

COVID-19 Good practice guide for Energy suppliers and networks

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Introduction

The impact of COVID-19 on the energy market remains fluid and there is uncertainty around how we transition out of the restrictions. A second wave, local lockdowns and changes to travel guidance all mean that the situation continues to be volatile.

In this document we've identified risks to consider and some examples of good practice. This guide is designed to build upon the [energy supplier principles](#) and the [heat network principles](#), developed collaboratively with government and industry.¹

We've included some examples of case studies where consumers have contacted our service after experiencing service failures, to help illustrate where companies can look at implementing training or policies to avoid these situations.

As this is a dynamic situation, the industry should ensure they are up to date with the latest government and regulator guidance - including Ofgem's [expectations for industry](#).

We would also request that if a supplier or network is experiencing performance or operational challenges, they ensure their Citizens Advice consumer service RAST protocols are up to date, and inform their EHU contact.

¹ While heat networks are not covered by supply licence conditions, we expect heat networks to abide by the general principles in this guide.

Identifying and supporting customers

There are particular customer characteristics that can increase their risk of experiencing problems with their energy supply during the crisis. These include:

- Having a prepayment meter (particularly non-smart prepay).
- Needing to self-isolate due to possible infection in the household.²
- People following 'shielding' guidance, including those defined as extremely vulnerable on medical grounds who may choose to continue to follow the guidance, or those under local restrictions³
- People who consider themselves otherwise vulnerable to infection and are practising strict social distancing.
- Not having a good network of friends, relatives or neighbours to help them pay for their energy or buy food and essentials.
- Having health conditions meaning they need to maintain a constant supply of electricity, or are vulnerable to a cold home.
- People who are struggling financially due to COVID, such as those who have lost their job, are on benefits, or were furloughed.

For customers in these situations, suppliers might consider:

- Offering to pause or reduce debt repayments if they experience a period of financial distress, in line with existing requirements to ensure instalments are calculated so consumers are able to pay.
- Keep prepayment customers updated with advice on what to do if they find themselves off-supply and are in isolation.
- Proactively contacting consumers who pay by cash or cheque with guidance on alternative payment options, and what to do if they are self-isolating and can't go out to pay their bill. Cases from our consumer service report some customers feel uneasy about paying over the phone or not receiving a receipt as proof of payment. Suppliers should consider what they can do to build confidence for these consumers to pay using alternative methods.
- Warning consumers that their energy usage may change if they are at home all day, especially as we enter the winter heating season, and providing advice on what to do if they are struggling with the increase.

²<https://www.gov.uk/government/publications/covid-19-stay-at-home-guidance>

³<https://www.gov.uk/government/publications/guidance-on-shielding-and-protecting-extremely-vulnerable-persons-from-covid-19/>

For smart prepay customers this could also include:

- Providing discretionary credit on their prepayment meter. Consumers should be made aware this will need to be paid back. [Ofgem proposals around self-disconnection and self-rationing](#) are expected to be implemented by the end of the year, requiring suppliers to monitor self-disconnections and offer customers with enough discretionary credit to keep them on supply.
- Switching their prepayment meter into credit mode. Consumers should be made aware that any existing credit will be refunded and they will be charged for energy used while in credit mode.

For legacy prepay customers this could also include:

- Providing discretionary credit, and where necessary enabling a customer to nominate a trusted third party to be able to pick up discretionary credit sent to a shop on their behalf. Consumers should be made aware this will need to be paid back.
- Sending out a pre-loaded top up card in emergencies (including financial emergencies). Consumers should be made aware this will need to be paid back.



Mike lost his job due to the COVID-19 pandemic and is waiting for a Universal Credit payment. He has been unable to afford to top up his prepayment meter and has lost gas supply. A couple of weeks ago Mike received help from his energy supplier to pay for his gas, however the supplier is now saying that they cannot help again.

We recommend suppliers and networks consider adding consumers who received a letter from the NHS asking them to self-isolate to the Priority Services Register (PSR).

Proactive communications and pop-ups on websites or apps can encourage consumers to talk to the company about their circumstances and any additional assistance they may require.

Bereavement

The UK has suffered a substantial increase in deaths due to the virus.

Companies should ensure their specialist bereavement teams are adequately resourced and provide additional guidance to frontline advisors. We suggest:

- Clear and simple advice on your website on how to report a death
- Signposting to additional support, such as our webpage on [what to do after a death](#)
- Ensuring account changes are completed as quickly as possible (with due regard to probate rules where applicable). Our consumer service has received a number of cases where the client has reported increased stress due to receiving bills in the deceased's name, despite having already notified the supplier.
- Guidance for consumers who are dealing with managing a household for the first time. A number of cases received by the consumer service are from consumers whose recently deceased spouse had managed the finances, and were unsure how to manage their energy account.



George's wife has passed away. She used to manage the household. His energy bills are currently based on estimated meter readings and he does not think his usage is this high. George wants to start giving meter readings to his supplier but does not know how to do this.

Domestic abuse

Unfortunately, due to extended periods at home, there are increased reports of domestic abuse.⁴

Survivors often have to leave their homes very suddenly and won't have time to sort out their bills before they go. Many people won't have, or have immediate access to, proof of ID or any financial documents. This can cause difficulties for managing or setting up accounts.

Companies should consider:

⁴ [Refuge reports further increase in demand for its National Domestic Abuse Helpline services during lockdown](#) (May 2020)

- Additional training for their frontline agents to identify signs or indicators.
- If you have specific advice on your website, ensure that part is easy to hide (if a consumer is searching for advice whilst the perpetrator is present).
- Additional care is taken if survivors inform you of a change of address (for example don't send a letter to the old address to confirm the change, take additional care when giving out any personal information to make sure it is not a manipulative perpetrator trying to find a survivor's new whereabouts etc.)
- What documentation is required to set up an account for survivors.

We have a report on [how post can enable domestic abuse](#) that companies may find useful.

Maintaining communication

Open and clear communications with customers remains essential during this period. Companies should ensure their staff are aware of and sensitive to the situations consumers may be facing (for example, reduced income due to inability to work, having a prolonged hospital stay, or bereavement).

Companies should indicate clearly whether certain types of contact are being prioritised and what channels these customers can use. This should include examples of what is “essential” or “urgent” contact.

Reassurance

Consumers are concerned about the impact of coronavirus and managing their bills. Companies should send out reassurance messages to help alleviate these concerns, this could include:

- Keeping updated information on their website (for example, in the form of an FAQ or information box).
- Sending proactive communications to customers with advice, guidance and reassurance.
- Adding additional messaging to bills with advice on what to do if they are concerned or struggling due to the virus.
- Having additional signposting for coronavirus-specific external support. We recommend signposting to our general coronavirus advice page: <https://www.citizensadvice.org.uk/health/coronavirus-what-it-means-for-you/>.

Most suppliers have provided some information on their websites regarding the support that is available. Several have put a prominent banner or information box on their homepage, meaning it only takes one click for customers to find the latest information and support around COVID-19. Some companies have used headings such as “For prepayment customers” and so on, making it easier for customers to see which part applies to them.

However, some smaller and medium-sized suppliers have provided no - or only partial - additional information online to customers regarding the sort of support that is available.

Face to face interactions with customers

As face to face activities are being reinstated, suppliers should consider how they continue to practice social distancing during these appointments.

Customers who are shielding (or otherwise consider themselves more vulnerable) will also need more specific precautions. We suggest industry should:

- Reassure customers about what precautions are being taken.
- Seek to understand the concerns of the customer, for instance if they are immunosuppressed or in a high-risk category. The company should work with the customer to establish what precautions and action can be taken.
- Some customers in the higher risk groups may be uncomfortable with receiving any sort of visitor in their home. The company should check with customers on the PSR, ahead of time, about whether they are able to receive visitors and/or establish if any precautions should be taken.
- Allow customers to postpone or reschedule non-urgent appointments without any penalty (for instance, if they need to get a smart meter installed within 6 months for their tariff, this should be extended).

If a home-visit needs to be cancelled or postponed the company should explain to the consumer what the next steps are. For instance, smart meter installations for prepayment meters could help alleviate self-disconnections if a customer is self-isolating or if their local shop has closed. If the consumer feels that replacing a legacy prepayment meter with a smart meter would provide greater security, then companies should consider how the installation could be made safe.

Misinformation and scams

Unfortunately there are people who take advantage of a crisis, with a number of energy-specific scams circulating. There is also a large amount of misinformation being shared across social media.

Industry should consider:

- Proactive communications with scam awareness tips (for instance, checking the account number matches, that the correspondence is to the correct name etc.) and what to do if the customer suspects it is a scam.
- Social media posts outlining what essential work is being carried out and what support is available.
- What communications are being sent to consumers about any essential work needed in their property or area.
- What PSR services are appropriate to implement, and whether they would be suitable to be offered for a wider group of consumers. For instance, using a password scheme for home visits.
- Additional signposting to scam awareness (for instance, our page on [checking if something might be a scam](#)).
- Issuing specific messaging if a known scam or misinformation is circulating that relates to a specific company.

Microbusiness customers

A significant number of microbusinesses are negatively affected by the outbreak. This is causing financial strain on businesses as well as extra stress for consumers themselves.

We recommend suppliers with microbusiness customers should consider:

- Ensuring if the property is mixed-use (with domestic residency), the above points are taken into consideration.
- Discussing the business' situation and pausing or reducing debt repayments and disconnections accordingly.
- Proactively contacting businesses to reassure them there are options if they are in financial difficulty.
- Ensuring business customers are aware of government support schemes.
- Prominently signposting to support services such as Citizens Advice and Business Debtline.

Our [recent research](#) included user-testing of various communication methods for encouraging microbusiness customers to engage with suppliers about debt.⁵



Freya is the secretary of a small business which has closed due to COVID-19. She asked their energy supplier to defer their bill while they are waiting for a grant to be paid to them. The supplier did not agree to this and charged an additional £45 for a late payment fee. Freya is unhappy with the way they have been treated by their supplier in the current crisis.

⁵ (2020) Citizens Advice. [Getting through to business](#).

Moving forward

Citizens Advice has found that the pandemic has had a significant financial impact on consumers. In our report [Near the cliff-edge](#) we estimated nearly 6 million people have fallen behind on a household bill due to COVID-19, and 30% of adults say their household income has fallen by 20% or more.

Suppliers should consider what activities they are reinstating and consumers' ongoing concerns about in-person visits (see 'Face to Face interactions' section above).

Debt collection

We expect suppliers to continue their pragmatic approach to debt collection. Typical debt collection methods may cease to be appropriate. Suppliers should consider what is appropriate to pause or what alternative actions are required.

We would however expect suppliers to:

- Not seek new warrant installs of prepayment meters until the risks of the pandemic are over.
- Pause remote switching of smart meters from credit to prepayment mode unless the consumer has requested it and the supplier is confident that it is safe and practicable for the consumer.
- Deal with issues in a timely fashion.
- Consider the lasting impact of the pandemic whilst undertaking ability to pay assessments.

Suppliers should consider that certain groups of people are more likely to experience financial difficulties and might find it more difficult to engage with their utility providers about debt.⁶

Almost one in five (18%) people with a mental health problem will be in problem debt - this is nearly three and a half times the rate among people without mental health problems (5%).⁷ People with mental health problems can go through periods in which they completely disengage with utility providers and they might struggle to find the 'right time' to disclose their mental health problems.⁸ The Money Advice Trust has published a helpful [guide](#) for supporting customers affected by debt and mental health.

⁶ (2019) Citizens Advice. [Supply and final demand](#).

⁷ (2019) Money and Mental Health Policy Institute. [Debt and mental health: a statistical update](#).

⁸ (2018) Citizens Advice. [The energy market and people with mental health problems](#).

In addition, there has been a huge rise in the number of people applying for Universal Credit. The in-built waiting time for a claimant's first UC payment is 5 weeks, and 1 in 10 people are not paid on time. Over half of UC claimants take out a repayable advance payment to cover this wait until their first payment.⁹ Suppliers should assume a customer will experience a financially difficult period if they say they've made an application for UC.

Metering

A continued concern reported by consumers has been receiving estimated bills due to not being unable to read meters (either from not being at their property during lockdown, or not having meter readings undertaken by the supplier), or from faulty meters.

Suppliers should take into consideration if a consumer has been absent from their property and re-assess the estimated bill. Suppliers should consider if a temporary reduction in payments is appropriate until the consumer is back in their property to take a meter reading.

When suppliers reinstate non-urgent appointments they also need to consider those who are still shielding or are in self-isolation who may be wary of having people in their home (see 'Face to face interactions' section).



Emma and Nick have their own small business and are struggling financially after the impact of the lockdown. They've applied for Universal Credit and, after receiving a missed payment notice from their energy supplier, they emailed to explain their situation. Despite this, they've been receiving calls from a debt collection agency.



Mercedita recently spent time in hospital with COVID-19 and she wasn't able to submit meter readings as usual. She received a text from her energy supplier flagging that they hadn't received readings lately and providing ways of getting in touch. It wasn't something that had crossed her mind, but this reminder helped Mercedita quickly and easily let her supplier know the situation.

⁹ (2019) Citizens Advice. [Managing Money on Universal Credit](#).

Local restrictions

Suppliers should be sensitive to local restrictions and they should have an adaptable and flexible set of protections that can support customers who may have to stay at home longer.

We suggest that industry should:

- Proactively monitor local restrictions and consider the impact on customers. Consider that these customers may be more likely to experience financial difficulties.
- Companies with a significant proportion of customers in areas affected by restrictions should consider proactive communications to these customers about what support is available.
- Reassure customers experiencing local restrictions that they will not be penalised if planned appointments for metering work or to take meter readings have to be paused.