

Suppliers' support for customers as energy bills rise

Energy UK

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Introduction

- The unprecedented cost of gas due to the global energy crisis has pushed prices up for customers and increased the pressure on energy retail suppliers.
- A sustainable retail market is vital to provide this essential service at lowest cost. Since August 2021, 30 suppliers have exited the market, and more supplier failures will lead to higher bills.
- Despite rising costs, and increased pressure, energy suppliers continue to increase the support they provide to customers, including additional funding for customers in fuel poverty.
- All major retail suppliers have their own funds, independently managed by fund administrators or in partnership with consumer bodies like Citizens Advice.
- Suppliers in the UK provide discretionary support of around £54 million on top of the more than £1 billion in mandatory schemes they deliver every year.
- These mandatory schemes are to help people struggling with energy bills. This includes the funding for the Energy Company Obligation (ECO) and the Warm Home Discount (WHD).
- Suppliers have a range of support for customers which they put into place at the beginning of the Covid-19 pandemic, and have committed to continuing including:
 - Payment holidays
 - Restructured payment plans
 - Credit advances to customers on pre-payment meters
- Recognising that a growing number of customers will require support, many suppliers have increased customer service resource, from hiring more front-line advisors to setting up dedicated affordability support teams.
- Energy UK has been working with its members to share good practice across industry and provide practical tools for retail suppliers to help them serve their customers, given the rising pressure on customer service amidst the ongoing economic situation:
 - The [Customer Service Good Practice Guidance 2022](#) was produced following a roundtable with Energy UK's members, Citizens Advice and representatives from the finance industry who shared information and insights from customer service in financial markets. The report is a summary of what we've learnt through this process. It is intended to promote good customer service practices. Whilst sharing these ideas is valuable, one size does not fit all and tailored approaches are becoming ever more necessary.
 - Energy UK's [Vulnerability Commitment](#) is a set of principles and commitments from energy suppliers to support customers in vulnerable circumstances in addition to existing industry regulations. The Vulnerability Commitment is open to all energy suppliers, and aims to drive continuous improvement in support for customers in vulnerable circumstances based on three key principles: Accessibility, Collaboration and Innovation. The [Vulnerability Commitment Good Practice Summary 2022](#) highlights where signatories to Energy UK's Vulnerability Commitment link are doing exceptionally innovative or noteworthy work.

Examples of supplier customer support by company

Centrica

- British Gas Energy will donate 10 percent of all profits to the British Gas Energy Support Fund to provide grants to customers for the duration of the energy crisis
- An immediate £12 million donation will boost the fund - this is double the previous contribution and more than 10 percent of first half pre-tax profits
- Froze direct debit payments through the winter – keeping an extra £50 in customer pockets.
- British Gas Energy Trust has, in the last year, provided £1.8 million of debt relief, emergency fuel vouchers, and grants to replace boilers, with a further £3.6 million funding for 49 frontline charity organisations.
- Doubled the emergency credit available to customers who are on pre-payment meters for their gas and electricity after April's increase in energy prices. This includes writing to customers who have electric key or gas card telling them that they can continue to use energy until they are £10 over their pre-payments, up from the previous £5.
- Centrica is a major contributor to the Warm Home Discount Scheme – and has one of the broadest criteria in supporting customers. Last year it passed on more than £85.5million to around 573,000 customers.
- Supports nearly three million customers on British Gas' Priority Services Register, which receives around 5,000 calls to the dedicated phone line each week.
- Continues to help customers manage their debt and giving them more time to pay, through payment plans and encouraging early meter readings. Last year 300,000 customers were supported in this way.
- Increased its Support Fund to £6 million to help our customers with the price cap increase:
 - Eligible customers being offered grants of between £250 and £750. Applications are assessed and awarded by the British Gas Energy Trust, which is an independent charity. Any British Gas/Scottish Gas customer with less than £1,000 in savings is eligible to apply.
 - Over 2,450 grants have already been given out with an average amount of £524. Over a third of the recipients are on disability benefit and many are families – 31 per cent are single parents and over a quarter have children under 5 years old.
 - More widely, the British Gas Energy Trust (BGET), which incorporates the Scottish Gas Energy Trust, is an independent Charitable Trust established in 2004 and is funded solely by British Gas. Since the launch of the Trust in 2004, over £78 million has been spent helping over 150,000 people manage their energy costs. In the last year, BGET provided £1.8 million of debt relief, emergency fuel vouchers, and grants to replace boilers, with a further £3.6 million funding for 49 frontline charity organisations.

EDF Energy

- Increased the number of frontline advisors by 500 to help support customers at this difficult time.
- EDF Energy is contacting 100,000 vulnerable customers to provide them with tailored help and access to apps like Energy Hub, which can help them reduce their bills by an extra £100.
- EDF Energy has doubled the amount of financial support available to its customers in 2022 to £10.4 million.
 - £4 million of additional support as part of the Warm Homes Discount funding scheme will provide around 270,000 eligible customers with £150 towards their energy bills.
 - It has also upped the amount available to customers through its Customer Support Fund by £5 million, to a total of £6.4 million. This fund will be used to help customers in debt or those facing financial difficulties. Since it was established the fund has provided >£50m of debt relief and energy efficient white goods to customers.

- EDF Energy has brought forward £20 million to its ECO spend in 2022 to help as many customers as possible access energy efficiency measures and reduce bills before Winter. In total, EDF has delivered over £100 million of support to vulnerable customers by the end of 2022 through ECO.
- In 2022 EDF Energy has set aside £3.7 million for third party partnerships in order to maximise the support available to customers. EDF Energy continues to work closely with a number of partnership organisations to maximise the support for its customers, including Citizens Advice Plymouth, National Energy Action, IncomeMax, MacMillan Cancer Support and SHINE.
- A new 'CARE Steps of Support' framework has been launched which will be used by customer service teams to support conversations with customers about cost and affordability, ensuring they understand their individual circumstances and tailor solutions to meet their needs.
- EDF Energy is rolling out specialist training to all of its customer service teams to ensure they are able to support them at this difficult time, as well as reviewing the self-service tools available to make things simple for all customers.

E.ON

- E.ON Energy Fund supports the payment of customer debt and the provision or replacement of boilers and white goods such as washing machines, fridges, freezers and cookers when urgently needed by our customers.
- Funding for the E.ON Energy Fund currently stands at over £3.5m, with between £1-2m having been added to the fund each year for the last five years. More than 10,000 awards, totalling nearly £6m, having now been made.

Octopus

- Created a £5 million Octo Assist financial hardship fund at the beginning of the energy crisis dedicated to helping customers who are unable to afford the cost of living. The fund has already helped over 50,000 customers and recently got increased in size to £7m, and is now being doubled to £15m.
- Consistently pricing its SVT below the price cap, absorbing £150m on behalf of customers to charge £50 less for loyal customers.
- Launched a new energy efficiency scheme last winter called 'Winter Workout' - any customer (not just smart meter customers) could join the programme to better understand their energy usage and, through trialling energy efficiency tips to suit their home, reduce their gas consumption and bills without taking drastic and unsafe measures or losing out on comfort. More than 220,000 customers took part and managed to reduce their gas consumption by 12% on average. The most popular energy-saving tip explained that a lower gas boiler flow rate could significantly reduce gas usage (this customer saved £95 by doing so). The scheme also included a prize fund with 18,000 customers donating their winnings to support other customers through Octo Assist.
- Octopus Energy CEO Greg Jackson cut his salary to minimum wage at the beginning of the energy crisis, donating his original £150,000 salary to the company's staff welfare and to Octo Assist.
- Enables customers to round up their energy bills to support others, through donations to National Energy Action, Renewable World, and Papyrus.
- Launched an innovative electric blankets scheme last winter to help customers save energy and money. 7,000 free electric blankets were sent to customers who needed them most, and analysis showed that the scheme saved customers 19% on costs compared to customers without electric blankets. The scheme will run again this winter.
- Introduced 'Signvideo' so customers can speak to us through a British Sign Language interpreter using live video call technology.
- Utilises a dedicated team of field agents to visit Octopus' vulnerable customers with the aim of helping identify support and action that can help reduce bills/improve home efficiency and support

customers' ability to pay (including a focus on customers with a medical dependency on power and/or heat).

- Developed evening support for digital solutions and strengthened emergency response times as well as boosting office hours team sizes.
- Offering customers 24/7 emergency support through the Octopus team in New Zealand, and extended email support from 8am-10pm 7 days a week too.
- Providing personalised account support (e.g. return of credit, payment holidays).

OVO

- OVO has announced a new £50m Customer Support Package which includes:
 - Payment holidays for debt repayment for all prepayment meter customers so that every penny put on the meter will go towards heating, not paying back debt this winter
 - 200% increase in emergency top-up credit for customers on a prepayment meter and continued commitment to never disconnect a customer
 - Free technology and services such as smart thermostats, electric throws and boiler checks
 - A new charity partnership with the Trussell Trust to support food banks to meet increased need this winter
- OVO has provided a package of support to StepChange worth £2m. The package includes:
 - Setting up a dedicated team of advisors to be seconded to StepChange. The team will support vulnerable customers, providing energy advice, account health checks and sign-posting customers to appropriate specialist third parties.
 - The licensing of our Payment Support platform and provision of additional technical support to StepChange, to help support the charity's aspiration to digitise and improve affordability processes and maximise efficiency. The platform has resulted in a significant reduction in time for the affordability assessment process for OVO.
 - A secondment of one of our most specialised vulnerability leaders; initial agreement for one day a week supporting StepChange with specific energy vulnerability knowledge.
- OVO has partnered with Experian to offer the industry's first Open Banking digital tool. Payment Support provides bespoke repayment options, enabling members looking for support to quickly access a detailed, accurate picture of their affordability and help find a solution tailored personally to suit their current circumstances. Members will receive a personalised plan based on their financial data to help keep on top of payments.

ScottishPower

- ScottishPower set up and continue to increase the resource within a dedicated Affordability Team with specially trained customer service agents, to provide customers with tailored information, tools and support at a time when they need it most.
- It has strengthened links with key third party organisations such as Citizens Advice to help inform and adapt support for the future.
- ScottishPower has developed a partnership with StepChange and are working with them to provide specialist debt advice to customers in need of this, as well as further developing the training of ScottishPower's own customer service agents in matters related to dealing with customers in payment difficulty.
- ScottishPower provides additional support under its Priority Services Register for non-financially vulnerable customers who due to their circumstances may find it more challenging to manage their energy account. This includes communications in alternative formats such as large print and braille, gas safety checks, and ways to allow trusted friends and family members help to manage a customer's account.
- The company provides alternative payment options and tariffs for different customer circumstances as well as flexible repayment schemes for those who have built up debt.

- Recognising the wider impacts of financial hardship, ScottishPower has included mental health training across all customer service agents, to allow them to respond sensitively to customers who are experiencing such difficulties.
- It promotes a range of support options to customers, based on their individual needs, including support provided by ScottishPower directly such as energy efficiency advice and its Hardship Fund, which provided £5m worth of support to customers over 2021.
- ScottishPower's long standing and established team of Community Liaison Officers will visit customers in their homes to offer in-person advice and support on matters relating to their energy account, where this level of support is needed.
- In response to increasing energy prices, it has both doubled the emergency credit advances available to customers and extended our friendly non disconnect period, to reduce the risk of prepayment customers going off supply.
- It continues to work with partner organisations, such as foodbanks, to provide prepayment customers in financial hardship with meter credit - which does not need to be repaid. Over 2021, ScottishPower provided customers with over £100k worth of credit through this initiative.

Shell Energy

- Set up a £5 million fund to alleviate some of the financial hardship and energy debt for customers who need it most.
- Working with AgilityEco which runs schemes for energy customers in a variety of challenging circumstances - helping them to reduce bills, stay warm and find help that's available locally.
- Encouraging customers to get in contact with them if they are worried
- Partners with Stepchange to give free and independent advice around financial difficulty including direct referrals via booking Stepchange consultant appointments
- Partner with Resolver to give customers additional support if they need it making complaints.
- Ongoing feedback from CitAd, Ombudsman, NEA and Stepchange ensures continuous improvement to be as equipped as possible to provide support.
- Increasing the amount of temporary credits for prepay customers who are at risk of self-disconnection or are struggling to top up as a result of increasing prices.

So Energy

- Significantly expanded customer support over the last 12 months by increasing the customer care team size by around 40%
- Strengthened their relationship with MoneyHelper including enhanced training for frontline staff to improve how they refer customers for more comprehensive for money and debt advice.
- Entered into a paid partnership with Groundwork to help customer manage energy costs through non invasive energy efficiency measures and advice.

Utilita

- Introducing a hardship fund to help customers write off debt.
- Doubled the size of its Extra Care Team in response to the cost-of-living crisis.
- Supporting 270,000 Priority Services Register customers – one in three – via our Extra Care Team.
- Added a Savings feature to the My Utilita app so customers can put aside as little as £2 in every time they top-up over the summer in readiness for when the colder months hit.
- Partnered with one of Britain's biggest supermarket chains, Iceland, to launch a new campaign to help households factor in the cost to cook food items, and to identify the most economical cooking methods available to them.

- Increased provision of financial support - providing Additional Support Credit on 2,200 occasions every day, on average.
- Taken away stigma and stress of asking for financial assistance over the phone by investing heavily in Power Up feature on My Utilita app, where customers can self-serve Additional Support Credit.
- Expanded Energy Hubs initiative with a national rollout – particularly valuable to people who have no internet access (5.2m nationally).
- Launched the UK's first-ever Mobile Energy Hub, which kicked off a national tour with a visit to the Hebrides, to give communities practical energy efficiency advice.
- Increased support for vulnerable customers by launching a special care line. The number is available to front line services, such as social workers and councils. Through these agencies, customers can reach a separate team at Utilita who will provide support and information quickly.
- Contributed £10m to Warm Home Discount Scheme, assisting almost one in ten customers with winter fuel costs.
- Supporting Schools, particularly those with high Pupil Premium rates, to ensure children don't miss out on the benefits of grassroots sport on affordability grounds. Part of Utilita's Football Rebooted campaign, which is on course to rehome 1m pairs of pre-played football and Astro boots that would otherwise have ended up in landfill.
- Through redeployment and staff Volunteering Days, delivered 2,000 hours of support to food banks nationwide.
- Expanding Utilita Community Fund to provide more support to housing associations in making energy more affordable to tenants.

Utility Warehouse

- Utility Warehouse (UW) has grown its frontline customer service UK-based team by over 200 colleagues to support customers.
- It has established a dedicated front-line Ability to Pay team since 2019 to offer support and a range of payment options to customers in financial difficulty. This team has doubled in size in 2022 to over 50 advisers to ensure the right support at UW as demand is set to increase.
- This is on top of the existing Payment Solutions teams in place to manage customers in need of debt management support, which in turn has been increased by over 20% in the last 12 months.
- UW established a dedicated team to work in partnership with Citizens Advice Plymouth to support UW customers struggling with their energy bill payments. They offer budgeting advice and benefits assessments for our customers who are in payment difficulty. In the last 12 months over 6,000 UW customers have benefited from this service and it was calculated that their disposable income could be increased by up to £9m based on reducing unnecessary expenditure and claiming additional benefits.
- This year UW has commissioned an increase in the size of the Citizens Advice Plymouth team from 13 to 17 advisors to provide more support to our UW customers. It plans to increase it by at least a further 50% to cater for the expected higher energy costs this winter and more than double the financial support available.
- UW also offers a "Customer Support Scheme" via Citizens Advice Plymouth where those seen to be in fuel poverty can have debt written off to help get them back on track.
- In addition, UW offers "Financial Assistance", also via Citizens Advice Plymouth, so that customers about to go into debt or those who run out of credit on their Prepayment meter can receive a payment of up to £140 to alleviate their situation.

For more information:
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