



Vulnerability Commitment

Best Practice Report 2021

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Foreword

by Steve Crabb



Energy UK's Vulnerability Commitment was born out of the work of the independent **Commission for Customers in Vulnerable Circumstances**, chaired by Lord Whitty, which recommended the creation of a new, voluntary industry code, open to all energy suppliers, which aimed to drive continuous improvement in support for customers in vulnerable circumstances based on three key principles:

- Accessibility
- Collaboration
- Innovation

As the independent chair of the Vulnerability Commitment since shortly after its launch in late 2020, I have had the privilege of working with some exceptional people to ensure that the Commitment has been successfully embedded, not least my fellow expert panel members, Audrey Gallacher of Energy UK and Gillian Cooper of Citizens Advice, and the dedicated team at Energy UK, especially Daniella Weduwer. I've also been grateful for the support of the Commitment's Advisory Board and of the industry's regulator, Ofgem.

To date we have 12 energy suppliers participating in the Commitment, who between them represent more than 70% of the market. I am glad to say that all of them are compliant with the terms of the Commitment, demonstrated through a rigorous process of quantitative and qualitative testing.

Some of the suppliers had gaps to address before they could be assessed as compliant, and in those cases we agreed timed action plans which were followed through by the suppliers concerned.

A not insignificant number told us that they had introduced new ways of working as a result of the requirements of the Commitment, and have had to work hard to put in place the necessary processes and programmes to comply. This was particularly the case with working in partnership with charities and third parties, and with conducting research to inform improvements in services by talking to customers with lived experience of various forms of vulnerability. This has perhaps been the most rewarding aspect of the first year of the Commitment: seeing collaboration and innovation spread across the industry at an extremely challenging time for suppliers, third parties and above all for customers in vulnerable circumstances.

We also saw a great many inspiring examples of best practice, some of which are outlined in this paper, not least when it comes to identifying customers at risk of self-disconnection. Before we began this process I was concerned that the financial pressures suppliers face in operating in a price capped market might have been discouraging experimentation and growth in services for customers who need extra help. In fact the first year of the Commitment suggests that the opposite is true.

The expert panel did identify some issues of concern which we will no doubt come back to in future. Although all participating suppliers provide freephone telephone numbers for customers in financial hardship, some make these numbers easier to find than others. And a number of suppliers have launched digital only tariffs which are usually cheaper because of the lower cost to serve, and therefore particularly attractive to customers on low incomes.



It is vital that these customers are able to speak to someone on the phone if they are in crisis, whatever their contract says. We had honest and frank conversations with suppliers where these kinds of concerns emerged, and I am pleased to say that we got the assurances we were looking for: all of the suppliers who offer digital-only tariffs said they are flexible and will take calls from customers in financial vulnerability, for example.

This winter will be the most challenging one for many years for suppliers and for customers coping with the run-down of furlough, the cut-back in Universal Credit and the unprecedented increase in wholesale energy costs. It is vital that suppliers have programmes in place to identify customers who need additional support and get them the help they need. I believe the Energy UK Vulnerability Commitment has played an important part in helping suppliers to reflect and prepare.

Steve Crabb

Independent Chair, Energy UK Vulnerability Commitment



Energy UK Vulnerability Commitment: Key Facts

2021 Signatories



ecotricity



octopus



2021 Signatories who exited the market



The Commitment went live on 1 January 2021 from which point all signatories were required to be compliant with all aspects of the code.

Compliance was monitored through a statement signed by the board-level vulnerability champion in each participating supplier, a detailed Request for Information asking for evidence of compliance with the 14 specific commitments, and expert panel hearings in which participating suppliers were challenged individually over their compliance with respect to three areas:

- Accessibility
- Self-disconnection
- Partnerships

These ‘deep dive’ topic areas were agreed with the Commitment’s Advisory Board, reflecting topics of particular concern with regard to energy supply in the spring of 2021. The Advisory Board meets twice a year to scrutinise and challenge the work of the Vulnerability Commitment.

Two suppliers – EDF and ScottishPower – were awarded Gold Star ratings for evidence of outstanding practice in serving customers in vulnerable circumstances. Up to three Gold Stars can be awarded by the expert panel in any one year to recognise outstanding practice or progress in this area, and all suppliers signed up to the Commitment are eligible for the awards.





Advisory Board



Steve Crabb, Independent Chair, **Energy UK Vulnerability Commitment**

Audrey Gallacher, Deputy Chief Executive and Head of Policy, **Energy UK**

Dave Newton, Policy Manager, **Department for Business, Energy & Industrial Strategy**

Meghna Tewari, Head of Retail Market Policy, **Ofgem**

Gillian Cooper, Head of Energy Policy, **Citizens Advice**

Adam Scorer, Chief Executive, **National Energy Action**

Jane Tully, Director of External Affairs & Partnerships, **Money Advice Trust**

Ed Dodman, Director of Regulatory Affairs, **Energy Ombudsman**

Steven Donovan, Consumer Vulnerability Lead, **OVO/SSE**

Julia Lynch-Williams, Policy & Strategy Director, **E**

Anita Yandell Jones, Director of Service and Operations, **Ecotricity**



Principle 1: Accessibility (Communications)

Accessibility is one of the three key principles of Energy UK's Vulnerability Commitment, along with Collaboration and Innovation.

Participating suppliers must make it as easy as possible for customers in vulnerable circumstances to disclose relevant information, and to access the most suitable additional support.

Requirements of the Vulnerability Commitment: Accessibility

- Equipping front line staff and all those in relevant roles with effective training - whether internally or externally delivered - in identifying and supporting customers who might be in vulnerable circumstances;
- Ensuring that an understanding of customer vulnerability is embedded throughout all relevant levels of the company and ensure any external agencies operating on the company's behalf have robust vulnerability policies;
- Gathering feedback from frontline staff through various channels to highlight suggestions or issues that could help the company to improve support for customers in vulnerable circumstances;
- Taking all reasonable steps to design relevant customer communications and processes in a manner that supports customers to feel comfortable in disclosing vulnerabilities;
- Providing a range of channels of communication that are appropriate and suitable for customers' needs.

Abiding by these accessibility principles includes specific commitments to:

1. Provide a customer service phonenumber that all customers can call without incurring a premium rate charge, and ensure a free phone number can be given to customers in financial hardship where appropriate.
2. Provide at least one alternative form of communication in addition to phone contact.
3. Ensure that customers have paper versions of all billing communications made available where this is appropriate for their needs.
4. Gather feedback from customers on the ease of understanding of billing communication and implement improvement measures based on these findings as necessary.

The expert panel asked all participating suppliers about their compliance with these commitments.



Telephone

All offer non-premium rate telephone numbers for all customers and freephone numbers for customers in financial hardship. A number offer freephone numbers as standard for all customers. Leicester-based supplier Outfox the Market (OTM), for example, has been offering this since they first entered the market.

“The reason for offering the 0800 service was to support vulnerable customers, especially customers in our communities who are of more advanced years and do not use or have access to a mobile phone,” OTM told Energy UK. “A number of these customers continue to use landlines for contact, and we thought it only right that we needed to support these customers by offering a freephone service. This has since stuck and over the last 4 and half years we have continued to offer the 0800 service to all of our customers across our portfolio. There is only one freephone number into our main contact centre and looking ahead, we do not envisage changing this service for any of our customers.”

All of ScottishPower’s customer service numbers are freephone. They began to offer this in October 2013, in advance of the EU Consumer Rights Directive changes which meant that no customer should have to pay more to complain than to sign up for a service. They told Energy UK that this is in recognition of the potential importance of this to their customers, and particularly to those in vulnerable circumstances.

All suppliers who offer digital-only tariffs reported that they allow customers in vulnerable circumstances on those tariffs to call if they have problems, even though the contracts may specify that this is not an option. The expert panel asked suppliers with digital-only tariffs to be alert to the needs of customers in vulnerable circumstances, as these tariffs tend to be lower-cost and therefore potentially more attractive to customers on low incomes. They also asked a number of suppliers to review how easy it is for customers struggling to pay to find freephone numbers to call, as customers on limited incomes may be deterred from disclosing their problems if they have to spend precious pay-as-you-go telephone credits to get through to their supplier.

Overall, the panel were extremely pleased with the amount of thought participating suppliers have put into accessibility and the range of options now being offered.

As a legacy supplier, EDF has large numbers of customers who have traditionally conducted their business with the company by phone. Although cost pressures are driving businesses in all sectors to try to switch customers to digital and self-serve, for EDF telephony remains a key tool. “Many of our customers in the most vulnerable circumstances are dependent on our voice channel,” EDF said. “While some of our vulnerable customers may use multiple contact channels during any one interaction with us, telephony is most commonly used for sharing the most sensitive information.” Telephony is just one of a range of channels EDF offer; they said they recognise the need to make it as easy as possible for customers to communicate with them, and that flexing their approach to meet changing customer needs is critical.

Octopus Energy has been a tech-led business from its inception; this, along with the training and empowerment of their Energy Specialists (customer service agents who work in small teams or ‘pods’ which support a defined group of customers), is the key to their strategy for delivering great customer service.

“Rather than designing a system that treats customers in vulnerable situations differently, our goal is to remove barriers and treat all customers equally by making accessible solutions and creating intuitive journeys,” Octopus reported. They therefore design all customer journeys and digital touchpoints with accessibility in mind, and use multiple feedback streams to encourage customers to challenge them and drive continual improvement in service. Octopus does offer telephony, as required by the Vulnerability Commitment, along with email, text, post, Twitter, Facebook, and face-to-face meetings at their offices.



OVO/SSE – created through the merger of a legacy supplier and a challenger brand - have also been working on online accessibility. “We know that digital journeys will play a big part in the future of the energy industry and are not just looking at how we can adapt our services for our members that we know need something different from us,” OVO/SSE said. “We think about how we can make our products more accessible to all. Not just designing but testing our products with the ‘customer in the room’. Our digital teams had some great success with accessibility testing to measure the success of one of their key design principles ‘Design for all’. Starting with some of the fundamentals of checking contrast and text legibility against Web Content Accessibility Guidelines (WCAG) standards, through to some of the more in depth work carrying out accessibility testing with real customers. We find these sessions extremely valuable, as while audits provide conformance levels, it may not always mean that people can complete tasks easily due to different behaviours even within one group.”

CASE STUDY

Digital accessibility at British Gas

British Gas has a long-standing commitment to ensuring that its digital channels are accessible and user-friendly. All components or widgets that are used to build web pages are thoroughly tested and checked to ensure that they meet accessibility requirements before they are released for general consumption either by British Gas’s web teams, using the Adobe Content Management System, AEM, or by their development teams.

Accessibility standards and principles are embedded into every stage of website development, including:

- Design
- Engineering
- QA Testing

British Gas involve customers with lived experience of disabilities in user testing and have implemented automated checks on accessibility where possible, so every component gets tested continuously. They also work closely with the Digital Accessibility Centre, based in Swansea, who carry out checks of components across both web and mobile, who feed back their findings and offer guidance on best practice, informing further changes and continuous improvement.

British Gas have also adopted the ReciteMe toolbar across a wide swath of their website. This is an assistive technology tool that allows website users to customise their experience, translating content into dozens of different languages (including appropriate alphabets), magnifying point sizes and changing fonts and colours according to the user’s needs.





Customer needs

A number of different circumstances and characteristics can affect a customer's need for support with accessibility:

- Financial hardship can affect their ability to make expensive phone calls.
- Sight and hearing loss, cognitive decline and memory loss can all affect a customer's ability to read text and see certain colours.
- Mental health and well-being challenges can limit a customer's ability to use certain channels, such as telephones, because of the anxiety caused by waiting times and identity checks.
- Low educational attainment and learning difficulties can make online information hard to interpret.

One of the key barriers facing customers in vulnerable circumstances is language; in 2018, then Communities Secretary Sajid Javid estimated that 770,000 people in the UK speak little or no English.

OTM said that the inclusivity and diversity of their own workplace made them appreciate how language could be an issue for customers. They are based in Leicester, a highly diverse, multi-cultural city, and their workforce reflects that diversity. Seeing how their staff were supporting customers with language difficulties, especially on the telephone, in an ad hoc way, OTM decided to make this a formal, planned part of their service to customers in vulnerable circumstances.

The first year of the Energy UK Vulnerability Commitment has demonstrated clearly how critical an accessible, multi-channel approach to customer communication is, particularly in challenging times such as the COVID-19 pandemic.

ScottishPower told us that “ their aim is to make it easy for all of our customers to speak to us when they need to, using a channel that is suitable for them. We see this as being particularly important for vulnerable customers, who may have a particular preference or need for a specific means of contact. As a result, we have introduced a range of contact channels, and we make sure customers know about these different options in a number of ways.”

These include:

- Regular customer communications featuring the most relevant freephone contact number for a customer to reach them on, in relation to the reason they were contacted
- Appropriate alternative means of contact, such as email, based on the nature of the communication as well as the customer's characteristics
- Signposting customers to the “Get in Touch” page of ScottishPower's website, which highlights further channels such as webchat



Principle 1: Accessibility (Access to Supply)

Along with ease of communication, the accessibility principle of Energy UK's Vulnerability Commitment also addresses the ability of customers in vulnerable circumstances to access energy – in other words, to stay on supply.

Participating suppliers commit to:

5. Only use High Court Enforcement Officers to recover debts where appropriate for a vulnerable customer, taking consideration of any wider vulnerabilities that may be exacerbated by Court enforcement action.
6. Never knowingly disconnect a vulnerable customer at any time of year, where the household has children under the age of 6 (or under the age of 16 during the Winter Moratorium) or where for reasons of age, health, disability or severe financial insecurity, that customer is unable to safeguard their personal welfare or the personal welfare of other members of the household.
7. Never knowingly disconnect the non-domestic supply for reasons outside the domestic household's control, if it is determined that a member of a domestic household, which takes its energy through a non-domestic supply, is vulnerable.
8. Provide customers who have a new PPM installed (or have their meter switched to PPM mode remotely) for debt reasons with a package of support including PPM tariff advice (including signposting wider financial assistance where applicable) and energy efficiency information (including entitlement to energy efficiency measures).
9. Ensure that the customer is able to continue to access their energy supply immediately after a PPM installation or change of mode on a smart Meter to pre-payment, for example through provision of the tools required (e.g. a gas card) to apply credit to the meter or through preloaded credit being applied to the meter.
10. Take reasonable steps to alert prepayment customers of the risk of standing charge build-up during the summer, and encourage them to keep their meters topped-up during this time.

The expert panel asked all participating suppliers about their compliance with these commitments.

High Court Enforcement Officers (HCEOs)

Out of the 12 suppliers participating in the commitment, seven reported that they did not use HCEOs in the period audited, and a number told us explicitly that they have a policy against using HCEOs.

One supplier said that they had not used HCEOs in the period concerned, but they had conducted a small-scale litigation trial (25 home visits). Of the four suppliers which reported HCEO use, one was in single digits and one less than 50. The expert panel pressed these suppliers during their hearings on the safeguards in place to ensure appropriate use of HCEOs for vulnerable customers. The total number of HCEO interventions reported across all 12 suppliers was 1,290.



Disconnections

No vulnerable customers were disconnected in the period audited, and all participating suppliers reported that they had controls in place to ensure that this would not happen. Ten of the 12 suppliers participating in the commitment reported that they had carried out no disconnections at all, one had carried out nine for reasons of theft or safety, and one had disconnected four non-vulnerable residential households for non-payment.

Ensuring prepayment meter (PPM) customers stay on supply: short term and long term

All participating suppliers have a freephone number which can be used by any customer struggling to top up their PPM. They offer extensive guidance and FAQs (by post or online) to any customer installing a PPM. Specialist customer service agents provide emergency support during evenings and weekends, and are trained to explain to a customer the importance of regularly topping up to ensure they remain on supply.

A number of suppliers send prompts (voice message, email or letter) to legacy PPM customers who have not purchased energy for a certain period of time, and provide emergency credit and zero balance alerts to smart PPM customers. On PPM communications, suppliers offer advice for staying on supply including information on standing charge build up and staying topped up over the summer months.

Our audit also found that suppliers make it as easy as possible for customers to top up, e.g. remote topping up via an app or automated payment line for smart meters. E are conducting a trial whereby they put out proactive communications based on a forecast usage algorithm. ScottishPower operate a friendly non-disconnect policy which prevents customers from going off-supply due to lack of funds during evenings, weekends and bank holidays.

Ensuring PPM customers stay on supply: self-disconnection

Our audit found a range of best practice initiatives being used to identify customers who might be at risk of self-disconnecting. Many of these focused on using smart meter data to identify customers at risk, but by no means all; some, including British Gas's OSCAR process, use analogue meter data to channel support to customers in need.



CASE STUDY

British Gas's OSCAR process

British Gas has established a comprehensive process to identify 'pay as you go' (PAYG) customers as they go off supply; this is known as OSCAR (standing for Off-Supply Customers At Risk). Customers who have not topped up their PAYG meter for between 14-21 days and have reduced their consumption by 50 -70% (depending on the season) compared with the same period 12 months previously are proactively contacted under the OSCAR process.

OSCAR provides British Gas with the ability to reach out to customers at risk of going off supply through various channels (including "SMS Blaster"), providing them with a freephone number on which to contact the company for support. Customers who respond are advised about immediate and long-term support available to them, including Additional Support Credit; Emergency Fuel Vouchers; Energy Efficiency advice; and charity signposting/referral. Advice and support are provided by customer contact agents with 'vulnerability' training and are tailored to the specific needs and circumstances of each individual customer.

OSCAR is monitored through automated dashboards which track calls, complaints and help given to customers that enter the process. This data allows British Gas to review and adjust its OSCAR criteria at any point to ensure help is provided to those customers most at risk.



EDF has similarly been working to identify self-disconnection among analogue PPM customers since 2014. Like British Gas, their approach focuses on reduced vend activity in a defined time frame (taking into account seasonal variations). The process has now been extended to smart prepay customers too. When EDF identifies a customer who may be at risk of self-disconnecting based on their purchasing patterns, an additional contact is generated, encouraging the customer to get in contact to discuss any difficulties they are experiencing topping up their meter, or any other vulnerability concerns. Customers who respond receive support and advice either through in-house teams or through signposting to third parties.

ScottishPower's support for PPM customers at risk of self-disconnecting includes their ScottishPower Hardship Fund, which awards grants of up to £49 in the form of meter credit to prepayment customers who are currently, or at immediate risk of, self-disconnecting, and who are unable to afford to top-up their meter due to severe financial hardship. The credit is not required to be repaid, and households can be recommended by ScottishPower's partner agencies for up to three vouchers in any 12-month period.

ScottishPower began to offer the scheme in recognition of the different levels of risk that credit and prepayment customers have in relation to going off supply during challenging periods. The scheme began as a pilot in late 2017, and has grown to work with foodbanks, Citizens Advice Bureaux, and community energy projects across Scotland, England and Wales. Customers in a position to benefit from the Prepayment Voucher Scheme are identified by these partners, who are responsible for assessing when to promote the scheme. As of the end of June 2021, ScottishPower had issued around 7,300 vouchers, of which some 6,500 had been redeemed – resulting in an 89% uptake of the support when offered to customers.



There is no question that smart PPM data offers far greater opportunities to identify customers who may be self-disconnecting, although there are still challenges to be overcome in separating those who are at risk from customers who are on holiday, short lets, voids and other circumstances that could suggest self-disconnection is taking place. Energy UK is currently undertaking a review of the options available for using smart data to identify self-disconnection, and this will be published later in 2021. A number of the more digitally-led challenger brands have been working on this problem.

CASE STUDY

Smart Pay As You Go (PAYG)

Bulb has been one of the most active suppliers in trying to find ways to use smart PPM data to identify customers at risk of self-disconnection since they started offering Smart PAYG in August 2020. These meters give Bulb real-time data on how the company's customers (or 'members', as Bulb customers are known) are using their energy. "We can see straight away if a member self-disconnects, and quickly get in touch to offer them financial support," Bulb reported. "We send emails prompting members to choose which support solution best suits them when they self-disconnect. We know how sensitive these emails are, and how distressing it can be to receive one." Bulb has therefore opted for a three-tiered approach: low, medium and high support:

1. Low support emails – 1,500 sent

For members who have self-disconnected twice within four weeks. These remind members to top up, including 'how-to' help articles; offer financially vulnerable members accessible ways to get in touch with Bulb; and tell members about the discretionary emergency credit that's available.

2. Medium support emails - 500 sent

For members who have self-disconnected three to four times in four weeks. These include everything in the low support emails plus extra contact details for debt management support including information about the Bulb Energy Fund and Warm Home Discount, alongside the many ways that members can get in touch with them about financial support.

3. High support emails - 25 sent

For members who have self-disconnected more than four times in four weeks. This email includes all the previous support and signposting but is more heavily oriented around how it's free to contact Bulb, their telephone number, and what they can do to help. It also tells members about energy saving advice, charities such as StepChange and schemes such as the Energy Company Obligation. Bulb tracks and analyses how members respond to these emails so they can improve their approach. Bulb say they will continue to do this regularly to make sure that their short and long term financial assistance is as good as possible for their financially vulnerable members.



E have developed communication plans so customers can receive alerts to their phone when their credit balance is running low. The customer can see how much they have used in the last day, week and month, and receive a forecast for the current month based on the home-owner's personal energy usage and a look forward which reflects seasonal usage. As the weather gets colder and usage increases, this is reflected in the forecast. Customers will also receive notifications if they are about to go off supply. E's research has shown that at least a third of prepayment customers who self-disconnect do so because they didn't realise they were running low. Although this information is shown on customers' smart meter In-Home Displays, the company has found that a push notification to the phone is much more likely to be seen and acted upon.

"We recognise that as much as it is ideal that prepayment customers do not self-disconnect, sometimes they do," E reported. "This can be due to many reasons – we have undertaken research with customers as to why; the three main reasons are first, they did not know they were running low; secondly, they always do this and plan to top up on the way home; and the third is financial reasons." E monitors those customers who run out of credit at weekends or move into Emergency Credit or Friendly Credit; if they top up when this credit ends, no action is taken, but if they don't, E email and/or text them to ask if they need help, sending them a freephone number to get in contact. Support offered at this point includes discussing usage, budgeting and providing Additional Support Credit where appropriate. Benefit health checks are also offered where appropriate.

Alerting prepayment (PPM) customers to the risk of standing charge build-up

One of the key risks facing customers on PPM meters is the danger that debt will build up over the summer months as the standing charge on an account continues to accrue while the customer is not using gas – and therefore not topping up their meter. This typically occurs in properties with gas central heating but also with electric hot water and cookers. When the customer tops up their meter again for the first time in the autumn, in order to turn their heating on, they find that most or even all of their credit goes to pay the accrued standing charge debt. This could be a particular problem this autumn, with furlough ending and the Universal Credit uplift being removed.

Three of the participating suppliers had no customers on PPM meters during the audited period. E does not apply standing charge to customers on their smart prepayment tariffs (who account for around half their customer base). Together Energy has no PPM customers, but Bristol Energy (which Together acquired in 2020) does. Octopus only moved into the prepayment market in 2019, so the number of PPM customers it had at the time of Energy UK's audit was small.

The nine suppliers we held compliance sessions with who have PPM customers use a range of tools and techniques to alert them to the risk of standing charge build-up. Some focus on creating online content for PPM customers who come looking for information, often supplemented by annual statements containing information on standing charge build-up or detailed guides for new customers and those who switch from credit to PPM. A number of these suppliers told us they were actively considering more proactive communications in the summer of 2021.

Bulb emailed all their PPM customers in the autumn of 2020 to alert them to the risk of standing charge build-up, and emailed again this summer. These emails included advice on energy saving and financial support. They also created a dedicated landing page on their customer website outlining the support available during winter, and linked to this in monthly account statement emails.

ScottishPower use a range of communications to alert their PPM customers to the risk of standing charge build up during the summer, including messaging on bills.



EDF run a receipt campaign each summer with PayPoint and PayZone Bill Payments, adding a message on the receipt a customer receives to remind them to top up during the summer months to prevent a build-up of standing charge. If a customer is repaying a debt via the meter, EDF sends them a letter with a reminder. They have recently added a message to the prepayment and Smart PAYG (smart prepayment) statements and are in the process of implementing a message within all of their prepayment and Smart PAYG booklets to further remind customers of this. In addition, they will add an FAQ to their prepayment and Smart PAYG sections on their website and implement a reminder message to Smart PAYG customers, via their smart meter in-Home Display, during 2021.

Utility Warehouse send a special communication to all prepayment customers in the summer, which incorporates:

- Advice that customers continue to top-up their meters through the summer
- Advice to encourage continued weekly repayments (for customers with debt on the meter)
- Signposting for independent advice

Octopus are looking at how they can use innovative solutions such as dedicated single wallets and smart driven nudges to communicate with customers at risk, aligned with their smart meter roll-out.

Together emailed all their Bristol Energy prepayment customers in October 2020 to remind them to top up before the Christmas break (when shops offering top-up points might be closed) and advocating smart meters (which offer a wider range of top-up options). In summer 2021, they sent communications to their customers reminding them of the importance of topping up during the summer as the meter is still being charged Standing Charge, and of the benefits of alternative top-up options with smart meters.



Principle 2: Collaboration

The second principle underlying the Energy UK Vulnerability Commitment is collaboration.

Signatories commit to working in partnership with consumer groups, their own customers, other energy suppliers and experts in order to improve outcomes for all customers in vulnerable circumstances by:

- Having a strategy and effective arrangements in place for signposting and referring customers to relevant third-party support, including debt advice agencies;
- Sharing learning and best practice with regard to supporting vulnerable households, including identifying smart meter self-disconnection and engaging customers with the PSR, as appropriate within the boundaries of customer confidentiality and Competition Law, to support customers;
- Having processes in place to signpost or assist customers to maximise their income, for example through partnerships with third parties to deliver benefit checks where appropriate;
- Contributing to increasing customer awareness of the support that energy suppliers can provide to vulnerable households, including raising awareness of the Vulnerability Commitment.

Abiding by these principles of collaboration includes specific commitments to:

11. Contribute to the funding of some of the charities and third parties that provide support to energy customers.
12. Support the development of a best practice guide, through engagement with this Commitment, of the most effective approaches to utilising smart technology to identify self-disconnection.

Signposting

All participating suppliers signpost to a range of organisations, and there is an encouraging range of different types of charities and third parties in this mix. The organisations most commonly signposted to include:

StepChange Debt Charity

National Citizens Advice and local Citizens Advice Bureau (especially Plymouth)

National DebtLine

Energy Saving Trust

PayPlan

Christians Against Poverty

Macmillan

Money Advice Service

AgilityEco

Age UK

National Energy Action

Centre for Sustainable Energy

Tully

IncomeMax

Simple Energy Advice

Mind

Scope

The Stroke Association



All of the above organisations are signposted to, or have referral arrangements in place with more than one supplier. However, there are also many organisations that work with a single supplier, including Carers UK (British Gas), The Wise Group (Together Energy/Bristol Energy), and Dementia Friends (EDF). There are many more examples of signposting than of true referral partnerships at present.

Income maximisation

Seven suppliers reported that they use external specialist partners to help customers with income maximisation; most have partnerships with IncomeMax, although some use the Plymouth Citizens Advice Bureau and at least one each use StepChange, Tully and National Debtline. The other five use specially trained in-house teams to help customers with income maximisation.

Third party funding

A number of suppliers told us that they didn't have a history of funding charities and other third parties before signing up to the Vulnerability Commitment, but that participating had encouraged them to think about this for the first time. This is an encouraging sign that the Commitment is helping drive greater collaboration. Among larger suppliers, a substantial amount of spend in this area is now channelled through their Warm Home Discount Industry Initiatives obligation. In future, we hope that the Vulnerability Commitment will encourage more voluntary funding of third parties if that drives additional value for both parties (e.g. through FairShare payments generating greater debt recovery for suppliers, and debt advice and income maximisation increasing the financial resilience of customers and thus less risk of lost revenue in future). At present, however, we recognise that the energy price cap makes it hard for suppliers to consider significant discretionary spend in this area.

EDF is an example of a supplier with a number of long-standing partnerships, including Citizens Advice Plymouth, IncomeMax, National Energy Action (NEA) and Macmillan. These relationships provide EDF with additional channels to help get the message to their customers that help is there if they need it, as well as giving EDF access to the skills, knowledge and services these organisations can provide. EDF have worked with Citizens Advice Plymouth for more than 10 years, while their partnership with Macmillan dates back to 2017.



CASE STUDY

British Gas and Carers UK

In 2018 British Gas joined with Carers UK (a charity who work to make life better for carers) in a three-year partnership with the ambition to create a world where every carer feels recognised, valued and supported. This journey has included the sharing of useful information, raising awareness and finding new ways to support carers.

In February 2020 British Gas added a 'carers flag' to enable their agents to easily identify customers who could benefit from specific advice about available carers support:

- They rolled out training on unpaid carers and the use of their carers flag across their customer contact workforce and third-party suppliers (c3,000 people) to raise awareness of what defines an unpaid carer and how they can be identified during customer contact calls.
- They automatically offer carers the opportunity to register for their priority services (via their Priority Services Register), thereby accessing all the benefits available to carers either through British Gas or their partner agencies, including the Carers UK helpline and website. Currently, almost 4,000 carers have registered for their priority services.
- They also offer carers the option to be the named nominee on the account of the person for whom they are caring (subject to the consent of the person being cared for), making it easier for the carer to manage the account.
- They have enhanced their internal Carers Policy to support colleagues in balancing their work and caring commitments, and have established an internal 'Carers Network' (sponsored by the Managing Director of British Gas), connecting colleagues, sharing experiences, providing mutual support and informing the development of policy and services.
- Working collaboratively with Carers UK on a research report, British Gas have generated a blueprint that Carers UK recommend other organisations adopt when looking after their customers who are carers.



CASE STUDY

Together Energy and the Wise Group

Together Energy's partnership journey began with a recognition that vulnerability takes multiple forms, extending beyond the energy bill, and that it is in these domains that households most commonly seek help. They therefore sought a strategic partnership that would enable interventions that could support households with their food bills as well as their energy bill and launched a tariff (in early 2020) expressly designed to tackle fuel poverty. For every sign-up to the tariff, a donation was made to help vulnerable customers and provide advice and support to combat fuel poverty. Together Energy partnered with the Wise Group – a social enterprise with a mission of lifting people out of poverty - to deliver this programme, with an initial funding of £6,000. An average of £20 per household was awarded to fund energy top-ups to those who found themselves in energy crisis.

This allowed the Wise Group to not only sustain the household's energy supply at a point of crisis but was also an opportunity to access additional assistance through other energy industry or local initiatives. This further support was the equivalent of providing the household with an additional £75 of support.

The energy crisis support was provided to those who needed it, regardless of who their energy supplier was, even if they were not a Together Energy customer. This support provided immediate relief to those who needed the help but importantly, the Wise Group's expert energy advisors also then provided a dedicated wrap-around advice and support service to solve the underlying issues leading to the crisis. This help came at the most crucial time as COVID-19 lockdowns put huge additional pressures on those in or at the fringes of fuel poverty.

The energy crisis fund support was in place from May 2020 to October 2020. During this period the funding provided by Together Energy allowed the Wise Group to support 164 households.

The funding allocated was:



The support meant that each person getting the help was left in a positive situation and with the confidence and capability to successfully manage their energy bills in the future. This was the critical success factor in the partnership, where there was real added value and benefit to the customers and to Together Energy. The top-ups given to customers were not simply a temporary fix or sticking plasters. The expert advice and support provided by the Wise Group's energy advisors meant that customers were able to sustainably manage their energy needs and would not find themselves in further crisis.





Best practice guide

In relation to the commitment on supporting the development of a best practice guide outlining the most effective approaches to utilising smart technology to identify self-disconnection, all signatories contributed content for this guide. The best practice guide will be published by Energy UK in December 2021.



Principle 3: Innovation

The third principle underlying the Vulnerability Commitment is innovation.

Participating suppliers commit to:

- Strive to not only meet the minimum requirements set out in licence but also to demonstrate continuous improvement in the provision of support to vulnerable households;
- Invest as appropriate in features and tools that improve the support available for customers in vulnerable circumstances;
- Demonstrate how relevant innovations and services are informed by an effective understanding of the characteristics of their vulnerable customer base.

Abiding by these principles of collaboration includes specific commitments to:

13. Assign a dedicated vulnerability champion, at board level or equivalent, who will be responsible for overseeing the delivery of commitments to improve service to vulnerable households.
14. Commit to supporting or undertaking regular customer research (either individually, in partnership with third sector organisations, or collectively through the auspices of the Commitment) to ensure their approach to supporting vulnerable households is based on an informed and up-to-date understanding.

Vulnerability champions

All of the participating suppliers demonstrated that they had a vulnerability champion at board level or equivalent; with half having a champion at director level, the other half at CEO level.

Customer research

A number of suppliers told us that they had no previous history of doing customer research either direct with customers with lived experience of vulnerability or through a specialist third party such as a charity or research agency, but that the Vulnerability Commitment had inspired them to do this for the first time.

All participating suppliers now have at least one piece of research in hand using insights from customers with lived experience.



Some examples of customer research



- British Gas is working with Citizens Advice to investigate how services for Fuel Direct customers could be improved, and with Carers UK on improvements to the customer experience for carers and those they care for.
- E has directly surveyed customers who have self-disconnected to identify how to improve their communications, and uses case studies from IncomeMax to improve training.
- Ecotricity surveyed 3,000 customers in vulnerable circumstances earlier this year to identify how easy their bills are to understand and to get a better understanding of disclosure. They have also formed a partnership with Scope which will give them access to the charity's research panel.
- EDF has worked with specialist agencies including Zoonou (on website accessibility), Relish (on services for customers in vulnerable circumstances) and Rethink Mental Illness (on customer communications), as well as doing its own direct research into the needs of particularly vulnerable customers during the first lockdown.
- OVO/SSE has partnered with National Energy Action on a research looking into the experiences of hearing-impaired and digitally-excluded customers during smart installations, they are working with Citizens Advice and Britain Thinks on the Fuel Direct payment scheme, and they are collaborating with specialists XL Braille on improvements to their Braille bills.
- ScottishPower use two in-house tools to engage with customers in vulnerable circumstances: their quantitative Voice of the Customer tool, Pulse, and their qualitative domestic customer research panel, Talk Energy. Recent research using these platforms has focused on improving self-serve journeys and accessibility for customers with hearing and speech difficulties.
- So Energy are conducting a specific piece of research into accessibility for customers in vulnerable circumstances, and a more general piece of research which will entail listening to customers with lived experience to better understand their needs.
- Together Energy has joined Scope's utilities group, are working on a piece of research with Warrington Borough Council to help customers reduce their energy bills, and are collaborating with the Centre for Sustainable Energy and BEIS's SENS project.
- Utility Warehouse has commissioned a new project expressly to meet this requirement of the Vulnerability Commitment; it aims to identify how best to capture customer feedback to drive continuous improvement in services.



Further Examples of Best Practice

A wide range of other examples of best practice were submitted to Energy UK by participating suppliers.

Targeting customers in vulnerable circumstances

The first broad group consists of measures to ensure that customers in vulnerable circumstances are being correctly identified, their details recorded and the right support directed to them.

ScottishPower focus on identifying vulnerability from the first point of contact, and then channelling customers accordingly. They use a sophisticated routing system which identifies customers who get in contact via telephone and email, and - based on indicators on their account – automatically diverts them to the best team to support them. The indicators they use include the customer's payment method and account characteristics, including vulnerability markers.

ScottishPower began developing a number of specialist teams in 2016, recognising that contact from customers in vulnerable circumstances – either temporary or enduring – can be more complex for service agents to manage.

These teams include:

- Bereavement team, who offer additional support to those recently affected by a loss. The team ensure appropriate support is offered in each case, in a sensitive and compassionate manner.
- ExtraCare team, who support customers affected by severe situations of vulnerability. This includes vulnerabilities, such as physical disabilities and mental health issues.
- HyperCare team, who handle contacts from customers showing early indications of struggling to manage their energy costs. They aim to provide early intervention to prevent a worsening situation.

British Gas has been innovating to ensure that vulnerability is recognised in every call. They have been using speech analytics software to monitor how well agents are doing in recognising signs of vulnerability in conversations with customers. This new insights tool began rolling out in March 2021, replacing traditional quality assurance (QA) based on sampling of calls. As well as giving improved accuracy of QA, it also speeds the process up considerably and allows British Gas to review 20,000 calls a month instead of 2,000 under the previous system.

The insights generated by the new process has already enabled British Gas to add new conversational tips to their vulnerability guidelines for agents and increased the number of customers on the Priority Service Register. The tool can be customised, enabling British Gas to focus on specific areas of improvement as circumstances change.

Bulb, as a tech-led company with a high proportion of customers who self-serve, have been reviewing how user-friendly and fit-for-purpose their online Priority Services Register (PSR) processes are. By focusing on design, user journey and accessibility research, Bulb report that they have vastly improved the accessible channels through which vulnerable members can sign up for support services.

Bulb started by researching how well their PSR declaration form was working. The data showed that 47% of members left the PSR journey after reading the first page. Of the members who started filling out the form, 25% dropped out when they were asked to choose from all the various services that are offered. They then interviewed people with a range of disabilities and accessibility needs, finding relatively low levels of awareness of the PSR.



In August 2020, Bulb launched their re-designed self-serve PSR form, taking on board the feedback they had gathered. They changed the beginning of the form to make eligibility much clearer, and to explain up-front the support services that they offer. They also changed the PSR from one page – where different potential vulnerabilities were clubbed together – to separate pages. This eases the cognitive load and makes filling it out feel like a more manageable task.

Since the new form launched, Bulb have doubled the number of members who are on the PSR: the PSR has increased by 103% and the form's conversion rate has gone up 140%. This new form was also shortlisted for a writing award by Design & Art Direction (D&AD) in May 2021.

Measuring how well your company is doing against your vulnerability policy is also critically important. Ecotricity have created a new dashboard to provide up-to-date data insight into their customers in vulnerable circumstances, providing a 'one-stop shop' for colleagues to be able to identify and monitor trends and areas for improvement and allowing colleagues to track trends, adapt and educate the wider business to continue to improve. The vulnerability dashboard will allow Ecotricity's steering group to manage trends and identify areas for improvement by deep diving into the results and further investigating service by learning from phone conversation recordings. It will inform objectives and measurables for the whole company and will be used during bi-monthly vulnerability steering group meetings.

Engaging teams

The second broad area where a number of examples of best practice were identified was in the engagement and mobilisation of people.

While ScottishPower has invested in specialist teams, Octopus has opted for the opposite approach. In late 2017, after a period of strong growth, Octopus had to make some important choices to support continued grow and scaling without risking their core proposition. All the initial solutions considered seemed to risk compromising on quality in a drive for quantity, so Octopus took a step back and assessed the problem through the eyes of their customers. They concluded they could not compromise on the small business feel, the ability for customers to know who they are talking to and for their Energy Specialists to completely understand their diverse customer base. They therefore developed a trial, giving five small teams total autonomy to support a set group of customers each, however they wanted to. Four years later, Octopus now has over 30 teams serving 2.3 million customers in the UK alone.

When a customer calls or emails Octopus, they get through to the same group of energy specialists, sometimes the same person, due to their intelligent telephony and email system, which directs the customer to their very own team. Regardless of the query, the energy specialists are trained to manage every query from onboarding to offboarding and everything in between. Customers are not met with multiple levels of IVRs or asked to navigate silos, but instead get through to someone who is empowered to deal with their query quickly and effectively. This is particularly effective for customers in vulnerable circumstances, who may contact the company more frequently and appreciate the personal service they get.



CASE STUDY

Together Energy's recruitment strategy

Together Energy's had a founding commitment to recruit 90% of their staff from the poorest 10% of postcodes in Scotland. The company now has 400 ethically recruited staff across three locations and two brands. The recruitment and development of young people is a fundamental aspect of strategy and business planning. Together Energy prides itself in providing sustainable career opportunities for people who, whilst talented, may have not previously been given the chance, paying salaries more than the Living Wage (regardless of age) and offer significant employee benefits including the funding of further education. The goal is for each member of staff to believe that they can achieve something that they did not think was possible prior to joining.

How this supports with vulnerability

Together Energy believe the only way to run a business committed to the sustainability of its community, is for the customers to benefit from this investment, through a customer service strategy informed by an effective understanding of the characteristics of their vulnerable customer base.

The company's learning commitments are intended to nurture talent enabling their teams to better serve vulnerability by making them better learners and listeners. To be a responsive supplier, Together Energy trains customer facing employees to recognise and respond to customers in vulnerable circumstances.

Having partnerships and learning interventions across the career cycle helps develop core skills such as communication, listening, empathy and diagnosis that are key to supporting vulnerable customers.

All training is designed to develop better conversations. This means that conversations are designed to seek alignment between the agent and the customer on the customer's concern and request; negotiating the right offer to make and timed commitment; delivering on that commitment; and checking the customer is satisfied that their concern was fully addressed.

This training design is therefore intended enhance agent ability to:

- Listen for background concerns that would show vulnerability, such as references to balancing other bills or health concerns
- Ensuring that customers are receiving PSR or financial vulnerability services they are eligible for, for example accessible bills – TE have significantly increased customer uptake on this with 440 customers receiving accessible bills
- To ensure the company is delivering those services, TE have a vulnerability dashboard and use the SOR data to track progress
- 24% of TE's QA is PSR customers

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CASE STUDY (CONTINUED)

Partnerships that deliver learning interventions throughout the career lifecycle

Together Energy believes in creating careers for life, as demonstrated through a partnership with Kelvinside Academy, starting with summer placement or work experience schemes, school leavers get the opportunity to assess whether they are interested in a career in energy. In particular, young people's career pathways are explicitly considered in succession planning activity for the organisation's future needs through a partnership with Strathclyde Business School, giving every member of staff the opportunity to join 15 guaranteed places on their award-winning Access Course, and 5 ring-fenced places in the Business School at Undergraduate level.

A partnership between the University of Strathclyde and Together Energy has helped 83 widening access or care-experienced students to gain part-time jobs. Over summer 2020, the University made students from the most-challenged postcodes, as identified by the Scottish Government, and those with experience of the care system aware of opportunities with Together Energy.

By October 2020, the Together and Strathclyde partnership had resulted in 90 students being given the opportunity to 'earn while they learn'. Their one year internship pays the living wage, work is completed from home in evenings and weekends to fit around studies, and is an opportunity for students to learn about the energy industry and develop their customer service skills.

Investment in Youth

Data collected for the Invest in Youth workforce planning questionnaire (a part of the Scottish Government's Youth Employment Strategy) in 2019 showed that 30 – 50% of staff were young people, aged between 16 and 25 years. Young people are key to Together Energy's people growth strategy, and through a strategic partnership with charity Street League, the company recruits unemployed young people who have struggled to gain sustainable employment towards future careers. Together Energy have funded a number of Street League programmes targeted at school leavers and subsequent tranches of staff throughout the year, going on to employ over 40 members of staff through this initiative.



Ecotricity have brought key stakeholders from across the business, including Operations, Billing, Contact Centre, Debt and Training, to form a Vulnerability panel to oversee the company's support for customers in vulnerable circumstances and compliance with its vulnerability mission statement: "We know that some of our customers need a bit of extra help or specialist support. Our mantra is simple: whatever your situation, whatever your needs, we're here to help".

The panel meet fortnightly (or more often if required) to discuss complex vulnerability cases identified by colleagues across the business and respond appropriately according to the needs of the case and the wider implications for company processes and policies.



Tech solutions

A number of companies, including Bulb and OTM reported that they saw smart meters as a crucial tool in supporting customers in vulnerable circumstances. Of the c 5,000 smart meters installed by OTM so far, 1,746 have been rolled out to their PSR customers. During this process OTM identified three main categories of customers to prioritised for the roll out campaign:

1. Elderly customers who did not have access to the internet or used smart devices to submit meter reads online.
2. PSR registered customers who have over the last two years struggled to submit meter reads due to underlying health conditions/circumstances.
3. Customers who live-in high-rise buildings and/or whose meter is external to their dwelling.

OVO/SSE have identified energy efficiency as one of the major planks of their strategy for helping customers out of fuel poverty. As well as offering advice on their website, through social media and during conversations with members, OVO/SSE have developed a free energy-saving tool, 'OVO Greenlight', which provides lots of useful info about energy use, plus handy tips to help green up their home and lower bills. The tool brings data to OVO/SSE's members in a clear and simple way to encourage them to take action to be more efficient with their energy and help them save cash – and cut carbon.



Next Steps

This report closes the monitoring phase of Year 1 of the Vulnerability Commitment, which found all participating suppliers to be compliant with its requirements.

In September, our Advisory Board met to scrutinise the performance of the Commitment in Year 1, and was satisfied that the Commitment is fully achieving its objectives.

In the final quarter of this year we will be inviting applications from suppliers for Year 2 of the Commitment, in which we hope to increase the number of participants and to raise the proportion of energy customers covered by participating suppliers to over 80% of the market.

We will also be exploring whether to do another 'deep dive' in Year 2, building on our successful engagement work to date on using smart meter data to identify self-disconnection.

Energy UK has committed to conducting a review of the Commitment at the end of Year 2, by which time we will have enough evidence to conduct an end-to-end assessment of how the Commitment is working and whether the principles and detailed commitments need updating. Until then, we will continue to use the expert panel and Advisory Board to ensure that the highest standards are maintained.



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