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British Gas' response to Ofgem's consultation on the Priority Services Register

Dear Rebecca

This is the British Gas response to Ofgem's Review of the Priority Services Register (PSR), published on 30 June 2014. As our original response contained sensitive business data, this version is a redacted and non confidential version.

As Ofgem's Consumer Vulnerability Strategy (2013) recognised, vulnerability can be complex, multi-dimensional and transitory. We agree however that there are certain groups of consumers who need and have a right to expect minimum levels of priority service across the industry. We believe these should be maintained at the current prescribed levels. Over and above this, suppliers should be encouraged to innovate and differentiate themselves in terms of how they assist their customers with different needs. This competitive market approach will result in more creative ideas which can be shared across the industry, as opposed to prescribing suppliers to offer more services or widen the eligibility criteria. Widening eligibility criteria for the PSR would also detract from the networks' primary need for PSR data, i.e. to support priority customers in the event of a power outage.

We recognise that where a customer volunteers information which may suggest some form of special need we should capture and act upon it. However, we fundamentally disagree with Ofgem's proposal to require suppliers to pro-actively and regularly identify any customer with safety, access or communication needs. It is not our role to probe or ask intrusive questions of customers and we do not believe that Ofgem's proposed approach is in the best interest of our customers. Indeed, we flagged Ofgem's proposals at the recent Disability Charities Consortium, which shared our concerns. We can provide the facilities that enable customers to bring their service needs to our attention, but we cannot force them to engage with us. In addition, and importantly, many customers have concerns about what their personal information will be used for, even when it's being collected for legitimate and helpful purposes. Finally, this requirement would significantly increase suppliers' operational costs.

There is a role for Ofgem in facilitating industry's attempts to ensure that its efforts have more impact. Specifically, it would be helpful for Ofgem to take a central role in promoting the positive impacts that could be delivered by expanded use of data-matching and to engage with the Information Commissioner's Office to ensure any such matching is in line with current privacy law. In addition, the Customer Safeguarding Working Group, established by the Energy Networks Association, is facilitating industry change, particularly in the area of data sharing and Ofgem is represented on this group.

British Gas raises awareness of its PSR services in a range of ways, including promotion on bills, annual statements and specific leaflets which are provided annually and on request. Ofgem can play an important role in supporting suppliers' efforts and encouraging take-up of services by vulnerable customers.

With regard to measuring compliance, we do not agree that independent audits are the best means of achieving this. Self assessments would better take into account differences in customer demographics and supplier focus areas across the market and support a differentiated, market-led approach to compliance. An alternative would be for Ofgem to consider independent verification of systems, processes and returns from suppliers with robust, independent Internal Audit and Risk and Controls functions.

Non confidential and redacted version of original document

Our detailed responses to your questions are set out in Appendix 1. Given that we have a number of concerns with the current proposals, we would be happy to meet to discuss our response in more detail if that would be helpful.

Yours sincerely

[Redacted - original version signed by hand.]

Ian Peters
Managing Director
British Gas Residential

APPENDIX 1

CHAPTER: One

No questions in this chapter.

CHAPTER: Two

Question 1: Do you agree that energy companies should be required to offer non-financial services with the aim of equalising outcomes for customers?

We agree that providing support services to people who need them is critical and whilst we support Ofgem's work in this area, we do have a number of concerns:

1. We do not hold data on most indicators of vulnerability and do not have customers' permission to collect it.
2. The onus and level of responsibility that will be placed on our frontline advisers to make sophisticated, individual and sometimes deeply personal judgements on what may be a simple, transactional call. We recognise that where a customer volunteers information which may suggest some form of special need we should capture and act upon it. However, it is not our role to probe or ask intrusive questions of customers.
3. To pro-actively and regularly identify any customer with safety, access or communication needs via multiple channels and interactions would significantly increase suppliers' operational costs. We expand on this in question 3.
4. The degree to which we have customers' permission to cross-subsidise services for those in vulnerable situations.

Should an outcomes-based approach be adopted, any obligation placed on energy companies should be subject to the requirements of reasonableness and proportionality, in alignment with the approach adopted for reasonable adjustments in the Equality Act. Even with energy suppliers' best efforts, it may not be possible to guarantee that outcomes for all vulnerable customer groups will be equal to outcomes for customers generally. We find it difficult to understand how the regulator can hold suppliers accountable for outcomes being equivalent and would encourage Ofgem to provide examples of other industries where this approach has been successfully introduced.

In addition, widening the availability of support services to a broader category of 'in need' customers will dilute the support available to customers who need the most assistance. Resource is finite and should not be diluted further to cover an even wider range of groups with competing needs (which, may also risk the spectre of having a 'priority group' within the priority services register). This would be particularly challenging for DNOs and GDNs to operationalise in emergency situations (i.e. power outages). The alternative view of course, if we were to take Ofgem's proposals at face value, would be to expand, (i) the register, (ii) the services on it and, (iii) the number of eligible customers - which would drive significant further cost into suppliers' operations, which would ultimately need to be borne by our customers.

Question 2: Do you agree that we should continue to prescribe a minimum set of services? Do you support the proposed list of services? What additional services, if any, do you think energy companies should be required to provide?

We support the prescription of a minimum set of services by Ofgem and believe that these should be common across all suppliers. However, we don't agree that the Regulator should prescribe additional services or change the eligibility criteria, as this is an area where suppliers should be encouraged to innovate in order to differentiate themselves. British Gas, for example, already delivers a wider set of services and uses wider eligibility criteria than those prescribed in licence. In addition, we use PSR data to identify customers who may be eligible for a range of other initiatives, including eligibility for the Warm Home Discount Scheme and advice on energy efficiency.

Non confidential and redacted version of original document

The delivery of more services to more customers may be problematic to operationalise and manage and could compromise our ability to ensure critical services are delivered to those in need. This will be particularly critical for the networks, which primarily use the PSR to support priority customers in the event of a power outage.

We've commented on your proposed required services for customers with safety, access and communication needs below.

Current services for customers with safety concerns or whose safety may be put at risk by an interruption to their supply (SLC 26 & 29)

Service	Customers eligible	Energy companies
Password scheme – to help customers identify energy company representatives	<ul style="list-style-type: none">• Disabled• chronically sick• pensionable age	<ul style="list-style-type: none">• Suppliers• DNOs• GDNs
Free gas appliance safety check	<ul style="list-style-type: none">• Disabled• chronically sick• pensionable age• children under 5 <p>Must receive means tested benefits and own their own home.</p>	<ul style="list-style-type: none">• Gas suppliers

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¹ Ofgem's Review of the Priority Services Register Consultation, 30 June 2014, table 1.

Proposed required services for customers with safety needs

(Proposed changes shown in *italics*)

Proposed service	Customers eligible	Energy Companies
Password scheme	<p><i>Consumers who may be:</i></p> <ul style="list-style-type: none"> <i>more likely than a typical consumer to average to experience safety issues or have concerns about safety.</i> 	<ul style="list-style-type: none"> Suppliers DNOs GDNs
Free gas appliance safety check	<ul style="list-style-type: none"> Disabled chronically sick pensionable age children under 5 <p>Must receive means tested benefits and own their own home.</p>	<ul style="list-style-type: none"> Gas suppliers

British Gas already offers password schemes to any customer who wants one. We also support and coach our advisors to listen to our customers' needs and would expect our advisors to identify scenarios where customers may be more likely to experience safety issues or concerns.

There is no need to change licence obligations in this area given that the Smart Metering Installation Code of Practice already requires that "Where appropriate, the Customer is alerted to the Member's password scheme, for example PSR (Priority Service Register) Customers or other circumstances where it appears appropriate."³

² Ofgem's Review of the Priority Services Register Consultation, 30 June 2014, table 4.

³ Section 2.7.11. http://www.britishgas.co.uk/content/dam/british-gas/documents/Smart_Metering_Installation_Code_of_Practice.pdf

Current services for customers with access needs (SLC 26)

Service	Customers eligible	Energy companies
Quarterly meter readings	<ul style="list-style-type: none"> • Disabled • chronically sick • pensionable age <p>If nobody in the household can read the meter.</p>	<ul style="list-style-type: none"> • Suppliers
Moving a prepayment meter	<ul style="list-style-type: none"> • Disabled • chronically sick • pensionable age <p>If they cannot make payments through their meter due to infirmity.</p>	<ul style="list-style-type: none"> • Suppliers

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⁴ Ofgem's Review of the Priority Services Register Consultation, 30 June 2014, table 2.

Proposed required services for customers with access needs

(Proposed changes shown in *italics*)

Proposed service	Customers eligible	Energy Companies
Meter readings - Quarterly meter readings or alternative arrangements to access and submit quarterly meter readings, eg smart meter.	<i>Households with nobody who can read and submit meter readings</i>	<ul style="list-style-type: none"> Suppliers
Re-siting of a PPM free of charge	<i>Households where it is not safe or reasonably practicable for consumers to access the PPM in its current position</i>	<ul style="list-style-type: none"> Suppliers
Knock and wait – when visiting the customers home wait longer for a response before leaving.	<i>If customers' circumstances mean that they may require longer than the typical consumer to open their door.</i>	<ul style="list-style-type: none"> Suppliers DNOs GDNs

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We recognise the importance of customers being billed on accurate reads in order to allow them to understand their usage and check the accuracy of their bills. However, with a smart meter customers will no longer be required to read their meter in order to benefit from accurate bills. British Gas leads the industry with the installation of smart meters, having installed more than 1 million domestic smart meters to date.

In line with our licence obligations, we re-site prepayment meters where it is not safe or reasonably practicable for customers to access the meter and in contrast to some other suppliers we offer this service free of charge. As the smart meter roll-out becomes more advanced, there will be less need to re-site meters, specifically electricity meters, as all electricity functions can be provided through an In Home Display (IHD) or Prepayment Interface Device (PPMID).

Whilst we are unable to offer 'Knock and Wait' services for meter reading and would incur significant operational and system costs to do so, we do already offer a 'Knock and Wait' service with our engineer visits. Our engineers visit customers' homes every day and in order to minimize missed appointments, the advisor arranging the job can normally notify the engineer that the customer may need longer to answer the door. Additionally, in some geographical areas, when the engineer has received no response after knocking on the door, they will wait outside while the dispatch team attempts to contact the customer via telephone. Finally, to inform the customer that the engineer is on their way, we text a reminder or phone ahead.

⁵ Ofgem's Review of the Priority Services Register Consultation, 30 June 2014, table 5.

Current services for customers with communication needs (SLC 26)

Service	Customers eligible	Energy companies
Accessible <ul style="list-style-type: none"> • Bill • statement of account • other information relating to a service provided to the customer 	<ul style="list-style-type: none"> • Blind • partially sighted • deaf • hearing impaired 	<ul style="list-style-type: none"> • Suppliers
Redirection of bill/statement of account to a nominated person	<ul style="list-style-type: none"> • Disabled • chronically sick, pensionable age 	<ul style="list-style-type: none"> • Suppliers
Facilities to complain	<ul style="list-style-type: none"> • Blind • partially sighted • deaf • hearing impaired 	<ul style="list-style-type: none"> • Suppliers • DNOs • GDNs

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⁶ Ofgem's Review of the Priority Services Register Consultation, 30 June 2014, table 3.

Proposed required services for customers with communication needs

(Proposed changes shown in *italics*)

Proposed service	Customers eligible	Energy companies
<p><i>Ensure information related to the energy companies dealings with consumers are provided by means that are accessible to the consumer including but not limited to</i></p> <ul style="list-style-type: none"> <i>o usage information – including where appropriate near real-time information</i> <i>o bill, account and annual summary information</i> <i>o PSR</i> <i>o information about any other service provided to the customer</i> <p><i>On request redirect all communications associated with a customers’ account to a nominated person (with the nominated person’s permission).</i></p> <p><i>Provide an accessible means by which the customer can contact the company to access information, query or complain about any service provided. Including but not limited to:</i></p> <ul style="list-style-type: none"> <i>o actual usage information – in particular information needed to switch supplier or manage their energy use</i> 	<p><i>Customers who may find it harder than the typical customer to communicate with the licensee or access the licensee services</i></p>	<ul style="list-style-type: none"> <i>• Suppliers</i> <i>• DNOs</i> <i>• GDNs</i>
<ul style="list-style-type: none"> <i>o bill, account and annual summary information.</i> 		

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We include the following information on our communications, drawing attention to the different ways customers can choose to contact us or request alternative format communications:

Accessibility for all – get the information you need in the way you want it

If you have difficulty reading your gas and electricity bills or letters, call us on 0800 072 8625 (0800 294 8604 if you are a Pay As You Go Energy™ customer).

We can send them to you in large print, in Braille, or as an audio version. Or, if you’d prefer, one of our team can call you to update you on your latest bill with our ‘Talking Bill’ service.

If you’re hard of hearing or have speech problems and use a textphone, you can call us on 18001 0800 072 8626.

⁷ Ofgem’s Review of the Priority Services Register Consultation, 30 June 2014, table 6.

If you would like to speak to us in a language other than English, tell us when you call and we'll arrange for an interpreter to help.

We also offer a range of ways in which customers, including vulnerable customers, can access information online. It is important to us that our website is accessible by everyone, including those with visual, hearing, cognitive or motor impairments. We have therefore made sure the majority of pages comply with the key requirements of the W3C (World-Wide Web Consortium) best practice accessibility guidelines. In addition, we strive to achieve an Accessible standard for our website, with key areas conforming to double AA standard. Since we are aware that needs are often diverse and standard guidelines do not always satisfy individual concerns, we ask that customers who have any specific problems using our site contact us and we will seek to make content available in an accessible format.

We are currently testing a piece of software called Active Standards which will assess the compliance against world wide web standards and inclusivity and accessibility. It does this by scanning our bg.co.uk website on a weekly basis (Residential, Business and Sainsbury's Energy) and providing a report of content defects, WC3 (worldwide web consortium), usability and accessibility scores. The report provides a score out of 10 for each of the areas and also provides a Community Average (based on other large organisations also using the software). Initially, the scan will measure against 30 or 40 Best Practice standards, but there is also scope to increase to a wider set of standards, thereby providing a continual assessment and improvement of our digital offering to consumers. The software scan is expected to go live in approximately 4 weeks.

With the advent of smart metering and in cooperation with Energy UK, we have started conversations with the Royal National Institute of Blind People (RNIB) about making our In-Home-Display more accessible to customers who are visually impaired. RNIB are also advising us on increased accessibility for customers with other impairments, such as reduced dexterity.

Question 3: If applicable, what services do you currently provide and what are the current costs of providing services (please break down by service). What financial impact do you think widening eligibility in the way we have proposed will have? Please provide evidence to support your answer.

If applicable, what services do you currently provide and what are the current costs of providing services (please break down by service)

What financial impact do you think widening eligibility in the way we have proposed will have?

[Redacted: the response to this section contains commercially sensitive information].

Question 4: Do you agree that we should move away from requiring energy companies to provide services to disabled, chronically sick and pensionable age customers to an approach which requires energy companies to take reasonable steps to identify and provide appropriate services to any customer with safety, access or communication needs?

Ofgem has stated that the requirement for customers to self-refer or be referred by someone else restricts take-up of PSR services. We would question whether this is truly the case or whether customers have less interest in and/or need for non-financial services from their energy supplier.

[Redacted: the response to this section contains commercially sensitive information].

We recognise that where a customer (or an authorised third party, such as Social Services) volunteers information which may suggest some form of vulnerability, we should record it (in line with DPA requirements) so that it can be referenced and acted upon. Our interactions with customers as part of the smart meter roll-out offer a particular opportunity to identify and record vulnerability. British Gas is seizing this opportunity and we have briefed our customer contact staff and engineers on what to ask and what to look for, including eligibility for the Priority Services Register.

However, it is not our role to probe or ask intrusive questions of customers and we do not believe that Ofgem's proposed approach is in the best interest of our customers. We can provide the facilities that enable customers to bring their service needs to our attention and can ensure our people take note of and act appropriately to information that they become aware of as part of interactions. However, we cannot force customers to engage with us. Ofgem appears to not be considering an individual customer's right to choose whether they appear on any vulnerability register. Not all customers who would be considered eligible under Ofgem's proposals may consider they need or want additional services from their energy supplier. In addition, and importantly, many consumers have concerns about what their personal information will be used for, even when it's being collected for legitimate and helpful purposes. This is exacerbated by the way the media can choose to portray energy companies in the news.

There is a role for Ofgem to play in supporting industry and specifically, it would be helpful for Ofgem to take a central role in promoting the positive impacts that could be delivered by expanded use of data-matching. For example, customers who have been notified to us via Warm Home Discount Core Group data cannot be pro-actively added to our PSR register, even though we know they will be elderly. Ofgem can also help by engaging the Information Commissioner's Office to ensure any matching is in line with current privacy law. Direct engagement with consumers by Ofgem would be helpful in maximising awareness of the services that are available, and the good efforts being made by the industry.

Energy UK can also help to explore other ways to identify vulnerable consumers - perhaps in collaboration with Citizens Advice or DWP – through the creation of robust referral pathways to energy suppliers from local networks such as GPs, Social Services, local authorities and others (with the appropriate customer consent or that of their representative). Investing time and effort in this endeavour would be enormously helpful since it could help to ensure that a more cohesive and consistent approach is adopted and that greater numbers of vulnerable customers receive the help to which they are entitled.

Question 5: Do you agree that energy companies should be required to maintain a wider register of consumers that they have identified as being in a vulnerable situation?

As a result of already having a very wide PSR eligibility criteria, British Gas has a sizeable register of customers with special needs, which we can keep up to date in line with information shared to us by the customer or authorised third parties. However, as explained above, we do not consider it appropriate to pro-actively contact our customers in order to establish whether their needs have changed.

CHAPTER: Three

Question 6: Do you agree that suppliers, DNOs and GDNs should share information about customers' needs with: a) each other? b) other utilities?

a) each other?

In line with our licence conditions, we already share information with DNOs and GDNs.

There would be merit in discussing the exact nature of the data share in more detail to understand what information might be shared, how the data might be shared, who is responsible for sharing the data (i.e. is it a two way data feed), the limits of use on any data share, how individuals are informed their data might be shared and how they can have control over their data if it is shared and or if they object to the share. In principle, managed data sharing could bring benefits to individuals and organisations, but we recognise the significant complexities in developing and agreeing a standard format for all interested parties to agree to as well as likely associated costs. There are additional data privacy concerns over the sharing of data which must be agreed including ownership of the data, responsibility for maintaining accuracy of data and the delivery of fair processing statements.

b) other utilities?

We see significant issues with the proposed data sharing with other utilities.

The PSR requirements for other utilities would be different and it could result in British Gas being required to identify and capture information that is not strictly related to the supply of energy. Customers would also not expect their data to be shared in this way. Additionally, data sharing with other utilities would require significant IS investment by all companies involved.

Because PSR data is customer rather than property specific, managing changes of tenancy and transfers between energy suppliers could potentially be complex if changes were shared with other utilities. The dynamic nature of the data would quickly make it outdated and it is unclear who would be responsible for ensuring the data related to a customer's account is recent and accurate. We believe that each utility should collate their own customer data specific for their needs, rather than drive a potentially inappropriate one size fits all approach.

How to ensure accuracy of information is of significant concern given the Data Protection requirement for organisations to ensure any personal data processed is accurate and up to date. Customers will have relationships with a number of suppliers and in the absence of a common approach or central repository for information, there is the potential the same customer could be treated differently by different providers

Additionally, should inaccurate and outdated personal information be used to make a decision about someone and that decision causes some form of "harm or detriment" to that individual, there is the potential of opening an organisation up to a possible claim under the Data Protection Act through the Courts.

Question 7: Should energy companies be required to share information about customers' needs with other fuel providers such as LPG, heating oil distributors. How could the transfer of this information work? What are the benefits and risks of sharing the information?

LPG

[Redacted: the response to this section contains commercially sensitive information].

Heating oil distributors

It would be almost impossible to supply and transfer data to oil providers. Unlike water suppliers, they do not have a geographic monopoly so we wouldn't know to whom data should be sent. Competition also means that customers could use more than one supplier based upon price at the time of ordering. PSR data is extremely sensitive and sharing confidential details with a myriad of companies does not seem appropriate. In order to protect vulnerable customers we would suggest that oil companies should have a relationship with the customer and have contact details as part of the ordering process. If deliveries are delayed they should be able to contact customers. If oil heating systems don't work because of electricity outages, DNOs should already be liaising with PSR customers.

Question 8: Do you agree that we should stipulate the minimum details that we expect energy companies to share, for example that names and phone numbers must be shared where they are available? Is there any other information that should be shared and for what purposes?

For any data sharing to be effective for both customers and organisations, there needs to be agreement with all organisations involved and the ICO on a number of matters. A key point is understanding what the DNOs and GDNs minimum data requirements looks like, what data exists with providers and then how it might be possible to bridge any gaps. Thought should additionally be given to types of data required, for example stipulating a telephone number as a mandatory field could be counterproductive where most landlines require a permanent electrical supply to operate. If there was no supply, a voice message could be left, but an individual might not be able to retrieve any messages. Similarly, mobile telephone numbers are not always collected by organisations, or given by customers when requested.

Therefore, for the reasons set out above, it might not be possible for the regulator to prescribe a minimum data set.

Question 9: Do you agree that energy companies should agree common minimum 'needs codes' to facilitate the sharing of information? Should we require energy companies to agree

these codes? How might this work and what mechanisms are already in place to facilitate this? What role would Ofgem need to have in this process?

'Needs codes' should be agreed across suppliers, DNOs & GDNs and should be common. The data needs to be useful and complete. If applied, data categories should provide sufficient detail to prioritise customers and indicate their need (e.g. the current 'aged over 60' is a broad category which does not help prioritise or provide indication of need). It should also be clearer whether it is the customer or a dependant who is registered.

The Customer Safeguarding Working Group, established by the Energy Networks association (ENA) should be proactive in facilitating industry change and agreement and Ofgem are represented on this group. A best practice review is being initiated by BGT, WPD and WWU, in conjunction with Leicester University to review and identify best practice in the following areas:

- How the companies identify and record customer vulnerability
- What information is recorded by GDNs/DNOs/suppliers and what subsets should be shared between the different parties
- The current mechanism to share information on vulnerable customers
- What steps should be taken to ensure the data is correct, relevant, fit for purpose & up to date
- Training of front line staff
- A comparison of different services offered to vulnerable customers (advice and support, take up and targeting)
- A comparison of how we promote the PSR
- A review of the experience a sample of customers using Wales as the target sample group

The review aims to share its conclusions by the end of November 2014.

Question 10: Should information about a customers' [sic] needs be shared with their new supplier when they switch? What is the best way to facilitate the sharing of this information?

PSR data is customer (as opposed to property) specific and presently does not transfer with the customer upon change of supplier. There are a number of limitations preventing suppliers and networks to share this information at present and discussions on how best to facilitate this data sharing, including its accuracy, consent and purpose, should be best progressed by the ENA's Customer Safeguarding Working Group.

We would like to re-iterate that there is a role for Ofgem in facilitating industry's attempts to ensure that its data sharing efforts have more impact. Specifically, it would be helpful for Ofgem to take a central role in promoting the positive impacts that could be delivered by expanded use of data-matching and engaging the Information Commissioner's Office to ensure any matching is in line with current privacy law.

CHAPTER: Four

Question 11: Do you agree that a single cross-industry brand will raise awareness of priority services?

The vast majority of energy customers will know the special services provision under the name of 'Priority Services Register' as most large and small suppliers use this name, with the exception of Scottish Power (CareFree), SSE (Careline) and npower (Warm Response Service). In order to promote awareness and understanding, the most sensible and practical approach would therefore seem for all suppliers to consistently use the 'Priority Services Register' branding.

Perhaps the Regulator could explore whether industries who have introduced a cross-industry brand have been more successful in raising customer awareness and understanding of suppliers' special needs register.

Question 12: Do you agree that a guidance document would help advice providers and raise awareness? Who should produce this document?

Whereas a guidance document may help improve advice providers' understanding of the services available from energy suppliers, it is unclear whether this would help raise awareness amongst consumers.

This document could be produced by Ofgem in consultation with energy suppliers.

Question 13: What more can be done to raise awareness of priority services?

As well as signposting customers to the PSR and other assistance available to them when they contact us, we proactively highlight the existence of the PSR to customers on at least an annual basis (in line with our licence obligations) as part of our Standards of Performance booklet. Following a review of how we raise awareness of the PSR amongst our customers, we added four new pages in November 2013, providing more comprehensive information to customers on: what our Priority Services Register is; the eligibility criteria and how customers can register; the benefits and services available from being registered on the PSR; financial assistance and sources of independent help and advice from external organisations; and information on gas safety and CO, including information on our Free Gas Safety Checks (FGSCs).

[Redacted: the response to this section contains commercially sensitive information].

Our communications draw attention to the different ways customers can choose to contact us or request alternative format communications and our interpreter service is promoted in our leaflets such as "Ways we can help" and "Service and Standards" as well as on our website

We specifically reference PSR on our bills and Annual Statements for pre-payment customers, i.e. "Our Priority Services Register is a free, confidential service that provides additional support to those most in need. To find out about eligibility and the services on offer, such as free gas safety checks and the password protection scheme, call us on 0800 0728625 or go to britishgas.co.uk/Priority-Service-Register." Current licence obligations prevent suppliers from including additional information with the Annual Statement. Should Ofgem be minded to change the regulations in this area, suppliers could include leaflets with information for vulnerable customers, for example the British Gas Ways We Can Help Booklet.

We maintain close relationships with third party advice providers who help raise awareness of priority needs services. This includes Citizens Advice Bureaux, Shelter, National Energy Action and MacMillan Cancer Support, from whom we accept referrals for Priority Services Register, Warm Home Discount, Energy Efficiency advice and Energy Efficiency measures. We also promote these services and a referral mechanism via our 18 Energy Advice Centres across England, Scotland and Wales. We also promote the PSR through our sponsorship of Energy Best Deal and Big Energy Saving Week.

We also provide information to Auriga to enable the water industry to promote energy suppliers' PSR.

One of the ways Energy UK has helped raise awareness of services for vulnerable customers, including PSR services, is through their Home Heat Helpline summer campaign. The campaign developed an information toolkit which was shared with local councils, food banks, community groups and charities. The first day the toolkit was sent the Helpline received several requests for more information.

We consider that Ofgem has an important role to play in helping stakeholders – including industry – with their contribution to raising awareness and to encourage take-up of services by vulnerable customers. Customers do not always perceive individual energy suppliers as acting in their best interest, whereas Ofgem could use their position to help inform and reach customers, playing on their independent, industry regulator interests, to promote awareness of PSR services. One way to do so is by playing a more active role in promoting the help that is available and in contributing to industry efforts to better-target existing assistance through more sophisticated techniques such as data matching.

An additional way in which awareness of priority services could be raised is through the publication of best practice reviews. Both Ofgem and consumer groups could help promote industry best practice in supporting vulnerable customers, including highlighting where suppliers go above and beyond the PSR. For example, suppliers such as British Gas offer a wider range of services to a wider range of customers than required by its licence obligations.

CHAPTER: Five

Question 14: Do you agree that supplier independent audits are the best way of monitoring companies' compliance with our proposed obligations? Do you have views on the approach the audit should take and what it should cover?

We do not agree that independent audits are the best way to ascertain full compliance. In addition to the significant cost burden these audits place on suppliers, they risk homogenising what "good" looks like. Suppliers currently self fund a number of audits, particularly in the area of Environmental reporting (eg FIT, green tariffs) and self regulatory codes – such as the Billing Code and the Safety Net. Consequently, it would be useful if Ofgem were to undertake an examination of its entire reporting landscape to assess how many audits, self funded or otherwise, suppliers must carry out each year as well as also consider the time suppliers would need to engage in audit activity given the growing demand from the regulator and other third parties for external reporting.

Self assessments (which could be shared with Ofgem) would better take into account differences in customer demographics and supplier focus areas across the market.

An alternative would be for Ofgem to consider independent verification of systems, processes and controls which support suppliers' returns using with robust, independent Internal Audit and Risk and Controls functions. This method of assurance is already in place for existing Ofgem reports.

It should be noted that the above suggestions will not be easy to implement; and indeed, carry a high level of compliance and reputational risk for suppliers as well as cost. This is because it would be almost impossible for suppliers to give an absolute assurance that on every single customer interaction, its agents were fully 'complying' in every customer contact. We would therefore want to explore further with Ofgem how it intends to undertake enforcement in this area, particularly with regard to the interaction between its proposals on vulnerability and the application of Standards of Conduct.

Finally, monitoring in this area is already significant (via Social Obligations reporting and social policy meetings), and should be reviewed in order to ensure the right metrics are included.