

Are you being served?

CAB evidence on contacting utilities companies

Summary

It is impossible to survive in the modern world without utilities such as water, fuel or telecommunications. That's why utility companies need to be responsive to customers, allowing them to get in touch quickly and easily to resolve queries or complaints.

Call centres are the main way in which people interact with utilities companies. In 2004 Citizens Advice found that utility companies' contact centres often performed poorly. Despite some improvements in the levels of customer satisfaction since then, a recent Ipsos MORI survey shows that they continue to perform more poorly than contact centres in other sectors.¹

Citizen Advice Bureaux report that people are often forced to spend long periods of time and incur large costs hanging on the telephone to their utility company. Even if they get through to a human being they may not be able to resolve their problem in one call. These problems also affect CAB advisers and reduce the number of clients they are able to help. We estimate that if calls made by CAB advisers to utility companies lasted no longer than 10 minutes then bureaux in England and Wales could help up to an extra 55,000 clients annually.

Currently there is little information for consumers about levels of customer service which means that there are few incentives for suppliers to improve their performance. We believe people need reliable, comprehensive, accessible and regularly updated information about comparative levels of service from utilities' contact centres. A survey conducted on our Adviceguide website found that almost all people would make use of this when choosing a utility company.

We also make a number of recommendations about how utility companies should improve the performance of their contact centres so that all their customers get a better service.

¹ The question wording in 2007 was not identical to that in 2004. (Please see later). However, utility companies' call centres were rated the most poorly among callers, of the four types measured, in both 2004 and 2007).

The report context

Utilities are often deemed to be essential services. In the 21st century, life without heat, light, water, telephone and – for some people – internet, is unthinkable. As such, the customer base for utilities is huge, with:

- 21.5 million domestic gas customers and 26 million domestic electricity customers in Great Britain²
- 23.4 million water customers and 22.3 million sewerage customers in England and Wales³
- 33.6 million UK fixed line telephone customers and 69.7 million active mobile phone connections⁴
- 15.2 million UK households have internet access.⁵

Since people are generally unable to opt out of some of these services, it is imperative that utility companies are responsive to customer need and can deal efficiently with customer contacts and requests. This generally equates to getting the contact centre experience right. Other industries, such as banking, still retain branches on the high street, which enable customers to raise questions or make complaints face-to-face, most utility companies no longer possess such outlets.

In September 2004, Citizens Advice published a report on the effectiveness of contact centres. *Hanging on the telephone* examined CAB clients' experience of using contact centres to resolve their problems across a wide range of government and private sector services in the UK. It concluded that contact centres have not proved to be accessible to all.⁶ Citizens Advice has maintained an active interest in this area, seeking to highlight areas where Citizens Advice Bureaux have

experienced particular difficulties in contacting government agencies or particular industries and where improvements are necessary.⁷

This report focuses exclusively on problems experienced contacting utility companies, including gas, electricity, water and telecommunications suppliers. It was prompted by the large amount of evidence reported by bureaux during 2006/07 about the poor performance of utility companies' contact centres in dealing with telephone calls from both CAB clients and advisers. More than three years on from the publication of *Hanging on the telephone* and five years on from the publication of *The fuel picture* it seemed that improvements had not been made, and in some instances customer service had actually deteriorated.⁸

The need for utility companies – and, more specifically, fuel companies – to deal with customer contacts efficiently is also set to get even more pressing. The Consumers, Estate Agents and Redress Act 2007 will abolish energywatch, the independent gas and electricity watchdog, and establish a new consumer advocacy body for the UK. It will also bring about changes to the way consumer complaints are handled, placing an increased focus on companies' internal processes for handling complaints.⁹ Ofgem will also have a statutory duty to set complaint handling standards for fuel suppliers and where complaints are not handled satisfactorily customers will be able to refer their issue to a redress scheme. As part of these arrangements, Consumer Direct will assume responsibility for handling enquiries from consumers about problems they are experiencing with their gas or electricity suppliers (in place of the existing energywatch services). It will therefore be imperative that energy suppliers make substantial

2 Domestic Retail Market Report – June 2007, Ofgem

3 www.ofwat.gov.uk/aptrix/ofwat/publish.nsf/Content/customers_in_eng_wales

4 *The Communications Market 2007*, Ofcom

5 Internet Access 2007 – Households and Individuals, National Statistics, 28 August 2007

6 *Hanging on the telephone – CAB evidence on the effectiveness of call centres*, Citizens Advice, September 2004

7 *Not getting through – CAB evidence on the new system for claiming benefits from Jobcentre Plus*, July 2007

8 *The Fuel Picture – CAB clients' experience of dealing with fuel suppliers*, Citizens Advice June 2002

9 According to the Department for Business, Enterprise and Regulatory Reform (BERR), one of the overarching objectives for the new NCC is to "place responsibility for handling complaints back onto industry". www.berr.gov.uk/consumers/consumer-support/consumervice/index.html

improvements in dealing effectively with customer complaints at the initial point of contact.

At present bureaux in England and Wales report many cases involving difficulties in making contact with utilities suppliers and in getting problems resolved. While the universality of utilities means that almost everyone has their own experience of telephoning a fuel, water or telecoms company, bureaux have extensive and longstanding experience of calling a wide range of utility companies. We are therefore able to make comparisons between industries and between companies over time.

Evidence reported by bureaux is complemented by three further pieces of research:

1. An omnibus survey conducted by Ipsos MORI between 7-13 December 2007 on behalf of Citizens Advice. The survey asked a representative quota sample of 2,034 adults aged 15+ in Great Britain about their most recent experiences calling a variety of organisations, including utility companies. Respondents were interviewed face-to-face, in-house using Computer Assisted Personal Interviewing (CAPI) within 169 sampling points throughout Great Britain.

Furthermore, MORI undertook an omnibus survey for Citizens Advice in 2004 and results from 2007 have been broadly compared to it. This involved a representative quota sample of 2,253 adults aged 15+, interviewed face-to-face, in-house using CAPI between 8-13 July 2004, within 200 sampling points throughout Great Britain.

2. A survey conducted on Citizens Advice's Adviceguide website which asked members of the public to detail their most recent experience calling utility companies. The survey ran during the months of

September and October 2007 and was completed by 691 respondents. In addition, 100 CAB clients completed the survey at their local bureau.

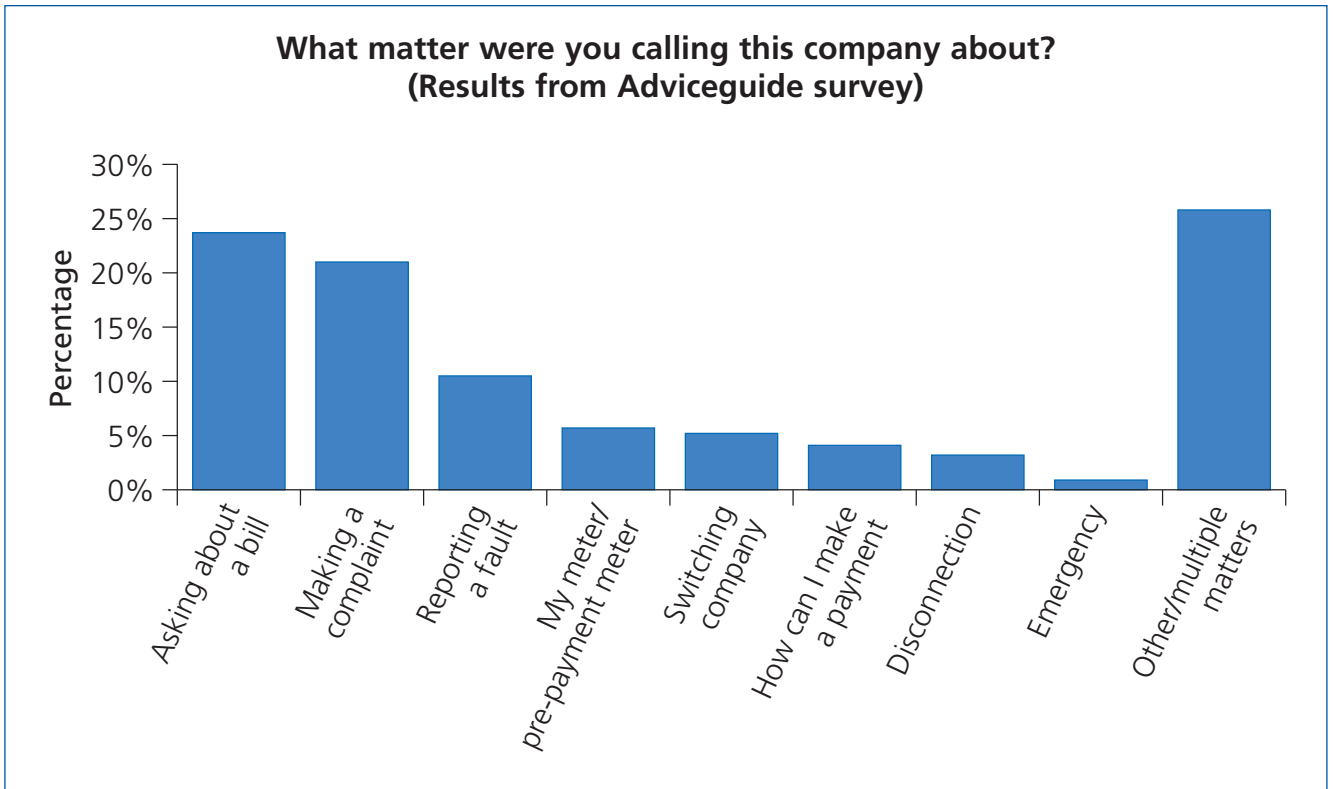
3. A monitoring exercise undertaken by 77 Citizens Advice Bureaux in England and Wales (equivalent to a 20 per cent representative sample of bureaux in England and Wales) who recorded details of all calls made to utility companies during a two week period in September 2007.

Reasons for calling utility companies

Our Adviceguide survey found that 24 per cent of respondents who called their utility company did so to ask about a bill, with 21 per cent of people called in order to make a complaint. The largest category related to people calling their utility company about matters which involved more than one issue or which did not fit neatly into one category, which perhaps reflects the potentially complex nature of such calls. (See Chart 1.)

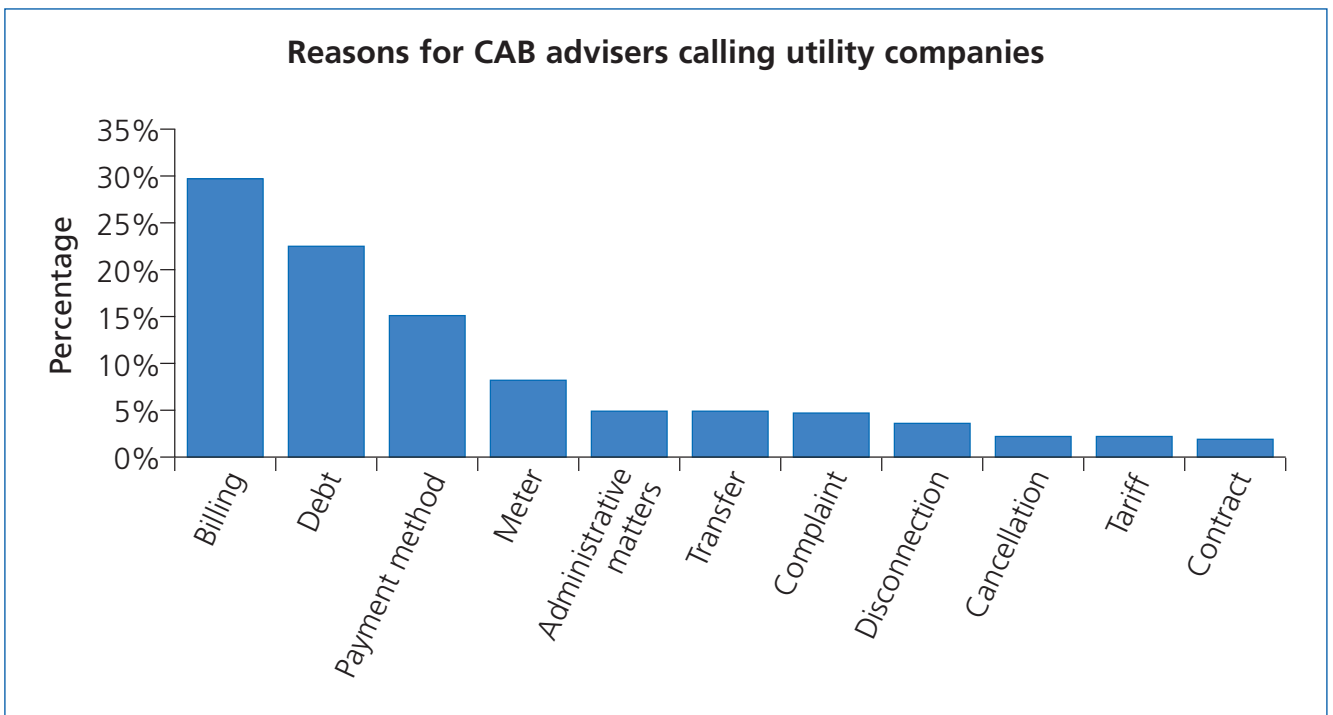
The monitoring exercise conducted among bureaux found that billing was the main reason for making a call, with 30 per cent of advisers' calls concerned with this. The other principal reasons for advisers' calls to utility companies related to debt (23 per cent of calls) and payment methods (15 per cent). (See Chart 2.)

Chart 1



Base: 791 respondents to Adviceguide survey (September–October 2007)

Chart 2



Base: 380 calls made by 77 bureaux during a two week period in September 2007

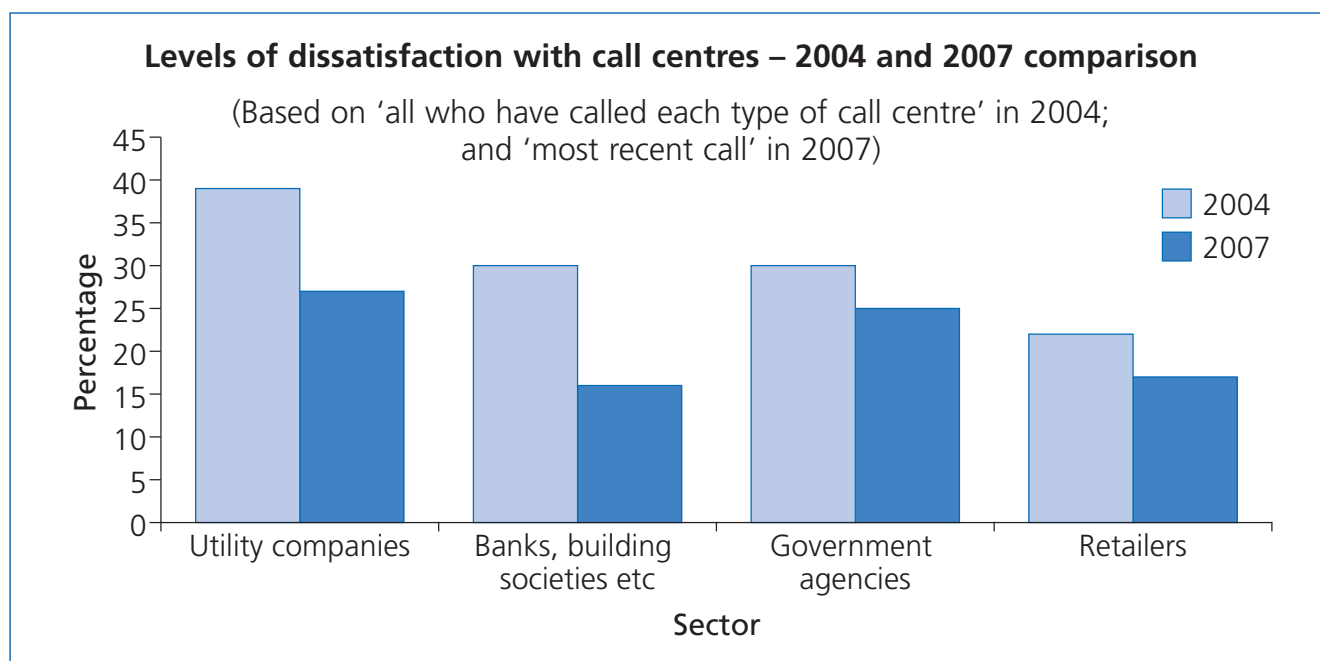
General levels of satisfaction with calling utility companies

The surveys which informed our 2004 report, *Hanging on the telephone*, found that utility companies' contact centres performed very poorly in terms of customers' ability to get through to them. In fact, they were ranked the most poorly performing contact centres, with 45 per cent of Citizens Advice Bureaux rating them as poor and 39 per cent of respondents to the poll conducted by Ipsos MORI stating that they were very or fairly dissatisfied with utilities' contact centres.¹⁰

We repeated the poll with Ipsos MORI in December 2007, asking similar, though slightly different questions.¹¹ We found that fewer

people had contacted organisations by telephone in 2007 than in 2004, or could not recall whether they had done so. Callers' perceptions of call centres had improved in three out of four cases (financial institutions, utilities and retailers), but the dissatisfaction rating of government agencies' call centres had not improved significantly. Utility companies' call centres still remained the worst of the four measured among callers, and were significantly worse than financial institutions and retailers. Asked about their satisfaction with the way their call had been handled, 16 per cent of customers who had contacted a financial services company in the last 12 months stated that they were dissatisfied. This figure was 17 per cent for customers who had contacted a retailer most

Chart 3



Please note that base sizes differ for each type of organisation in each of the two surveys. The unweighted bases are:

2004 data: Utility companies: 1,027; Banks, building societies etc: 1,256; Government agencies: 548; Retailers: 598. All 2004 bases are for adults aged 15+ in Great Britain interviewed by MORI between 8-13 July 2004.

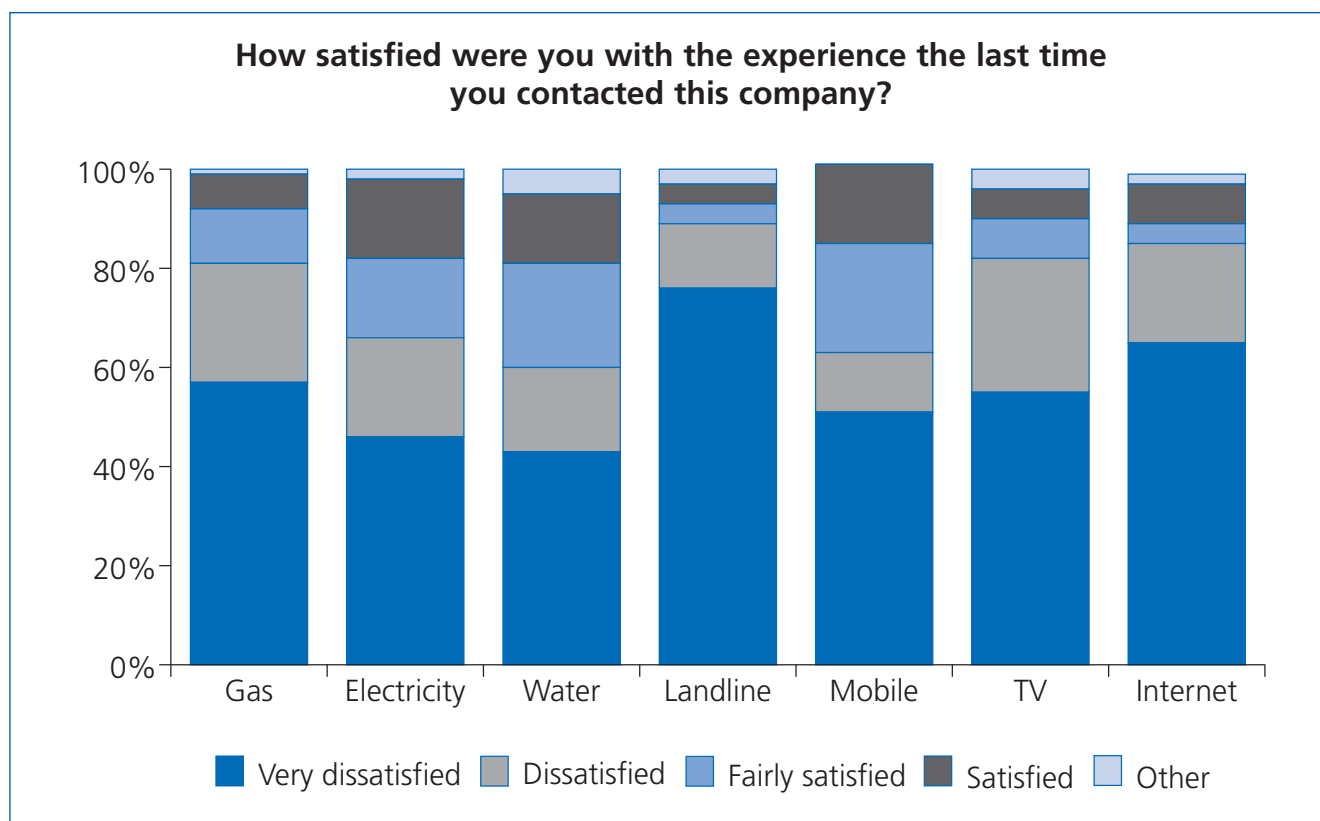
2007 data: Utility companies: 426; Banks, building societies etc: 522; Government agencies: 157; Retailers: 147. All 2007 bases are for adults aged 15+ in Great Britain interviewed by Ipsos MORI between 7-13 December 2007.

The 2004/2007 difference in the percentage dissatisfied on Chart 3 is statistically significant for: Utility companies; Banks, building societies etc; and Retailers; but not for Government agencies.

¹⁰ *Hanging on the telephone – CAB evidence on the effectiveness of call centres*, Citizens Advice, September 2004

¹¹ In 2004, the question focussed on callers' level of satisfaction with the overall experience when they last contacted a company or organisation. The base for this question was 'those who had contacted those organisations by telephone in the previous twelve months'. In 2007, the question focussed on satisfaction with the way the call was handled, regardless of the outcome of the call. The base for this question was 'those who had called each type of organisation by telephone most recently within the last twelve months'. Note that the 2007 satisfaction question was based on the organisation called most recently, whereas the 2004 question was based on all callers.

Chart 4



Base: 791 respondents to Adviceguide survey (September–October 2007)

recently, 25 per cent for those who had contacted a government agency but 27 per cent for customers who had contacted a utility company. Despite some signs of improvement utility companies’ call centres still have some way to go to catch up with comparable private sector organisations.¹² Chart 3 based on those who had called each type of organisation in the last 12 months shows how levels of dissatisfaction have fallen amongst callers in all sectors. However, utility companies continue to be the worst performers, lagging a considerable way behind the performance of financial institutions and retailers in terms of customer service.¹³

Dissatisfaction with utility companies was also prevalent among respondents to the Adviceguide survey, as shown in Chart 4. More than 75 per cent of respondents stated that they were either dissatisfied or very dissatisfied with the experience the last time

they contacted a utility company. Breaking this down into different sectors reveals some very disappointing results. For example 76 per cent of those people who called their landline provider were very dissatisfied and a further 13 per cent were dissatisfied with the way their call was handled, while 81 per cent of those calling their gas supplier were either dissatisfied or very dissatisfied.

Dissatisfaction levels, however, vary widely between companies. The results from our Adviceguide survey reveal that 71 per cent of the cases where the respondent was either dissatisfied or very dissatisfied with the way their call was handled by their gas company involved British Gas. Similarly, BT was responsible for the vast majority of the dissatisfaction with the way calls were handled among landline telephone suppliers. In fact, 87 per cent of people who were either dissatisfied or very dissatisfied with the way

12 The proportions of the public who had contacted financial institutions’ and utilities’ call centres are broadly similar in both surveys (2004 and 2007), but dissatisfaction with call centres has been significantly greater in both surveys for utilities’ call centres than for those of financial institutions.”

13 Fewer have contacted retailers’ than financial institutions’ or utilities’ call centres.

their call to a landline company was handled had called BT.

Of course, these two former monopolies are by far the biggest players in these markets so a greater number of complaints would be expected. However, both BT and British Gas appear to be responsible for more than their fair share of dissatisfaction based on all things being equal:

- British Gas has 46 per cent market share in the domestic gas market¹⁴ but of the 141 respondents to the Adviceguide survey who were dissatisfied or very dissatisfied with the way their call to their gas supplier was handled, 71 per cent were complaining about British Gas.
- BT has 68 per cent market share in the domestic landline market¹⁵ but of the 187 respondents who were dissatisfied or very dissatisfied with the way their call to their landline supplier was handled, 87 per cent were complaining about BT.

These results also seem to mirror other proxies for dissatisfaction. For example, energywatch figures recently revealed that British Gas customers are three times more likely to have problems than customers of other suppliers and they account for 63 per cent of all consumer cases received by the watchdog – more than all the other suppliers put together.¹⁶ Recent media coverage has also highlighted poor levels of customer service provided by BT.¹⁷ A recent survey of consumer attitudes to contact centre service and technologies found BT receiving the highest amount of nominations for any company across all sectors. Common complaints included long waiting times and being transferred from one department to another with problems remaining unresolved.¹⁸

Comments left by respondents to our Adviceguide survey reveal the levels of dissatisfaction which can be experienced by customers when things go wrong:

“I feel very angry and upset at how I feel I’ve been treated. I have made numerous attempts to resolve the problem, but the only effect has been to increase my indebtedness.”

“It would be nice if these companies would understand the principle behind the words “customer SERVICE”. We pay for the service that they really are not giving us to any satisfactory degree.”

“I was reduced to tears of frustration due to the hours I spent trying to make contact.”

It is clear then that dissatisfaction with the way utility companies handle customer calls is prevalent but that such dissatisfaction is not uniform across suppliers. Indeed some respondents to our Adviceguide survey and CAB advisers are keen to highlight good practice when they come across it.

“I have nothing but praise for Swalec, each time I have phoned I haven’t had to wait long and the agent has been helpful and friendly. Even when I was calling to point out a fault, the agents I spoke to made it a priority to get it sorted and called me back to confirm.”

“I’m very satisfied with EDF, they use a free phone number for customer calls.”

A lone parent on income support sought advice from a CAB in Northumberland. She wanted to query an unexpected bill, but could not afford to call the 0845 number provided. The CAB adviser called

14 Domestic Retail Market Report – June 2007, Ofgem, p.3

15 Telecoms Market Data Tables – Q2 2007, Ofcom p.4

16 New figures show British Gas still has poorest customer service, energywatch, Press Release, 24 October 2007

17 Long line of complaints that all connect to BT, The Guardian, 8 December 2007

18 Survey of 1,000 UK adults undertaken by independent ICM Research for CC, November 2007, coverage of survey available at www.itpro.co.uk/news/139158/bt-comes-bottom-of-contact-centre-survey.html

British Gas on the client's behalf and reported that the customer care was very supportive. The British Gas employee explained that she would instigate an investigation into the problem. She appreciated the client could not afford lengthy mobile telephone calls so said she would record that the client should be contacted with the outcome of the investigation.

A Surrey CAB reported that a lone parent on benefits had been billed regularly for gas but had not received any electricity bills despite getting both fuels from the same supplier. The client had contacted various suppliers but none could identify her as their electricity customer.

The CAB contacted British Gas customer services who were very helpful and took immediate action. The British Gas contact centre agent confirmed that British Gas supplied the client with electricity but for some reason no account had been set up. They undertook to contact the client to arrange a meter reading, after which a bill would be sent out. Since the bill would probably be rather large, they arranged for it to be paid over a longer period, in line with what the client felt that she could afford.

However, in the evidence which we receive these examples of good practice and satisfied customers are rare. Many customers are dissatisfied with their experience of calling utility companies. In the next section we consider the reasons for dissatisfaction.

Main sources of dissatisfaction

While there are differences between and within the water, fuel and communications industries, dissatisfaction with utility contact centres in general is rife. Customers' frustrations fall into four broad categories:

1. Time spent contacting utility companies.
2. Costs incurred in getting through to a utility company.
3. The inability to get through to speak to someone.
4. Contact centre agents who are not empowered to resolve difficulties in an efficient manner when a customer eventually gets through.

Below we deal with each category in turn, providing evidence of the difficulties and frustrations experienced by both customers and CAB advisers. Where appropriate, we seek to differentiate the performance within the industries which make up the utilities market and to highlight areas of good practice.

1. Time spent contacting utility companies

Results from the various surveys undertaken for this report show that one of the most significant causes of customer dissatisfaction is the time it takes to speak to someone when calling a utility company.

Time spent by customers contacting utility companies

Results from our 2001 Ipsos MORI survey show that customers are particularly frustrated by the length of time it takes to speak to someone. Forty seven per cent of respondents who called a utility company most recently in the last 12 months stated that they get most annoyed if they get through but are then are held in a queue. Similarly, 27 per cent of respondents who called an organisation in the last 12 months stated that they get annoyed at having to ring too long before getting through to utility companies.

Our Adviceguide survey revealed that 72 per cent of people were unhappy with the length of time they had to wait before speaking to someone. Often the time spent on the telephone waiting to speak to a customer service adviser contributes significantly to the

length of the call. It is no surprise that 32 per cent of people completing the Adviceguide survey had to spend more than 30 minutes on the phone to their utility company, while more than 20 per cent spent between 15 and 30 minutes on the phone.

Yet once again such headline figures disguise the true picture. Of the people whose call to their utility company lasted more than 30 minutes, 48 per cent were attributable to calls made to landline phone companies. A staggering 93 per cent of calls to landline companies which lasted more than 30 minutes in our Adviceguide survey were attributable to one company – BT.

While the results from our monitoring exercise with bureaux are not quite so pronounced, they do reveal that BT was responsible for 32 per cent of all adviser calls to utility companies which lasted more than 30 minutes. And further analysis reveals that BT was responsible for 67 per cent of calls made to telecoms companies which lasted more than 30 minutes.

A CAB in Dorset reported a case in which their client experienced significant problems in attempting to have a landline phone connected. The client's husband was a builder and had his landline telephone number painted on his van to attract business.

Understandably, they were keen to retain this number when they moved temporarily, and they paid their phone company £70 to store their old phone number so that they could use it when they returned. After the clients moved back they made an appointment with their landline provider to connect the phone with their previous number. When the engineer came he denied all knowledge of the arrangement. The engineer gave the client a number to ring to resolve the matter. Since then the client and her husband had spent a total

of 80 hours calling from their mobiles trying to get this sorted out.

A CAB in Hampshire reported that after her husband passed away, their client decided to disconnect one of her phone lines. Over the course of three days, she spent three hours 30 minutes hanging on the telephone trying to get through to the correct department. When she finally got through, both of her telephone lines were cut off.

She then had no way of contacting the phone company and it took eight days and another five or six hours of hanging on the telephone to be reconnected. Each time the client or a friend tried to ring the phone company, it would take a long time to get through and then she was always transferred. The client's call was then either cut off or put through to a number that was not recognised. The client, already distressed following the death of her husband, was left living all alone in a rural location with no means of summoning help if she had needed it.

A CAB in West Sussex reported that their client, a single woman in receipt of income support, experienced problems contacting her fuel supplier. Just two months after moving into a new flat, the client received an estimated electricity bill of £190.52. The client wished to query this and tried to contact the supplier on several occasions from a call box and her mobile phone but she ran out of credit. Eventually, the client was forced to write to her fuel supplier. She then received a reply which asked her to telephone Customer Services but when she attempted to call the number provided she was unable to get through. The client then received a letter from the fuel supplier which stated that she had 48 hours to pay the outstanding bill or she would be referred to a debt collection agency.

Time spent by CAB advisers contacting utility companies

It is not just clients who suffer at the hands of utilities companies. CAB advisers often have to endure lengthy waits when attempting to resolve matters on behalf of clients:

A Surrey CAB reported that their client with mental health problems had asked the bureau if they could arrange for her to pay her gas bill another way, possibly by using a prepayment meter. The CAB was happy to help – however most of the allotted time for the 30 minute interview was spent on the phone trying unsuccessfully to get through to the gas supplier.

A CAB in South East Wales reported that their client received a bill from her landline phone company which included a 'one-off charge'. The client's attempts to contact the company to query this amount were unsuccessful as she faced the prospect of queuing for up to one hour on the phone. The CAB adviser experienced the same problems over the course of three days when she attempted to call on behalf of the client.

The CAB adviser noted that the telephone number given on the phone company's website for complaints was identical to that of the general number. On the one occasion the call to the phone company was answered, the CAB adviser was informed that the operator was unable to deal with the enquiry as the client's account began with a particular suffix.

A Hampshire CAB reported a case in which they were helping their client, a single woman on income support with non-priority debts of around £6,500. The bureau tried to ring the client's water supplier to ask for information about the amount owed. After waiting 20 minutes to get through the CAB adviser was told

that another department would have to ring them back. They did not do so. The CAB adviser then wrote to the water company as they were not able to waste more time hanging on the telephone. The CAB adviser wrote to the water company on 13 March, and then chased twice before getting a response. Finally, 3 months after asking a very simple question, they received an answer from the water company.

A CAB in Hertfordshire was helping a man on incapacity benefit who was finding it difficult to make ends meet. The client was informed that he was in credit by almost £38 with his fuel supplier, and it was agreed that they would refund it after he called them. The CAB rang on the client's behalf and was left hanging on the telephone for just over 40 minutes. The client agreed that he probably would have just given up after 10 or 15 minutes and he would therefore not have received the monies owed to him.

Such cases highlight individual instances where CAB advisers have been kept on hold for long periods of time by utility companies. To gain a more comprehensive picture of how much time CAB advisers spend on the phone to utilities companies, we carried out a monitoring exercise. A 20 per cent representative sample of bureaux in England and Wales were asked to record details of all the calls their advisers made to utility companies during a two week period in September 2007.

The exercise revealed that during this two-week period, the 77 bureaux who participated in the survey made 380 calls to utilities companies. On average, bureaux advisers spent almost 6½ minutes on hold and a further 13½ minutes speaking to a customer services adviser. In total the average call to a utility company lasted 20 minutes. In 94 cases the total time spent by the adviser on the

phone calling a utility company exceeded 20 minutes, with a small number of cases involving calls which lasted as long as two or three hours.

It is probably fair to suggest that many cases where members of the public seek assistance from bureaux may be more complicated or, involve particularly intractable issues which individuals have been unable to resolve themselves. Yet it would still seem to be in the interests of all parties for more efficient ways of dealing with such problems to be developed. For example, where it is clear that a call will require the customer adviser to contact colleagues or locate missing information it would be more sensible to arrange a mutually convenient time for a follow-up call to be made.

Certainly, from the perspective of the CAB service as a whole, the time freed up by more efficient processes could enable advisers to see many more clients. Rough estimates suggest that if the 94 calls which took longer than 20 minutes had been handled within a reasonable 20 minute timeframe, then an extra 127 clients could have been seen by the bureaux participating in the monitoring

exercise. Extrapolating from these figures to the CAB service across England and Wales reveals that if all calls to utility companies lasted no longer than 20 minutes, then almost 16,500 extra clients could be seen annually. And if calls to utility companies were dealt with even more efficiently and lasted no more than ten minutes on average, then the CAB service as a whole could make great use of this time to help an extra 55,000 clients annually.

The breakdown of calls made by CAB advisers to different utility sectors during the two week monitoring exercise is given in Table 1.

In general, water companies handled calls from bureaux most efficiently, keeping CAB advisers on hold for the shortest time and dealing with the issues raised most promptly. Although almost two-thirds of the calls made by bureaux advisers were to fuel companies, the average time advisers were kept on hold and the total time taken for the call was much greater for calls made to telecommunications companies. Excluding BT the average time spent on hold by advisers calling telecommunications companies ranged from 5½ minutes to 25 minutes. Advisers' calls to

Table 1: Breakdown of calls made by CAB advisers to utility sectors

Utility sector	Proportion of telephone calls made by CAB advisers to utility sectors	How long on hold (average, minutes)	Total time of call, including time on hold (average, minutes)
Fuel companies (gas and electricity)	62%	3½	15
Telecommunications companies (landline, mobile, broadband and cable and satellite TV)	21%	18	38
Water companies	18%	2½	10½

Base: 380 calls made by 77 bureaux during a two week period in September 2007

BT took an average of almost 53 minutes, including 31 minutes being kept on hold.

It may be that one of the reasons for the lengthy calls is that BT does not provide CAB advisers with a dedicated line to call, unlike all the major energy suppliers, or many other creditors. Such lines can prove to be invaluable to advisers since they are fast-tracked to customer advisers who are empowered to deal with a wide range of customer problems and complaints.

2. Costs incurred in getting through to utility companies

Lengthy calls to utility companies waste not only time but also mean that the customer often incurs substantial costs. Since freephone numbers are not widely used among utility companies, with some notable exceptions such as EDF Energy and E.ON, the time that a customer spends on the phone can add quite significantly to their bills.

In general, most utility companies provide customers with a non-geographic number, such as 0845 or sometimes an 0870. The rates charged for calling 0845 and 0870 numbers vary between telephone operators, with calls to 0845 numbers generally costing between 2-5 pence per minute from a landline during the day, while similar calls to 0870 numbers cost between 6-10 pence per minute.¹⁹ While such rates may not appear exorbitant, the amounts charged are usually in excess of calls made to geographic numbers, and where protracted calls are involved the costs for customers can soon mount. Lengthy calls are far from isolated incidents. Since many calls last longer than 30 minutes many customers will have incurred between 60 pence and £1.50 just for making this call (depending on the exact charges levied by their landline provider).

Unsurprisingly, many customers are unhappy with these costs. Fifty eight percent of the

people who completed the Adviceguide survey stated that they were dissatisfied with the costs involved, with only 15 per cent claiming they were satisfied with the charges. In addition, the survey conducted by Ipsos MORI revealed that almost one in three people (31 per cent) who had called a utility company in the last 12 months were annoyed about the cost of making the call. This compares to just 22 per cent for those who called financial institutions and 24 per cent who called retailers or government agencies.

Customers who must use their mobile phone to call their utility company on a pay-as-you-go or contract basis generally get an even worse deal. Not only are non-geographic numbers like 0845 or 0870 numbers rarely included in the free minutes which mobile users may benefit from, but the costs of calling these numbers are also significantly higher than from a landline. Costs vary by mobile phone provider as shown in Table 2. Calls from a mobile phone to 0845 or 0870 numbers generally cost between 15-25 pence per minute, though some providers charge much more or fail to provide transparent pricing information for such calls. Even freephone (0800) numbers fail to live up to their name for mobile users since they will usually end up paying at least 15p per minute to call these 'free' numbers.

Such charges can hit some of the poorest members of society hard, since consumers who do not have a landline connection and have only a mobile phone in their household are more likely to be in social grade DE and earn less than £11,500 a year.²¹

Cases reported by bureaux reveal just how quickly charges can be racked up when calling a utility company from a mobile phone. In some of these cases the caller has no option but to use their mobile because they are making the call due to a problem with their landline:

¹⁹ See www.saynoto0870.com for a useful source of information on charges for calling non-geographic numbers.

²⁰ Ibid.

²¹ *The Consumer Experience 2007*, Ofcom, November 2007, p.18

Table 2: Cost of calling 08-prefix numbers from mobile phones²⁰

Mobile provider	Number	Cost
O2	080X	15p / minute
	084X / 0870	25p / minute
	0871	35p / minute
Orange	084X / 0870	25p / minute
	0871	35p / minute
3	All 08X numbers	15p / min
T-Mobile	080X	Up to 40p / min
	084X / 087X	Up to £2.50 / min
Virgin Mobile	0845	10p / min
	0844 / 087X	15p / min
Vodafone	080X / 0845 /0870	15p / min
	0844 / 0871	Up to 25p / min

A CAB in South West Wales assisted a man aged 68 on pension credit who had literacy problems. The client paid for his gas by prepayment meter. He received a letter from his supplier asking him to contact them to arrange recalibration of the meter following a price increase. As the client had no landline telephone he tried to call his gas supplier from his mobile phone. Since the number is an 0845 number and the client was repeatedly put on hold, he incurred significant costs. The client was confused and upset that he had to make a potentially expensive phone call and that if he could not get through his meter would not be adjusted, resulting in mounting debt.

A Somerset CAB reported that their client had very high gas bills. He had checked his meter readings, had the meter itself checked and finally had a fitter replace it because there was a leak. The fitter suggested that the client got a refund from his supplier. The client attempted to contact his fuel supplier three times on his mobile phone, incurring costs of approximately £30.

The CAB observed that they were receiving an increase in such cases and “more clients are using our service because of the cost of getting through [to fuel companies] on the telephone when using pay-as-you-go mobiles and through inaction by their supplier when they make a complaint.”

A CAB in North West Wales reported that their client had tried to get a landline connected for three months but without success. At one stage an engineer from the phone company had been to the client’s property and ascertained that there was no line into the property but he had never returned to rectify the problem. Nevertheless, the client had been billed on two occasions for a line that had not yet been connected. The client told the CAB that it could take from 30 minutes to several hours to speak to someone at the phone company. This was costing him large amounts of money as he had to call them from his mobile phone.

People calling from a public phone box also get a raw deal. Not only do they have to

suffer the inconvenience of travelling to the nearest public phone box, but they also have to pay substantially more than from a residential landline to make calls to 0845 and 0870 numbers. Calls from a BT payphone to 0845 and 0870 numbers currently cost 10.91 pence per minute, with a minimum charge of 40 pence. Freephone numbers are free from a public payphone, but unfortunately, as we have noted, not all utility companies offer such numbers. So while people calling their utility company from a landline may become frustrated at the long waiting times and costs incurred, people who have to rely on public phone boxes end up paying substantially more. Yet these are the people who can often least afford to pay such sums. Bureaux report many cases in which clients have to spend long periods on the public phone attempting to resolve issues with utility companies, incurring significant costs which they can ill-afford:

A CAB in Rutland reported a case in which a pensioner was paying gas bills at a rate of £38 each month. Despite being £102 in credit she was asked by her gas supplier to increase payments to £47 per month. The client could not afford this. She could not contact her gas supplier as the only contact details given on her bill were a telephone number and the client did not have a telephone.

A Hampshire CAB advised a client with mental health problems. The client had recently had to cope with the death of her mother and an ill father. She had been away from home for some time and came back to find a notice of disconnection from her fuel supplier. The client had only four days before she would be disconnected so she tried to phone the company on their 0845 telephone number but she was placed on hold. Since she was in a public phone box as she had no landline and the costs were mounting up, she was forced to

give up. A very worried client then came to the bureau the next day and it took the adviser 25 minutes to get through to the fuel company.

A Cambridgeshire CAB reported a case in which their client, an elderly disabled person living alone, had problems with her telephone and television contract. For four weeks her phone was out of action and she had great difficulty getting through to anyone at the telecoms provider who could help. The client needed the phone for health reasons and to keep in touch with her family. Since her home phone was not working she had to make lengthy calls from a public phone box at considerable expense.

3. The inability to get through to speak to someone

Another major frustration experienced by customers calling utility companies is the inability to speak to a 'real person'. Forty four per cent of respondents to our Ipsos MORI survey said that not being able to speak to a real person was one of the most annoying aspects of calling utility companies, while 47 per cent complained that there were too many complicated automated options.

In theory, the automated options which greet the customer when they call a utility company are intended to help the customer by directing their enquiry to the most appropriate section where it can be dealt with speedily and efficiently. Too often, however, it appears that things do not operate so smoothly. In the worst cases, customers find themselves trapped in what can appear to be a never-ending succession of menus and options, none of which seem appropriate.

The inflexible nature of automated menus was highlighted by our Adviceguide survey, with 48 per cent of respondents stating that they disagreed or disagreed strongly with the statement that 'the automated options were

helpful and easy to navigate'. When asked for improvements they would like to see to utility contact centres, 41 per cent of respondents stated that they should avoid using automated menus, and more than two thirds of respondents (67 per cent) stated that contact centres should always provide the option of speaking to a customer adviser.

Some people, such as those for whom English is not their first language or people with hearing difficulties or mental health issues, may experience particularly acute difficulties in navigating through a succession of automated menus. CAB evidence often features difficulties experienced by such client groups who may try to sort out their own issues but give up in frustration and are forced to come to bureaux for help in making calls to utility companies to resolve queries.

An Essex CAB reported a man who was waiting for a heart bypass operation. The client came to the bureau as he had received a bill from his landline phone company and was concerned about the payment being delayed as he would be unable to get to the bank. He had rung the phone supplier and tried various options but was unable to get through to a person to help him.

A CAB in Greater Manchester reported that their client had tried to get in touch with her landline phone supplier to enquire about a bill on numerous occasions to no avail. The bureau rang the phone supplier on the only number provided. This was a highly automated line and, after four attempts, the CAB adviser had not managed to get through to a person or even to get on hold to speak to a person. The client had already been at the bureau for two hours and was becoming stressed and frustrated. She left the bureau with the problem unresolved and resigned to the fact that she would have to write to the landline

phone supplier instead. This would require further time and cost.

A CAB in Surrey dealt with a case in which their client, a 62-year old retired male, had tried to contact his gas supplier to arrange for a repair to be carried out. When the client called the gas supplier he was confronted by an automated system which asked him to input his telephone number or debit/credit card number. However, the client had neither a telephone nor a debit or credit card. The bureau could not get through either.

A CAB in South West Wales reported that their client came to the bureau on behalf of her elderly frail parents. The client's parents were being threatened with disconnection by their fuel supplier over a bill that was paid several months previously. Although the client had made numerous calls to the fuel company, her parents continued to receive red reminders and letters threatening disconnection, with police in attendance, and extra charges imposed for letters sent and for the cost of disconnection. The client had often waited on hold for 45 minutes to get through to the supplier and had to speak to a different person every time she got through. Both client and parents were getting increasingly distressed.

Adviceguide survey respondents also expressed their frustrations at the interminable array of automated menus and options which it is often necessary to progress through when calling utility companies.

"I get very fed up with all the different menus you have to go through, I just press star and hash a few times and it gets me through to an adviser. I shouldn't have to do this. The other thing is if they are too busy some companies just hang up after requesting

you call back again later, usually after hanging on the phone for 10 to 15 minutes, it is ridiculous!”

“Automated menus are frustrating and useless when you want to make an enquiry. By the time you have listened to all the options you can’t remember which number you need to press.”

“After a total of six calls, seven hours in total on hold waiting to be transferred I still didn’t manage to talk to a human being!”

4. The inability of contact centre agents to resolve difficulties efficiently

Regardless of the reason that prompted their call, both customers and CAB advisers are seeking resolution of the matter, as quickly as possible. Our survey results show that utility contact centres perform very poorly in sorting out problems.

The Adviceguide survey found that only 17 per cent of callers were able to resolve their matter in one call, with 77 per cent of people having to make multiple calls in order to get the matter dealt with. Given these results it was perhaps unsurprising that only 15 per cent of people considered that the issue they called about was dealt with swiftly and efficiently and just 17 per cent felt that the contact centre staff were helpful and knowledgeable.

Our Ipsos MORI survey echoed these findings, revealing that a significant proportion of customers were unhappy with the way their call to a utility company had been handled. Forty three per cent of those who had called in the last 12 months stated that they were annoyed with being passed from department to department, while 31 per cent were annoyed that the company was not able to resolve their problem in one call. This level of performance was considerably worse than that of financial institutions, 33 per cent of whose customers were annoyed with being

passed from department to department, and 23 per cent were annoyed that their problems was not resolved in one call.

The monitoring exercise conducted by bureaux also found that a large number of the calls made to utility companies failed to sort out clients’ problems. In 54 per cent of the calls made by CAB advisers the utility companies’ contact centres failed to resolve the issue, thereby necessitating further follow-up work by the bureau, including additional calls and letters. In only 41 per cent of the cases was the utility company able to resolve the client’s problem immediately.

Analysis of the data provided by bureaux during the monitoring exercise highlights vastly differing performances between utility companies’ ability to resolve issues swiftly and efficiently. For example, although Wessex Water received 11 calls during the monitoring period each call was resolved immediately, without the need for further intervention on the part of the adviser. In contrast to this, BT received 39 calls from bureaux yet resolved just 18 per cent of them, with 77 per cent requiring further calls or effort on the part of the CAB adviser to resolve.

Repeat calls will, of course, sometimes be necessary. Yet such vastly differing rates of resolution between companies suggests that some companies are not organising their call centres efficiently. Bureaux regularly report large numbers of cases in which they or their clients are passed from pillar to post in attempting to sort out a problem with their utility company.

A Yorkshire CAB attempted to call an energy supplier on behalf of a client who had received a bill in addition to the payments he was making via his prepayment meter. It took more than half an hour for their call to be answered and when they finally got through they were informed that the help available on that line was for Leicester problems only,

and that they would have to ring a separate number to get through to someone who could help with a problem in West Yorkshire. After a further 10-minute wait, the adviser eventually got through to the appropriate person.

Where matters are not resolved in one call additional hurdles often have to be overcome. For example, where a follow-up call is required it is frequently impossible to speak to the same contact centre agent. And since adequate case details are often not recorded on utility companies' systems, customers and advisers can end up repeating information they had previously disclosed or receiving information and advice which conflicts with that given previously.

A Surrey CAB reported that their client received various disconnection threats from her electricity supplier while arranging for a charity to clear her arrears. The supplier told the CAB adviser that charges for these letters would be waived once the arrears had been cleared. However, when the arrears had been paid and the CAB adviser phoned the electricity supplier again, they said such charges could not be removed once applied and that the information given in the previous phone conversation had been wrong.

A CAB in Leicestershire reported that a woman, who could not read or write and had a disabled husband, came to the bureau because she had an ongoing problem with her electricity prepayment key. The bureau tried to telephone the client's electricity supplier and was initially kept hanging on the line for 20 minutes. Before the customer services assistant had resolved the enquiry they were cut off. The CAB adviser had to re-contact the electricity supplier and was kept hanging on for a further 15 minutes before being passed to a customer services assistant. The new

assistant was speaking from a different office so the CAB adviser had to start the whole process all over again.

In the most extreme cases, the inability to sort things out can lead to customers receiving administration charges or being threatened with disconnection in the intervening period.

A CAB in Humberside reported that their client received a letter advising him that his electricity supply would be disconnected if he did not pay his bill in full. The client was unable to pay this amount so came to the CAB who telephoned his electricity supplier on his behalf. The CAB adviser was kept waiting on hold for 35 minutes before being connected to someone. The client did not have a telephone, could not afford to use a payphone and would have required assistance to write a letter.

A client who wanted assistance in contacting her landline phone provider to cancel her account visited a Tyneside CAB. The adviser rang them but was passed from one department to another for more than thirty minutes, the phone company's representatives successively explaining they were not allowed to cancel the client's contract as they had errors on their computers.

A CAB in Hampshire reported a case in which their clients had switched their telephone and broadband supplier but had received only a partial service for five weeks. During this time 20-25 telephone calls were made to the telecoms supplier, each lasting up to 30 minutes, with the clients frequently being cut off before any solution was reached. Each time a new call was made it was necessary to explain the problem all over again to a different customer services adviser. Return calls were promised, but these never came.

People who completed the Adviceguide survey complained of similar frustrations:

“You never get to speak to the same representative twice and as a consequence you are always ‘told a different story’ from the one that the last person told you. Representatives do not take any responsibility in helping to resolve an enquiry as they are never likely to speak to you again. Also I believe that that level of training conducted by these organisations is very, very poor. They are only interested in making money and have no thought of the impact to the customer.”

“They kept transferring me to ‘other’ departments to be further kept waiting in a queue, who in turn did the same, and some of them just hung up after answering. Then I had to ring again to go through the same process. It took me a week and about 25 hours on the phone to get my meter changed.”

Conclusion and recommendations

The previous sections have explored the levels of dissatisfaction experienced by customers and advisers when calling utility companies, and have sought to highlight the principal reasons for such discontent. Our primary purpose in drawing attention to the performance of utility company contact centres is to prompt improvements in the services offered in order that consumers, especially vulnerable consumers or those on low incomes, and their advisers, get a better service. In this section we focus on how such improvements can be made.

Why are utility companies, which operate in a competitive market, so often inefficient in the way they run their contact centres? In our view, there are two fundamental and related

reasons why utility company contact centres have, in general, failed to respond to the needs of customers, prompting high levels of dissatisfaction:

1. There is a glaring lack of accessible information available to consumers about comparative levels of service from utility companies’ contact centres. This means that incentives to improve performance are weak and customers are forced to make decisions about suppliers based on price alone.
2. There are no minimum standards for utility companies in setting levels of customer service, including how customer contacts are handled. In the absence of sufficient competitive pressures, these could act as an effective protection for consumers.

At present, comparisons between utility companies are based principally on price. As Ofcom has recently reported “across each of the communications markets there are a lower proportion of consumers who state it is easy to make quality of service comparisons, compared with cost comparisons.”²¹ Some information is available about levels of service or complaints, for example:

- energywatch publish data on a monthly basis on the number of cases referred to them about each fuel supplier. This includes case data on complaints, enquiries and the number of consumers they refer onto each supplier’s dedicated complaint teams.²²
- Ofcom has a requirement for certain fixed line providers to report comparable information about the quality of service. This is undertaken by a co-regulatory group, Topcomm, which has designed a set of measures which aim to capture the main quality of service issues: ordering services, fault repair, handling complaints and accurate billing. This information is displayed on the Topcomm website²³ and there are plans to extend this to

broadband.²⁴ TopNet UK allows customers to compare the geographic network performance and voice call quality of each of the mobile network operators.²⁵

- Some of the price comparison websites attempt to capture customer satisfaction or levels of customer service. For example, uSwitch conduct a survey of utility companies' customers to gain an insight into customer satisfaction while energyhelpline take into consideration energywatch statistics plus the availability and access hours to a customer service contact centre and the supplier's website.

This information is far from comprehensive and knowledge of it remains patchy. None of these services includes information about the performance of contact centres and on resolution of consumer enquiries generally. Incentives on suppliers to improve customer service levels are therefore muted, while customers are forced to make decisions about their suppliers based on incomplete information. That is fine if the customer wishes to base their decision solely on price, but if they wish to make a choice taking into account levels of customer service the information they require is near impossible to find. In the absence of any guaranteed minimum standards, such as those which apply in the water industry, poor customer service can go unpunished.²⁶

The Consumers, Estate Agents and Redress (CEAR) Act 2007 offers the potential to rectify this unfortunate situation in the fuel sector. It places a statutory requirement on Ofgem to make regulations which set standards of performance for complaint handling for gas and electricity consumers. Energy suppliers will also be required to be a member of an Ofgem-approved redress scheme to investigate and determine complaints relating

to energy which may also provide an incentive to improve complaint handling. In addition, the newly created consumer advocacy body – the new National Consumer Council – will be required to publish information on levels of compliance with the standards set by regulated providers. Ofgem has recently consulted on what form the standards should take, but their initial view is that the standards should provide “comparative information to enhance consumers' ability to make choices between competing suppliers.”²⁷

Citizens Advice wholeheartedly welcomes the introduction of this statutory requirement. We recommend that Ofgem should require fuel suppliers to provide a wide range of easily compared information to enable customers to make informed choices between suppliers. It is essential that this should include information about levels of overall customer satisfaction and performance of suppliers' contact centres in terms of the resolution of consumer enquiries.

The provision of such information would clearly be in customers' interests since it would enable them to make more informed decisions about their fuel supplier. They also stand to benefit from greater transparency as this should raise overall levels of customer service in contact centres. However, there are also compelling reasons for the best-performing suppliers to welcome such changes. Firstly, innovation and excellence in this area are not adequately publicised at present so the companies offering better levels of service from their contact centres do not derive the benefits which they deserve. Following these changes this will hopefully no longer be the case.

Secondly, suppliers can currently fail to fully appreciate the impact that customer service

23 www.topcom.org.uk

24 *The Consumer Experience – Telecoms, Internet and Digital Broadcasting 2007 – Policy Evaluation*, Ofcom, November 2007

25 www.topnetuk.org

26 Customers of all water and sewerage companies are entitled to minimum guaranteed standards of service, which are set out by the Government. The Guaranteed Standards of Service (GSS) Scheme applies to all water and sewerage customers and covers areas such as making and keeping appointments, responding to account queries, responding to complaints and informing customers about interruptions to water supply.

27 *Complaint handling standards – consultation document*, Ofgem, November 2007

can have on the attraction and retention of customers. These imminent changes will mean that such factors can no longer be ignored. Our Adviceguide survey found that if customers could get clear and independent information about the quality of customer service offered by utility companies, including information about how they deal with customer calls, then:

- only 3 per cent of respondents would base their choice of supplier solely on price
- 20 per cent would choose their supplier based wholly on the quality of their customer service
- 41 per cent state that customer service would be the deciding factor if other companies offered similar prices
- 26 per cent admitted that such information might help them decide but they would also look at price.

Other research has shown that poor levels of service at contact centres can have a significant impact on customer retention:

- Almost one in five people saying they have ditched a company solely because of a bad experience with the contact centre, equivalent to something in the order of £8.4 million in lost business.²⁸
- 68 per cent of customer defection takes place because customers feel poorly treated.²⁹

We are aware that Ofgem's complaint handling standards will cover whether any auditing is required and if so how this should be done. **We recommend that the new National Consumer Council undertakes monitoring exercises, including mystery shopping, to audit compliance with Ofgem's minimum standards and to monitor how contact centres in other utility sectors are performing on a quarterly basis. The results from this ongoing monitoring should be publicised**

widely in a variety of accessible formats and there should be a requirement for any switching services to highlight this information alongside that which relates to price.

While such changes offer the potential to transform levels of customer service among fuel companies, including the way calls are handled, there is no similar statutory requirement on Ofcom to set standards on complaint handling for telecoms companies. In January 2005, Ofcom did introduce a requirement for certain fixed line providers to report comparable information about the quality of service provided to their residential and business customers. Known as Topcomm it has the aim of ensuring that the information provided for consumers is objective and reliable.

This was a welcome step but we recommend that the scope of Topcomm is broadened to include a range of comparative data relating to how consumer calls are handled by suppliers. Its coverage should be extended beyond fixed-line providers to include not only broadband suppliers as proposed but also mobile phone providers and cable and satellite TV companies. For this to be effective a much greater effort should go into publicising this comparative data to raise consumer awareness.

Should this greater transparency and publicity fail to transform contact centre performance among telecommunications companies then Ofcom should consider imposing certain minimum standards to raise levels of performance.

In addition to increased transparency about levels of customer service at contact centres we also make a series of practical recommendations about how utility companies can improve the performance of their contact centres. Many of these

²⁸ *Customer satisfaction – are you bowvered?*, Tim Burfoot writing in *Utility Week*, 26 October 2007

²⁹ Quoted in *British business set to gain from new customer service standard*, British Standards Institution, Press Release, 25 April, 2007

recommendations draw on what is regarded as best practice, for example the British Standard for customer service: BS 8477:2007 which covers principles of good customer services³⁰, and build on those made in *Hanging on the telephone*, our previous report on contact centres published in 2004. This concluded that contact centres needed to be user-proofed, setting out five key principles for how this should be achieved. Given the dissatisfaction and difficulties that continue to be experienced by utility customers, it is clear that improvements still remain necessary.

Citizens Advice recognises that getting the delivery of services from contact centres right is not easy. Indeed, although we are a charity with limited resources, we are currently grappling with many of the issues which face utility companies since we are working towards establishing a single telephone number for the CAB service in England and Wales. This is part of a wider strategy intended to enable the Citizens Advice service to help more people and to ensure that those in greatest need receive the most appropriate service. In due course this will enable the service to substantially increase the number of initial telephone enquiries that it deals with and ensure that more detailed advice can be provided quickly and efficiently.³¹

Below we revisit the main causes of customer dissatisfaction with the way utility companies deal with phone calls from their customers, and for each source of dissatisfaction we make a number of recommendations which would make a real difference to customers.

Recommendations concerning the costs incurred in getting through to a utility company – in both time and money

Having to hang on the phone for long periods of time trying to speak to someone at a utility company is a source of great frustration for

customers and can cost companies money too. To reduce this annoyance, **utility companies should ensure that the handling of customer calls is accorded the importance that it deserves and that sufficient investment is made available to provide adequate levels of qualified call handlers that are able to deal with demand from customers.** This is particularly important where utility companies are introducing new billing systems or anticipate that call volumes may rise substantially for a particular reason.

A key aspect of the new consumer landscape will be the backstop protection offered by Ombudsman schemes. **For this to function effectively and send clear signals to suppliers about acceptable levels of customer service, we recommend that Ombudsmen take into account difficulties experienced by customers in contacting their utility company when they make decisions on individual cases.** Any such decisions and compensation awarded should take into account the costs incurred and time spent by the customer and/or their advisers in attempting to resolve a matter.

We also recommend that utility companies should make greater use of the call back facility rather than force customers to hang on the phone until a customer service adviser becomes available. This facility should be offered to the customer when they are first connected, as an alternative to hanging on the phone waiting to speak to a customer service adviser, and the call back should occur within a specified time (e.g. within one hour). This facility is popular among consumers, with 61 per cent of people who completed our Adviceguide survey stating that this service would improve the way utility companies handle customer calls. Where customers are directed to make

³⁰ The *British Standard for customer service: BS 8477:2007 Code of practice for customer service* recommends good practice for day-to-day operations including responsiveness, provision of information, customer interactions, counter/ telephone/ web-based service, organisation of appointments after-sales service and corrective actions, and documentation and records systems. The standard also contains information on how to maintain good customer services including through the recruitment, competences and training of customer service employees.

³¹ See www.citizensadvice.org.uk/were_changing for more information.

enquiries via e-mail or website messaging services instead of waiting to speak to someone at a contact centre, clear and reasonable undertakings should be given as to when the customer can expect to receive a response.

The implementation of a call back facility would also have the benefit of reducing, perhaps substantially, the cost of calling a utility company for customers. Other ways to reduce the costs of calling utility companies should also be considered. For example, **greater use should be made of freephone numbers.**

Other ways to keep costs incurred by customers to a minimum should also be offered, for example **alternatives to non-geographic numbers (principally 0845 and 0870) should always be provided.** This is in keeping with guidance issued by Ofcom which states that public bodies should not use such numbers exclusively (i.e. without giving equal prominence to a geographic alternative) especially when dealing with people on low incomes or other vulnerable groups. The Financial Ombudsman Service, for example, provides callers with both an 0845 number and a geographic number, drawing attention to the fact that the geographic number may be cheaper for calls from some mobile phones and other networks.³²

Where utility companies wish to use non-geographic numbers they should make use of 03 numbers rather than 0845 and 0870 numbers. We welcome the changes being introduced by Ofcom which will see changes made to 0870 numbers but consider that utility companies should offer 03 numbers as an alternative to chargeable numbers like 0870 or 0845.³³ This is in keeping with guidelines issued by the the Central Office of Information to public sector bodies.³⁴ Calls to 03 numbers from mobile

phones will cost the same as calls to geographic numbers (starting 01 or 02), and be included as part of any inclusive call minutes or discount schemes for mobile phones in the same way as geographic calls.

To assist advisers and other third party intermediaries in carrying out their job speedily and cost-effectively, **utility companies should set up dedicated telephone numbers for advice agencies, which should ideally be freephone numbers.** Many already do this (for example Scottish Power and E.ON), and we are pleased to note that other companies such as British Gas have recently made their dedicated number for use by advice agencies a freephone number. As we explain above, where utility companies do not offer such facilities the time spent by an adviser queuing to speak to a contact centre operative can significantly reduce the time they have available to see clients.

Recommendations for the inability to get through to speak to someone

Difficulty getting through to a 'real person' at a utility call is a major concern for all consumers, with a large amount of frustration caused by having to proceed through what can seem like an interminable number of menus and options. Indeed, 41 per cent of people completing our Adviceguide survey think utility companies should avoid using automated menus altogether. We recognise that automated menus can offer certain advantages but it is important to ensure that where they are used utility companies consider the following:

- **Recorded messages and menus should be short, relevant and accessible with an option to speak to a representative very early in the menu.**

Getting through to a customer service adviser was the main improvement that

³² See www.fos.org.uk/contact/index.html

³³ Ofcom will require mobile and fixed-line providers (including payphones) to charge the same or less for 0870 calls as they do for national-rate calls to geographic numbers (starting 01 or 02). This change is likely to significantly reduce the price of many calls to 0870 numbers. It will also mean that 0870 calls will generally be included in call packages.

³⁴ Update on the COI Better Practice Guidance for Government Contact Centres (Second Edition), August 2006 available at www.coi.gov.uk

67 per cent of respondents to our Adviceguide survey wanted to see implemented.

In other sectors (e.g. banking) the ability to speak to a real person is used as a major selling point. For example First Direct proclaim that “your call will always be answered by a real person in the UK”.³⁵ Offering this facility would also greatly improve the accessibility to utility contact centres among a range of groups who can experience difficulties in dealing with automated options – for example those for whom English is a second language, people with mental health difficulties, those with dexterity problems who may struggle to press the correct button at each stage.

- **Queuing systems should advise consumers of the expected waiting time to get a response.**

Recommendations about making contact centres accessible for all

Some people, such as those for whom English is not their first language or people with hearing difficulties or mental health issues, can experience particularly acute difficulties in calling utility companies. CAB evidence often features difficulties experienced by such client groups who may try to resolve problems with utility companies themselves but give up in frustration and are forced to come to bureaux for help. In order to improve accessibility to utility companies for these groups we recommend that:

- **organisations should consider offering services in the languages customers prefer to deal in, for example, by subscribing to Language Line**
- **clear and simple ways for those with hearing impairments to communicate easily should be provided. For example, call centre staff should be trained to communicate with those who have a**

hearing impairment. In addition, those with severe hearing difficulties should be offered a clearly signposted and direct Typetalk service, and this should be supplemented with other forms of text services which may be appropriate such as internet, SMS text messaging or e-mail services.³⁶

Recommendations concerning resolution of calls

As we have noted previously, utility companies would seem to have a compelling commercial incentive to make sure that customer calls are dealt with swiftly, and without the need for the customer to make follow-up calls.

While it is unrealistic to expect all frontline contact centre agents to be enabled to deal with every problem, there are a number of things which utility companies should do to improve the customer experience:

- **Customers who have problems and questions that cannot be fully resolved during the initial call should be given a timeframe within which they will be called about progress.**
- **Customers should also be given a reference number and the contact name and direct line telephone number of the adviser concerned to make it easier for the customer to check on progress.**
- **The knowledge and competence of front-line staff should be enhanced where possible. If not feasible, they should be backed up by specialist back office teams who can resolve more complex problems and deal with cases where continuing contact is needed with a named individual, including those issues raised by intermediaries such as Citizens Advice Bureaux.**

³⁵ See Annex 5 of Ofcom's Consumer Experience 2007 which concerns *People with hearing impairments and communications services* for more detailed information on this area.

³⁶ www.firstdirect.com/ourservices/

- Computer systems used by contact centre staff need to both log the action item and follow its progress through to resolution. Such data should be accessible to all customer advisers to ensure that further customer queries can be met with up-to-date information on progress and final outcomes.

Of course, for contact centre staff to provide a high quality and responsive service to customers they must be properly trained, knowledgeable about the range of services and products offered by the utility company and given the right environment and tools to do the job.

Being able to read from a script is not enough – contact centre operators need to be able to

deal with all queries they are asked to handle, even those which do not fit neatly within their scripts. This should include comprehensive information systems, which reflect the issues relevant to the users of the service. For example, where a customer is struggling to pay their fuel bill the utility company must ensure that contact centre staff have all the options open to them (e.g. paying the debt off in affordable instalments, opting to have a prepayment meter fitted or paying via fuel direct).

Taken together we consider that these recommendations would lead to a significant improvement in the customer service provided by utility call centres, and could act as a useful template for call centres in other sectors.

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