early	4
My landlord would prefer me not to switch	2
I have just moved in	2
Other	2
Don't know	11

Source: Ipsos MORI tables.

*Where a category ends in '(NET)' and is shown in bold this includes all those customers mentioning one or more of the subcategories within that category. If a customer mentions more than one of those subcategories, they will only count once towards the 'NET' figure.

Notes:

1. Question JW13 – 'Why have you not switched energy supplier(s) for your home?'

2. Base: All GB tenants 18+ who pay energy bills direct and have not switched supplier: 211. Multicode allowed.

69. A few tenants mentioned reasons for not having switched supplier that are related to their tenancy/landlord, including possible barriers to switching to a

fixed-term contract because their tenancy is too short (4% mention) and their landlord prefers them not to switch (2% mention), but by far the most commonly cited reasons are 'happy with current supplier/tariff' (43% mention this) and 'can't be bothered' (18% mention this).

Additional analysis

70. High-level background results from the Tenants Survey that are not shown above are included in Annex A.
71. The Ipsos MORI tables include a set of tables covering the demographic variables collected from the full 1,255 respondent group which present a similar subgroup analysis to the tables reporting the main survey results. These indicate significant pairwise associations between a number of demographic (and other) variables, which should be taken into account when interpreting the results above. Examples of these are given below:
- (a) Those in social housing are more likely to: have lived in their current home for longer (5 years or more); be in the oldest age group (55+ here); belong to the lowest socio-economic group (DE); have household income below £9,500; have no formal qualifications; not have internet access; and be retired.
 - (b) Those who have lived in their current home for longer (5 years or more) are more likely to: be in the oldest age group (55+ here); belong to the lowest socio-economic group (DE); have no formal qualifications; not have internet access; and be retired.
 - (c) Those who are in the oldest age group (55+ here) are more likely to: belong to the lowest socio-economic group (DE); have household income below £9,500; have no formal qualifications; and not have internet access.

Summary of key findings

72. The evidence that we have collected indicates that a proportion of private tenancy agreements contain terms that could allow a landlord to refuse tenants permission to switch supplier and/or to change a prepayment meter to an alternative meter type. In contrast, there was no evidence to suggest that tenancy agreements for social renters contained any such clauses. Instead, in at least a couple of cases, housing associations sought to encourage their tenants to search for and switch to the best energy tariff for them (via PCWs).
73. The CMA has previously issued guidance to letting agents on compliance with consumer protection law, and has adopted earlier OFT guidance on unfair terms in tenancy agreements, both of which advise that tenancy terms should

not unreasonably restrict tenants' freedoms including their right to change energy supplier.²⁸

74. The Ipsos MORI survey indicates that those who rent privately are less likely to have either considered switching or to have switched than those who rent in social housing, particularly from the local authority. However, private renters are also, on average, younger than social renters and likely to have lived a shorter period of time in their property. Both of these characteristics are also associated with a lower propensity to consider switching (and to switch) energy suppliers. Just 2% of respondents mentioned landlord preferences as a reason for not having switched energy supplier.

More than three-quarters of tenants (77%) believed that they could switch their energy supplier without their landlord's permission, with another 7% believing that they could do so provided that they obtained permission. In the main CMA customer survey, awareness of the ability to switch energy suppliers was approximately 84% among tenants, compared with 89% for all respondents.

²⁸ CMA (2014), [Guidance for letting professionals on consumer protection law](#) (CMA31), p69 and OFT (2005), [Guidance on unfair terms in tenancy agreements](#) (OFT356) (2005), p64, Table 4.2, and p65, paragraph 4.55. Note that the references to unfair terms legislation and views on the effect of the law in this area should now be read subject to the changes introduced in Part 2 of the Consumer Rights Act 2015 and the CMA's recently published [Unfair contract terms guidance](#) (CMA37) (2015).

Annex A: High-level results from the Tenant Survey that are not reported in the main body of this paper

Table 1: 'How long have you lived here?'

<i>Length of time</i>	<i>%</i>
Up to 3 months	9
More than 3 months up to 6 months	7
More than 6 months up to 12 months	12
More than 1 year up to 3 years	24
More than 3 years up to 5 years	13
More than 5 years up to 10 years	10
More than 10 years	23

Source: Ipsos MORI tables.

Notes:

1. Question JW01b – 'How long have you lived here?'
2. Base = All GB tenants 18+ who pay for energy direct to supplier or through someone else or pay up front: 1,033.

Table 2: Type of tenancy

<i>Tenancy</i>	<i>%</i>
A fixed term tenancy which is due to end on a specific date	41
A secure tenancy	29
A periodic/rolling tenancy	10
An assured tenancy	2
A flexible tenancy	1
Some other form of tenancy agreement	7
No formal tenancy agreement	4
Refused	1
Don't know	4

Source: Ipsos MORI tables.

Notes:

1. Question JW01a – 'Which, if any, of the following types of tenancy agreement do you have for your home?'
2. Base = All GB tenants 18+ who pay for energy direct to supplier or through someone else or pay up front: 1,033.

Table 3: Total length of tenancy

<i>Length of time</i>	<i>%</i>
Up to 6 months	9
More than 6 months up to 12 months	23
More than 1 year up to 2 years	9
More than 5 years	2
Not specified/runs indefinitely	47
Don't know	7

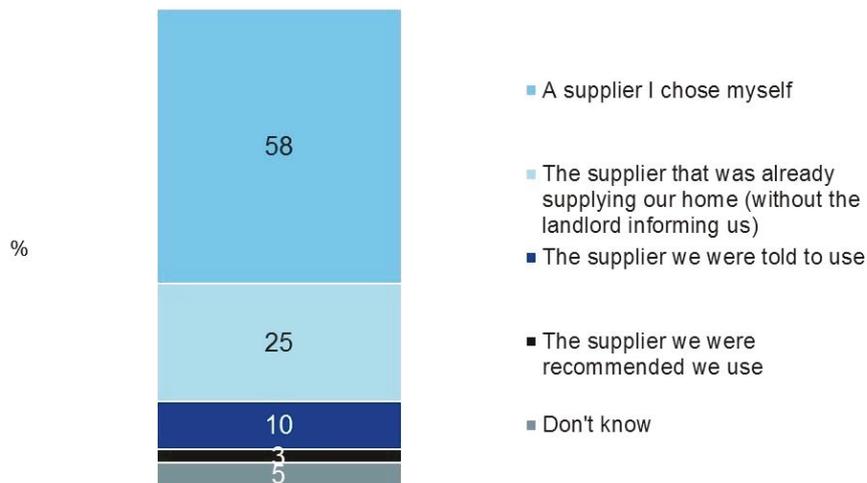
Source: Ipsos MORI tables.

Notes:

1. Question JW01c – 'What is the total length of your current tenancy agreement or rental contract?'
2. Base = All GB tenants 18+ who have a tenancy agreement or don't know what type of tenancy they have: 980.

1. The response chart shown below suggests a very high level of active customer choice of supplier. The question and its interpretation are discussed in Annex B.

Figure 1: 'The energy supplier(s) at my home is/are'



Source: Ipsos MORI tables.

Notes:

1. Question JW11a – 'For your current tenancy, which of these best describes your gas/electricity/energy supplier?'
2. Base = All GB tenants 18+ who pay energy bills direct to an energy supplier: 999.

Figure 2: Tenants' perception on whether need to switch back before they move out of property/end of tenancy (if switch supplier)



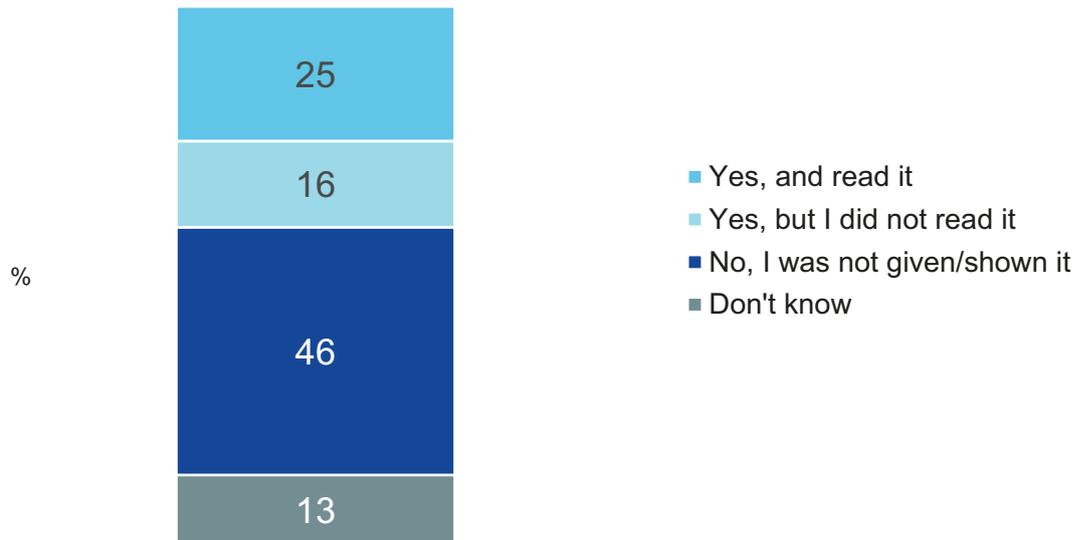
Source: Ipsos MORI tables.

Notes:

1. Question JW14 – 'If you were to switch/are switching/have switched energy supplier, are you required to switch back to the original energy supplier before you move out at the end of your tenancy?'
2. Base = All GB tenants 18+ who pay energy bills direct to an energy supplier who say they can switch energy supplier: 943.

2. We asked tenants about the Energy Performance Certificate (EPC) for their home. Landlords are supposed to include in the tenancy agreement that the EPC has been shown to the tenant and, in Scotland, they are supposed to display it prominently. Respondents were shown an example of an EPC. We wanted to examine whether the EPC might be a useful means of including an information message/prompt about switching, particularly at the beginning of a tenancy.

Figure 3: Energy Performance Certificate



Source: Ipsos MORI tables.

Notes:

1. Question JW02 – 'Have you been given, or have you been shown, a copy of the Energy Performance Certificate for your home?'

2. Base = All GB tenants 18+ who pay for energy direct to supplier or through someone else or pay up front: 1,033.

3. 46% said they were not given/shown an EPC. Less than half (41%) said they were given it (including those who did, and who did not, read it).

Annex B: CMA background and commentary on the Tenants Survey

1. In this section we provide information to supplement, but generally not to replicate, that in the Ipsos MORI technical report;²⁹ summarise parties' responses to our invitation to comment on the proposed methodology and draft questionnaire;³⁰ and give our views on the robustness of the results.
2. The CMA specified the questions to be asked of tenants in the form of a draft questionnaire for this face-to-face in-home omnibus survey. We worked with Ipsos MORI to refine and finalise it, including considering all comments received from parties to the inquiry. The final questionnaire used in fieldwork³¹ is published alongside the Ipsos MORI technical report. Additionally, we made it a condition of the contract with Ipsos MORI that no other energy-related modules should be on their omnibus and in the field at the same time as the CMA's questions.
3. It is our view that the survey was undertaken to a high standard and that the weighted results may be taken to represent the views and behaviours of tenants across GB and that the results presented in this paper are sufficiently robust to be used as evidence for the energy market investigation.

Research objectives

4. The survey was commissioned to inform our understanding as to whether, and to what extent, tenants may experience particular barriers to engaging in the retail domestic energy markets which might require specific measures to facilitate switching for customers living in rented accommodation (either private or social).³²
5. A review of the relevant contractual aspects of tenancy agreements; the responses to information requests to landlords, letting agents and other parties; and a review of consumer research, including the CMA's own customer survey, were conducted to identify information gaps and areas we wanted to test further; this work informed the scope and aims of the Tenants Survey.

²⁹ Ipsos MORI' technical report for the Tenants Survey (see Appendix 6.5).

³⁰ [Invitation to comment on proposed methodology and draft questionnaire for Tenants Survey.](#)

³¹ Questionnaire for the Tenants Survey (see Appendix 6.6).

³² Remedy 4a(f): [Notice of possible remedies.](#)

Survey design and questionnaire development, including parties' comments on the proposed methodology and draft questionnaire

6. We consider that a face-to-face, in-home, omnibus survey which is designed to be nationally and regionally representative is an appropriate instrument to address the research objectives. The total host sample of 4,007 was expected, from estimated incidences of tenants of between 35 and 37%, to provide sufficient numbers of respondents eligible to answer the questions on retail domestic energy supply to ensure robust results across the main subgroups of interest. 1,255 tenants were screened into the CMA's module of the omnibus (this represented about 32% of the sample [after excluding those who were aged 16-17, living rent-free, or in shared-ownership arrangements]), with most tenants proceeding to the substantive questions after our initial filtering on type of rental arrangement. We additionally consider the weighting methodology described in the Ipsos MORI technical report to be sound and consider that the results may be treated as representative of those of tenants in GB (with suitable allowance made for sampling errors).
7. Parties were given an opportunity to comment on the proposed methodology and draft questionnaire.³³ We received responses from all the Six Large Energy Firms, First Utility, Spark Energy, Ofgem, the Centre for Competition Policy at UEA (CCP), uSwitch, Citizens Advice, MoneySavingExpert.com and Firsthelpline. While broadly supportive of both the methodology and questionnaire, the following were the main comments received, all of which were carefully considered:
 - (a) EDF Energy suggested that a qualitative phase could be completed prior to the survey to ensure that all relevant barriers were covered in the survey and that questions were worded clearly: the CMA considered conducting qualitative research prior to, or alongside, quantitative research but decided that sufficient information was available from existing sources to identify potential barriers and design a questionnaire.
 - (b) Ofgem, Scottish Power, EDF Energy and Centrica suggested that the sample size, once disaggregated, may limit comparisons between groups of interest: we designed the survey based on estimated incidences for key groups of interest and are aware that there are some low incidence groups where we will not be able to draw statistically robust conclusions; the benefits of extending the fieldwork for a longer period to mitigate this were not considered to merit the increased cost and time that would be incurred.

³³ [Invitation to comment on proposed methodology and draft questionnaire for Tenants Survey.](#)

- (c) CCP suggested that equivalent questions could be asked of households with mortgages and owner-occupiers to act as a robust comparator group: we considered that this was not a priority for the CMA's research with tenants, given the availability of existing research results for households more widely, including our customer survey and external research.
- (d) RWE npower, Scottish Power and Spark Energy commented that an omnibus survey might not provide a sample that was representative of the population of interest and that we might not be able to distinguish between very different subgroups within the wide definition of 'tenant': we consider that the weighting for the survey (which is described in the Ipsos MORI technical report) and the collection of a range of standard omnibus demographic variables makes the survey robust in these respects.
- (e) Scottish Power, RWE npower and Ofgem suggested the addition of questions on measures of engagement other than switching supplier, such as internal switching of tariff, to provide a wider measure of switching behaviour: our main objectives of the research are around possible contractual barriers and to add a set of questions on internal switching, on a consistent basis, would have added to the length of the module. We did, however, add two questions, asked only to certain respondents, on tariff switching, which, when combined with other question responses, provide a measure of the level of internal switching additional to supplier switching.
- (f) SSE expressed concerns that respondents would find certain questions too long and technically intricate to illicit a good quality response from many respondents. SSE noted that the overall package of questions had a negative feel/were biased towards the negative. In particular, some of the key questions aimed at potential barriers and potential triggers to engage were towards the end of schedule and the questions did not give the customer much opportunity to express satisfaction with their current supplier where appropriate. Additionally, the set of questions missed the opportunity to gauge the impact and efficacy of a regional difference in policy (i.e. the regulations on Energy Performance Certificates in Scotland are more stringent): we have made a number of changes to our questions (on meters, in particular) in light of our developing understanding and added more explanatory text; we have reviewed our questions and consider that the final set meet our objectives and are not overly negative.
- (g) Scottish Power advised that there were likely to be a large number of 'don't know' answers around meter types and the more technical questions which would need to be kept in mind when analysing and forming conclusions: we have made a number of changes to our

questions on meters, in particular, in light of our developing understanding and added more explanatory text; we have reviewed our questions and consider that the final set meet our objectives.

- (h) Ofgem, Centrica and Citizens Advice said that certain questions were potentially complicated/confusing and could be more consumer-friendly, notably those on meters: we recognise this and have made a number of changes to our questions on meters, in light of our developing understanding, and added more explanatory text.
- (i) Ofgem, E.ON and Citizens Advice said that tenants might confuse smart meters and in-home-displays (IHDs) and therefore over-represent the prevalence of smart meters and First Utility suggested additionally asking if tenants had an IHD in view of the important role they will play in engagement: we added clarification to the option lists for the meter questions to mitigate this, but were not minded to seek additional information on IHDs specifically.
- (j) Ofgem, SSE, Centrica, CCP and Citizens Advice made suggestions on re-ordering the questions and/or re-wording some questions: we agreed with many of the points made and have made some changes to the structure of the questionnaire and the wording of some questions/responses.
- (k) EDF Energy suggested that respondents could be shown an Energy Performance Certificate (EPC) to help them relate to the question and answer it more reliably³⁴: we agreed that this would be helpful and it was taken on board in the fieldwork.
- (l) EDF Energy suggested that first mentions should be separated out in the results where there were option lists, as the first mentioned reason might carry useful information in isolation and offer additional/different insights: we don't consider this a priority for this research.
- (m) Centrica suggested that for the questions where there were option lists, the answers provided without prompting should be separated out from those provided after prompting in order to help assess the key results for such questions and to avoid introducing bias: we don't consider this a priority for this research.
- (n) uSwitch, Citizens Advice, Spark Energy and Firsthelpline made specific suggestions to extend option lists to include additional reasons, such as

exit fees, happiness with existing supplier, landlords locking meters in cupboards to restrict access and the addition of 'bill grouping services' (in the context of how tenants pay for the energy they use); Centrica suggested the likelihood of moving home is a reason to not switch/consider switching: we have made some changes to the code lists to accommodate these where appropriate.

- (o) MoneySavingExpert.com commented that the wording of the response option 'Length of tenancy remaining is shorter than fixed term contracts I would want to sign up for' did not address the issue of exit fees explicitly. It said that some renters were put off signing up to a fixed tariff with exit fees if the tariff duration might be longer than their tenancy (or believing there were penalties if they left earlier); that the most common fixed-term (cheapest deals) were around 12 months; and that renters were concerned that they would have to pay exit fees: we agree and have made some changes to the code lists to allow respondents to mention exit fees explicitly where appropriate.
- (p) Ofgem, uSwitch, CCP, Scottish Power, First Utility and Citizens Advice made suggestions for additional topics/lines of questions: these were not considered to be priorities for the CMA's work, but some additions were made to the option lists to identify specific responses highlighted by parties as being of interest.
- (q) Spark Energy asked if it would be able to get access to the survey results: the CMA will publish the detailed Ipsos MORI tables from which the results in this appendix are drawn, along with its technical report and questionnaire.
- (r) A number of parties suggested the CMA conduct research with landlords alongside the Tenants Survey (or asked if we were doing any) to complement the research with tenants: this was out of scope of the invitation to comment, but the CMA had already issued an information request to letting agents and housing associations, the results of which are also presented here.

- 8. A number of changes were made to the questionnaire, reflecting both comments received from parties and our own developing thinking. The final questionnaire is published alongside the Ipsos MORI technical report.

Our view on specific questions/results

- 9. We consider that the questionnaire worked well overall. Comments on selected questions and their results are provided below.

10. The questions on electricity and gas meters (JW07A and JW08) aimed to identify and separate out the main groups of interest, notably those with a prepayment meter for one or both fuels (or other meter type which could contribute to a potential barrier to engagement in the markets) and those with smart meters, from those with only standard or variable rate meters (not elsewhere classified). We recognise that not all tenants will have been able to answer these questions accurately, but anticipate that those with a prepayment meter or other 'non-standard' meter type (the main groups of interest) are most likely to be able to identify the fact that they are on a non-standard meter type correctly. The question on the way energy is paid for (JW09), which recorded a lower level of what could be interpreted as 'prepayment' than the meter questions, was asked for a different purpose associated with the questionnaire routing; it sought to separate out those who pay bills direct to the supplier, irrespective of whether this was upfront or on receipt of bill/by direct debit, and is not expected to be directly comparable.
11. We asked about whether the energy supplier(s) at the tenant's home was one/were those that their landlord had required or recommended they use; was/were already supplying their home; or chosen by the tenant (JW11A). The high percentage of those responding that they chose the supplier(s) themselves (58%) suggests that some tenants have confused this with the response that the supplier(s) was/were already supplying their home (25%), or that they considered that retaining the 'status quo' to be an active choice on their part (which it may well have been in some cases). We could have made the questionnaire wording clearer to highlight that it was only an *active decision* on the tenant's part that we were looking for under this response option. However, the main result we hoped to achieve from this question, in the context of potential contractual barriers to engagement, was the level of tenants using a supplier(s) required or recommended by their landlord and we consider that this level is likely to be fairly accurately reported.
12. For the section of the questionnaire on consideration of, and actual, switching, we asked about behaviours 'during the time you have lived here'. Although this is one way in which the results will not be directly comparable with the main CMA customer survey,³⁵ we consider that this makes most sense to the respondent and will be likely to have elicited more reliable answers than asking about other time periods. Additionally, we collected information on how long a tenant had lived at their current address and for how long their current tenancy agreement ran to facilitate additional analysis as required.

³⁵ [GfK NOP customer survey report](#).

13. Customer engagement was not the only focus of this research and we already have information from our main customer survey about engagement in the retail domestic energy markets specific to tenants. We did not, therefore, ask all eligible respondents all of the questions on consideration of switching or actual switching (external and/or internal, tariff, switching) which would not have fitted well with the desired length or structure of the questionnaire, but, instead, made certain logical assumptions about their behaviours from answers to other questions. We also decided to interpret actual, or considered, switching of supplier as implicitly switching, or considering switching, tariff (albeit externally) and actual switching as implying that switching was first considered (for those where this was not explicitly asked). We derived engagement variables with Ipsos MORI which combined a number of survey questions to allocate each eligible respondent to a single category of engagement (for both consideration of, and actual, switching behaviour). Details of this are provided in the Ipsos MORI technical report. We consider these to be the most useful measures of engagement available from the Tenants Survey, but they should not be interpreted as being directly comparable with measures in our CMA customer survey conducted in 2014, or, necessarily, other external survey research.
14. Household income: The Ipsos MORI standard suite of demographic questions includes asking about gross household income. As for the CMA customer survey, about a third of interviewees refused to answer or gave a 'don't know' response. We also expect, based on experience with other surveys, that those who responded will not necessarily have been able to accurately give the gross income for their household. Respondents have been assigned to broad income groups plus 'refused/do not know'. It was not possible to make the income bands consistent with our previous survey without losing a lot of information, as we were reliant on pre-defined Ipsos MORI categories for the income question. However, tenants may be expected to have lower household income, on average, so the groups used here are more appropriate to the population of interest. Where results are broken down by income group we typically do not exclude the large 'refused/don't know' group, as we do not have sufficient information to make an assumption about either their true distribution or that their exclusion would not materially change the results.
15. Some of the other demographic questions also resulted in a high proportion of 'refused'/'don't know' responses, for example working status. Generally speaking, where this proportion is non-trivial, these percentages will be reported alongside other groups as detailed above.

Annex C: Notes on data and analysis³⁶

Data subjects

1. Our population of interest is tenants aged 18+ in GB in the private or social rental sector who are customers for mains electricity and/or mains gas and whose energy bills are not included in the rent (or service charge) they pay (exclusion of additional small categories are detailed in the Ipsos MORI technical report). While we may use the term ‘customers’ in the context of the population about which we are making inferences, those who were actually interviewed are generally referred to as ‘respondents’ and where comparisons are made between subgroups, or results are presented for subsets, these are subgroups/subsets of the survey respondents.

Statistical treatment of results

2. Weights are assigned to respondents as detailed in the Ipsos MORI technical report. All results quoted and analysed in this paper are for estimates which have these weights applied, unless otherwise specified.
3. Where base numbers are presented, these are the unweighted numbers of respondents asked a question or falling into a subgroup. Where results are presented for questions asked only of subsets of respondents or comparisons are made between subgroups, we present results that are based on sufficient responses for us to draw robust conclusions; as a guide, generally speaking, this is where there are at least 100 respondents in the unweighted base (for a subset or for each subgroup).
4. The results reported in this paper are based on the published Ipsos MORI tables of point estimates and significance tests, or statistics derived by the CMA from these tables.³⁷
5. For statistical tests of significance, we consider p values of ≤ 0.05 to indicate significant results and we have used two-sided tests throughout to examine differences between groups. In the text, only significant results are included, but some of the charts include comparisons for purposes of illustration that may include no significant differences between subgroups.
6. We examine associations between response categories and subgroups according to a range of other variables, but, while we comment on observed

³⁶ See also: Ipsos MORI’ technical report for the Tenants Survey (see Appendix 6.5).

³⁷ Ipsos MORI’ tables (see Appendix 6.7).

associations, we are not interpreting these as suggesting any causal relationships.

Materiality of results

7. Only results that are considered to be material are included in our analysis. Where differences between groups are of interest, this criteria is in addition to the differences being statistically significant, though some of the charts showing subgroup analysis may include results for the purposes of illustration, which are not necessarily significant, nor necessarily material. Materiality may be variously determined by a combination of:
 - (a) Size: of an estimate or of a difference between groups. For example, only 2% of respondents giving a particular answer may not be of interest in itself, or a difference of less than about 10 percentage points between subgroups may not always be worthy of note.
 - (b) Context: we have made judgements about results we include based on the purpose of our wider analysis and the topic being examined.
 - (c) Consistency: we may only include results where consistent patterns are seen across different aspects of our analysis.
 - (d) Relevance to the investigation.

Treatment of ‘don’t know’ responses and ‘refusals’

8. Generally speaking, the high-level charts show ‘don’t know’ responses and/or ‘refusals’ along with other response categories and these are not removed from the denominators for calculation of percentages. An exception to this is for the derived variables which represent overall consideration of switching and actual switching behaviours, where a small percentage of respondents are excluded from the denominator as described in the Ipsos MORI technical report. For the subgroup analyses, ‘don’t know’ and/or ‘refusals’ are only presented where they account for a substantial proportion of responses, but they are not generally removed from the denominator in the calculation of percentages. This is broadly consistent with the treatment of low levels of such responses in the CMA’s own analysis of the customer survey results. Additionally, there are situations where the level of ‘don’t know’ responses and/or ‘refusals’ is of interest in itself and where their exclusion would actually be inappropriate or misleading.

Annex D: Contractual clauses

Strutt & Parker

Regional Tenancy Agreement (RTA)

4.33 Not to change the supplier of the domestic utilities or services without first obtaining the written consent of the Landlord or his Agent such consent not to be unreasonably withheld and where such consent is given the Tenant undertakes to promptly provide the Landlord or his Agent with full details of the supplier including account numbers.

London Common Law Tenancy Agreement (LCLTA)

15.4. Not to change an account for any utility to a new supplier without the consent of the Landlord or the Agent and to provide the name, address and account number of the new supplier within seven days of transfer.

15.5. To pay any costs incurred by the Landlord or the Agent in transferring the account back to the original supplier at the end of the Tenancy.

London Tenancy Agreement (LTA)

9.6. Not to change an account for any utility to a new supplier without the consent of the Landlord or the Agent.

9.7. To inform the Landlord or Agent promptly of the name, address and account number of the new supplier upon transfer.

9.8. To pay any costs incurred by the Landlord or the Agent in transferring the account back to the original supplier at the end of the Tenancy.

[✂]

[✂].

[✂]

[✂].