

18<sup>th</sup> June 2018

# Commission for Customers in Vulnerable Circumstances call for evidence – Energy Saving Trust response

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Energy Saving Trust is pleased to respond to the call for evidence from the Commission for Customers in Vulnerable Circumstances.

The Energy Saving Trust is the leading, impartial sustainable energy organisation, focused on changing the way we use energy in homes, communities and road transport. We provide advice on sustainable energy to millions of citizens each year, work on behalf of governments and businesses to administer energy saving programmes, and carry out research. We work principally in the UK but also in partnership with other energy agencies across Europe and globally.

1. *Are the areas of vulnerability identified in this call for evidence the correct areas for the commission to focus on? (Financial vulnerability, transient/life events, mental health, physical health/disability, wider vulnerable circumstances)*

Whilst these are all correct and should continue to be considered, there is an issue of vulnerability caused by multiple factors. This is usually experienced by those from areas of multiple deprivation where a combination of lack of social and material resources along with sense of estrangement from mainstream structures and organisations.

Also, it's unclear the scope of 'wider vulnerable circumstances'. Does this include people who, for example: are not native speakers of English, suffer anxiety using the phone, or have difficulty focussing on a task.

2. *In your experience, how can particular vulnerabilities impact a customer's ability to interact with their energy supplier?*

Vulnerabilities make consumers much less likely to take positive action. Provision of services, such as telephone accessed support, are insufficient to meet their needs. Many people find it difficult to communicate over the phone through physical or mental condition, or simply because it requires a lot of patience, or because they don't have the terminology to clearly explain the situation in terms familiar to the energy supplier.

Vulnerable customers can also have difficulty reading energy meters and bills correctly. Meters are often physically inaccessible to the householder, and LCD displays are difficult to read for anyone with a visual impairment. Verifying MPAN numbers and meter serial numbers is complicated. Moreover, the experience of many of these individuals of interacting with both energy companies and 'national agencies' is often an unhappy one. They will often have developed distrust for services that are presented in this way from experiences, or anecdotes, about DWP, HMRC, the Big Six, etc. The most effective

engagement route is often through trusted intermediary organisations which work as part of the community and interact locally within vulnerable communities.

For this very vulnerable client group it is essential they have access to a home visit service to: advocate on their behalf, make phone calls to suppliers, verify MPAN numbers and meter serial numbers (or other complex information), and be persistent on behalf of the householder when the energy supplier's representative is mistaken.

3. *What, in your experience, are the key things that commissioners need to understand in relation to particular vulnerabilities and how these might impact a customer's ability to engage in the energy market?*

It is not as simple as only physical or financial barriers to making calls; there is a lot about personal confidence, mental focus, and emotional resilience. Depression affects a lot of people, and a large proportion of those who are under financial pressure. Particularly older people, single parents, and people who are in difficult situations financially often don't open their mail, don't answer the phone, and prefer to communicate by text message or free messaging services. Many are able to cope with limited online interaction (email/app) but not with more complex interactions like filling in forms or navigating a website; or, they will look for information online, but not give any contact details or personal details, and particularly not bank details.

The most vulnerable customers are typically the last to take action to obtain help. Therefore anywhere that they can be presented with the opportunity to receive additional support should be as universal a point of access as possible, making it simple and easy for individuals to access the broadest range of support available to them.

4. *What key trends should commissioners be aware of?*

The impact of Universal Credit and the increase in numbers of people experiencing in work poverty and the associated vulnerability that can accompany this.

5. *Can you share examples of best practice to support customers in vulnerable circumstances, either within energy or other relevant sectors?*

A recent case highlighted the value of partnerships working to enable vulnerable households to receive the maximum of support from their interactions with agencies and services: Macmillan Cancer Care have been working in partnership with Home Energy Scotland nationally since 2016. This has resulted in enhanced partnership working by advice centres with local Macmillan staff. As a result Macmillan are confident in referring clients who may be extremely vulnerable. One householder was referred by MacMillan as she has just started receiving chemotherapy for lung cancer and is very vulnerable to the cold. They had requested a home visit as she worried that she would find a long telephone call too much of a strain.

The Home Energy Scotland community liaison officer (CLO) visited the householder. Her bills were very high on a pre-payment meter. The CLO discussed the option of switching suppliers and to a credit meter. The heating in the property was by storage heaters which were being used incorrectly and supplemented by expensive plug-in electric heaters. The CLO gave advice on how best to use storage heaters. The CLO also noticed at least one storage heater was broken. As the householder was on higher rate Disability Living Allowance and had a broken storage heater they were fast tracked for a Warmer Homes Scotland referral. The customer had a successful survey and the customer has been offered new storage heaters and smoke alarms.

Another example is from HES Homecare, a fuel poverty and health project. Older couple Elaine and James were referred by Alzheimer's Scotland: James has Alzheimers. HES Homecare is supporting Elaine to switch the electricity from a variable tariff to a fixed term tariff, which will save in the region of £140/year. This was initially difficult because the account is in James' name, so the supplier was reluctant to speak with either Elaine or HES Homecare. The supplier kept insisting that they have to speak with James which led to Elaine understandably getting frustrated and emotional during the call, as James is not able to do this. Elaine said that she would have hung up long before it was solved if it wasn't for the HES Homecare's persistence whilst on the phone. After a forty five minute phone call HES Homecare negotiated for the supplier to send a written consent form to the house for the account to switch names. The supplier said that this letter would have to be specially written as normally account switching is completed over the phone.

We would also like to make you aware of a report by one of our partners in Wales, Ymlaen Ceredigion did some work on the effectiveness of different types of energy advice, through a Home Energy Coaching projects focusing on consumer engagement and behavioural change. Their report<sup>1</sup> contains a number of case studies demonstrating effective engagement with elderly and/or fuel poor customers.

6. *What are the particular challenges that suppliers face in identifying and supporting customers in vulnerable circumstances via different channels (e.g. telephone, online)?*

Many of the most vulnerable householders who are our client group will not answer the phone unless they recognise the number as a friend or family, and do not engage online or by email. They have an expectation that if they have to phone the supplier they will be put on hold, passed around between different departments, have to spend a long time on the phone, potentially get cut off and have to start again, and will not have any written confirmation of what was said that they can relay to their carer or family.

People with many health conditions including mental health conditions that would not be described as a disability find it very difficult or impossible to focus on one task or hold one physical position (on the phone) for prolonged periods. They simply will not attempt the call, so are effectively disengaged from their energy supplier. For these, interactive online accounts can be easier to engage with.

Digital exclusion is also a problem; householders not adept or confident in online interaction are less able to take advantage of online tariffs or those that require online payments, which are often cheaper than standard tariffs. This also precludes them from providing meter readings or making adjustments to their direct debit or debit card payments online which some energy suppliers now offer, which would allow them to efficiently control the account without having to interact with a call centre.

In summary, many of the most vulnerable clients are difficult to reach through traditional channels and are best supported through partnership working with trusted intermediaries with whom they have an established relationship.

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<sup>1</sup> [https://changingbehaviours.files.wordpress.com/2016/06/relationship-experts\\_final-report.pdf](https://changingbehaviours.files.wordpress.com/2016/06/relationship-experts_final-report.pdf)