

inclusive policy, social development

GK consulting



Strengthening & streamlining energy advice & redress

**An independent review of the adequacy of energy advice and redress -
consumer journeys (June 2015)**

Georgia Klein
07939 541 807
georgia@georgiaklein.co.uk

Introduction

The following four flowcharts attempt to convey the journey an informed consumer would theoretically take to gain relevant and comprehensive energy advice or redress for four typical presenting issues. They illustrate the degree of integration of the schemes and the complexity of the consumer journey and helpfully provide an oversight of how Government policies have shaped the potential consumer experience. However, these journeys should not be presumed to reflect the reality of consumer experiences. Real consumer experiences will be shaped by their level of understanding of the support available, willingness to engage with it and the degree to which consumers receive poor quality advice from other organisations which have no Government mandate or regulatory oversight as well as those that do.

The journeys have been built using information on advice and redress scheme remits (see Chapter 5, figure 5 and Chapter 6, Figure 9 in the [full report](#)) and information the scheme providers gave on referrals both into and out of the scheme (see [Appendix 8](#)) as well as further references where needed. They are intended to be illustrative and therefore will not convey the detailed processes of each individual scheme.

Four consumer issues are presented to illustrate a range of engagement with advice and redress providers:

1. A domestic consumer seeks advice because the central heating (in the home they own) is not working and they are concerned their boiler is broken. It is winter and they are worried about the costs of fixing this.
2. A micro-business consumer seeks advice because the energy bills for their lighting shop are very high. How can they get them as low as possible?
3. A domestic consumer seeks redress because their energy bills are higher than they anticipated after having photovoltaic solar panels installed. They are not sure if this is because they were mis-sold to, they are not being billed correctly or there is something wrong with the installation.
4. A micro-business consumer seeks redress because their energy bill is higher than they anticipated based on past bills. They have moved to new premises a few months back and have a new supplier but their energy use has not changed.

References used in addition to scheme provider submissions:

[Ombudsman Services - how we work](#)

[Ombudsman Services - terms of reference](#)

[Feed-in-tariffs dispute resolution processes](#)

[Green Deal Code of Practice](#)

[Ombudsman services - Green Deal](#)

[Microgeneration Certification Scheme complaint guidelines](#)

[Renewable Energy Consumer Code complaint guidelines](#)

[Ofgem's Consumer Confidence Code](#)

Key



Start of engagement with new organisation



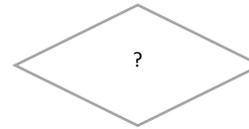
Referral to another organisation



Action taken by scheme/provider



Flowchart relating to this scheme continue on page in direction indicated



Decision point

Journey ends either because this option is not applicable to the presenting issue/consumer or further support is not available

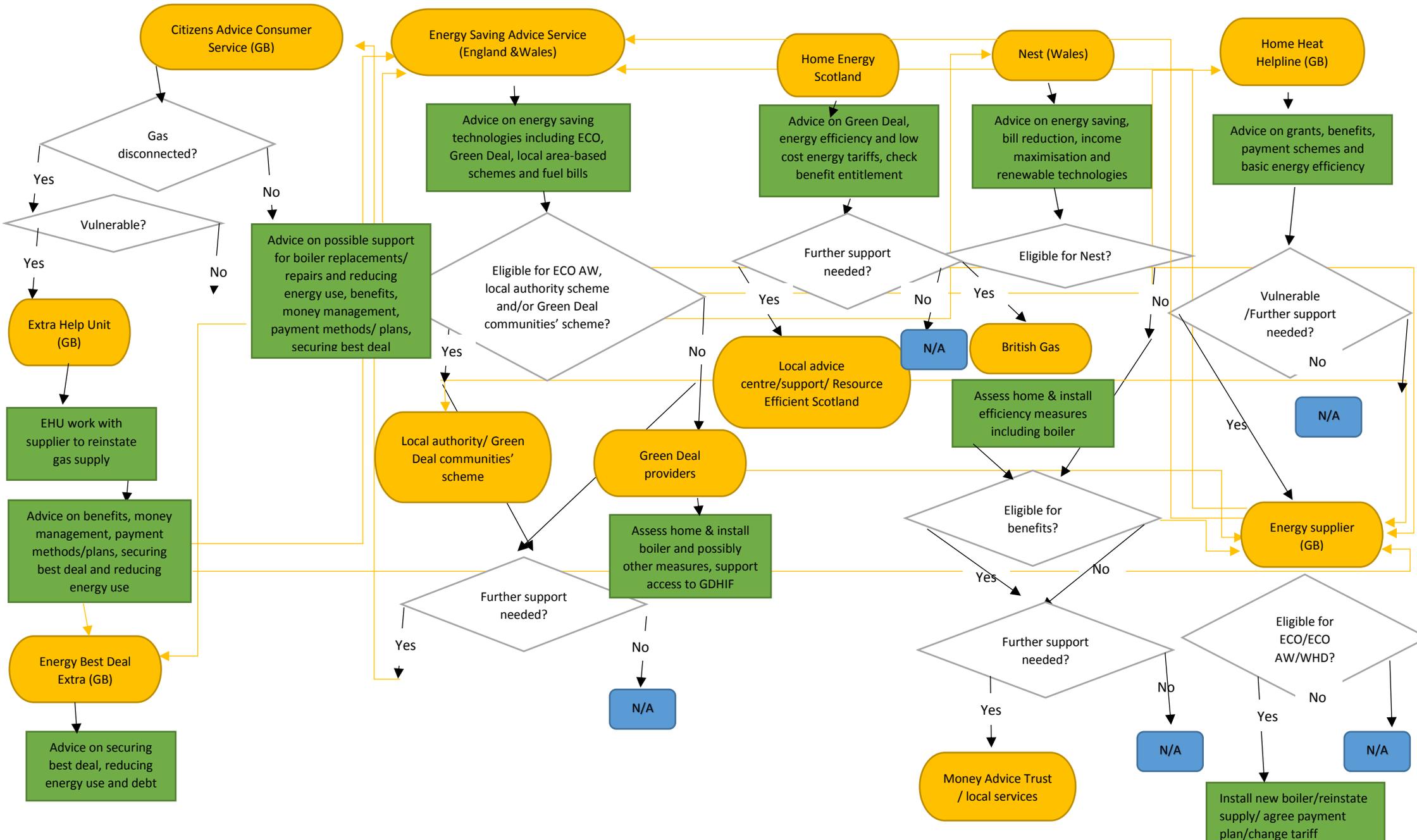


ECO AW
GDHIF
FIT

Energy Company Obligation Affordable Warmth
Green Deal Home Improvement Fund
Feed-in-tariff

A domestic consumer seeks advice because the central heating (in the home they own) is not working and they are concerned their boiler is broken. It is winter and they are worried about the costs of fixing this.

The flowchart below illustrates the degree of integration between advice schemes but also how frequently a consumer needs to start engagement with a new organisation in order to secure complete advice. In reality, unless handled well, these represent a threat to the receipt of full advice. Some of this complexity is also created through overlapping remits/activities. Depending on their point of entry into the journey, advice provision can be skewed either towards practical support (i.e. a new boiler or reconnection of gas supply) or financial support although more holistic support is available from some providers. This journey is for a home owner. A tenant would experience a different journey.



A micro-business consumer seeks advice because the energy bills for their lighting shop are very high. How can they get them as low as possible?

The flowchart below shows potential weaknesses in the referral mechanisms for advice provision on energy efficiency and micro-generation measures which may lead to incomplete advice depending on which advice provider the consumer approaches first. For example, the full referral possibilities between Citizens Advice Consumer Service and Energy Savings Advice Service, Resource Efficient Wales, Resource Efficient Scotland and Home Energy Scotland are not illustrated as these referrals were not disclosed in submissions (although signposting may occur). Similarly no evidence was provided that the Energy Saving Advice Service referred to the Renewable Energy Consumer Code although it is logical that they would do so as RECC approve installers of micro-generation products that may or may not be captured under the Green Deal licencing approach. The consumer journey becomes considerably more complex from the point at which the consumer wishes to seek tailored advice on micro-generation products with multiple assessors, installers, licensing arrangements and funding options to consider. Incomplete prior advice will add to any difficulties consumers have navigating this. It is also noteworthy that whilst Home Energy Scotland's remit does include micro-business for the Green Deal, its name does not convey this so a business consumer would have to be highly informed to approach them outright for advice.

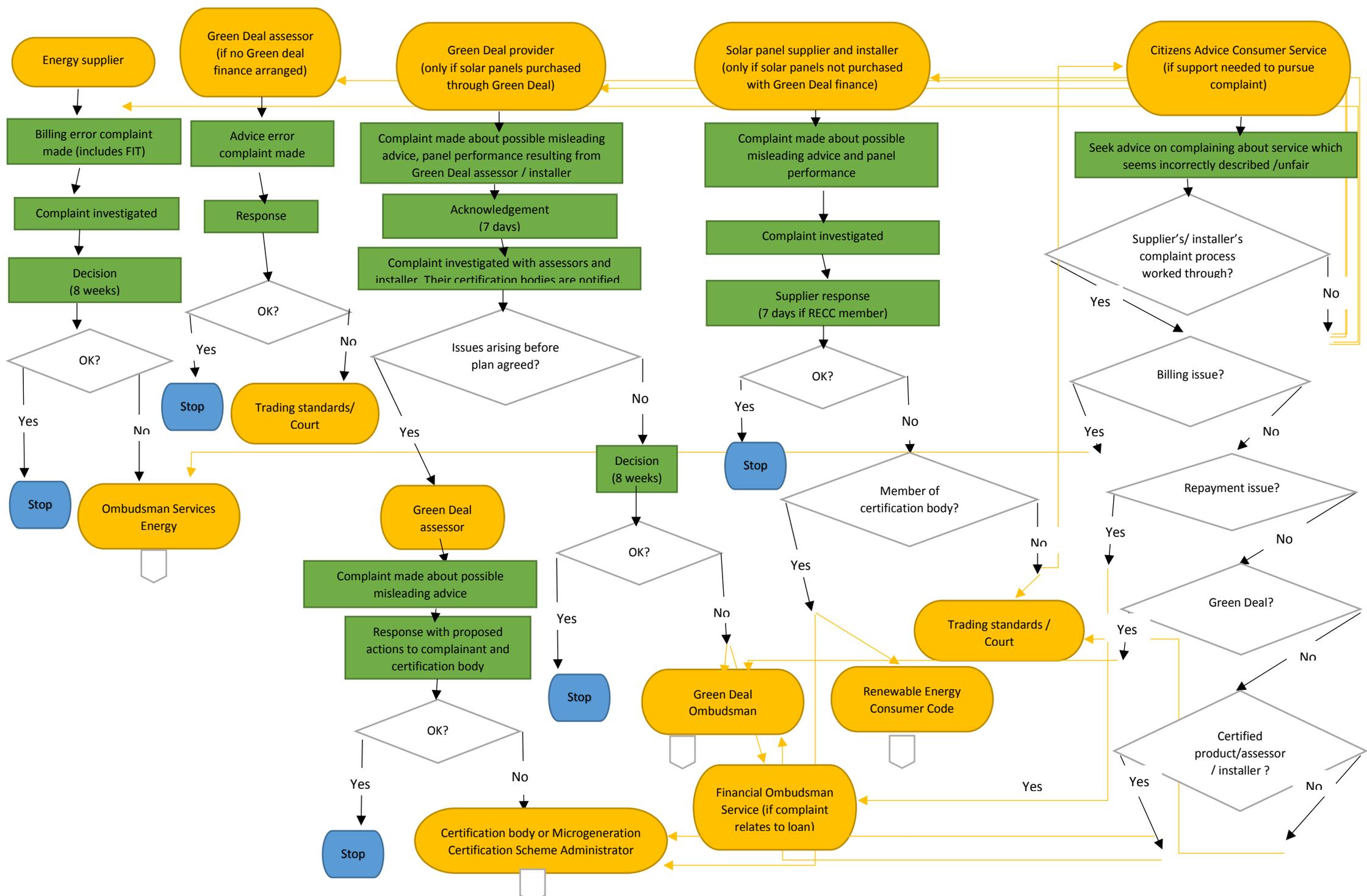


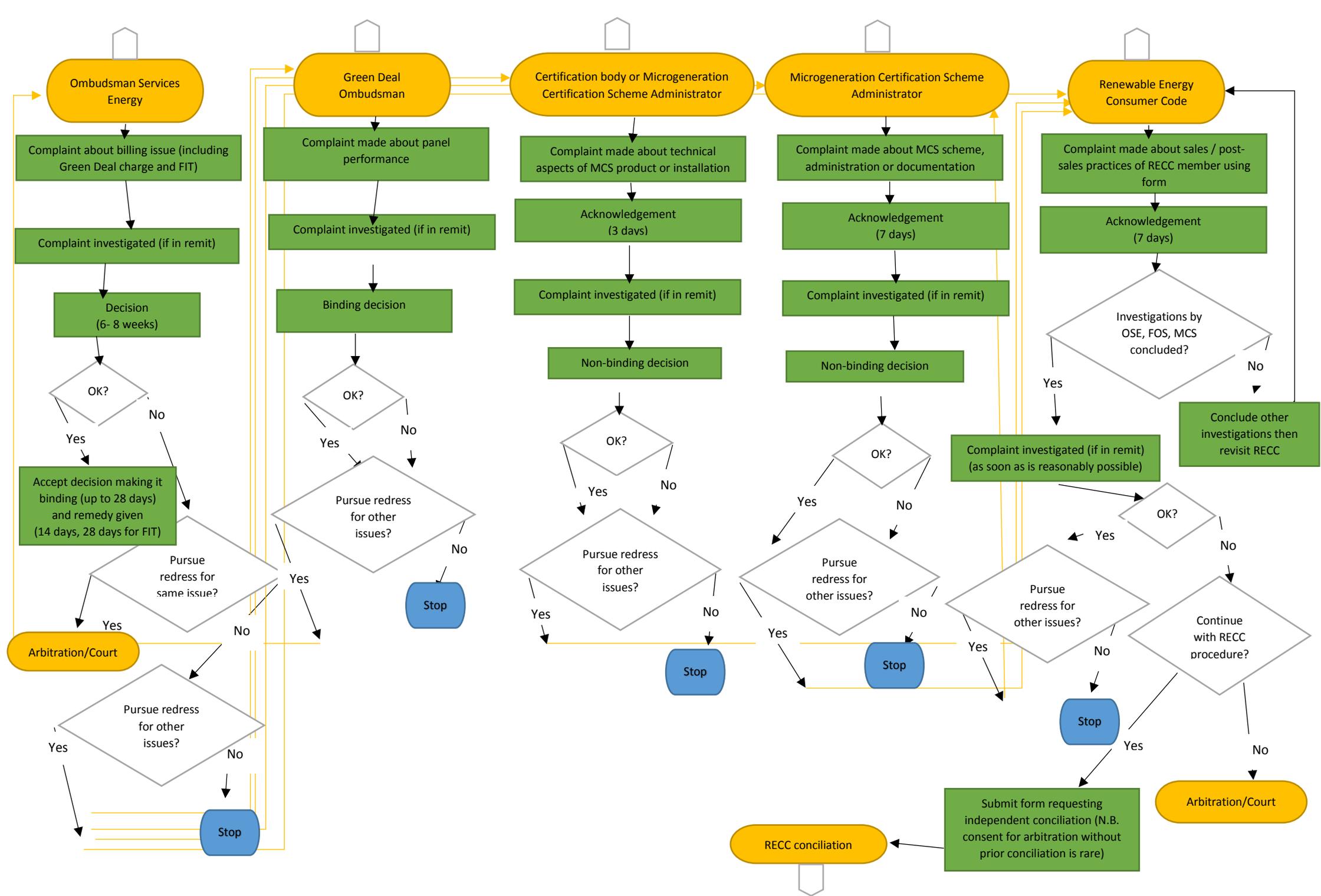
A domestic consumer seeks redress because their energy bills are higher than they anticipated after having photovoltaic solar panels installed. They are not sure if this is because they were mis-sold to, they are not being billed correctly or there is something wrong with the installation.

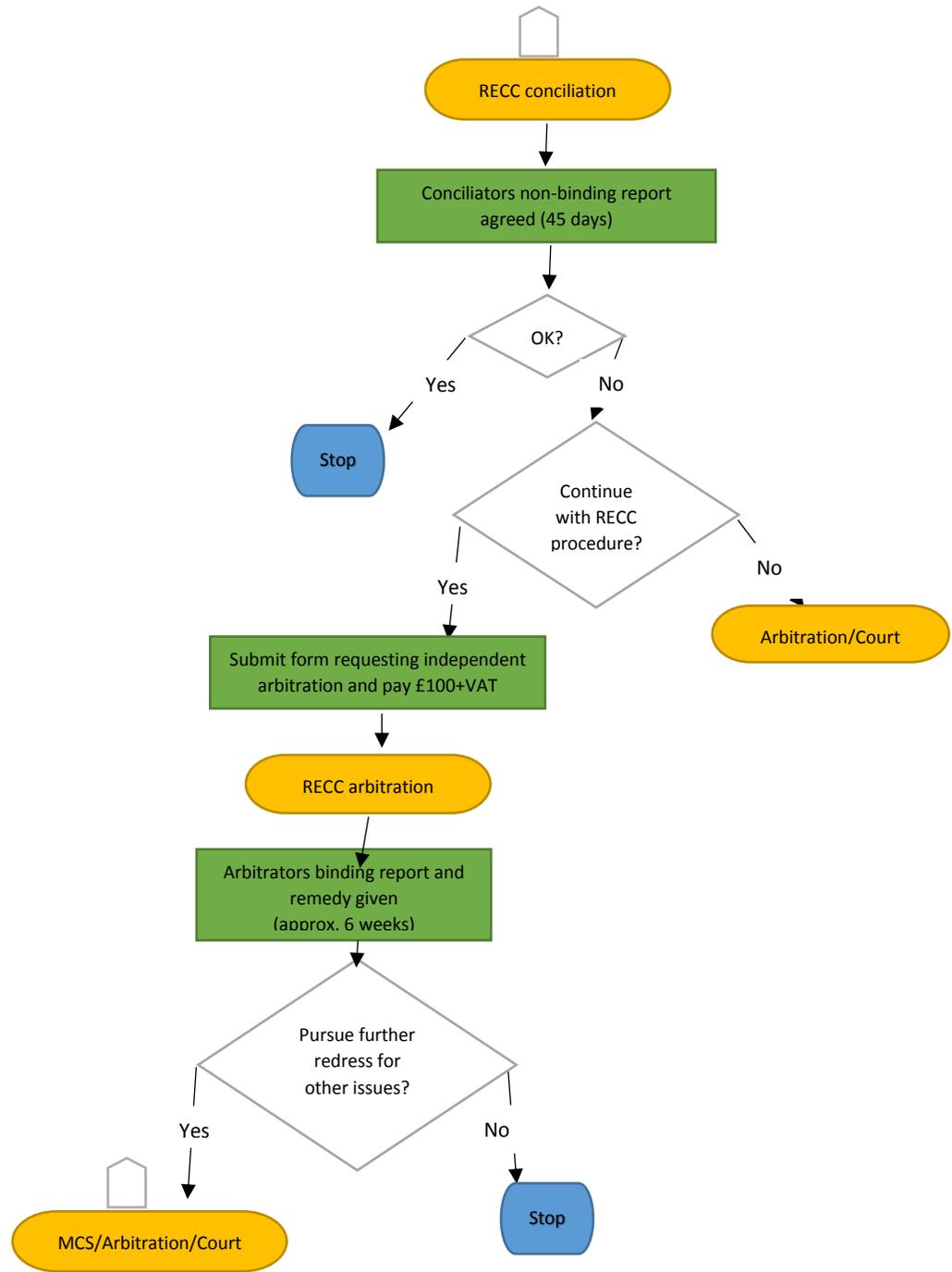
There was little in the way of evidence of referrals between redress schemes shared by providers so signposting included in the flowchart is based on what would be logical connections between the schemes but this may not happen in practice.

Restrictions on scheme remits and the possibility of more than one reason for this common micro-generation complaint means that this consumer will need to have detailed engagement with a number of suppliers and then redress schemes in order to identify the reason(s) for their problem and be assured that it is completely resolved. This demands not only tenacity but a higher degree of understanding of provision than has been indicated in reality, making the alternative dispute resolution referral remit of the Citizens Advice Consumer Service an important component of redress provision. However, this is not a substitute for better integration of redress provision through signposting and referrals and streamlining provision.

The timescales for the stages in the resolution processes are given where made available. They indicate some schemes going beyond the 90 day to resolution time limits set out in legislation either because of the length of their own in-house procedure or because they will only engage with a consumer once another provider has completed their procedure. Proposed changes to the Microgeneration Certification Scheme's procedure (not shown here) will add to resolution timescales.







A micro-business consumer seeks redress because their energy bill is higher than they anticipated based on past bills. They have moved to new premises a few months back and have a new supplier but their energy use has not changed.

The flowchart shows a relatively straightforward consumer journey for a common complaint – billing errors. There is one key redress scheme– Ombudsman Services Energy. However, if billing issues arise because of problematic price comparison websites or metering arrangements, the consumer needs to engage with other parties to have the complaint resolved. In the case of referrals to Ofgem, how these complaints are handled should they arrive there have yet to be determined. It is unusual for micro-business to use a broker. Should the energy be purchased and paid for through a broker, it is procedurally clear that the consumer should seek support from the Financial Ombudsman Service. However, a micro-business is more likely to use a broker for switching advice only. The Ombudsman may well also consider such complaints but this is untested.

