

Social Action Plan

Newsletter

ofgem

Registered services not a high enough priority

Companies are not doing enough to promote the Priority Service Register (PSR) to their older and disabled customers.



Ofgem has challenged suppliers to do more for their older and disabled customers in a report published in December 2003. Ofgem commissioned research companies Accent and MORI to help with the report.

The report found that 76 per cent of older and disabled customers questioned by MORI had never heard of the PSR, and that nearly half did not recognise a single specific service that suppliers provide under it.

Suppliers are obliged to promote the PSR and to provide certain services under it to qualifying customers (those who are of pensionable age, disabled or chronically sick).

These services include moving meters, providing special controls and adapters, offering bills in alternative formats such as Braille, audio tape or communicating by textphone.

Ofgem commissioned Accent to carry out mystery shopping study using shoppers who were eligible for inclusion on the register to establish whether

suppliers could respond to their needs. Accent found that the level of service provided by suppliers was variable, and that frontline staff often did not recognise that customers required specific help.

Research from MORI showed that while most people are unaware of the services that suppliers provide, when made aware of them they feel that they are valuable services. The research also found that customers think the PSR is a good idea and that suppliers need to promote it in ways that are more relevant to older and disabled customers.

Ofgem hosted a seminar on 30 January to discuss issues arising from the report. The well attended event saw input from suppliers, network companies and consumer groups.

Ofgem Managing Director John Neilson said, "Ofgem wants companies to make a greater effort to promote the PSR and its associated services. We have asked suppliers to set out how they intend to do this by 20 February."

Message from the editor

Winter is traditionally our busiest time of the year and this year is no exception. We have published two reports, on energy efficiency and the PSR respectively, described in these pages.

We have also been reviewing with British Gas the sad case of Mr and Mrs Bates who died following the disconnection of their gas supply in

August last year. While the Coroner found British Gas blameless, we are working with them to learn the lessons.

Looking forward we will shortly be looking back. Confused? Well hopefully the Social Action Plan Annual Review 2004 should enlighten you. This will set out the work that we have undertaken during the year, as well as look forward to what we will be doing next year. It is due for publication towards the end of March.

On a similar theme, the Ofgem corporate planning process is under way, with a draft strategy launched in early January. This sets out Ofgem's priorities over the next three years, with

the coming year covered in more detail. Another draft is due in March, before the final strategy is published in May.

Finally, the Social Action Plan team reshuffle is complete, as we welcome Jenny Clark to her new role as Social Issues Manager. The new line-up has already bonded, uniting to kybosh a proposed team photo to replace the legendary "rabbit in the headlights" shot that graced this publication's first issue. We're sure you are all grateful!

Graham
- Graham Knowles

Camden Calypso



Ofgem's Head of Social Affairs, Dave Barnes, became a "swap idol" in Camden, as he launched a booklet aimed at persuading customers to switch at an event held in November. Ofgem produced the booklet in collaboration with Camden Council's social and welfare unit and energywatch.



The booklet is designed to tell the borough's most vulnerable residents about the benefits of switching their energy supplier to save money and inform them where they can get access to lists of local suppliers, low-cost energy saving tips and insulation advice.

It was produced with the borough's large minority ethnic communities particularly in mind and is available in several different languages.

The well attended launch was held at the Charles Ratchford Resource Centre in Chalk Farm. The launch was part of a day designed to inform pensioners about the new government pension credit scheme.

Also speaking at the event were Harriet Garland and Oliver Myers from Camden Council and energywatch regional director Jean Shanks. After the launch, the day reached a calypso crescendo as the audience was treated to lunch accompanied by a local steel band.

Ofgem will be evaluating how successful the booklet is at delivering its message to groups such as older people and people from ethnic minority communities. If the booklet proves effective, Ofgem will look to link up with other local authorities who are interested.

Fuel Direct revisions rubber stamped



Gas and electricity suppliers, water companies, Ofwat, and Department for Work and Pensions (DWP) met at Ofgem on January 9 to discuss revisions to the Joint Statement of Intent (JSI).

This is the agreement between DWP and suppliers which describes the procedures for Third Party Deductions of fuel and water charges (commonly known as Fuel Direct in gas and electricity) and the circumstances in which a person in receipt of income support, JSA, or pension credit will be protected from either disconnection of their fuel supply or hardship caused by court action for a water debt.

The JSI has been revised for the first time in many years by DWP to reflect more accurately the current process for Fuel Direct and Water Direct.

DWP led the meeting and set out the changes to the JSI. A number of points were discussed, as the suppliers and regulators sought clarity on the various terms and definitions.

Issues which were clarified included:

- the supplier does not need to obtain the customer's written consent in order to make an application for deductions
- the DWP will not normally disturb the deduction arrangements where customers ask for deductions to cease while a debt remains outstanding, and
- the DWP should notify suppliers of decisions on their applications within two weeks.

The new JSI came into effect on 1 February. A copy is available on the Ofgem website.

EDF efficiently move to the top of the league



The results of the mystery shopping study into energy efficiency advice have now been published and suppliers have been invited to comment on how they propose to address the findings of the report.

The study looked at how the quality of advice has changed since Ofgem's first mystery shopping survey in January 2002. Once again, the study covered both general call centres and expert energy efficiency advice helplines.

The general call centres, which are usually customers' first point of contact with their energy supplier, showed little improvement since the last study. Ofgem has challenged the companies to train their staff so they are more alert to identifying customers in need of help.

There were, however, notable improvements in the standards of advice given by suppliers' energy efficiency advice helplines. Encouragingly, those suppliers which performed poorly in the last survey have shown substantial improvements. ScottishPower showed the most progress, achieving a respectable score after a poor performance (along with its subsidiary Manweb) in 2002.

Sitting at the top of the ranking table for the second report running was EDF Energy which scored 77 out of a possible 99 on the overall performance of its energy efficiency helpline in 2003. Some way behind, Scottish and Southern secured second place with a score of 69. Npower, Scottish Power, British Gas and Atlantic made up the mid-table. There was nothing much between them with scores of 65, 64, 64, 63 respectively. Powergen propped up the table with a score of 62.

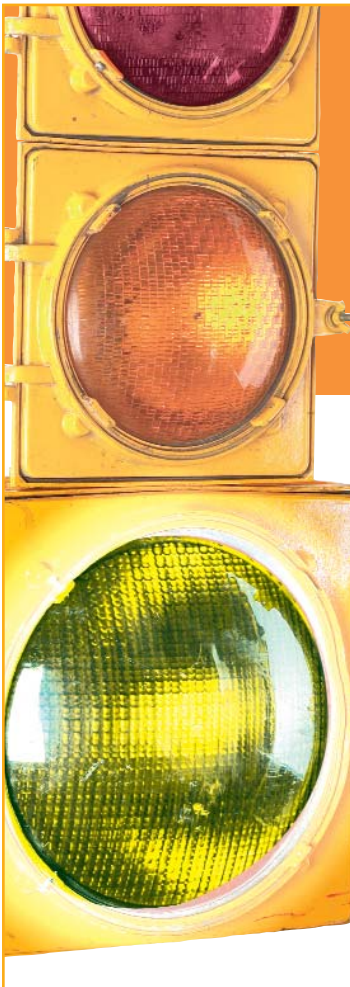
The research for the report was once again conducted by New Perspectives and Taylor Nelson Sofres Mystery Shopping. The study was carried out using a panel of mystery shoppers to make a series of telephone calls to suppliers' general call centres and energy efficiency advice helplines. The shoppers sought advice on a range of problems,

with scenarios including having high bills or a cold home. They also sought advice on specific issues such as information about grants and about how to operate electric storage heaters.

Improvements in the quality of advice from the expert helplines were noted in several areas. More callers are now being asked detailed questions by advisers or being sent a home energy audit questionnaire, so that the adviser can recommend the most appropriate measures and grant schemes and send a Home Energy Report. More callers are now being asked about benefits and age to help determine grant eligibility. More are now being given advice on suitable measures for their property and behavioural changes they could make to save energy; more people are being told about grants. And most callers are now being provided with a general booklet of energy advice and other relevant literature.

There is, however, room for improvement. Although many more customers are now being given information on possible grants, suppliers are still shy about letting customers know about their own schemes, with only one in five callers told about EEC. It also appeared that unless a caller was explicitly requesting energy efficiency advice with a scenario such as needing to insulate solid walls, they are less likely to attract comprehensive advice.

Copies of the report are available from the Ofgem website and distribution centre as usual (see back page for details).



All go on debt assignment

Ofgem is pleased to announce that, following completion of all the regulatory hurdles, and a period of systems testing, the debt assignment protocol for prepayment customers came into operation on 2 February.

The protocol enables many prepayment meter customers, whose transfer to another supplier would normally be blocked, to move to a new supplier, taking their debt with them.

Suppliers have agreed a £100 threshold as the level up to which debts will normally be accepted by acquiring suppliers, with some companies offering to accept higher amounts. Ofgem will be monitoring the operation of the protocol, and will keep the results under review.

Late news

Ofgem calls for more help for vulnerable



Ofgem Chairman Sir John Mogg called for lessons to be learnt from the deaths of Mr and Mrs Bates (see page 1) in a speech to the Parliamentary Warm Homes Group on 3 February.

Sir John announced that he had written to the Chief Executives of domestic suppliers, inviting them to work with Ofgem to improve protection for pensioners and other vulnerable customers.

The Ofgem Chairman also spoke about Government help for vulnerable and fuel poor customers, backing the call of the Public Accounts Committee for improved targeting of the Warm Front scheme.

He said, "Ofgem is committed to working with Government to tackle the causes of fuel poverty, but there needs to be much greater effort in identifying those who are in fuel poverty so that support can be effectively targeted."

Social Issues



Team contact details

If you would like to receive a regular copy of the newsletter or have a general Social Action Plan query, please email:

sap@ofgem.gov.uk

To request Ofgem's consultation documents, please email:

distribution@ofgem.gov.uk

For further information you can also visit our website on:

www.ofgem.gov.uk

Virginia Graham

Director - Social and Environmental Affairs

virginia.graham@ofgem.gov.uk

020 7901 7039

Dave Barnes

Head of Social Issues

david.barnes@ofgem.gov.uk

020 7901 7034

Graham Knowles

Social Obligations Manager

graham.knowles@ofgem.gov.uk

020 7901 7103

Jenny Clark

Social Issues Manager

jenny.clark@ofgem.gov.uk

020 7901 7460

Marc Grillet

Administration Officer

marc.grillet@ofgem.gov.uk

020 7901 7230