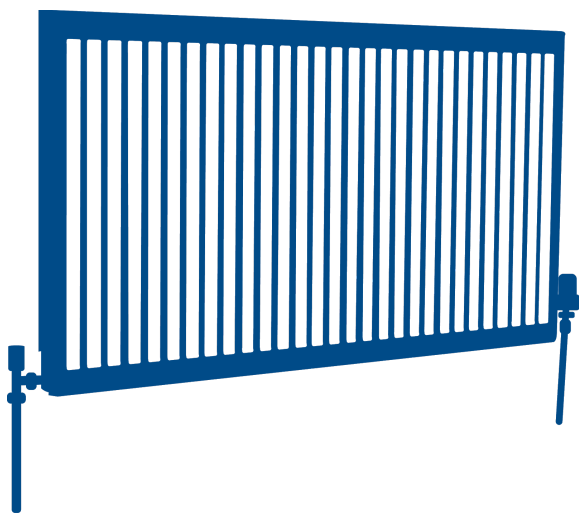


Making sure consumers get the right support and information

Good practice guide for heat network suppliers and other stakeholders interested in the heat network sector



**citizens
advice**

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Introduction

The Citizens Advice service provides free, independent, confidential and impartial advice to everyone on their rights and responsibilities. We are the statutory representative for domestic and microbusiness energy consumers across Great Britain. We are also anticipating being asked by the government to take on a new statutory role as the consumer advocate for heat network consumers. Our good practice guides are designed to help suppliers and other stakeholders improve the support provided to their customers.

Heat networks are one of the key technologies in the government's strategy to achieve net zero carbon emissions by 2050. The Climate Change Committee (CCC) has estimated that nearly 20% of all residential heating will need to be supplied through heat networks by 2050, up from around 2% today.¹ To help support new and existing consumers, suppliers need to provide clear and transparent information about their services.

In January 2021, we published [a report](#) looking at the information provided by a small sample of heat network suppliers over the phone and on their websites. Our research found that it's difficult to get information about their services, and that there is limited support available for consumers in vulnerable circumstances - including for those affected by the coronavirus pandemic.²

This good practice guide highlights instances of good and bad practice from that research, and recommends actions suppliers could take now to improve things for consumers. Whilst upcoming regulation of the heat network sector should oblige suppliers to make many of these changes, these could take some time to come into force. That's why heat network suppliers should start making these changes now.

¹ Climate Change Committee, [The Sixth Carbon Budget](#), 2020

² Citizens Advice research included an analysis of information given on 21 heat network supplier websites and mystery shopping of their customer service telephone lines. We also carried out in-depth interviews with heat network suppliers and the Heat Trust.

Recommendations

There are 3 key areas where suppliers could implement changes to improve things for consumers.

Accessibility and customer service

- Provide good customer service, including by answering all calls promptly and ensuring their call handlers can answer basic queries from customers
- Websites should meet high accessibility standards and clearly display information about the supplier's services

Support for customers in vulnerable circumstances

- Proactively offer and explain support for customers in vulnerable circumstances

Support during the coronavirus pandemic

- Offer support to customers who are struggling financially due to the coronavirus pandemic
- Clearly outline the social distancing policies that are in place for any in-person interactions, and ensure customers know that they can opt out of non-essential maintenance work

Accessibility and customer service

Consumers want to engage with energy suppliers using a variety of different channels. Our previous research has found that most consumers want to be able to use the internet and telephone when engaging with their energy supplier:

- Over 50% of consumers want to use the internet to manage their account or choose new products
- Over 50% prefer to use telephone services when things go wrong³

Heat network suppliers need to make sure customers can access their services using multiple channels. Heat is an essential service, and different options for getting in touch with their supplier are crucial. Some consumers also have particular needs which makes it difficult to use certain channels, for example, some people can find it difficult to access information on the internet. Our [recent work](#) on building an inclusive future energy market highlights how important non-digital channels are. Over 5 million UK adults are non-internet users, so it's vital that companies offer non-digital ways for their customers to sign up, stay in contact and manage their account.⁴

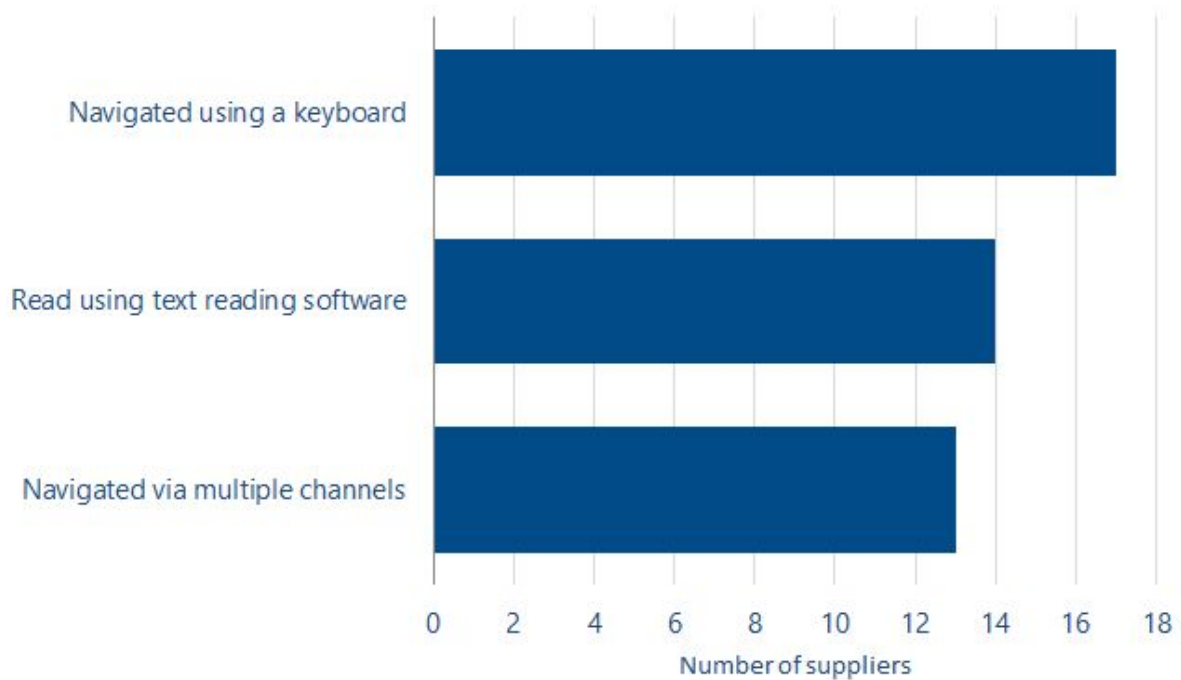
Website accessibility

We tested each supplier's website against some internationally recognised standards developed by the [World Wide Web Consortium](#) (W3C), and found that most suppliers have taken steps to make their websites more accessible. There were numerous examples of good practice. For example, most could be read using text reading software and navigated using a keyboard.

³ Citizens Advice, [Future Proof: Challenges and opportunities in providing great service in energy](#), 2020

⁴ Citizens Advice, [Future for all: Making a future retail energy market work for everyone](#), 2019

Number of suppliers who taken steps to make their website more accessible



But, we did identify a few issues - some websites used text in image form which makes it impossible for the website to be read by text reading software. We also found that many suppliers didn't offer multiple ways to navigate their website such as a site map or search function capability. This is a problem because some people find it difficult to navigate websites and need alternative ways to access the information they need.

Suppliers should look at ways to make their websites more accessible - the [W3C](#) has some useful information and guidelines to help organisations improve their website accessibility.

Getting advice and support over the telephone

We've [previously found](#) that customers can struggle to get through to their energy supplier over the phone. This is also a problem for the heat network suppliers we looked at in our mystery shopping research. Nearly 1 in 2 shoppers didn't have their call picked up on their first attempt and around 1 in 6 couldn't get through at all.

But, when shoppers did get through - most were satisfied with the service they received. The vast majority of shoppers said that they found their call handler professional, friendly and helpful.



The staff member was very friendly and open to answering any questions. They did not make me feel like I had to hurry with my questions.

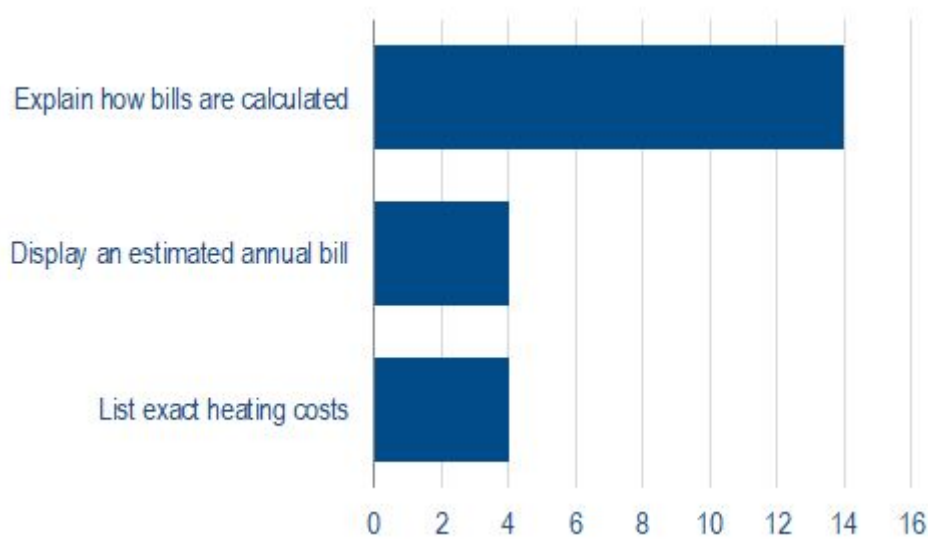
However, some shoppers did have concerns with the service they received. For example 18 out of 53 shoppers who we asked to call a heat network supplier were dissatisfied with the knowledge of the call handler - we expand on this in the section below.

Providing consumers with accurate information over the phone is crucial. Heat network suppliers should regularly be analysing their call volumes, including dropped or unanswered calls. The messaging on automated answering services, including any interactive voice response options should be clear and provide options for people to speak to a call handler. When a customer gets through to a call handler, suppliers need to make sure they receive accurate information about heat network services.

Information displayed on suppliers' websites

Most of the supplier websites we reviewed didn't clearly display information about heat network services. For example, whilst most websites explained how their bills are calculated the majority don't provide the exact cost of heating or an estimated annual bill.

Information displayed on heat supplier websites



Our [previous research](#) has found that heat network consumers struggle to understand how their heating works and how much it costs. It's therefore really important that suppliers provide clear information about their services and prices on their websites. Below are 3 examples of good practice from supplier websites where information about pricing is clearly displayed.⁵

Example 1 - How Loka Energy explains how their bills are calculated

Usage Charge: Your usage charge is for the units of heat energy that you use. This is measured and recorded by the heat meter in your apartment and sent directly to our billing system via the automated meter reading system that has been installed in your development. You can directly influence your usage charges by monitoring and reducing the heat and hot water consumption in your home. For impartial advice on how to reduce your energy consumption we recommend you visit the Energy Savings Trust website here.

Standing Charge: Your standing charge is a daily fee that covers a variety of ongoing operational and maintenance costs associated with your district heating network, including the customer services and metering and billing system.

⁵ These examples are from [Loka Energy](#) and [East London Energy](#)

Example 2 - How Loka Energy explains their estimated annual billing cost

Loka supplies heat based on two charges only: a Standing Charge (98p/day inc. VAT) and a Unit Charge (7.25p per kilowatt hour (kWh) inc. VAT) - prices as of September 2019. Based on these charges, an average home using around 3,000 kWh of heat per year will pay a total annual heat bill of £575.

Example 3 - How East London Energy displays their exact heating costs

Charges applicable from 1st July 2020

Charge	Excluding VAT	Including VAT
<i>Availability Charge</i>	<i>£25.13 per Kilowatt/ year</i>	<i>£26.39 per Kilowatt/ year</i>
<i>Unit Charge</i>	<i>5.983p per Kilowatt-hour</i>	<i>6.282p per Kilowatt-hour</i>
<i>Common Heat Availability Charge</i>	<i>5.983p per Kilowatt-hour</i>	<i>6.282p per Kilowatt-hour</i>
<i>Meter, Billing & Consumer Meter Service Charge</i>	<i>£113.46 per Customer meter/ year</i>	<i>£119.13 per Customer meter/year</i>

We struggled to get information about heat network services on the websites we looked at in our research. Suppliers need to urgently review the content on their websites and make sure they're giving their customers access to the information and support they need.

Information given via suppliers' telephone lines

Most suppliers who were called by shoppers in our mystery shopping research weren't able to give basic information about heat network services over the phone.⁶ This included being able to get an estimated annual bill or told whether they could change

⁶ Shoppers posed as prospective new customers and asked questions that should have been straightforward to answer, and should not require an exact address or property details.

suppliers. For example, only 7 shoppers were correctly told they couldn't change their heating supplier once they'd moved into a property connected to a heat network.

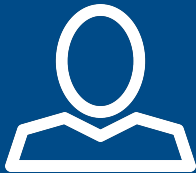
Call handlers gave a number of reasons for not being able to provide the correct information. These included:

- Call handlers saying they can't help them without the shopper giving an exact address
- Some shoppers were told to visit the supplier's website or email the landlord/housing management company instead

The 2 examples below highlight some particularly bad practice we found.



I was informed the best thing to do would be to send an email. I was then asked who I was renting the property from or thinking about renting from, and was advised it was best to contact them and they would be able to help me.



I felt that when I spoke with the staff member, I was being rushed with a question and they repeated several times that if I have got a question about units and prices I have to email.

Suppliers need to make sure their call handlers have received sufficient training and information about the services available so that they can answer basic queries. Suppliers should regularly carry out quality assurance checks on their customer service telephone lines to make sure their customers are getting the information they need. This will also help maintain high customer service standards.

Support for customers in vulnerable circumstances

We found some evidence of good practice, most of the suppliers we looked at are offering at least some support to customers in vulnerable circumstances. This includes:

- Bills/statements in accessible formats
- Being able to nominate someone else to speak on your behalf
- Extra support for customers if there is a heating outage



The staff member was particularly knowledgeable about their Priority Services Register features and explained I would just need to call them when I confirmed my address to set it all up.

However, many of the suppliers we looked at aren't providing enough support. Around half of supplier websites don't mention a Priority Services Register (PSR) and several didn't offer any support to customers in vulnerable circumstances.⁷ Also, several shoppers found it difficult to get any information about a PSR over the phone - some suppliers didn't know whether they offered the service and 1 call handler hadn't even heard of the register despite them being widely used by energy suppliers. Our [previous research](#) has also found that some heat network residents worry about getting through to someone who can help them if they need support.



The staff member did not know what a PSR was or if there was anything for customers in vulnerable circumstances other than the standard service that everyone else receives.

Suppliers need to put policies in place to support customers in vulnerable circumstances. All suppliers should be offering access to a PSR for customers in

⁷ A PSR is a register a supplier maintains of customers in vulnerable circumstances. It helps suppliers identify customers who may need extra help and offer them support that is tailored to their needs.

vulnerable circumstances. Information about the register should be clearly displayed on suppliers' websites and should be easily accessible from the supplier's home page. Suppliers should also make sure their staff can answer basic questions about how the register works over the phone and be able to explain to customers how they can sign up. To help reach as many customers as possible, suppliers should also ensure they are regularly maintaining and proactively updating the register.

When a customer signs up to a PSR, suppliers need to act quickly to ensure they're getting the support they need. All reasonable steps should be taken by suppliers to ensure customers get appropriate support. The support should include:

- Advance notice of planned heating cuts
- Priority support in an emergency e.g. providing alternative heating facilities in the event of a supply interruption
- Identification scheme e.g. provide additional support to help customers identify people who work for the supplier. This could include arranging a password or showing an agreed picture card upon a visit
- Being able to nominate someone else to speak on behalf of the customer
- Arrangements to ensure customers can access pre-payment meters e.g. moving a prepayment meter if a customer is unable to access it safely to top it up
- Additional services for people who struggle to read their meter e.g. organising to read a meter on a customer's behalf if they can't read it themselves
- Information is provided in accessible formats e.g. account and bill information should be available in different formats, such as in larger print or braille

Support during the coronavirus pandemic

Despite our research being carried out several months after the start of the pandemic, we found that most suppliers we contacted had limited support available for people who were struggling to pay their bills because of COVID -19.⁸ Only 5 shoppers in our mystery shopping research were told about any available support. Several shoppers were either told that no support was available or told to direct their questions to someone else.



I was advised that all energy is supplied by pay as you go meters, so no arrears would accumulate and no additional support is available.

But, there were some examples of good practice. Some of our shoppers were told about support available for people struggling to pay their bills. We also found that suppliers were more likely to provide information on their websites, with around half listing support for people struggling financially because of the pandemic.

⁸ The research was carried out in September and October 2020

Case study: How a heat network supplier supported a customer struggling with heating debt

During COVID -19, the heat network supplier has regularly reviewed all customer debt levels and offered support when appropriate. This has led to their customers having very low levels of debt (currently around £30 for all customers across their network). They try to help customers put together a repayment plan if they fall into debt. For example:

- The supplier noticed that a customer in vulnerable circumstances was struggling to pay off their energy debt
- They were able to work with their housing association to come up with a manageable debt repayment plan
- This meant that the customer was able to maintain their tenancy and keep their home warm, whilst repaying a manageable amount of debt each month



I was told they could contact their customer services hotline and ask to do a payment plan. They would be able to reduce payments and spread the cost over a longer amount of time.

Around half of the call handlers didn't know what social distancing measures their supplier had in place because of COVID-19. We found examples of call handlers who were not able to tell us what services they offered or asking for a specific address from the shopper before giving any information about social distancing. This is despite this sort of information being publicly available on most suppliers' websites.



They did not provide information without me providing detailed property data. The answer was: I can't help.

Whilst we found some examples of good practice, too many suppliers gave out insufficient information about support available. This is despite the Heat Networks

Industry council [publishing an agreement](#) setting out how heat network suppliers will support their customers during the pandemic. Suppliers need to make sure they're honouring this agreement - too many call handlers were unable to give details about what support is available.

They also need to make sure that information about support is accessible by making it easy to access online, and by ensuring call handlers can explain what support is available to customers. They should also proactively engage with customers in vulnerable circumstances so that they know about the support. The support should include:

- Offering support to people who have been financially impacted by the pandemic e.g. by suspending disconnections and referring customers to third party debt advisors, such as Citizens Advice. Our [debt good practice guide](#) has more practical tips suppliers can follow to help customers in debt.
- Support prepayment meter customers who are struggling to top up their heating e.g. by extending discretionary credit or sending out a pre-loaded top up card
- Allowing customers to opt-out of non-essential maintenance work or non-urgent appointments without incurring any financial penalties
- Putting in place social distancing precautions for all home visits e.g. making sure engineers wear full PPE and ensuring there is at least 2 metres distance at all times

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We provide free, confidential and independent advice to help people overcome their problems. We are a voice for our clients and consumers on the issues that matter to them.

We value diversity, champion equality, and challenge discrimination and harassment.

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