

Citizens Advice Energy Supplier Rating: Consultation on new customer service metrics and other updates

Energy UK Response

22 October 2019

Introduction

Energy UK is the trade association for the energy industry with over 100 members spanning every aspect of the energy sector – from established FTSE 100 companies right through to new, growing suppliers and generators, which now make up over half of our membership.

We represent the diverse nature of the UK's energy industry with our members delivering almost all (90%) of both the UK's power generation and energy supply for over 27 million UK homes as well as businesses.

The energy industry invests over £13.1bn annually, delivers around £85.6bn in economic activity through its supply chain and interaction with other sectors, and supports over 764,000 jobs in every corner of the country.

This is a high-level industry response to Citizens Advice's Consultation on new customer service metrics and other updates for the Energy Supplier Rating, and individual suppliers are likely to send their own responses also. We would be happy to discuss any of the points made in further detail with Citizens Advice or any other interested party if this is considered to be beneficial.

Executive Summary

Energy UK welcomes the opportunity to respond to Citizens Advice consultation on updates to their Energy Supplier Rating. We broadly welcome the changes proposed by Citizens Advice, in particular we are pleased to see that Energy UK's new Vulnerability Charter, due to be launched in 2020, will form part of the Star Rating, and we strongly support this. We believe this will be a key factor which will determine the strength of the Charter, and will continue to work closely with Citizens Advice on this.

There are a small number of areas where Energy UK and our members would like some further clarity from Citizens Advice, and where some more consideration should be given, most notably the decision to not include web chat as a metric given its increasing use by customers.

Furthermore, there is a slight concern about how different types of social media communications will be distinguished, in particular distinguishing between a comment rather than a request. For example, some Energy UK members raised that their internal process mean they flag social media requests as emails to deal with internally. Clarity on what social media enquiries should be counted, such as whether it needs a response or substantive response, would be useful.

For ease of reference, in our response we have picked out the 7-key minded to proposals from Citizens Advice and offered the view of Energy UK.

Responses to minded to proposals:

1. *To update the customer service metric in the rating to include email response time and social media response time (to direct private messages from a customer). Email response time will be mandatory, while social media will not be a mandatory metric as not all suppliers offer it.*

Energy UK recognise that these are increasingly common forms of contact, and that exploratory work from Citizens Advice indicates it is possible to measure supplier speed of response. Energy UK and our members are mostly positive about this proposal, but we would like to see some more clarity about the closure of cases, differentiating between substantive response as opposed to holding responses. However, it should be noted that some suppliers feel that email is a diminishing channel for them, with customers utilising digital conversation channels more, and so are less inclined to support having email as a metric.

There does also need to be recognition of social media contacts that come through outside of office hours, whilst also ensuring that the setting of timescales does not funnel all customers towards social media due to the ability of some suppliers to respond instantly. For some customers this may not be suitable or they may not be able to, putting them on a lower footing compared to other customers. We also feel that it is important that any timelines are based on concrete evidence of consumer expectations – not speculation. Fixing timelines could lead to a risk of incentivising fast but poor-quality responses from suppliers.

2. *Not to include telephone ringbacks and dropped calls as new metrics in the rating.*

Energy UK and our members agree with this approach.

3. *Not to include web chat as a metric, but to return to this at a later stage.*

Some Energy UK members expressed surprise that web chat would not be included as a metric, whilst also taking on board Citizens Advice's rationale that many suppliers do not offer webchat, and quality of RFI data received for those who do was poor. Increasing numbers of customers are now using web chat, so this may mean that the Star Rating is missing a big chunk of customers. In particular, some members feel very strongly on this point, as webchat for some suppliers is their second largest communication channel, and therefore believe the metric should reflect what customers use.

We would encourage Citizens Advice keeping this under review for future updates, and would urge Citizens Advice to work further with suppliers to agree metrics that could be used.

4. *To remove the bill timeliness element of the rating*

Energy UK and most of our members broadly agree with this approach. However, some members have highlighted that there are still some customers who pay on receipt of bill and those who like to keep an eye on their costs and usage. Bill timeliness remains important for these customers. These members feel that using a combined approach of measuring performance of both accuracy and timeliness means that supplier performance in relation to billing is accurately portrayed in the rating.

5. *To include the Energy UK Vulnerability Code of Practice in the rating.*

Energy UK is pleased to see that Citizens Advice is minded to include our new Vulnerability Charter, currently being written by Energy UK and our members, in the Star Rating, and we strongly support this. Some further clarity would be useful as to whether this would be a standalone metric, or still form part of the Customer Commitments section.

We note that Citizens Advice has not currently stated how many stars will be awarded for signing up to the Charter, and that this will reflect two factors, namely the content of the Charter and its governance structure. On content, we note that Citizens Advice want to see the protections that already exist in the PPM Principles and Safety Net plus the Commission for Customers in Vulnerable Circumstances recommendations, and will look at how far the Charter exceeds licence. On governance, we note that Citizens Advice give recognition that a balance needs to be struck between the level of oversight of

compliance and the range of signatories. We also note Citizens Advice would expect to see regular oversight by a governance board on key KPIs that would provide a regular challenge to energy suppliers.

Energy UK will take this into consideration as the Charter is developed, and will continue to work closely with Citizens Advice in order for signing the new Vulnerability Charter to be significantly reflected in the Energy Supplier Rating. This was also one of the recommendations from the Commission for Customers in Vulnerable Circumstances report published earlier this year.

Until the Charter is published by Energy UK, we would expect Citizens Advice to keep the Safety Net and PPM Principles in the Star Rating.

6. *To change the reporting period for Energy Ombudsman data in the rating from acceptance date to completion date.*

Energy UK and our members broadly agree with this approach. However, some members raised that there remains some potential for duplication to occur as they move from using when cases are accepted to using their completion date, as some cases may go beyond the 2 quarters proposed to resolve.

7. *To align our switching metric with Ofgem's proposed approach for the switching Guaranteed Standards, if these are confirmed.*

Energy UK and our members agree with this approach, in particular because this aligns with the Energy Switch Guarantee.

For any further questions or enquires please contact Tom Marsland: tom.marsland@energy-uk.org.uk or 020 7747 2957.