

## Good practice in the provision of energy efficiency advice



Gas and electricity suppliers are obliged by their licences to provide energy efficiency advice, including the operation of a telephone advice service. In 2002, Ofgem commissioned independent research into the quality of energy efficiency advice provided to customers.



The results from that research indicated that although the quality of advice provided by some telephone advice services was reasonable, there was room for improvement in a number of areas. This factsheet describes how suppliers are being encouraged to improve their performance. It follows a consultation by Ofgem in October 2002.



In light of the mystery shopper research and the responses received to the consultation, Ofgem is now taking forward this work in **three ways**.

- All domestic energy supplies have been asked to review their strategies on energy efficiency advice in line with the **good practice principles** over the page,
- Ofgem is encouraging all electricity and gas suppliers to sign up to the new **Energy Efficiency Partnership for Homes Code of Practice** outlined over the page, and
- Ofgem will undertake **follow-up research** into the quality and quantity of suppliers' performance and publish findings in 2004.

### Independent mystery shopper research

The main findings of the mystery shopper research were that:

- a number of suppliers failed to ask questions to identify whether consumers could be in fuel poverty or eligible for grants,
- specialist advisers tended only to respond to the question presented rather than using the call to explore opportunities for other energy efficiency measures,
- too little advice was given on specific measures to install, and
- verbal advice was not always adequately followed up with printed information, particularly in respect to grants.

## Good practice principles

Ofgem has asked suppliers to focus attention on improvements to their advice services in the following **four areas**:

### **Use calls to explore all the possibilities for improving the efficiency of the customer's home, ensuring that advice is relevant to the circumstances**

- in addition to answering the customer's question, take the opportunity to explore other ways of improving the efficiency of their home,
- ask questions designed to gain a clear picture of the customer's circumstances (including the type of property, construction and age, insulation, heating system and controls, and measures installed) ideally by carrying out an energy audit,
- use this information to provide relevant advice on behavioural changes and measures to install, together with details of their cost and potential savings.

### **Follow up calls with printed information, energy audits and visits where appropriate**

- ensure that advice provided over the telephone is followed-up with literature specific to the customer's home and circumstances (i.e. a printed report) and details of how the customer can proceed,
- where the query is of a general nature, follow-up the call with a general information leaflet advising the customer of more specific help that is available,
- have arrangements for visiting customers, either in-house or through referral to a third-party.

### **Identify and help customers that might be eligible for grants**

- ask questions that establish whether the customer is eligible for grants
- provide information on the available grants, the application process and likely timescale,
- strengthen links with the Energy Efficiency Commitment (EEC) team, possibly through the merging of EEC and advice offices,
- seek opportunities to promote schemes and offer EEC funded measures as an incentive to encourage customers to contact the energy efficiency advice service.

### **Ensure easy access, professional help and positive outcomes**

- have a well-publicised local call rate or freephone number for customers contacting the advice service, with targets for answering calls,
- record details of incoming calls, advice provided and printed information distributed,
- ensure that the advice service is adequately resourced and staffed by personnel trained to City and Guilds standard or equivalent by National Energy Action, Energy Action Scotland or other such reputable organisations,
- develop arrangements for monitoring the outcomes of advice provision, possibly through sampling a proportion of customers to establish whether they have acted on the advice and what the impact has been.

**Fact:** Nearly **30 per cent** of all carbon dioxide emissions come from household use of energy.

## Energy Efficiency Partnership for Homes (EEPH) Code of Practice

The EEPH has brought together representatives from energy suppliers, energy advice centres, local authorities and other significant providers of domestic energy advice to discuss how the quality and availability of advice provision can be improved.

Following a period of consultation, a Code of Practice has been agreed which is designed to set minimum standards for customer access, quality of advice, staff training and

service improvements. The Code covers all organisations delivering domestic energy efficiency advice. It will be reviewed annually with the aim of continually raising the quality of domestic energy advice provision in the UK.

Ofgem is encouraging all domestic supplies to sign up to this Code of Practice when the process for registration starts in April 2003.

## Monitoring performance

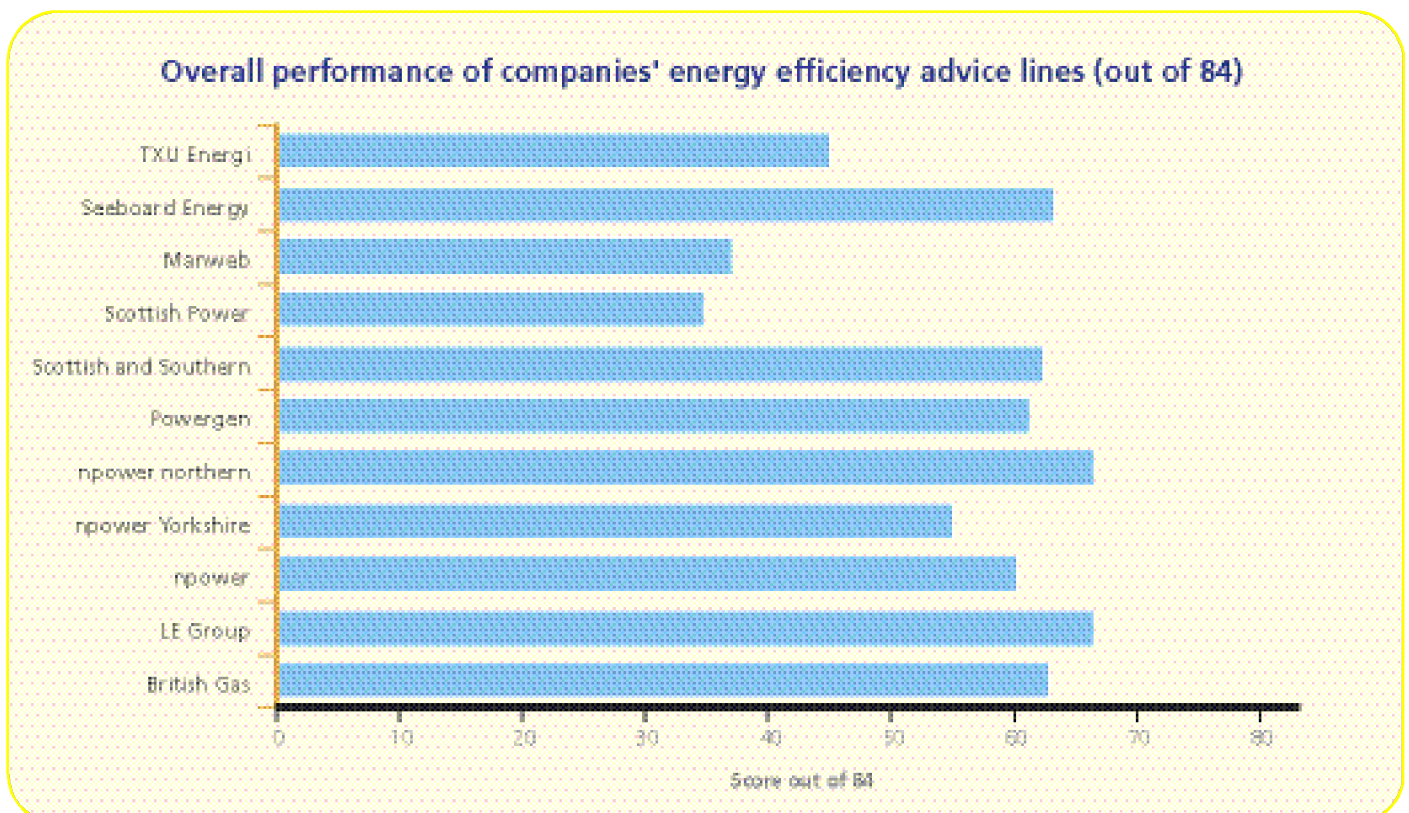
Ofgem will continue to monitor the performance of energy suppliers, in terms of both quantity and quality of calls handled. Ofgem will commission further mystery shopper research to commence in November 2003 to measure the quality of advice being provided and check the extent to which good practice has been adopted.

In addition to the usual quantitative measures such as number of consumers advised and number provided with advice about grants for example, Ofgem may ask for

further information such as the number of staff available to work on the advice line, details of qualifications held and number of energy audits provided.

Ofgem will report on performance in the annual review of the Social Action Plan and make quarterly data available on the Ofgem website.

**The following table shows how individual advice services rated in Ofgem's 2002 survey:**



**Fact:** The Energy Saving Trust estimates that the average household could **save £200 a year** by taking energy efficiency measures.

## Good practice in debt prevention

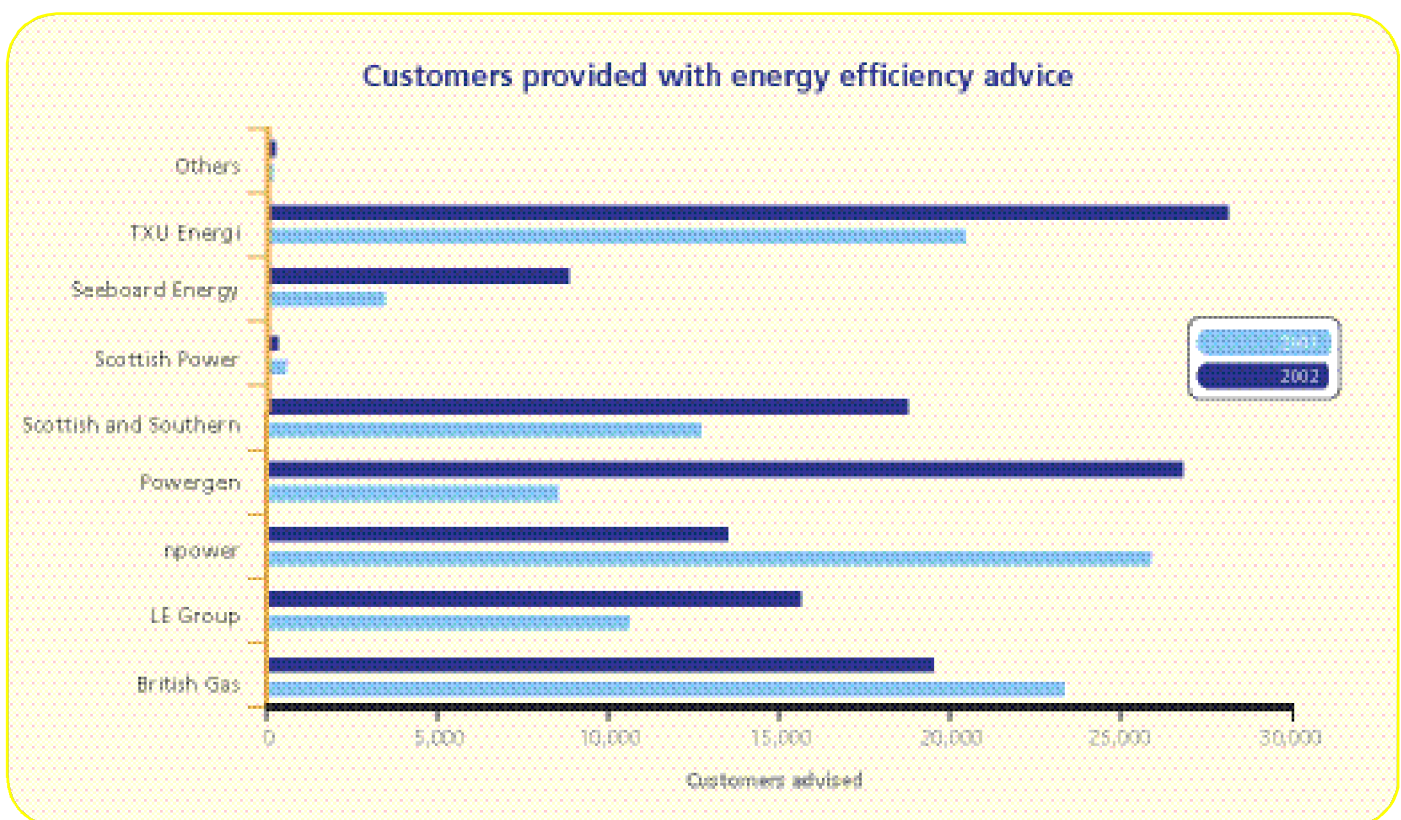
In January 2003 Ofgem and energywatch published 'Preventing Debt and Disconnection', a joint document which outlines good practice guidelines for suppliers, designed to minimise debt and disconnection.

The document invites suppliers to develop individual strategies, focusing on six key areas, designed to help consumers who are already in debt and prevent those at risk from falling into debt. Two of the six areas focus specifically on energy efficiency.

The document recognises that many customers, in particular those operating on tight budgets, are unaware of the significant financial benefits of taking energy

efficient measures. It suggests that suppliers' frontline call centre staff do more to identify these customers and to direct them towards potential money saving measures and advice.

The document also asks suppliers to make better use of the information they hold about their customers. Ofgem and energywatch recommend that suppliers use payment and consumption histories to identify and target customers who would particularly benefit from efficiency advice and measures.



Ofgem hopes that the review of strategies in line with good practice and the adoption of the EEPH Code of Practice will bring improvements in the quality of energy efficiency advice provided by suppliers.

Suppliers' efforts to raise awareness of energy efficiency among those in greatest difficulty should also mean more consumers with payment problems accessing high quality advice and grants to help them improve the efficiency of their homes.

**Fact:** Independent research suggests that **70 per cent** of consumers provided with energy efficiency advice take action as a result.