

**By e-mail only**

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Dear Dave,

**Report on the Quality of Energy Efficiency Advice from Electricity and Gas Suppliers**

This is in response to the above report issued just before Christmas. The report itself represents a useful piece of research and it is pleasing to see that overall, the performance of suppliers as a whole has improved generally since the similar exercise was carried out back in 2002.

As stated back in our response eighteen months ago, major changes had taken place with the consolidation of energy efficiency advice services by npower, reflecting the acquisition of both the Yorkshire Electricity and Northern Electric supply businesses. This has now bedded in. Since then, general call centre activity has been reorganised which has involved moving services from several different locations to primarily one location based in Peterlee in Sunderland. Organisationally, while this has simplified matters, it does mean that a smaller number of staff is still dealing with a considerable spread of customer queries of which energy efficiency advice could be just one. As with the conflation of the dedicated energy efficiency advice, this may have had an impact in some cases on the quality of advice and response provided. In the light of the report, however, we are looking long and hard at how we improve matters, particularly where our performance appears to have deteriorated since 2002.

In this regard, as before, the response below focuses on those areas where npower received one star for its performance against the scenarios tested.

**General Call Centre (GCC) performance**

Overall, suppliers' first time answering call success has fallen since 2002; whether this is due to the effects of general consolidation of supplier activity into the 'Big Six' since 2002 is unclear. The acquisition of Eastern by Powergen and that of Seeboard by EDF together with the concomitant organisational changes must have impacted on customer service activity and have probably not fully worked through into more settled arrangements. Please note that this is simply an observation, nothing more.

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- *Speed of response*

In npower's case, having a caller waiting for over 5 minutes (regardless that some other suppliers kept customers hanging on for a longer time) is clearly unacceptable. What the research methodology does not explain is at what time of the day and on which days the mystery shopper calls were made. While this should not be theoretically relevant, practically it may well be as it is the case that more calls are made to call centres generally on certain days of the week and at certain times of the day. The call which took over five minutes to answer could have been made during one of these periods. Notwithstanding, call centres should be aware of these periods of activity and resource accordingly. This will be raised with the GCC

- *High proportion of callers referred to Energy Efficiency Helpline (EEH)*

63% of customers phoning the GCC were referred to the EEH compared to 56% in 2002. While this is an improvement, it is not as great as that for other suppliers. The position here is that the GCC staff should always refer any request for energy efficiency advice to the EEH. This point will be reinforced when we sign up to the EE Partnership for Homes' Code. Then, only EEH staff trained to NVQ Level 2 in the provision of energy efficiency advice will be permitted to provide advice. This is company policy. Full training and dissemination of the Code's requirements will be delivered to both GCC and EEH staff.

### **Energy Efficiency Helpline performance**

By way of background, all of npower's EEH advisors have achieved NVQ Level 2 in the provision of energy efficiency advice. New advisors will undertake necessary training to achieve the standard, but they do not progress to live solo calls until we are satisfied that a sufficient level of awareness and understanding has been achieved. Coaching and regular briefing sessions have been introduced to make use of best practice throughout the team and keep everyone up-to-date. This will be used to also address issues such as call handlers' phone manner. Our own research by the company FDS is designed to monitor EEH advisors' performance. Results over the past year have shown significant improvements over previous years; indeed in the last year we have recorded the highest customer satisfaction scores for three years.

The above measures will help us to ensure that we make best use of all the calls we receive, but we will also look at the findings of the report to see where other improvements can be made, ensuring, for example, that we ask for and record more customer information, including their phone numbers. However, it has to be said that having someone's phone number is not essential to providing good energy efficiency advice. We would only take a caller's telephone number if there was a need to call back. During any call, energy efficiency advice appropriate to the enquiry will be provided, information sent and referral to our EEC schemes made if relevant. It needs to be appreciated that the imposition of unnecessary detail is not a requirement for good energy efficiency advice. It is additional to being able to explore further, appropriate opportunities to provide not only advice but energy saving solutions as well.

We continue to monitor the level of service we provide through our own research programme: specifically customer satisfaction and mystery shopping. Year on year and reported quarterly we have a detailed view of the performance of our service.

Notwithstanding the above, quite clearly the Ofgem sponsored report has identified a number of areas where improvements can be made. These are discussed below.

- *First calls successful*

This is a diminution of the level of service provided in 2002 where there has been a fall from 63% to 52% in that time. A problem we have been experiencing has been access to the GCC, manifested by long waiting times. The use of the phone touchtone facility does help route the calls through to the appropriate section, The answer phone is a positive help: it means callers are not kept waiting; we call them back having taken their phone numbers and deal with their enquiries. Our own research does not indicate a problem with either of these approaches.

- *Verbal Advice on measures to install*

We will look at this in the light of the comments made, particularly on measures to control heating and hot water along with other fairly straightforward advice which could have more readily addressed some of the scenarios used during the mystery shopping exercise. However, it has to be said that our own research does not support the issues raised in the Ofgem research.

- *Verbal Advice on Grants/EEC*

Again this seems to be counter to our own research findings. For example, we have taken more calls than ever regarding Fridgesavers and mail order CFLs - both EEC schemes.

- *Supplementary advice on Grants/boiler servicing and cavity wall insulation*

This perhaps highlights the need for more focussed training so that call operatives can provide customers with the detail of how to apply for grants etc. npower along with other suppliers does not offer grants. We have offers and discounts provided for a range of energy efficiency products. If callers qualify for 'Warm Front' for example, they will be referred to the appropriate body.

- *Sending Home Energy Report/Amount of information sent*

We have taken steps to reinforce with call centre operatives that where written information is promised of whatever variety, it should be sent to the customer as a matter of course. This should be the normal approach to be taken, and where failings have occurred, this must be down to the individual call handlers' oversight.

In conclusion, npower will sign up to the EE Partnership for Homes' Code, highlighting our commitment to quality energy efficiency advice. We also will take on board the findings of the report and see how best we can address the matters identified above as well as other areas not discussed in this response.

If there are points in this letter that you wish to discuss, please do not hesitate to contact me.

Yours sincerely,

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