

Treating consumers fairly

Flexible and inclusive services for all

January 2015



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Executive summary

Background and introduction

Citizens Advice would like to share a common aim with companies that provide energy, water, financial services, telecommunications and other goods and services that are essential to consumers' everyday lives. That aim is for companies to be inclusive, treat people fairly, take account of people's personal circumstances and avoid putting consumers in vulnerable situations.

To try and turn that aim into a reality, Citizens Advice and Consumer Futures (which was then Consumer Focus) joined with government bodies and the British Standards Institution (BSI), to produce guidance for companies on how to treat consumers fairly. The result was British Standard BS 18477: 2010 *'Inclusive service provision – Requirements for identifying and responding to consumer vulnerability'* (the Standard¹). Since then we have been encouraging essential goods and service industries to voluntarily adopt the Standard¹ but take-up has been slower than we would like.

Through the Standard and other reports,² we have been developing an understanding of consumer vulnerability which recognises that:

- “All consumers are different, with a wide range of needs, abilities and personal circumstances. These differences can put some consumers in a position of vulnerability or disadvantage during certain transactions and communications, potentially putting them at risk from financial loss, exploitation or other detriment”³
- Consumer vulnerability, should not be seen as “a constant state applying to set groups of people with certain characteristics”, rather as a “condition in which a consumer experiences difficulty in accessing or using services or in dealing with communications”⁴
- Companies can put people in vulnerable positions: “consumers can be put in a vulnerable position by an

One of the key aims in establishing the current markets for utilities and essential goods and services was to allow consumers to benefit from competition and lower prices. For consumers, however, these markets are quite different from commodities markets such as food and clothing (which are usually sold in single-purchase transactions and consumers can switch suppliers with relative ease). Essential goods and services depend on contractual terms, with extended commitments for consumers, and complex deals from companies that continuously change. Finding the best deal involves interpreting complicated contracts and comparing and contrasting providers over time. Although regulation aims generally to protect consumers by ensuring that markets work in a fair and transparent way, choice may not be available to consumers who can't afford to pay by Direct Debit or have a poor credit record or access to the best deals and 'people on low incomes have often faced higher costs in meeting essential needs.'

¹ Citizens Advice has been highlighting the role of regulators, government and companies in making markets work. We have recently published research looking at the development of consumer vulnerability strategies by the regulators of energy (Ofgem), financial services (FCA), communications (Ofcom) and water (Ofwat).

² <http://bit.ly/1wqCrPu>

³ BS 18477 Introduction

⁴ BS 18477, para 2.7

organisation's failure to provide an inclusive service".⁵

The Financial Ombudsman Service was the first organisation to use the Standard to assess the way it provides all its services to consumers **and** implement changes to its business in order to adopt the Standard's guiding principles. The case study appended to this report in Annex B looks at the Financial Ombudsman Service experience in more detail including the:

- process it went through
- challenges it faced and overcame
- ensuing benefits from implemented changes and a revised perspective.

The Legal Services Consumer Panel⁶ was another early adopter of the Standard, subsequently prompting the Legal Services Board itself to update its consumer toolkit (*a framework for identifying and analysing the impact on consumers of our work*), to incorporate lessons from the Standard.⁷ It has also published a guide for legal services regulators⁸ that translates the standard into a legal services setting.

While formal take-up of the Standard among commercial organisations has been limited, progress has nevertheless been made. Examples this year include a financial service firm that used the Standard to develop a strategy for a 'best practice approach' to vulnerable consumers and a regional water company that commissioned external assessors to conduct an independent review and comparison with the Standard. Examples also include organisations that are one step removed from the consumer's initial engagement /transaction with the market: for example energy network operators and specially established financial services holding companies. Some of the energy network operators are at an early stage of adopting the Standard while others are seeking external audit of their progress.

To date, most consideration of consumers and issues of vulnerability in the essential markets has been through the lens of specific, after-the-event remedies for existing customers (for example, those who are experiencing debt, (potential) disconnection or other cases of significant dissatisfaction), rather than across the entire customer journey. We are increasingly aware that companies are beginning to consider the question of how to make their business more inclusive; establishing dedicated teams and / or employing specialist advisers.

⁵ BS 18477, Introduction

⁶ The Legal Services Consumer Panel is an independent arm of the Legal Services Board, made up of eight lay members. Created by the Legal Services Act 2007, the Panel has legal powers to publish advice and the Legal Services Board has a legal duty to explain its reasons when it disagrees with such advice. The Panel has a remit to represent the interests of the many different consumers of legal services, (including small businesses and charities) and has committed one of its work strands to prioritising the needs of more vulnerable groups of consumers.

⁷ The toolkit is currently being trialled internally and will be made available to the approved regulators of the legal profession later this year: <http://bit.ly/1pDvCGI>

⁸ *Recognising and responding to consumer vulnerability: A guide for legal services regulators*
<http://bit.ly/1sSvkPf>

Executive summary

This could be on account of growing recent emphasis of regulators' expectations in this area. For example Ofgem's 2013 *Consumer Vulnerability Strategy* suggested that companies could use the Standard to develop their own approaches to consumers in vulnerable situations.

Benchmark study

To accelerate the rate of uptake of the Standard and support companies' endeavours to become more inclusive, Citizens Advice (Consumer Futures) commissioned independent research consultancy, Opinium Research LLP (Opinium) to conduct a benchmarking study of three organisations that are directly or closely linked to Citizens Advice and provide free help concerning advice and redress for energy consumers:

- the Citizens Advice consumer service (the consumer service)
- the Ombudsman Service: Energy (OS:Energy)
- the Extra Help Unit (EHU).

All three organisations operate towards the end of a consumer journey – they deal with the consequences of decisions (or indecisions) of other organisations or companies. Between November 2013 and March 2014, Opinium conducted desk-based literature reviews and in-depth semi-structured interviews with a mix of frontline and senior staff from the three organisations.

Our findings and appropriate recommendations were presented to each organisation separately to assist them in developing an even more accessible and inclusive service to consumers.

Objectives

We believe that all companies' key aims – particularly those companies providing essential goods and services – should include the provision of fair and flexible services to their consumers. We consider that the time has arrived for a transparent cultural shift whereby organisations:

- reframe their perspective
- change the way they think about consumers and their business
- build 'long-term relationships' with consumers; 'earning their trust and then their business', to become 'social leaders'.

A more inclusive approach would benefit all consumers. It could particularly benefit those experiencing vulnerability, as well as improving organisations' own brand, reputation and employee confidence and satisfaction. In turn, this would benefit society and the wider economy.

“It is clear that both service providers and Ombudsman Services share a common goal – to provide workable, balanced and fair solutions for customers. This continues to be the case as we move forward, helping to shape a better industry for all”

British Gas, Ian Peters, MD, Residential Energy⁹

Citizens Advice considers that if all energy companies (and other companies providing essential goods and services) adopted the understanding of consumer vulnerability in the Standard and integrated their engagement with consumers in ways highlighted in the report, consumers would:

- get a fairer deal
- face less detriment
- need to seek redress less often.

But, as noted by the Chairman of the Consumer and Public Interest Network at the British Standards Institution, “*for standards to have a real and positive impact*”, they must be “*taken up, understood and used by all concerned*”.¹⁰ The purpose of this report therefore is to:

- provide an insight into the Standard that was benchmarked against the services offered by each of the three organisations and
- inspire and drive energy companies and other providers of essential services to benchmark their own services.

Meeting the Standard: our observations and recommendations

Defining and understanding vulnerability and its risk factors

Our message and challenge to companies:

Companies need to develop an understanding of vulnerability that recognises its complex and dynamic nature. This perception should be evident not only in the way the company presents itself but in the day-to-day practice of staff who engage with consumers directly or indirectly.

All three benchmarked organisations recognised the stark reality that vulnerability may not just be linked to people’s circumstances. They witness daily that the way companies treat their customers may place consumers in a vulnerable situation:

“... consumers can be vulnerable for many reasons and when it comes to their energy supply the consequences can be very serious”.¹¹

⁹ <http://bit.ly/1xchrMg>

¹⁰ Foreword to the Legal Services Consumer Panel report, *Recognising and responding to consumer vulnerability: A guide for legal services regulators* <http://bit.ly/1sSvkPf>

¹¹ <http://bit.ly/1wm2LuW>

“At times we've had people threatening suicide; we've had people threatening harm to themselves and others. We've had consumers who are struggling financially who are incredibly stressed, really sad stories, elderly people in their homes can't afford their energy bills, and they can't afford to eat. We've referred people onto food banks”.

Commitment and intent to meet the Standard

Our message and challenge to companies:

One of the fundamental guiding principles of the Standard is the commitment to providing services that are fair and accessible to all. The principle must be demonstrable across the entire organisation from the board, chief executive officer and senior management through to the customer facing staff.

We contend that this commitment cannot translate to practice through a mere a 'tick-box' compliance exercise. It can only be realised through active and strategic re-evaluation and organisation-wide cultural change, in both policy and practice.

Organisations that are currently engaging with the Standard recognise that devising a forward-looking strategy that cultivates and maintains an inclusive service necessitates an informed understanding of (the needs of) the consumer who is eligible to use its service. Both commercial and not-for-profit organisations recognise that reaching this understanding entails a comprehensive review of the design, operation and delivery of the organisation's corporate policy, internal processes, products and services.

“A project was initiated to review our approach to identifying and supporting vulnerable customers. A business lead was appointed to engage all relevant internal stakeholders and external subject matter experts with a view to identifying what would be a best practice approach.

“For the review to achieve the best possible outcome, it was important that all appropriate departments had an opportunity to input i.e. Strategy, Operations, Compliance, Risk, Legal Services etc who would be responsible for impact assessing and delivering any recommendations.”

(UKAR – July 2014)

Identifying consumer vulnerability

Our message and challenge to companies:

The Standard requires organisations to let consumers know about the range of flexible options and alternatives that can aid access to their services. These should be made available clearly and simply so that a consumer can request them. We caution, however, that organisations that place the onus entirely on the consumer to explicitly ask for (extra) help or to disclose their vulnerability in order to obtain service access and fair treatment cannot be considered to be (or consider themselves to be) inclusive.

We assume that companies always intend to serve their customers' interests, and that those instances where they fail to do so are unintended. Based on the experiences of the Financial Ombudsman Service and the three organisations that participated in our research, we believe that addressing a skills-gap in the art of conversation would go some considerable way towards building trust. It would create more opportunities for consumers to have the kind of exchanges and level of personal contact through which respect can be established and suggestive indicators of vulnerability might be revealed.

The nature of when and how a consumer contacts an organisation (for example where the majority of interactions are or must be conducted online or via touchtone key pads) might necessitate further or alternative steps beyond training from specialist voluntary organisations.

The benchmarking activity highlighted how crucial training is for frontline staff. All staff that deal with consumers would benefit from training on:

- how to identify or elicit evidence of vulnerability and
- soft skills for dealing with consumers in such circumstances.

The benchmarking exercise also showed how guidance from other bodies – particularly those in the voluntary and community sector - with particular insight into the lives of consumers in specific circumstances (such as bereavement, terminal illness, dementia and mental health issues) can assist and inform organisations to improve their training and business processes. For example the Financial Ombudsman Service found that the key to delivering a fully inclusive service was firstly to 'reassure staff they could have a normal conversation, and secondly help those staff who wanted help to talk about some quite difficult subjects – basically the *art of a good conversation*'. Any skills-gap creates a risk at all points of contact with consumers – from when they initially become consumers, through to any subsequent need for engagement (most particularly when either the consumers' circumstances change or the product or service change).

Product and service design

Our message and challenge to companies:

The provision of a fully inclusive service, however, is not just about how effectively an organisation interacts with its customers. The standard calls for the needs of all consumers to be taken into consideration at the product or service design stage so as to prevent potential problems. So, it is important that organisations do not limit their response to vulnerability from the perspective of when things go wrong, that is the consumer experiences poor service or faces a problem paying a bill. For example, a consideration of how products could help build credit and prevent debt would complement (and in time, minimise the need for) emerging efforts to help consumers return to credit when they fall into debt.

But in order to take consumers into account in this way, we propose that organisations need to take steps to better understand:

- the realities consumers face

- the multiple factors and competing demands that influence consumers' experiences and decision-making
- the consequences of being excluded from a specific product or service.
- accessibility.

Our message and challenge to companies:

The Standard 'focuses specifically on how to make a service available and accessible to all, so that no one is inappropriately excluded from a service'.¹² This includes potential as well as existing consumers. It follows that an assessment of accessibility, therefore, warrants a review of an organisation's strategy for reaching consumers.

Data: collection, protection and sharing (including third party collaboration and referrals)

Our message and challenge to companies:

We are aware that many organisations are concerned about data protection compliance when collecting and sharing (internally and externally) information about consumers in potentially vulnerable circumstances. They see this as a significant inhibitor to engaging with the Standard and adopting more inclusive business practices. However, as long as robust safeguards are in place to ensure the data is secure, proportionate and relevant, personal data can be shared where it is necessary to meet the consumer's needs.

Conclusion

The benchmarking exercise brought into sharp focus how the decisions and actions of one organisation can affect another (and subsequently the consumers they serve). A clear burden was placed on the three energy consumer organisations that we benchmarked when energy suppliers did not adopt an inclusive approach into the core of their business ethos and practices.

The *Ombudsman Services: Energy* commented that:

"We're always conscious that as an ombudsman you've got to be better than these companies that you're adjudicating on. [...] We often come across very distressed people as well, particularly energy bills, people getting threatened with disconnection."

Ombudsman Services: Energy (Investigator)

The Residential Energy MD of British Gas is quoted in the *Ombudsman Services (Annual Report and Accounts 2012/13)*, noting that:

"The impartial lens that Ombudsman Services applies to consumer referrals, provides not only a route for resolution, but also some key learnings in terms of ways to do things better."

¹² BS 18477, Introduction

These two statements together provide what Citizens Advice considers to be the key message to companies – that they should treat all their customers fairly. By doing so, their actions/inactions should limit the need for consumers to seek the help of any of the organisations benchmarked here. This focus on three organisations that deal with the consequences of decisions made by other organisations provides an insight into the knock-on impact of failures of companies providing essential goods and services.

Citizens Advice will continue to press for regulatory and/or government intervention for as long as companies providing essential services cannot clearly show they are inclusive and are treating consumers fairly.

When Consumer Futures published *Tackling consumer vulnerability*¹³ in 2012, the Department for Business, Innovation and Skills (BIS) recognised the need to address the consumer vulnerability agenda and the potential benefits from the development and uptake of BS 18477. BIS originally committed to bringing together key stakeholders for a roundtable. We urge BIS to inspire markets to work as they should and instigate its roundtable commitment.

This report aims to encourage and support companies to pay further attention to the Standard as a business tool. Our observations and recommendations, combined with the experience and lessons learned both by the organisations we benchmarked, and other organisations that have already used the Standard to review and revise their business models and practices, offer companies guidance in how to treat consumers fairly and show they are being inclusive.

The three organisations we benchmarked don't face the same profit-making imperatives or shareholder accountabilities as commercial organisations. There is a level of expectation that they should nevertheless be accountable to their funders with evidence that they provide good value for money. This research showed that developing an inclusive approach does not always entail extensive expensive projects. The benchmarking exercise demonstrated, for example, that even a small change to an organisation's data collection and management system can make an organisation more inclusive. For instance, the introduction of mandatory assessment fields prompted staff to engage with the consumer, understand their circumstances and provide the specific assistance they need.

¹³ <http://bit.ly/1wqCrPu>

Background

British Standard for inclusive service provision (BS 18477): identifying and responding to consumer vulnerability

In recent years, various statutes, regulations and case law have placed a requirement on shops and service providers to treat consumers fairly and to be particularly careful to provide a fair service to ‘vulnerable’ people. It can be difficult, however, for companies to know what this means in the context of their own business.

The voluntary British Standard 18477:2010 Inclusive service provision: requirements for identifying and responding to consumer vulnerability (‘the Standard’) was developed with the involvement of Citizens Advice, Consumer Futures (which was then Consumer Focus), the Office of Fair Trading¹⁴ and government bodies¹⁵ to help organisations better design, market, assist and deliver services to all consumers. The underlying theme of the Standard is about identifying and responding to consumer vulnerability, but the Standard also addresses how to adopt responsible business practices and improve accessibility to services for all.

There is no legal requirement for organisations to follow the Standard, but Citizens Advice has been encouraging companies, particularly the regulated essential goods and service industries, to adopt it voluntarily. According to other research published by Citizens Advice in January, the regulators of these markets are “*increasingly recognising the importance of inclusive services*”.

There is no formal process for ‘adopting’ BS 18477. The Standard provides a three-tier hierarchy of provisions (‘requirements’, ‘recommendations’ and ‘permissibility’), each designed to help service providers:

- develop their own strategic approach for becoming an inclusive service
- better identify and respond appropriately to consumer needs
- recognise vulnerability risk factors and understand non-intrusive methods of enquiry
- implement relevant policies and training plans
- access and assess information
- adopt good practice.

The Standard is relevant to any service provider that deals with the public, encompassing a wide range of companies and organisations that differ in the nature of their business, the goods or services they provide and the way in which they interact with consumers.

¹⁴ The responsibilities of the OFT have since transferred to other organisations, including the Financial Conduct Authority and the Competition and Markets Authority.

¹⁵ It was prepared by Panel SVS/0/2, Vulnerable consumers, under the authority of Technical Committee SVS/0, Customer service – fundamental principles. A list of organisations represented on this committee can be obtained on request to its secretary.

Background

Even an organisation with little or no direct consumer interface recognises “*this should not prevent us from incorporating many of the ideas contained within the standard*” and there are “*aspects of the Standard that we should reflect in the small amount of directly consumer-facing activity we do undertake*”.¹⁶

It is for each organisation to determine for itself the appropriate provisions (not all of the Standard is relevant for all organisations) and the manner and extent to which the business shall incorporate those provisions into the business. This exercise can be undertaken within the organisation or external auditors and assessors can be appointed to provide an independent assessment and recommendations.

Copies of the Standard can be obtained from public libraries or individual copies can be purchased from the BSI website¹⁷. It includes examples of:

- vulnerability identification triggers
- possible solutions
- annexes with explanations of how certain risk factors can indicate vulnerability;
- how consumers’ relationships / interactions with organisations can give rise to or exacerbate vulnerability
- some example scenarios with an indication of how they could have been handled differently.

The Standard suggests that the delivery of an inclusive service requires organisations to be:

- responsive to consumer needs, so that its own acts or omissions do not disadvantage consumers, particularly those experiencing vulnerability (and implement processes and procedures that ensure this)
- proactive in seeking to meet consumers’ needs as effectively as possible, through product and service design as well as direct interactions, anticipating likely potential problems and how to avoid, prevent or mitigate them

It also requires enabling policies, processes and procedures to support the Standard, the effectiveness of which should be regularly and systematically monitored and evaluated, to drive and ensure continual development.

Choosing to comply with the Standard should be considered a serious commitment to providing services that are fair and accessible by applying the Standard’s guiding principles of fairness, transparency, accessibility, resources and commitment.

“Currently, BSI is not operating a certification scheme BS 18477, however organisations can seek independent assessment of their level of compliance to the Standard’s requirements¹⁸. Misrepresentation of an organisation’s public commitment however (that

¹⁶ Paper (13) 05, *Adoption of British Standard 18477 for inclusive service provision*, produced for the meeting of the Legal Services Board on 30 January 2013

¹⁷ <http://shop.bsigroup.com/ProductDetail/?pid=00000000030213909>

¹⁸ The BSI is among a number of companies that can conduct an assessment of an organisation’s performance against the standard and provide them with a professional opinion and report.

Background

is where this is not borne out in practice) can be reported to, and investigated by, Trading Standards.

The Financial Ombudsman Service was the first organisation to state publicly that it has adopted the principles of the Standard into its business.¹⁹ Its experience of becoming more inclusive is set out in a case study later in the Annex to this report, looking at the challenges it faced and overcame as well as the benefits that manifest from becoming more inclusive.

The Legal Services Consumer Panel (the Consumer Panel) considered the Standard would help the panel to recognise the needs of consumers in vulnerable positions and represent their interests effectively. The Consumer Panel challenged the Legal Services Board to follow suit and, since then, the Legal Services Board has updated its consumer toolkit (*a framework for identifying and analysing the impact on consumers of our work*), to incorporate lessons from the Standard.²⁰ More recently, the Consumer Panel published a guide for legal services regulators that translates the Standard into a legal services setting.²¹ The guide “*focuses specifically on what regulators can do*” in expectation that, in turn, this “*should reinforce the behaviours of those they regulate*”.

Take-up among commercial organisations has been slower than we would like but progress has nevertheless been made and examples this year include:

Wessex Water

This regional water company commissioned Lloyd's Register Quality Assurance (LRQA) to conduct an independent audit. Wessex Water is currently implementing recommendations that are intended to deliver compliance with all relevant aspects of the Standard.

Electricity NorthWest

The energy network operator announced in March that it proposes to adopt the Standard to “*provide us with the necessary level of consistency and guidelines to work from on behalf of our customers*”.²²

Western Power Distribution

BSI was commissioned by this energy network operator to undertake an audit of the processes put in place to adopt the Standard in 2014. Western Power Distribution became the first organisation in the UK to be assessed by BSI as compliant with BS 18477.

¹⁹ In this context, ‘adopting’ the Standard means using the Standard to benchmark the way an organisation provides all its services to consumers and implementing changes to its business as a result.

²⁰ The toolkit is currently being trialled internally and will be made available to the approved regulators of the legal profession later this year <http://bit.ly/1pDvCGI>

²¹ *Recognising and responding to consumer vulnerability: A guide for legal services regulators*

<http://bit.ly/1sSvkPf>

²² <http://bit.ly/1wuuXgi>

UK Asset Resolution Limited (UKAR)²³

This financial services firm initiated a project to review how it identifies and supports vulnerable customers. It used the Standard to help develop strategic proposals for its Executive Committee concerning how to introduce and embed the review conclusions and a ‘best practice approach across the organisation:

“The recent FCA guidance published in April was a theme of the review throughout but in terms of understanding more around how we define vulnerability, we felt more detail was required. After consulting with experts outside of the business, we became aware of the British Standards and this quickly became a tool that helped inform our approach to defining vulnerability”.

Citizens Advice considers that companies providing essential products and services should ensure that their services are inclusive to all customers. We have been encouraging essential goods and service industries to voluntarily adopt the Standard. In July 2013, the regulator for energy (gas and electricity), Ofgem, published its *Consumer Vulnerability Strategy*²⁴ in which it encouraged energy companies to use BS 18477 to establish, review and improve their systems and processes for vulnerable customer service provision.

Citizens Advice considers that reviewing the inclusiveness of organisations that help with advice and redress of energy consumers is also important: free and independent help made available to energy consumers should be as accessible and inclusive as possible.

The three independent bodies that deliver the redress framework for the investigation of consumer complaints concerning gas and electricity supply are:

- the Citizens Advice consumer service (consumer service)
- the Ombudsman Service: Energy (OS:Energy)
- and the Extra Help Unit (EHU).

By assessing these three organisations against the Standard, we hope to encourage energy companies, other companies supplying essential goods and services as well as a range of other organisations that interact with consumers, to make their own processes more inclusive.

The consumer service provides advice to energy customers concerning their rights and obligations with energy companies and provides advice about how to complain. The OS:Energy investigates disagreements between consumers and energy supply companies that do not reach a (satisfactory) resolution via the company's own complaints procedure. Both organisations can refer the cases of consumers in vulnerable situations and those who have been disconnected (or are at risk of disconnection) to the EHU who will pursue the complaint on the consumer's behalf and seek practical solutions.

²³ UKAR is the FCA authorised holding company established to bring together the government owned mortgage lenders of Bradford & Bingley plc and the former Northern Rock, now known as NRAM plc.

²⁴ <http://bit.ly/1uJaCzF>

Background

The detailed findings from the benchmarking exercise are set out in Annex A to this report. We consider that these, in conjunction with the additional insights from other organisations that have used the Standard to review and revise their business practices, should inspire organisations to take a fresh look at the Standard and how it could help reframe their perspective.

Meeting the Standard: our observations and recommendations

Issues and misconceptions

Through conversations with regulators and industry since the Standard was introduced, we have become aware of some issues and misconceptions that may have hindered the rate of engagement with the Standard, to date. It is our intention that the insight from the organisations we have engaged with during the course of our research, together with the recommendations we set out below, will overcome these perceived obstacles and give companies the confidence to engage with the Standard.

Inclusive service vs customer service and corporate social responsibility (CSR)

All three concepts share some common values in terms of ‘doing the right thing’ and all three have the capacity to boost brand awareness, reputation and trust, but they are not synonymous. Customer service and CSR tend to be outward facing²⁵ rather than internal revisions of business practices from a consumer perspective. An inclusive approach is not an additional corporate function or output, nor is it the sole preserve of frontline staff or staff operating an organisation’s ‘retail’ or ‘domestic’ business, rather it concerns how the organisation, as a whole, can provide fair, flexible and inclusive services.

A degree of scepticism surrounds the cultural incentives behind CSR and its ability to contribute towards a fair and inclusive consumer experience:

“no-one is greatly impressed any more (if they ever were) merely by the continuous creation of worthy sounding internal committees and codes of conduct or by PR influenced Sustainability Reports”

(Roger McCormick, Bank Conduct Costs Project)²⁶

An inclusive organisation must adopt a holistic approach to how it develops its own processes, products and services: an approach that places an understanding of the consumer (and what is right for them) at its core. Furthermore, according to the BSI White Paper (2012),²⁷ industry representatives already recognise that “organisations seeking to deliver great customer care can only achieve this by meeting the principles of inclusive service provision”.

²⁵ CSR typically takes the form of (investment in) environmental, education or employment initiatives specific to the geographic location of the business.

²⁶ <http://bit.ly/1teqGha>

²⁷ <http://bit.ly/1rkSVoY>

Already compliant with the minimum legislative requirements in this area

Legislation designed to improve access and fair treatment in specific situations and circumstances, such as the Equality Act 2010 and the Consumer Protection from Unfair Trading Regulations 2008, have been in effect for some time now: many organisations have made revisions to their business processes to ensure compliance with the legislative provisions.²⁸

When the Standard was introduced in 2010, adopting it would have helped ensure the legislative requirements were met. However, the reverse is not also true: compliance with equality legislation does not ensure that the organisation's approach is inclusive for all, let alone all consumers experiencing vulnerability.

The traditional approach of legislation often does not specifically mention vulnerability but creates a list of types of consumers who might be considered to be vulnerable. This approach "labels everyone falling into these groups as vulnerable" and "appears to give a higher priority to those groups listed when, in fact, other types of consumer may be in greater need of support".²⁹ A report from Consumer Futures, *Tackling consumer vulnerability* (2012), challenged the idea of equating vulnerability to lists of 'vulnerable groups', stating that: "rather than seeking to identify groups of 'vulnerable consumers' it is important to recognise that society is not simply divided into 'vulnerable groups' and 'the rest'".

No matter how long a list is, consumer vulnerability is not solely attributable to people's circumstances. The policies and practices of different services and provider organisations play a significant part in determining the extent to which consumers experience (the impact of) vulnerability.

While the Consumer Protection from Unfair Trading Regulations 2008 are the first piece of UK consumer protection legislation to include provision for 'vulnerable consumers', they define the typical consumer by reference to concepts of the 'average' consumer, the 'average member' of a targeted group of consumers, and the 'average member' of a vulnerable group of consumers. In many cases, however, it is when a consumer falls outside the notion of average, that products and services fail to operate in the way expected, thereby crystallising or exacerbating vulnerability.

²⁸ However, this has been seen by many organisations as applying most particularly to them as an employer, rather than in respect of their relationship with their consumers, and efforts to comply with the requirements have been undertaken solely in the relation to the workplace and workforce. But even this narrow application has been incentivised by a realisation that equality and inclusion offers tangible performance opportunities and benefits.

²⁹ *Rating regulators* (2008) p29

Too difficult, too vast: if everyone's potentially vulnerable, where do you start?

It is precisely because the process of identifying and responding to consumer vulnerability is a significant undertaking that the Standard was created. It was designed specifically to guide organisations through the process of becoming inclusive and offers a structured process for re-evaluating the business and the consumers it serves, and helps them to anticipate and respond to the needs of vulnerable consumers "with greater understanding and sensitivity".³⁰

Organisations that have already used the Standard to assess their business report that they found it an easy to use tool:

"Well I think the standard is great. What I really liked about it is it's very easy to read. So actually it's a very easy, digestible document" (Ombudsman Service: Energy)

"We literally [sat] down with the standard and read through and worked out what applied to us and what didn't" (Financial Ombudsman Service)

"The British Standard is a useful reference point when considering culture, training and structures behind a successful approach" (UKAR)

Too expensive

The Standard was written for self-assessment specifically to:

- allow organisations to prioritise actions in accordance with their own cultural and business objectives
- give them the flexibility to determine the most proportionately effective approach for their own business and the consumers they serve.

In some cases it may be legitimate to conclude that certain activities are not economically viable, but these conclusions should be kept under review as the factors that influence them may change over time.

Furthermore, many firms have already accepted that being more inclusive as an employer can lead to appreciable improvements in both productivity and, where applicable, profits. A reasonable progression of logic would suggest that being more inclusive as a product or service provider should also yield tangible and commercial benefits. And it should be self-evident that "companies that best understand and respond to the needs of their customers have the best chance of business success".³¹

Though they may be difficult to quantify for the purposes of a cost benefit analysis, firms that take steps to align with the Standard and become an inclusive organisation are likely to experience some very real business benefits.

³⁰ Shirley Bailey-Wood, 2010, then Operations Director BSI

³¹ Edward Davey MP (then Consumer Minister), 2010: <http://bit.ly/1rkTbUJ>

In his lecture on *Culture and standards – public and private sector*, Lord Gus O’Donnell observed “it is perfectly possible to be [...] customer-focused [...] with strong values and be highly successful” though this may mean “foregoing short-term profit to avoid future risks and to protect clients and customers”.

Though they may be difficult to quantify for the purposes of a cost benefit analysis, alignment with the Standard can add value and give rise to some real business benefits, some of which will be unique to the individual organisation or the sector in which they operate.³²

Revenue and profit

Trust underpins consumers’ confidence in exercising their market power. To gain (or retain) a customer’s business, organisations must first gain their trust. Person to person contact plays a significant role in developing that trust. A demonstrable ability to respond to a consumer’s needs helps further humanise the relationship. Not only is this of particular value for exclusively online businesses, it could also improve the public perception and awareness of an organisation’s brand. An organisation that can differentiate itself from the rest of the market on the basis of being fair, flexible and inclusive could gain competitive advantage.

Reduction in costs

Alignment with the principles of the Standard could help reduce costs by, for example, reducing needless repeat calls, or eradicating collections activities that could be prevented, if customers’ circumstances were fully understood.

Employee well-being

Improved staff satisfaction and a corresponding reduction in employee attrition (support in dealing with consumers leads to an improved sense of empowerment and level of confidence).

Greater efficiency / productivity

Early identification of needs leads to more targeted delivery of services and more timely referrals or signposts to other organisations. Staff will be more skilled to deal with issues in capacity; referrals to relevant alternatives are timely.

Creativity and innovation

Inclusive design that is built on an understanding of consumers and the impacts of vulnerability could lead to new and innovative products and services. In turn, these could boost an organisation’s revenue and profits.

³² Representatives from the financial services, telecommunications, water and energy sectors that participated in the BSI roundtable in 2012 were able to identify and agree to at least six real benefits: <http://bit.ly/1rkSVoY>

Our message and challenge to companies

Commitment and intent to meet the Standard

Being fair and inclusive should no longer be seen as the ‘nice thing’ to do, rather it should be viewed as integral to the routine operation of a successful, efficient organisation. Fairness, flexibility and inclusivity are organisationally-subjective attributes determined by the nature of the organisation and particular consumers it serves: organisations seeking to embody them should undertake a fresh strategic assessment of what fair and inclusive could and should ‘mean’ and ‘look like’.

Organisations that are currently engaging with the Standard recognise that devising a forward-looking strategy that effectively ensures the cultivation and continued delivery of an inclusive service necessitates:

- a clear, current and informed understanding of the consumer who is eligible to use its service (and their needs)
- a comprehensive review of the way an organisation’s corporate policy, internal processes, products and services are designed, operated and delivered.

“When we set up the Extra Help Unit in 2008 the work was done before we opened on the first of October [2008] to be clear about who we were there to support.”

EHU senior management

“So we have to be seen as being the gold standard and the leaders in that [...], because when people come to us they, you know, they’ve got a complaint.”

OS:Energy senior management

"A project was initiated to review our approach to identifying and supporting vulnerable customers. A business lead was appointed to engage all relevant internal stakeholders and external subject matter experts with a view to identifying what would be a best practice approach.

“For the review to achieve the best possible outcome, it was important that all appropriate departments had an opportunity to input i.e. Strategy, Operations, Compliance, Risk, Legal Services etc who would be responsible for impact assessing and delivering any recommendations.”

(UKAR – July 2014)

Many organisations already have processes and mechanisms in place that satisfy the letter of some provisions in the Standard. However, to avoid incremental policy-making that is built upon a patchwork of discrete measures³³ and potentially out of date perceptions (of applicable requirements, the business, market conditions, even customers), the strategic review of the business should be holistic and forward looking: *“firms shouldn’t be afraid of starting with a blank sheet of paper”*.³⁴ This would help ensure that both the organisation’s corporate maxim and its strategic vision for an inclusive business are coherently delivered in practice and integrated into its core functions in a manner that is consistent with both the letter and the spirit of the Standard.

Implementing and embedding a cultural change of this nature requires commitment and leadership from an organisation’s senior executive, as, according to Lord Gus O’Donnell, *“you need leaders who have the right values and will apply their values to assessing everything that is going on in their area of business”* in order to drive and deliver cultural change. (New City Agenda, July 2014).

Defining, understanding and identifying vulnerability

One of the key considerations when assessing an organisation against the Standard, is the organisation’s own understanding of vulnerability.

There are many dimensions to vulnerability, it is a fluid state that can change over time and a number of factors influence its detectability, including whether or not the consumer feels comfortable disclosing personal or sensitive information. A consumer’s comfort is influenced not only by how they perceive their own circumstances but also by the level of trust that exists in their relationship with the organisation.

Identification of instances of vulnerability is, therefore, a very challenging aspect of providing a fair and inclusive service that can both anticipate and respond to consumer needs.

Citizens Advice takes the view that organisations need an understanding and awareness of the nature of vulnerability in order that every level of the business can take into account considerations of how to provide an inclusive and fair service to all consumers. We assert that it is incumbent on the executive, therefore, to engender and instill this appreciation across all staff in the organisation, notwithstanding that frontline staff interact most directly with the consumers.

We consider that even where an organisation’s remit does not extend to taking ownership of a consumer’s case, the cost of developing a better understanding of consumers might be offset by potential benefits.

³³ Many of these measures will have been designed to address distinct and in some cases competing demands

³⁴ Financial Ombudsman Service

This applies not only in terms of:

- improving the consumer's experience of that organisation's service (both in terms of how they are handled and the outcome achieved)
- easier and/or more frequent identification of cases requiring signposts or referrals to other parties that are better equipped to provide assistance to the consumer

but also a potential reduction in the number of consumers excluded from the service because they are considered difficult or vexatious. And, as suggested by the Financial Ombudsman experience, additional benefits might be seen in terms of improved staff confidence and morale fostered through a greater sense of empowerment.

Responding to vulnerability: a) flexible services

Resource or budgetary costs of some sort (time, production, system changes, specialist staff / training, etc) will, of course, attach to the provision of a more inclusive service to a consumer with an identified vulnerability (or to all consumers who may at any given future point find themselves in a similar situation). Those costs will be minimal in some cases, but more material in others.

We are aware that some organisations are concerned that the changes necessary to align their business with the Standard would prove too expensive. One of the reasons the Standard was written for self-assessment, however, was specifically to allow organisations the flexibility to adopt the most proportionately effective approach for their own business and the consumers they serve.

It should be remembered however, that costs incurred in process enhancements and/or changes that facilitate prompt identification of consumer vulnerabilities could be offset partially or completely by direct and indirect business benefits (see 'issues and misconceptions', above).

Responding to vulnerability: b) organisations that can help

In 2012 we proposed six key actions that would collectively tackle consumer vulnerability in the UK. One of these was to increase the number of companies that can evidence that they operate inclusively and to achieve this outcome by promoting the Standard.

A consumer's case and particular circumstances can create risks of disadvantage other than those which it is in the organisation's scope to remedy or resolve (that is the disadvantage to the consumer attributable to or exacerbated by the operation of the organisation's process, product or service). It would be consistent with the spirit of the Standard to help consumers access additional / alternative services that may help them address other consequences of the vulnerability and / or the vulnerability itself. Steps taken beyond the minimum required at a commercial or transactional level would be considered good practice.

Product or service design

The most significant longer term business benefits of adopting the Standard are most readily achieved by organisations that appreciate an inclusive service is not solely synonymous with good front facing customer service³⁵ but through seeking to meet the anticipated needs of all consumers when designing its own process, goods or services, making them flexible and easy to access by as many consumers as possible.

The financial crisis of 2008 and the repercussions in subsequent years were a powerful illustration of the potential for products and services to cause consumer detriment. The Standard states that inclusive design will help ensure inappropriate goods and services are not marketed to vulnerable consumers.

Organisations need to develop a clear understanding of their consumers in order to integrate flexibility and ease of access into product or service design processes: potential consumers as well as existing consumers. The focus of the Standard is specifically on making sure that “no one is inappropriately excluded from a service.” So, Citizens Advice challenges organisations to:

- consider if and how their service is unavailable or difficult to access by certain potential consumers
- ask themselves “Which customers are benefiting from the way we are pricing our goods and providing our services and who is losing out?”

Often an organisation is only alerted to potential vulnerability in the case of default or non-compliance with terms and conditions. Many organisations have adopted practices in recent years that better respond to the needs of consumers in debt scenarios. By reframing their perspective, these companies have transformed their relationships with consumers from one of debt recovery to one of credit repair. However, it is important that organisations consider how to respond to vulnerability beyond instances of crystallised detriment. The Standard calls for inclusive design that prevents potential problems: considering how products could help build credit and prevent debt would be a complementary parallel to the emerging reframed consideration of debt.

We are starting to see mounting expectation of inclusive service and product design, particularly in the market for essential goods and services. In the financial services sector, for example, the Joint Committee of the European Supervisory Authorities³⁶ published (November 2013) a set of principles for firms targeting consumers in the banking, securities and insurance sectors. The principles³⁷ are designed to discourage products and services that may cause consumer detriment from reaching the market. Compliance with the principles is intended to strengthen the process controls applied by financial services firms before product launch.

³⁵ Inclusive service and good customer service should, of course, operate complementarily, particularly when direct consumer interaction is a part of identifying and responding to unanticipated needs.

³⁶ Established in 2011 to foster consumer protection and, at the same time, to promote the stability, effectiveness and integrity of the financial system

³⁷ The principles codify firms’ responsibilities to organise processes, functions and strategies for designing and marketing financial products, as well as at reviewing the products’ life cycle.

In the same month, the Fair Banking Foundation (a not-for-profit charity that encourages cultural shifts in banking institutions to improve the financial well-being of their customers) launched the 'Fairbanking Mark Challenge'. It challenges banking providers to make the product improvements necessary to achieve 15 new Fairbanking Mark certifications by October 2015. The certification process rates how well the products help the customer to manage their money better and achieve an enhanced sense of financial well-being, based on thorough testing and independent research with consumers.

Data collection, protection, and sharing plus third party collaboration and referrals

The benchmarking exercise illustrates how organisations need to explicitly request (or elicit) potentially relevant types of information that, in turn, facilitate the provision of a service that responds flexibly to their needs without exacerbating vulnerability. In addition, this report highlights where benefit could be gained from partnership working, particularly with advice and support agencies (and other organisations that work with consumers). Both scenarios assume information may be shared in some instances.

The key proviso is that informed consent to record the data must be obtained from the consumer. Ensuring the data remains accurate and up-to-date helps ensure that only relevant necessary information is retained. It should also improve potential for the organisation to anticipate needs or spot unusual behaviour and other early indicators of potential vulnerability.

When it comes to sensitive personal data, such as issues relating to mental health or financial status, some consumers might feel they need to imply the absence of any concerns (often out of shame or fear of stigma or prejudice). These consumers may be particularly concerned about what will happen with the information when disclosed.

The fairest way to ensure Data Protection Act 1998 (DPA) compliance when sharing such information with other parties is to obtain explicit consent. Honest and open disclosure from the consumer requires an equally honest and open disclosure from the organisation about how the data will be used. The Information Commission Office noted in its 2013 guidance to the Money Advice Liaison Group.³⁸

"If individuals know at the outset what their information will be used for, they will be able to make an informed decision about whether to enter into a relationship. Assessing whether information is being processed fairly depends partly on how it is obtained."³⁹

The way in which staff explain the reason, purpose and potential outcome of the request will therefore be of fundamental importance in giving consumers the confidence to disclose relevant information and permission for it to be used in particular ways.

³⁸ The guidance was provided within the specific context of processing data from individuals with mental health when experiencing debt, but is equally applicable here.

³⁹ <http://bit.ly/1sbHT11>

Accessibility: communication and reach

The Standard “focuses specifically on how to make a service available and accessible to all, so that no one is inappropriately excluded from a service”.⁴⁰ This includes potential as well as existing consumers. It follows that an assessment of accessibility, therefore, warrants a review of an organisation’s strategy for reaching consumers.

An organisation can experience a high level of consumer awareness, but it should not be assumed that awareness of all its services is equal. An organisation can be accessible in terms of the communication methods it can offer consumers, but simultaneously limit access if these are not publicised in a sufficiently targeted or prominent way.

We urge organisations to keep this matter under ongoing review, even where consumer feedback indicates high satisfaction levels. Consumer satisfaction levels may be influenced / biased by the consumer’s level of satisfaction with the outcome achieved, rather than the flexibility or fairness of the organisation’s processes. Consumer satisfaction levels may not necessarily reflect, therefore, whether or not:

- a disproportionate amount of effort was required to access the service or
- additional hurdles or barriers were encountered in reaching the outcome.

⁴⁰ BS 18477, Introduction

Benchmarking objective and methodology

Participants: Citizens Advice consumer service, Ombudsman Services: Energy and Extra Help Unit

Our research tested the existing processes and practices of each of the three following organisations against the Standard.

Citizens Advice consumer service (the consumer service)

- The consumer service provides advice to energy customers concerning their rights and obligations with energy companies and provides advice about how to complain. It is a national consumer helpline, covering general consumer matters, energy and post. Citizens Advice (England & Wales) and Citizens Advice Scotland became responsible for the delivery of this service in April 2012.
- The primary remit of the consumer service is to provide free, confidential, and impartial advice on consumer issues. Energy suppliers are required to put the contact details of the consumer service on all gas and electricity bills. So, outside of contacting energy companies directly, the consumer service is the main service for consumers to go to for advice and help with energy queries. The consumer service also works closely with a selection of referral partners, including local Trading Standards offices, the Extra Help Unit and the regulator, Ofgem.
- When a consumer contacts the consumer service with an issue relating to their energy supply, the consumer service will encourage them to contact the energy suppliers to try resolving the issue and offer them (where possible) the advice, information and the tools to enable them to do this.
- There will be some situations, however, particularly in the case of consumers in vulnerable situations where the above process may not be deemed sufficient. The remit of the consumer service then is not to solve the issues but identify them and refer the consumer on to a relevant party. It can make referrals to the EHU if the consumer has an energy or post problem and is vulnerable, has a complex case or is under threat of disconnection.

The Ombudsman Service: Energy (OS:Energy)

- OS:Energy investigates disagreements between consumers and energy supply companies that do not reach a (satisfactory) resolution via the company's own complaints procedure.
- OS:Energy can investigate complaints from domestic and micro-business consumers when the energy supplier or network operator's investigation has not resolved the complaint to the customers' satisfaction.
- It can also deal with a complaint if the complaint remains unresolved after eight weeks or it is not resolved by the company or the company has declared the complaint 'deadlocked' (that is company says it can do no more), whichever is the earlier. In 2012/13 OS:Energy resolved over 8,700 complaints and responded to 47,477 new energy contacts.

Benchmarking objective and methodology

- OS:Energy can ask the energy company to apologise and can direct a company to take practical action to resolve a complaint and, in some cases, make a financial award.

Both the consumer service and the OS: Energy can refer the cases of consumers in vulnerable situations and those who have been disconnected (or are at risk of disconnection) to the EHU who will pursue the complaint on the consumer's behalf and seek practical solutions.

The Extra Help Unit (EHU)

- The EHU is a specialised help service operated (since 1 April 2014) by Citizens Advice Scotland (and formerly by Consumer Futures) and delivered by a team of telephone caseworkers.
- The EHU carries out statutory duties under the Consumers, Estate Agents and Redress Act 2007 (CEAR) to investigate complaints involving consumers who have been disconnected or threatened with disconnection from their energy supply. The EHU also uses its powers to investigate consumer complaints where there is/or may be the presence of vulnerability.
- The EHU is a referral only service. The vast majority of referrals (83 per cent in 2012/13) are from the consumer service but the EHU can also accept energy cases from other sources including the regulator (Ofgem), OS:Energy and national elected representatives (when a vulnerable constituent has asked them to deal with an energy complaint).
- Each year, the EHU helps more than 1,000 households at risk of being disconnected from their energy supply, investigates thousands of complaints against energy suppliers and recovers more than a million pounds for consumers.

Tailored recommendations and suggestions to develop and improve services more closely aligned with the Standard were made in response to the research findings.

Objective

The main objective of the research was to benchmark existing processes, policies and practices of the three organisations individually against the Standard and to provide each of them with appropriate recommendations that they could develop or adopt in order to deliver an even more accessible and inclusive service to consumers.

Methodology

The research, conducted by independent research consultancy Opinium Research LLP (Opinium), comprised two elements: a desk based review of a selection of each organisation's formal documentation: for example process manuals, internal procedures and protocols, corporate information, training material, as well as customer-facing documents and channels (for example websites, phone numbers, information leaflets).

Benchmarking objective and methodology

To supplement evidence gathered through the desk research, and to develop an understanding of how the policies and procedures are being interpreted and the extent to which they are implemented in practice, Opinium Research conducted in-depth semi-structured interviews with five members of staff at each organisation, a mix of both frontline and senior staff. During the interviews, staff were also invited to discuss their perceptions of the organisation's level of inclusivity and where there may be gaps in (or barriers to) the provision of a more inclusive service.

Opinium Research devised an assessment framework based on its interpretation of the relevant provisions of the Standard for the participating organisations. The framework was designed to ensure that the benchmarking was conducted in a comprehensive, fair, and consistent yet flexible manner (taking into consideration the core purpose of the three organisations).

The research was conducted over the period November 2013 – March 2014. As such, the findings represent a snapshot of a period in time and therefore do not generally reflect more recent steps taken by the organisation to further progress their inclusive approach. The findings do not reflect each and every detailed provision of the Standard, rather they are collated together here under key theme headings that were pertinent to the benchmarked organisations:

- Commitment and intent to meet the Standard
- Defining and understanding vulnerability
- Understanding risk factors
- Identifying consumer vulnerability
- Responding to vulnerability:
 - flexible services
 - organisations that can help
- Product or service design
- Responding to feedback and ongoing service review
- Data collection, protection and sharing plus third party collaboration and referrals
- Accessibility:
 - communication methods
 - reach.

Conclusion

The benchmarking exercise captures some of the participating organisations' different approaches to vulnerability issues and provides some helpful examples of good practice. We wish to encourage and support companies to pay further attention to the standard as a business tool and anticipate that these examples will offer companies useful guidance in how to treat consumers fairly and to evidence how they are being inclusive.

Although the three organisations we benchmarked are not commercial organisations with profit-making imperatives, the examples in Annex A illustrate that developing an inclusive approach does not always entail significant financial outlay or infrastructural investment. For example:

- Small changes to an organisation's data collection and management system can make an organisation more inclusive:

The use of mandatory fields can simultaneously prompt consideration of relevant issues and reinforce the organisations expectations in terms of how vulnerability should be assessed and addressed.

- The provision of simple tools can yield benefits to both the consumer and the organisation itself:

The provision and maintenance of contact details for relevant advice, support and other agencies can contribute to more effective and targeted utilisation of staff and resources. It ensures that when particular vulnerability issues are identified, consumer-facing staff are able to signpost the consumer at the earliest opportunity to the most appropriate organisations to provide the help or advice needed.

A demonstrable organisation-wide commitment to providing services that are fair and accessible to all underpinned all the examples of good practice. The experiences of these organisations suggest that developing a broad, flexible understanding of vulnerability and its impact on the consumer is the critical first step in becoming a fair, inclusive and accessible organisation.

But before an organisation can consider how it should respond to vulnerability, it must first ensure its staff can identify it. For the three participating organisations, training played a crucial role in ensuring that staff:

- can identify or elicit evidence of vulnerability and
- possess the necessary "soft" skills for dealing with consumers in such circumstances.

Organisations can look to make creative and comprehensive use of information sources already at their disposal to build a more holistic understanding of the operation of:

- their own services
- the circumstances and behaviours of existing customers
- triggers of potential vulnerability.

Conclusion

When revising and developing training and business process, input and guidance from external organisations that have specialist knowledge of issues faced by consumers in particular circumstances can provide invaluable input and guidance. They can help organisations build an informed understanding of:

- the realities consumers face
- the multiple factors and competing demands that influence consumers' experiences and decision-making
- the consequences of being excluded from a specific product or service.
- accessibility.

Introducing regular consumer consultation and engagement (and/or relevant organisations that work with consumers and represent their interests) into the design process can also help organisations to:

- build the necessary understanding of consumers and the nature of vulnerability
- establish support partnerships
- embed best practice and, ultimately,
- devise innovative new products and services that are flexible, fair and accessible.

In addition, because the three participating organisations deal with the consequences of decisions made by other organisations, the exercise also highlighted how the decisions and (in)actions of companies providing essential goods and services can affect another (and subsequently the consumers they serve).

Our message to companies is that they should treat all their customers fairly. By doing so, their actions/inactions should limit the need for consumers to seek the help of any of the organisations we benchmarked.

Citizens Advice will continue to press for regulatory and/or government intervention for as long as companies providing essential services cannot clearly show they are inclusive and are treating consumers fairly.

Annex A: Detailed benchmarking observations

Commitment and intent to meet the Standard

What the Standard says

Being fair and inclusive should be viewed as integral to the routine operation of a successful, efficient organisation. Fairness, flexibility and inclusivity are organisationally-subjective attributes determined by the nature of the organisation and particular consumers it serves.

Findings from the benchmarking exercise

Taking part in this benchmarking exercise is, of course, one clear indication of the participating organisations' desire to provide an inclusive service and meet the requirements of the Standard. All three organisations demonstrated some awareness that there may be issues preventing them from delivering a truly inclusive service to all consumers and, where measures and mitigants had not already been introduced, their commitment and willingness to address gaps was evident throughout the benchmarking exercise, with interviewed senior staff explaining that:

“Well I think the standard is great. What I really liked about it is it's very easy to read. So actually it's a very easy, digestible document. I'm aware that there are a couple of areas in here that I don't think that we are actually doing anything to meet the standard [...] But I was very happy to come and be part of this interview process because I feel very confident that we're [...] at least meeting the minimum standard, and doing more and [...] I think there's possibly a couple of improvements that we could make”.

“What I believe is that we've done as much as we can within our knowledge. That's why I welcomed this opportunity to have a chat from an external point of view, because I'm sure there will be things that either we need to tighten up or we could do better, because you don't know what you don't know”.

We produced reports for each of the organisations with a series of recommendations designed to support them in achieving this objective. We found evidence that a commitment to inclusive service delivery, including to consumers in vulnerable circumstances, was becoming manifest in the organisations prior to the commencement of this research, both at a cultural and operational level. Senior and frontline staff noted:

“I think the company has got a very, you know, we try to treat everybody fairly and our company ethos is about access to justice and fairness for all”.

“It's definitely better than it was though and I think the feedback you get from customers demonstrates that really. It's definitely moved in the right direction. That's not just for vulnerable customers, that's just for all customers I think”.

Annex A: Detailed benchmarking observations

“We always spoke about vulnerable consumers, in the past year or couple of years it’s about consumers in vulnerable situations”.

“I feel as a business that has grown, ‘vulnerability’ is something that has grown in importance with it. It’s gone ‘up’ in my opinion as in understanding, knowledge, knowing where to look, and who to ask.”

“...when we've been recruiting we've changed our mindset about how we recruit. Initially for example, you might have recruited somebody with a strong customer service background for example, but now we're very much focused on their interest in supporting vulnerable people, their background in supporting vulnerable people.”

Good practice

Illustrations of an existing commitment and willingness to address gaps

The contribution that the appointment of a Quality Co-Ordinator could play in the delivery of a truly fair and inclusive service was considered of such importance to the EHU that, at a time when it was preparing for a significant organisational transition, it managed to put forward a successful business case, that was accepted into the wider organisation’s business plan for the period 2014/15.

The Ombudsman Services’ Corporate Strategy 2011-2014 lists the provision of a service that is accessible to all as one of its five core values and the second of its strategic aims. Delivery of the organisation’s existing commitment to change, growth and development is led by a Continuous Improvement team that was specifically established for this purpose several months before the commencement of this research. The work of this team led to a number of internal process changes, some of which have been highlighted as observed good practice in this report, with further workstreams and initiatives in the pipeline – including seeking accreditation for other BSI and ISO (International Organisation for Standardisation) standards – which when implemented, should result in better and fairer services for OS:Energy’s consumers.

Frontline staff reported an observable cultural shift to a more ‘consumer journey’ focus and ‘hands-on’ approach to consumer contact to ensure “a better understanding of the complaint”, quicker resolution and an, overall, more customer-friendly service.

Commenting on the phased implementation over the past year of new processes, one member of frontline staff said:

“It’s definitely better than it was though and I think the feedback you get from customers demonstrates that really. It’s definitely moved in the right direction. That’s not just for vulnerable customers, that’s just for all customers I think”.

Good practice

Commitment to continual improvement

All three organisations have already taken steps to address one or more of the suggestions and recommendations of our reports to them and continue to progress the inclusion agenda through own initiative activity. For example, on 7 July 2014 the Ombudsman Service announced the introduction of a free video relay and British Sign Language interpretation facility that enables deaf and hard of hearing consumers to communicate more easily and efficiently with all complaint handling teams (not just OS: Energy). Previously, these consumers typically had to “*rely on other people or try to communicate in a language that is not their first*”.⁴¹

The sheer volume of consumer cases transferred through to the EHU resulted in an intense workload of “*around 400 complaints on average per month*” (at the time of review) for fewer than 15 full time equivalent caseworkers. Furthermore, “*it can be very difficult to forecast our working levels, because of external factors that impact [...] there are lots of different things that we can't really forecast*”. The unpredictable volumes combined with the typically complex and often emotionally demanding nature of the cases, can place significant pressures on staff. Yet, the small team with its limited budget is committed to offering as fully inclusive a service as possible. It is strongly motivated by doing “the right thing from a consumer journey perspective”, even where this means:

- undertaking a lot of work that is required by neither the legislation that set up the EHU, nor by the operating protocols it has agreed with the referring agencies; For example: “*What we've also done, it's not part of our remit, but it's to try and make sure that the arrangements are working properly; we have been doing analysis [...] We've done about two lots already and we'll continue to do it, because we do notice things at times [...] It's not really our job, but it's the right thing to do*”.

and / or

- creating potential for increased referral volumes

For example: Recently, and in addition to EHU's existing proactive measures to ensure receipt of all the cases that could potentially be referred to it⁴², the EHU capitalised on its particular strength and experience of dealing with consumers in vulnerable circumstances to design and deliver ‘coaching and training sessions’ for Citizens advice consumer service contact centre staff. The two organisations propose to schedule the training twice yearly to share most recent examples of best practice and ensure understanding is maintained (and retained⁴³).

⁴¹ Sean Nicholson, CEO of Sign Solutions, OS Energy press release 7 July 2014: <http://bit.ly/1ternHg>

⁴² The EHU is entirely reliant on the referral paths from external agencies.

⁴³ The training frequency recognises that organisations may lose an element of knowledge and experience when inevitable natural staff attrition gives rise to personnel changes.

Defining and understanding vulnerability

What the Standard says

The BS 18477 adopts an understanding of consumer vulnerability that recognises “all consumers are different, with a wide range of needs, abilities and personal circumstances. These differences can put some consumers in a position of vulnerability or disadvantage during certain transactions and communications, potentially putting them at risk from financial loss, exploitation or other detriment”. Importantly, BS 18477 highlights that “consumers can be put in a vulnerable position by an organisation’s failure to provide an inclusive service”.

It is within this context that BS 18477 describes consumer vulnerability, not as “a constant state applying to set groups of people with certain characteristics”, but as a “condition in which a consumer experiences difficulty in accessing or using services or in dealing with communications”.

Findings from the Benchmarking exercise

In the most recent iterations of internal process documents, training materials and corporate governance literature, all three participating organisations articulate vulnerability in a way that is mindful of this description.

In some instances, the training material we reviewed outlined other concurrent provisions for consumers in vulnerable circumstances that apply elsewhere in the energy sector (and the descriptions of vulnerability which determine their availability). However, it was not always clear how staff training takes account of the different concepts of vulnerability that exist in legislation, and how they relate to a risk based approach: the legal definition of disability as “a physical or mental impairment that has a substantial and long term adverse effect on the ability to carry out normal day to day activities”,⁴⁴ for example, contrasts with consumer vulnerability which may be short term in nature or, for instance, it may be attributable to the behaviour and practices of the organisation itself.

Nevertheless, a consistent description of vulnerability as a situation whereby consumers are unable to help themselves for whatever reason, whether due to a personal circumstance, or that brought about by the particular nature of the issue they face with their energy supply or supplier, was proffered by staff interviewed at all three organisations. They all possessed an understanding that personal circumstances that may not always be obvious or immediately apparent, can lead to people being in vulnerable circumstances. For example, one frontline worker explained:

“Regularly they come up with an issue with a bill and really they’ve got something deep down that’s a problem too” and “sometimes it can be someone’s voice can make you feel that there’s something there that’s not quite right.”

⁴⁴ The Equality Act 2010

Annex A: Detailed benchmarking observations

Annex A: Detailed benchmarking observations

“I always try to establish if they come to us with a problem that they cannot resolve then that, in my eyes, makes them vulnerable in some way, so we will try to establish the vulnerability. It doesn't always have to be an obvious one. It can be something that's not necessarily on the surface.”

Interviewed frontline workers all advocated a flexible and intuitive approach to assessing vulnerability:

“They could come from any walk of life.”

“Anybody who can't cope for whatever reason at all with what they're going through. Whether that's depression or whatever it is, if they're going to struggle to cope, they are vulnerable. That's the way it always is in my head; is this person going to be able to do what I'm suggesting? If the answer is no, or it's going to be a struggle for them then they're vulnerable.”

Staff at the consumer service and OS:Energy also exhibited an understanding that whether or not a consumer is experiencing vulnerability affects not only whether that consumer qualifies for referral to the EHU, but also how the two organisations respond to the needs of a consumer in vulnerable circumstances when delivering their services:

“Vulnerable we define as just anyone who needs help to use our service.”

This conceptual understanding of the nature of vulnerability appeared to be culturally embedded at all levels in the organisations. It was reflected among senior level staff who explained that:

“...that was what we thought it was about; the individual at that time in that situation rather than having your usual check list of disability, pensioners, that sort of thing... at that point in time they don't have the coping mechanisms to proceed with their complaint.”

Understanding risk factors

What the Standard says

The Standard requirements suggest that understanding vulnerability means:

“understanding the factors that can place consumers at a disadvantage, both in terms of goods or services supplied and the organization's interaction with its consumers”.

This has a two way meaning for advice and needs-based agencies. Firstly it refers to the behaviour of the companies providing services – in this case energy companies and secondly it refers to the behaviour of the agency itself.

Findings from the benchmarking exercise

All organisations pointed to some specific indicators that a consumer might struggle to progress a case themselves or risk factors that could place consumers at a disadvantage and particular risk of vulnerability, most common among them were financial difficulties, significant age (old or young), chronic illness or serious medical conditions, mental health problems, learning difficulties, language or speaking difficulties and physical disabilities.

But the understanding of consumers as potentially vulnerable was broad and flexible. Two of the organisations explicitly record in their operating protocols that vulnerability is not the presence of a particular attribute, but may be “a consequence of that attribute”.

It was understood that the presence of these risk factors may not constitute the consumer’s particular (entire) vulnerability itself and that they might, instead, be “indicative of some kind of difficulties they experience”, a potential “tell-tale sign” which “would elicit the kind of issues of vulnerability” if sensitively probed:

“You have to be very sensitive in how you approach it, but we’d say to [the consumer] that ‘it’s helpful for us when we’re talking to a supplier to make them recognise that there are difficulties that you personally encounter.’”

Additionally, both the senior and frontline staff we interviewed appeared aware that there may be other more nuanced and subtle indicators of risk:

“I think a lot of people jump to that vulnerable is disabled and that's not strictly true. You can be disabled, but you don't have to be vulnerable. It's just anyone who needs extra help, I think.”

“... if someone is in a situation where there’s been a bereavement or a particularly difficult time in their life, or they’re going through a difficult divorce” and “someone who has maybe just lost their job.”

“...on the face of it they're very competent individuals, they're articulate but at that point in time they don't have the coping mechanisms to proceed with their complaint and speak to an energy supplier.”

“We tend to listen out for key phrases like ‘I can’t cope’, ‘I’m feeling overwhelmed’, ‘I feel powerless’.

Identifying consumer vulnerability

What the Standard says

The standard recognises that the ability to identify vulnerability will require very specific competence: knowledge of best practice, an appropriate skillset and adequate resources. It is for this reason that the Standard sets a specific expectation that staff should receive dedicated training in how to recognise signs of vulnerability in individuals, identify their needs in a non-intrusive manner and offer a range of appropriate and flexible solutions.

The Standard places particular emphasis on the need for training and resources that furnish staff with an appropriate skillset to ensure the provision of a service that is “able to meet the needs of all consumers”, including how to recognise signs of vulnerability in individuals, identify their needs and offer appropriate solutions. For commercial organisations, equipping staff with the necessary understanding of the consumer perspective might require a more creative approach than would ordinarily be applied to learning and development, and may well be beyond their internal expertise to address. The Standard also indicates that training should be provided on relevant legislation and information provided about other organisations that could help consumers where particular issues are identified.

Findings from the benchmarking exercise

Training and resources to help identify consumers in vulnerable situations

In the context of providing advice to consumers about their rights, training about the rights and protections conferred on consumers by certain key pieces of legislation is relevant and appropriate. However, it is not exclusively what is anticipated by the particular provisions for the Standard calling for training on relevant legislation.

Good practice

Training on the relevance of legislative requirements

The training about legislation of particular relevance at one organisation:

- made clear why that legislation applied to the organisation; and
- (arguably more importantly) highlighted how that translates in practice for the caseworker when dealing with consumer cases.

The ability to identify and respond to instances of vulnerability is most critical for frontline staff, as it is they who directly interact with the consumers. Some common risk factors and triggers for the identification of potential vulnerability were incorporated, at least at a high level, in the formal training at all three organisations we researched. They were not, however, specifically presented as ‘vulnerability risk factors’.

Disability awareness, for example, is something that was addressed in all three organisations (in varying formats and level of detail), but while disability is a potential form of consumer vulnerability, explicit formal training on a sufficiently wide range of other risk factors (to the level of formal training envisaged by the Standard) could be developed.⁴⁵

⁴⁵ We note that at the time of conducting the research, one of the organisations was re-designing the training programme in response to rapid staff expansion and another organisation was approaching legal and structural transition. While these factors account for both organisations’ training priorities and objectives at the time, they also offered the organisations a timely opportunity to ensure that vulnerability identification and a wide range of potential risk factors and triggers are explicitly and robustly incorporated when designing new training.

Annex A: Detailed benchmarking observations

However, simply providing staff with a fuller list of risk factors will empower them to identify consumers who need additional assistance or an alternative approach to access the organisation's services. Furthermore, the research findings did not suggest that staff are currently incapable of providing vulnerability support:

“They are trained to know that the key part for them to resolve that case is about knowing what that consumer's vulnerability is. So that is just part of how they do their job, it's ingrained in them in order for them to get the right result, basically”.

Consistent with the experience of the Financial Ombudsman Service (the first organisation to publicly adopt the Standard), “the art of conversation” (a combination of ‘soft skills’) is of equal or greater importance in developing staff's ability to identify vulnerability: it enables staff to conduct effective conversations that reveal more nuanced and subtle indicators of potential risk or elicit triggers for further discussion of consumer needs.

Training, guidance and support relating to these soft skills should therefore form a critical component of an organisation's training and development programme and this was found to be the case in all three of the participating organisations where soft skills are initially developed through formal training and refined through observed and ‘on the job’ personal experience. As well as training on a number of procedures and protocols for dealing with energy issues, therefore, all organisations provided training to existing staff on a range of relevant soft skills (sometimes under the umbrella of customer service skills) that would support and enhance the ability to recognise and understand vulnerability: listening skills, phone techniques, questioning techniques, guidance on the appropriate content, style and format of consumer communications, empathy and conflict call handling:

“It's all very much part of the training process that you're told to ask open questions: ‘What can we do for you?’ ‘What would your preferred outcome be?’

All three organisations recognise there are limitations to how well ‘classroom’ training prepares staff to converse with a wide range of consumers, many of whom may be experiencing vulnerability:

“A lot of it is experience [...] you can't beat experience [...] The training that people get is really good for vulnerable but new advisers are likely to miss little things that people, who have been doing it for a while, are just thinking ‘I've heard that before, if I ask this question I'm going to get lots more information’, whereas a new adviser might take it at face value”.

All three organisations therefore have numerous measures in place to help develop and evolve advisers' ability to identify consumers in vulnerable circumstances, including via the provision of training in response to quality monitoring feedback or feedback from other sources (for example, from referral agencies, where appropriate). Customer service attributes are assessed in quality review. One organisation, for example, explicitly states in the quality monitoring review guidance that:

Annex A: Detailed benchmarking observations

“Advisers should use a professional tone and progress the call at an appropriate pace and should sound confident and knowledgeable when offering advice. It is appropriate to react to the client when they offer information about a distressing situation...The assessor will need to be able to easily identify that empathy / rapport was built throughout, and that the call ended with a positive experience for the client”.

Good practice

Using a buddying system

Two of the organisations supplement the classroom training through the operation of a formal “buddying” system. The format varies between organisations but in all cases is considered a critical component of the organisation’s formal training arrangements for staff. Typically, provision is made for new staff to observe the call-handling of those with more experience. They listen-in and pick up nuances which may indicate vulnerability, such as tone of voice. The more experienced staff also listen-in on calls conducted by recent recruits so that they can provide support should they ever need it. In both organisations, buddying is conducted on a rota-basis, ensuring new starters get a mixture of perspectives (and the benefit of different levels of experience or areas of expertise) in buddying feedback.

“It’s very difficult to train [that] experience, although we try by having them sit in with people while they’re in training so they can hear people, they can see how people deal with it just to try and ingrain a little bit of experience in, but you can’t beat first-hand experience.”

“...when you’re ready to go on the phone when your training finishes you’ve already got a few things that you can’t ever cover in training, because how do you cover there might be a little catch in their voice? You’ve got a little bit more practical experience that can just help you with that.”

Broader awareness development

Findings from the benchmarking exercise

One key limitation of using quality monitoring and buddying feedback to drive learning and development, however, is that both are reactive measures triggered by instances where issues are missed or not adequately assessed. Furthermore, where a training response or remedy is delivered on a one-to-one basis, these measures can lead to a variable level of skill and understanding developing among frontline staff. We recommended therefore that arrangements be put in place whereby particular training needs identified in this way could be drawn together and fed into a schedule of wider training for all staff to help drive improvements and increase consistency across the organisation. We note that the business case for the recruitment of a Quality Co-ordinator to draw together the themes from all different sources of feedback was accepted in the latest business plan for one of the organisations.

Good practice

Seeking input from external experts

Two organisations sought to incorporate a broader understanding of the consumer into their training programmes by commissioning training and guidance from external organisations that have specialist knowledge of issues faced by consumers in particular circumstances and how these influence their behaviour. For example, staff at both of these organisations singled out training from the charity Samaritans as being of particular benefit and not just for dealing with emotional and / or suicidal callers, even though this was the specific focus of the training.

“The Samaritans one was quite interesting though, because it deals a lot with people's emotions and stuff like that. It gives you a bit more of an understanding basically of where someone's coming from”.

In fact, the benefit of this training in terms of its more universal application was considered to be of such value at one organisation that it is delivered periodically so that longer serving members of staff can attend to “refresh” their understanding.

We suggested to the third organisation that guidance, training or broader awareness development from other voluntary organisations that specialise in particular types of conditions such as bereavement, terminal illness, dementia, mental health issues (particularly given the proven interconnectivity between debt and mental health issues) could increase staff confidence to have effective conversations with all consumers and increase the probability of eliciting issues of vulnerability, with sensitive probing, which might otherwise pass undetected.

In addition to benefits which arise directly from improving the consumer's experience of the service, the cost of developing a better understanding of consumers might be offset by potential business benefits such as easier and / or more frequent identification of cases requiring signposts or referrals and a potential reduction in the number of consumers excluded from the service because they are considered difficult or vexatious.

Training for all staff who participate in the consumer journey

The Standard calls for training on vulnerability identification to be provided to staff who deal directly with consumers. It is important that this training extends to all staff who have potential to deal with consumers at any stage in the product / service ‘life-cycle’ or ‘consumer journey’, not just those who handle initial contacts (point of sale in commercial organisations). Vulnerability and the potential for adverse consequences for the consumer can arise at any time. Life changes such as bereavement or, indeed, redundancy for example, often create risk opportunities for vulnerability: they can lead to unexpected changes in financial security and responsibilities (gained or lost) and can even have an impact on a consumer's mental or emotional capacity.

Annex A: Detailed benchmarking observations

At one organisation, we identified that where consumers enter into vulnerable circumstances – or reveal additional needs or vulnerabilities – during the later stages of the organisation’s process, its training and processes neither prompt nor compel the staff to take steps to respond to that consumer’s access, inclusion or other needs.

We recommended the provision of immediate initial training and, because staff may not encounter instances of vulnerability frequently or routinely, the acquired knowledge and awareness should be maintained through regular refresher training or appropriate continuous professional development initiatives.

Good practice

Vulnerability experience incorporated in recruitment criteria

Recognising that some skills can only be taught to a certain degree, one organisation actively decided to change its recruitment policy to place particular emphasis on recruiting frontline staff with previous experience of, and an established interest in, dealing with people in vulnerable circumstances. It found significant improvements in the quality of its work following the adoption of this revised policy.

“We’ve changed our mindset about how we recruit. Initially you might have recruited somebody with a strong customer service background for example, but now we’re very much focused on their interest in supporting vulnerable people, their background in supporting vulnerable people.”

Sensitive questioning of consumers

Findings from the benchmarking exercise

Notwithstanding training, certain practical challenges remain in identifying vulnerability, often intensified by the absence of face-to-face interactions with the consumer:

“You can kind of get an understanding when you discuss the complaint with someone, the difficulties they’ve had and you can kind of make inferences that way but if someone’s disabled you can’t tell and it’s difficult to ask, isn’t it?” and “... if somebody has got a mental impairment I don’t know that we are really picking that up unless they are telling us”.

The Standard calls for non-intrusive collection only of information that is relevant and proportionate. The type and level of information that can be considered relevant and proportionate will vary according to the organisation’s purpose and remit. For the three organisations we benchmarked, questions surrounding common risk factors which may place consumers in a position of vulnerability (such as a person’s age, medical conditions if any, financial situation, etc) are particularly pertinent.

Good practice

Case workers' understanding of vulnerability and the need for a sensitive approach when discussing consumers' circumstances prevents these direct and sometimes very personal questions from being intrusive:

"You have to be very sensitive in how you approach it, but we'd say to [the consumer] that 'it's helpful for us when we're talking to a supplier to make them recognise that there are difficulties that you personally encounter.'"

"We tend to listen out for key phrases like 'I can't cope', 'I'm feeling overwhelmed', 'I feel powerless'. One of the things that we do quite often is we'll dig into the situation in the home as well, so if they're struggling they've got bills, facing possible disconnection, there's large bills, we'll find out whether there are children in the house, for instance. We do tend to dig into that quite a bit which in some ways can feel sometimes a bit intrusive, but better to ask a few too many questions than let somebody slip through the cracks."

When allied to clear explanations for the requests, this direct approach provides consumers with an opportunity to request any specific assistance they need or to inform call handlers of their situation. Information volunteered in this way can then prompt staff to ask further detailed questions based on risk factors:

"We appreciate that it can be difficult to share personal information with another organisation. We always aim to use this information with your supplier to help your situation."

"... so they've very often been through situations which have really caused them a lot of angst and once they are clear that you're operating in a different level and a different way, you usually can form a quick relationship because suddenly somebody is actually taking account of what they're saying and [...] reflecting it back to them and they know that they're being listened to and you're going to do something about it."

Reinforcing expectations through operating practices

Findings from the benchmarking exercise

Organisations should take care that internal systems and processes do not compromise frontline staff's ability to determine whether or not a consumer is vulnerable. Average Handling Times (AHT) were a performance-assessment criterion at one of the participating organisations. Notwithstanding that the delivery of a quality service is considered the operational priority, rather than meeting the AHTs, call handlers may nevertheless feel pressured to rush the conversation with a consumer in a vulnerable position.

Annex A: Detailed benchmarking observations

To mitigate this risk, we suggested that AHT targets could be differentiated depending on the vulnerability of a consumer and their circumstances – the AHT targets potentially could be increased for consumers in vulnerable situations. Though we recognise the business need for performance and service measurements, we consider that the differentiated AHTs could give call handlers greater incentive and reassurance when taking more time to gather the information necessary to identify if consumers are in vulnerable situations.

In another organisation we identified how a small change to the data collection and management system had the potential to reinforce the expectation that an assessment of vulnerability is conducted in all cases: we suggested that the field to capture information about the consumer's potential for vulnerability could be made a mandatory field, with active de-selection required to confirm the absence of vulnerability. At the time of the review, one of the other participating organisations was due to soon introduce a new case management system: we recommended it should include a mandatory field seeking call handler confirmation that they are satisfied that the consumer is not in vulnerable situation, prompting the use of relevant questions to understand the consumer's situation.

Having to consciously indicate that someone is not in a vulnerable position is likely to prompt the call handler to engage with the consumer, so that they can understand the consumer's circumstances and to be able to provide the assistance they specifically need. Having additional fields to fill in would also allow the Quality Team to monitor how appropriately staff are responding to the needs of consumers.

Responding to vulnerability: a) flexible services

What the Standard says

Organisations that comply with the Standard are expected to have the flexibility to respond to the consumer's needs in instances of vulnerability, to adapt in ways which ensure that the consumer is not unfairly excluded from accessing the organisation's service or that the service it offers does not create or exacerbate the vulnerability. This may require revision of an established process governing the engagement/relationship with all consumers or a reasonable adjustment for a specific individual.

It could take the form of support services to help consumers access the service, for example, a translation service for those in need of specific language support and a text phone service for clients with hearing difficulties, or it could determine the very nature of the services which the organisation is able to provide.

Findings from the benchmarking exercise

Pivotal to the organisations' ability to respond to vulnerability is their understanding of "vulnerability as how it impacts on that individual at that time"⁴⁶ and all three organisations agreed that there is no single exhaustive list of steps to take where such limiting or detrimental effects are identified. Each case should be considered on its own merits:

⁴⁶ Interview with member of EHU senior staff.

Annex A: Detailed benchmarking observations

“We’re usually empowered by management to deal with cases as we see fit, because they are all so different and the level of vulnerability in the cases vary greatly as well, so you need to tailor it to the individual needs.”

“Everybody’s needs are very specific, so we try to identify what the consumer needs – ‘Do you need an interpreter? Do you need large print? What would make things easier for you?’.”

The organisations also agreed there should be some consideration of whether or not an adjustment should be proactively made available to all consumers to prevent similar inequalities in future.

Staff were able to point to specific examples of the organisation’s flexibility in responding to an anticipated identified consumer need or specific instances of responding to unexpected issues raised by consumers in individual cases where these reveal that existing procedures create barriers for a wider set of consumers.

Good practice

Internal process change initiated in response to individual consumer experience

A recent example cited by one organisation evidenced a flexible response to an identified need: when a consumer indicated that they would be unable to provide the written submission required by a process operated by the organisation (in accordance with a legal requirement), the organisation recognised the potential for their procedure to create barriers for a wider set of consumers.

After seeking advice from external agencies, a new reasonable adjustment provision was introduced, “so that if somebody can’t write, then we will accept requests..., by getting them to verify things on the telephone call itself... making reasonable adjustments for those people that can’t put pen to paper, so to speak. We’ll send the information out via call recording, if they can’t read it. So, those sorts of adjustments, we might send it out on disc, we might send it out via email, that sort of thing so they can actually hear the call, rather than see it written on a piece of paper, so, that’s what we do...”

Findings from the benchmarking exercise

The Standard notes that “speedy resolution of problems is likely to be particularly important” for consumers experiencing vulnerability.

Good practice

Expeditious response

One organisation highlighted the speed at which the need for procedural changes can be identified, escalated and actioned, by involving a variety of different staff with different responsibilities:

“This is what the procedures do and then we very quickly have to re-adjust those sorts of things, and talk about making reasonable adjustments [...] It does happen really quickly, so you can have a call at 10 o'clock in the morning, and the advisor arranges to call the consumer back, for example. They'll speak to their team leader, who'll email the operations team, and our duty officer will pick it up, and it will all happen really quite quickly, and we'll need to make a quick decision on what we're going to do about that particular procedure...”

Findings from the benchmarking exercise

Meeting the resource and budgetary costs of becoming more inclusive can be particularly challenging for not-for-profit organisations such as those we benchmarked and cost considerations can place limitations on the types of inclusion-enhancing revisions or innovations that can be introduced:

“We've reflected a little bit on those sorts of things in the past, and have struggled to come up with alternatives, and certainly alternatives that are viable.”

Both the EHU and the energy component of the consumer service are funded from a small levy on suppliers⁴⁷ (which is ultimately passed on to consumers). Both therefore have an ultimate accountability to the tax payer. By contrast, the OS: Energy is industry funded (via a combination of subscription and case fees) and expressly disallows cost pass-through to consumers. Operating within the understanding that “we have to be seen as being the gold standard and the leaders in that and... because when people come to us... they've got a complaint” adds to the weight of expectation felt by OS:Energy.

In fact, the benchmarking study very tellingly revealed that the finite resources of the three participating organisations could be better utilised if energy suppliers were to become more inclusive: the intervention of these organisations would be needed in far fewer cases. This outcome would benefit all their consumers and most particularly those experiencing vulnerability.

“In some cases it may be that the consumer is not confident about raising the issue directly with the supplier due to a previous experience from the supplier's customer services regarding an unconnected issue.”

“Although it may technically be the [disconnected for non-payment] customer's own fault, often these are the people who need our help the most, as they may have been too intimidated by the companies to try and resolve the problem before disconnection so need our expertise and negotiation skills to get them reconnected as soon as possible.”

⁴⁷ The levy is processed by the Department for Business, Innovation and Skills (BIS). The other components of the consumer service are funded via government grant.

Good practice

Consideration of long term benefits

One of the three organisations had a clear documented policy on its approach to 'reasonable adjustments'. It listed the factors which would help determine the 'reasonableness' of any required adjustment, emphasising that, although closely linked, the effectiveness, practicability (resources required) and reasonableness are not mutually inclusive qualities of an adjustment. The policy notes that "even if an adjustment has a significant cost associated with it, careful consideration to any long term benefit [...] will be given", with benefit assessed from three perspectives: organisation, staff and customers.

Responding to vulnerability: b) organisations that can help

What the Standard says

The Standard was developed to show organisations how they might treat consumers in vulnerable situations in a fair, inclusive and legally compliant way. Adopting it requires organisations to develop effective and efficient processes to cater for and manage the needs of consumers experiencing vulnerability. It does not, however, require organisations to 'tackle' or remedy all instances of vulnerability identified, other than where the acts or omissions of the company are the cause of the vulnerability. In this latter case there would be an expectation of best and proportionate endeavours to remove or mitigate the barriers created.

Signposts or referrals should also prove efficient business practice: they help ensure effective and targeted utilisation of staff and resources, particularly for companies that enhance their capability to identify vulnerability at an early stage.

To ensure effective, timely and appropriate 'signposting', the Standard calls for all customer facing staff to be provided with information about the relevant advice, support or other agencies that might be able to help the organisation's consumers. This will be of particular importance for commercial organisations whose knowledge of the wider support and advice landscape might be quite limited.

Findings from the benchmarking exercise

Aside from formal EHU referrals and signposting to each other's services, staff at all three organisations were encouraged to signpost or refer consumers (under the terms of formal referral agreements and protocols) to alternative / additional sources of information and advice or to agencies who are better able to assist the consumer with their particular needs.

The ability to make such referrals and signposts helps the organisations better manage consumers' expectations of their own services:

"There is no point in saying 'oh yes, leave it with us, we'll sort it out for you', because sometimes we can't. It's something we need to be very conscious of."

Annex A: Detailed benchmarking observations

Awareness of other organisations to whom consumers could be referred for assistance with specific issues is included in the training programmes for frontline staff and promoted in one or more of the initial training units.

Good practice

Signposting to other organisations

Where a consumer faces vulnerability issues that are outside the organisations' service scope, the organisations provide contact details (a 'signpost') for other organisations that may be appropriate sources of help and / or advice in respect of issues that are additional or tangential to their energy supply. Examples include:

- Advice agencies such as the Consumer Credit Counselling Service, Citizens Advice Bureau and Community Legal Advice
- Charities such as the Samaritans, Age UK, RNIB
- Accountants
- Lawyers
- Local authorities and
- Other sector Ombudsman Services (for example housing).

One of the participating organisations identified that it had been receiving an increasing number of contacts from consumers in distress (or who were suggesting potential for self-harm or harm to others). Staff were apprehensive about how best to converse with these consumers and unsure of steps they could take to help them. To up-skill and empower its staff, the organisation consulted the Samaritans for guidance in drawing up a process to follow when handling such calls. The organisation also agreed an active signpost protocol with the charity, allowing for mid-call transfers of such cases.

Product or service design

What the Standard says

The Standard states that inclusive design will help ensure inappropriate goods and services are not marketed to vulnerable consumers. The standard sets an expectation of best endeavours "to design services that are flexible and easy to access by as many consumers as possible" which "prevent potential problems". To meet this expectation, organisations need to assess the potential impact on the target consumers and the vulnerabilities that might be faced by consumers within each group. The assessment should be thorough and exacting, testing beyond standard circumstances or usages. It is not uncommon for vulnerability to arise or become exacerbated when a consumer's circumstances no longer aligns with an organisation's perception of the 'average' or targeted customer. This is because the products and services then cease to operate in the way the organisation expects.

Annex A: Detailed benchmarking observations

As a first step, organisations should consider the information sources already at their disposal (management information that they currently produce, information and statistics that they must collect / report and the data from all the various sources to which they have access) and whether they could be used creatively and comprehensively to build a more holistic understanding of the operation of:

- their own services
- the circumstances and behaviours of existing customers
- triggers of potential vulnerability.

Organisations should also consider how to use this information to challenge the validity of the underpinning rationale for existing processes, practices, protocols and product / service offerings, particularly those from which certain consumers are excluded, before considering if there might be an alternative way to serve these consumers in a fair, responsible and cost effective way.

Organisations should build consultation and regular engagement with consumers (and/or relevant organisations that work with consumers and represent their interests) into the design process. This would help the organisation to:

- build the necessary understanding of consumers and the nature of vulnerability
- establish support partnerships
- embed best practice and ultimately
- devise innovative new products and services that are flexible, fair and accessible.

Good practice

Prior to its establishment, the EHU's predecessor organisations were part of the Customer Journey Group (a small group of representatives from Consumer Direct, Consumer Focus, Ofgem, Energywatch, the Energy Retail Association and the Energy Networks Association, set up at the Ofgem Customer Journey Workshop) which:

- drafted its working definition of the domestic 'vulnerable consumer'
- developed the principles and guidelines to assist in the identification of disconnection / prepayment and vulnerable consumer case referrals.

In interview the current Head of the EHU explained that "what we focused on and pushed for through the Customer Journey Group was talking about vulnerability as how it impacts on that individual at that time".

Findings from the benchmarking exercise

The participating organisations have a unique insight into issues that affect consumers' experiences of the products and services delivered by energy suppliers, and how the way companies treat their customers, can place consumers at particular risk of vulnerability, as well as a deep understanding of the impact on consumers of crystallised vulnerability:

Annex A: Detailed benchmarking observations

“In some cases it may be that the consumer is not confident about raising the issue directly with the supplier due to a previous experience from the supplier’s customer services regarding an unconnected issue.”

“Although it may technically be the [disconnected for non-payment] customer’s own fault, often these are the people who need our help the most, as they may have been too intimidated by the companies to try and resolve the problem before disconnection so need our expertise and negotiation skills to get them reconnected as soon as possible.”

The participating organisations (or their counterparts in sectors other than Energy), therefore, could be useful parties for commercial organisations to consult in the product/service design stages.

The Ombudsman Service, for example, has a duty and power “to encourage and promote good practice by Participating Companies in the handling of complaints it receives” and the industry recognises that business benefits can be obtained from the unique insight that OS: Energy possesses:

“The impartial lens that Ombudsman Services applies to consumer referrals, provides not only a route for resolution, but also some key learnings in terms of ways to do things better. It is clear that both service providers and Ombudsman Services share a common goal – to provide workable, balanced and fair solutions for customers. This continues to be the case as we move forward, helping to shape a better industry for all.”

British Gas, Ian Peters, MD, Residential Energy

Establishing mechanisms for feedback and input to the suppliers could help focus their attention on more fundamental issues in terms of how their products and services affect consumers in the market place. In turn, this insight could help organisations to devise and revise processes and products that give rise to significantly fewer complaints.

Responding to feedback and ongoing service review

What the Standard says

The standard calls for continual review of existing services to see where improvements can be made and for organisations to make changes to processes and services in response to feedback or complaints.

Findings from the benchmarking exercise

All three organisations have a series of measures in place that allow them to reflect on consumer satisfaction with their service.

Annex A: Detailed benchmarking observations

Customer surveys

All three organisations conduct surveys with consumers that have used their services, all varying in method, information captured, level of detail and frequency. Some are conducted in-house (for example by adding a quick survey at the end of incoming telephone calls over a set period), others are commissioned from independent external bodies.

Some of the surveys sought indicators of overall satisfaction with the service. Others provided greater scope for developing an understanding of the consumers' experience of using the service by also seeking open text feedback and suggestions for areas where improvements could be made.

All three organisations considered that the customer surveys could prove useful tools in driving service improvements, by highlighting where staff feedback is required and or process changes are needed. In order to most effectively serve this intended purpose, we suggested that one of the participating organisations should undertake further qualitative analysis of responses received. High satisfaction levels may be particularly influenced / biased by the consumer's level of satisfaction with the outcome achieved, they may not necessarily reflect the flexibility or fairness of the organisation's processes and whether or not:

- a disproportionate amount of effort was required to access the service or
- a consumer, particularly a consumer experiencing vulnerability, encountered additional hurdles or barriers in reaching the outcome.

At the time of the review, one of the other participating organisations had already identified that it could do more in terms of assessing consumer satisfaction, in particular expressions of dissatisfaction. It amended the survey to capture more relevant information for this purpose and was in the process of devising an appropriate and effective process for following-up and acting upon the information these new surveys will gather.

Good practice

One of the organisations receives independently produced reports about the monthly consumer surveys. It reviews and analyses these to identify staff training or process improvement requirements. The organisation also has the capacity and discretion to call back those consumers the survey reveals as 'dissatisfied' with the service, in order to determine if any further action can be taken in that particular case, or if changes should be made to existing operations for the benefit of all consumers, existing and / or potential.

Quality monitoring

Quality monitoring processes were in operation at all three participating organisations who shared the belief that it can improve overall performance (by providing opportunities to identify poor practice and make improvements to address or eliminate processes, practices and behaviours that could adversely impact the consumer).

Annex A: Detailed benchmarking observations

Typically the reviews assess the quality of advice provided to the consumer as well as data capture and compliance with internal process and system requirements.

Additional, on-the-spot monitoring of how caseworkers conduct themselves in live calls is made possible at one of the participating organisations by seating the team managers among the team of frontline staff handling calls. By dealing promptly with any concerns identified about behaviour or attitude they are not compounded through repeat practice.

The reviews also offer senior management tangible evidence of whether or not its vision and commitment to inclusive services is reflected and implemented by staff across the organisation.

Complaints

All three organisations have processes for receiving complaints from consumers about their experience of the service. Complaints received are analysed to identify not only how they might be resolved, but also how such complaints might:

- be avoided in future and/or
- highlight where their practices and processes create barriers to access or fair treatment.

One organisation offered an example: the introduction of a verbal reporting system was prompted after receiving complaints from consumers who, due to a physical, learning or a visual disability, were unable to sign their various forms and complete certain submissions required for the progression of their case. The call recording was changed and the organisation can now accept oral submissions while remaining data protection compliant.

One organisation had concluded that a low level of complaints suggested a high level of satisfaction with the service. While this might be the case, we cautioned that it might also be conversely indicative of a lack of awareness of the mechanism for raising a complaint. It was not entirely clear at two of the organisations how consumers would become aware of the availability of the complaint scheme: at the time of the review, details did not appear to be routinely communicated to consumers across any of the communication channels (unless expressly requested) and the location of information about the complaint scheme on the website might not be entirely obvious or intuitive for consumers.

Data collection, protection, and sharing plus third party collaboration and referrals

What the Standard says

The collection and storage of personal information is ultimately covered by legislation, such as the DPA, the Privacy and Electronic Communications Regulations and the Electronic Commerce (EC Directive) Regulations 2002. To comply with the legislation, organisations should already have internal processes and protocols governing the collection and storage of data necessary for the routine operation of the business.

Annex A: Detailed benchmarking observations

Earlier sections of this report consider the potentially relevant types of information to request or elicit from consumers in order to provide a service that responds flexibly to their needs and avoid exacerbating vulnerability. In relation to recording this information, the Standard calls for the privacy and integrity of the data to be maintained. The key proviso is that informed consent to record the data must be obtained from the consumer. Ensuring the data remains accurate and up-to-date helps ensure that only relevant necessary information is retained. It should also improve potential for the organisation to anticipate needs or spot unusual behaviour and other early indicators of potential vulnerability.

This report also discusses where partnership working, particularly with advice and support agencies (and other organisations that work with consumers) would be beneficial. This approach assumes information may be shared in some instances.

When it comes to sensitive personal data, such as issues relating to mental health or financial status, some consumers might feel they need to imply the absence of any concerns (often out of shame or fear of stigma or prejudice). These consumers may be particularly concerned about what will happen with the information when disclosed.

The fairest way to ensure DPA compliance when sharing such information with other parties is to obtain explicit consent. Honest and open disclosure from the consumer requires an equally honest and open disclosure from the organisation about how the data will be used. The Information Commission Office noted in its 2013 guidance to the Money Advice Liaison Group:⁴⁸

“If individuals know at the outset what their information will be used for, they will be able to make an informed decision about whether to enter into a relationship. Assessing whether information is being processed fairly depends partly on how it is obtained.”⁴⁹

The way in which staff explain the reason, purpose and potential outcome of the request will therefore be of fundamental importance in giving consumers the confidence to disclose relevant information and permission for it to be used in particular ways.

Informing consumers how data will be used

Findings from the benchmarking exercise

All staff have received appropriate training on the requirements of the DPA and each organisation has established policies and processes governing the use and management of consumer records.

⁴⁸ The guidance was provided within the specific context of processing data from individuals with mental health when experiencing debt, but is equally applicable here.

⁴⁹ <http://bit.ly/1sbHT11>

Annex A: Detailed benchmarking observations

Consumers who contact the participating organisations by telephone are explicitly informed via an automated message that the information they provide may be recorded for training and quality purpose. Irrespective of contact method, all consumers are advised early in the process of the fact that their information will be collected and may be shared with certain other parties.

At all three organisations, the case management systems provide the opportunity to capture information about the consumer's vulnerable circumstances and needs. Free text fields can be used to record only as much information as is needed to highlight the circumstances and consequences of the vulnerability and the help required.

The organisations adopt proportionate approaches to internal data sharing, according to who needs to be able to access the case to progress it (including in the event of staff absence) and who needs access to it for the purposes of quality monitoring or complaint review, where appropriate.

Good practice

Seeking guidance from the Information Commissioner

When acknowledging receipt of case, the EHU explains in writing that:

- “[...]Our aim is to work with you and your supplier to get you the best possible outcome.
- We will raise a complaint for you with a specialist team at your energy supplier.
- [...] We appreciate that it can be difficult to share personal information with another organisation. We always aim to use this information with your supplier to help your situation”.

Two organisations sought advice from the Information Commissioner in distinct cases where they had identified a potential tension between data protection restrictions or confidentiality considerations and the organisation's ability to respond to the needs of a consumer in vulnerable circumstances. On the basis of advice they received, the organisations were to establish processes satisfying both demands without exposing the organisation to risk.

One of the participating organisations has achieved an international accreditation status (ISO 27001) in respect of establishing, implementing, maintaining and continually improving its information security management system.

Consent for third party representation

What the Standard says

It is an expectation of the Standard that organisations put in place procedures that allow for consumers to be represented by third parties.

Findings from the benchmarking exercise

All three organisations were cognisant that explicit consumer consent would be required before a consumer's details and case could be referred to another party / organisation.

Annex A: Detailed benchmarking observations

This requirement is reflected in their procedural documentation and highlighted in training.

In most cases, a written authority is sought, but in recognition of consumers' varying communication needs and personal circumstances, all three organisations have made provision for such consent to be obtained over the phone.

Good practice

Operational reinforcement and safeguards

We found examples where the requirement to obtain explicit consent was reinforced operationally by the case management / recording system: for example, cases that cannot progress unless a specific indicator is marked that confirmation has been sought.

When seeking authority from a consumer to deal with an agent, staff are required to make the consumer aware that the services provided are free of charge, *“particularly when the agent is a broker or lawyer or an agency that is likely to accept a fee from the consumer”*.

One organisation provides a freepost envelope for consumers to return letters of authorisation, thus ensuring that cost of postage does not deter consumers from returning the form which means the case can be progressed, and the consumers issue resolved, without unnecessary delay.

Accessibility: a) communication methods

What the Standard says

An organisation that adopts the Standard is expected to offer consumers several methods of contact, including, a free or low cost telephone number, and communications in a range of accessible formats (with best endeavours to ensure the provision of the consumer's preferred method of communication).

Findings from the benchmarking exercise

The Citizens Advice consumer service is primarily a phone-based service and, following some process changes, the Ombudsman Service has become more phone-based in recent months. Consumers do not typically contact the EHU directly as it is a referral based service. All three organisations offer the facility for consumers to communicate with them by other means (depending on the organisation and the stage in the case cycle, this could include via email, an online web submission or in writing, by post):

“A lot of the work we do is over the phone which isn't necessarily the best way and it is for some people, it's not for others [...] because some people might have problems with memory, it sounds alright on the phone there and then, 10 minutes later they think, 'Oh what did we talk about?', you know, whereas something in writing would be better.”

Annex A: Detailed benchmarking observations

Additionally, for consumers with particular communication needs, all three organisations offer alternative or supplementary provisions to help the consumer engage with the organisation, access the services offered and make themselves heard, for example a text phone service for clients with hearing difficulties, documents on coloured paper or with a specific colour contrast for people who are visually impaired or with conditions such as dyslexia; translating documents or correspondence into Braille.

“... we’ve got a note that you have sight difficulties... is there a certain format or a certain font that’s better for you?” as opposed to assuming the consumer has sight problems therefore I will just send everything in font 14.”

All offer language translation services and one organisation includes a basic paragraph on its website in the most frequently requested languages which explains how to avail of the translation services. The two organisations with a web portal provide additional accessibility features including resizable text, contrasting colour schemes and screen readers.

With the exception of telephone, all contact media are free to consumers. One of the organisations provides an 0800 number (which is free for BT landline customers) and offers consumers calling from a mobile a local geographic number (which may be cheaper for mobile users than the 0800 which can cost mobile users up to 40p per minute). The other two organisations provide 03 numbers. Calls to these numbers might be considered ‘low cost’ as they cost “no more than a national rate call to an 01 or 02 number and must count towards any inclusive minutes in the same way as 01 and 02 calls”.⁵⁰

However, inequality of costs between the different media might in some circumstances present a potential barrier to the provision of an inclusive service. In some cases, for instance, a consumer may only be able to contact the organisation by phone because they do not have or cannot use other means. As a result, they will incur a cost which might deter or prevent the consumer from contacting that organisation at all.

We note that currently there is no telephone prefix which is free to all telephone users. The 03 rules apply to calls from any type of line including mobile, BT, other fixed line or payphone which helps mitigate any further cost inequality creating a potential barrier to inclusion.

From 26 June 2015, calls to 0800 numbers will become free from mobile phones as well as landlines. We therefore suggested that the participating organisations should consider changing their number at this point so that the call-cost access barriers can be significantly reduced or eliminated. We appreciate that any future telephone number change may incur a cost and has the scope to cause consumer confusion but we consider that this latter risk can be carefully managed through early engagement, advance planning and coordination with other parties who play a role in promoting and signposting the services.

⁵⁰ <http://bit.ly/1sSyN0r> Ofcom introduced UK-wide 03 numbers for public sector bodies and not-for-profit bodies such as registered charities as an alternative to chargeable 08 numbers.

Annex A: Detailed benchmarking observations

Good practice

Suitable communication formats

All three organisations offer the flexibility to vary the chosen method of communication during the case cycle. The EHU, as a referral based service, makes the initial contact with the consumer: during this telephone conversation the customer is asked to confirm their preferred method of communication for the duration of the case. At the consumer service, irrespective of the customer's method of initial enquiry, consumer service staff are encouraged to review each consumer's case details in order to assess the best method of response unless the consumer has specifically requested another communication format. And at the OS:Energy, the consumer can elect to change according to their needs at any stage in the process.

Accessibility: b) reach

What the Standard says

The Standard 'focuses specifically on how to make a service accessible to all, so that no one is inappropriately excluded from a service'. This includes potential as well as existing consumers.

Findings from the benchmarking exercise

This assessment is particularly challenging for the EHU as it is entirely reliant on the referral paths from external agencies. It has no direct control over whether or not it receives all the cases that could be referred to it. The EHU has been alive to this risk for many years and has established mitigating measures for close working with the referral agencies to help align standards and expectations (including providing guidance and training, periodic feedback and undertaking sample case analysis).

A report published by Ofgem in December 2013 showed that few consumers are exercising the option to use OS:Energy,⁵¹ thereby missing out on potential redress. OS:Energy has since been working with Ofgem and energy companies to help improve the way that it is explained and signposted. Work conducted independently and in collaboration with the regulator and the industry to improve awareness of the service (and how / when to use it) should remove some existing barriers to inclusion for those consumers who understand when they have grounds for raising a complaint against an energy supplier.

The referring agencies have the potential to inadvertently become barriers to accessing the EHU or the other providers of specialist help and advice (signpost agencies or referral partners). To reduce this risk, we suggested the referring agencies could undertake further analysis of issue such as:

- how effectively the information is conveyed or understood by the consumer
- limitations of the media by which it is communicated

⁵¹ See Ofgem report here: <http://bit.ly/1sSyQcD>, page 43, (Retrieved: February 2014)

Annex A: Detailed benchmarking observations

- accessibility or comprehensibility issues for some consumers attributable to the way in which this information is presented or provided present
- design, layout and information content.

To the organisations that collect data about how consumers found out about their service, we suggested that they could consider how they might use this information to:

- assess how they reach consumers who use the service
- further tailor, focus and adapt their awareness raising strategy and
- consider what additional information could be collected, going forwards, from consumers who reach the service to better understand those who do not.

Annex B: The Financial Ombudsman Service – a case study

Adopting the Standard on the provision of inclusive service is “*not too difficult or too hard, if you are committed to doing it*”, according to one of the first organisations to adopt it. The Financial Ombudsman Service (‘the service’) was set up by law to offer a free service for consumers who’ve been unable to resolve a complaint with a financial firm.

Like the three organisations we benchmarked against the Standard in this report, the service is a needs-based organisation: it is approached only by consumers who are seeking help, advice, or specific remedy to a problem that they are not able or not equipped to address themselves. And, in common with our participating organisations, its customer base is broad and could be affected by any and many of a wide range of issues.

The organisation has always considered itself to be values-led and treating everyone fairly and equally was central to its work prior to implementation of the Standard. It had already done a lot of work to introduce accessible policies and practices, as part of its equality strategy, but the Senior Management at the service wanted to “*really stretch*” the organisation: aligning the business to the principles in the Standard was “*the starting point of becoming a more inclusive organisation*”.

The first step in adopting the Standard, according to Caroline Wells (Head of Outreach), was to “*literally sit down with the standard and read through and worked out what applied to us and what didn’t*”. The provisions concerning sales activities and some surrounding fair marketing are not, for example, of direct application to free advice and needs-based organisations.

In reviewing itself against the relevant provisions, the organisation realised that though it was accessible, it remained reactive: applying the principles of the Standard could help it develop policies that would make it “*proactive and inclusive*”.

The standard prompted the organisation to reassess its own understanding of vulnerability, concluding that vulnerability:

- is “the state that the person is in, how they feel”
- arises if, at any point, the organisation’s ordinary “process won’t work, so actually it would cause them issues”
- may not always be obvious “just because someone can’t articulate what the problem is, doesn’t mean there’s not a problem” and
- can arise at any point in the consumer journey: “You might have started in your journey with us being completely well, but something might have happened”.

According to Caroline Wells, this was something of a “light bulb moment” for the service as it “helped to shake-up our idea of what we thought vulnerable was”, it is “not just about people with disabilities”. And this realisation caused the organisation to “chuck away the old guidance notes because we quickly realised vulnerability is so much broader than that”.

Annex B: The Financial Ombudsman Service – a case study

With this fresh perspective, the next step was to develop an understanding of the consumer and “their story”, conducting effective conversations “to understand what they need”. Until that point the organisation had wrongly assumed that its staff “could talk on the telephone and they couldn’t. We assumed that was a natural skill that we had”. The key to becoming more inclusive lay, therefore, in addressing a skills-gap in enabling “the art of conversation”, the cornerstone to building a relationship of confidence and trust that makes a consumer comfortable disclosing or admitting that they need assistance. The most fundamental and effective change was to start each conversation with a simple question: “is there anything we can do to make it easier for you to talk to us and for us to talk to you?”

Vulnerability identification and specific conversation skills were therefore built into the induction training programme for all frontline staff. Staff training and development now capitalises on the knowledge, insight and expertise of longer serving members of staff and/or those with a fuller life experience. Charities that specialise in particular conditions and situations (medical, financial, etc) were invited to provide guidance and specialist training on the background of those conditions, the mindsets and the cognitive impacts of such conditions for consumers: the Samaritans, for instance, discussed the concept of loss (more than just the death itself but the emotions evoked in response to loss), and the impact this has on the status of possessions, and memory. Other organisations providing insight into the psychological drivers of the consumers using the service included Mind, the National Autistic Society, and Dyslexia Awareness. The Financial Ombudsman found that it could apply these insights “more broadly” than just in respect of the individuals those charities represented.

This new training programme is supplemented with a rich online library of additional resources accessible to all staff at any time via internal internet: it includes case studies of ‘good practice’ with corresponding call recordings, as well as “videos that our own customers have kindly done for us about their own story” in which they discuss their lives, and the personal difficulties they face, the latter proving particularly effective in highlighting issues that might ordinarily pass undetected. The library is kept live and up to date, with new case studies added as and when they are identified.

A robust quality assurance process ensures that the skills developed in training are put into practice in actual consumer cases. Senior level staff and team managers are involved in this process and must agree, by consensus, what constitutes good practice.

The enhanced training and tools equip staff to “spot and respond to instances of vulnerability”, not to “take on” the vulnerability itself. There is no expectation that the staff should become “counsellors to their consumers”. To be inclusive requires that vulnerability can be identified and, when it is, ensuring the consumer can obtain the help required. However, with an improved understanding of the consumers it serves, the service’s process also recognises that treating people fairly means “you have to sometimes treat people differently” so it has a process that works for the majority of people, but staff have permission to circumvent that when they need to do something differently, “so we have flexibility” and the organisation also has “links with [...] charities, so we put them straight away in touch with [them] to start working on a more holistic

Annex B: The Financial Ombudsman Service – a case study

approach to their entire problem” because “generally speaking, what they’ve come to us about is not their entire [...] problem, it’s about one element of it...”

This approach highlights one of the potential business benefits from an inclusive approach “if we are better at helping our customers at the earliest possible opportunity then we can help to stop things reaching crisis point. That relieves the pressure on everyone and enables us to get on and help the customer with their complaint. It also yields benefits in terms of staff satisfaction: before implementation, staff felt they weren’t empowered to help people, “now they know they can and they feel good when they do.”

One unexpected outcome of adopting the Standard therefore was that the service was “able to measure success by the happiness of staff”,⁵² which subsequently translated into a greater pride being shared across the ombudsman by its staff, and the ombudsman being seen by others as a leader and as an accessible and inclusive employer and public service provider. But in terms of measuring whether or not the service’s revised approach is successfully delivering an inclusive service to its consumers, the Ombudsman considers the clearest indicator would be an increase at all stages “throughout the life of the case where people feel they can be open and tell us about what’s going on and we understand what’s going on in their lives, so that we can alter the process”.

⁵² Through periodic staff surveys

Aims and principles

The Citizens Advice service provides free, independent, confidential and impartial advice to everyone on their rights and responsibilities. It values diversity, promotes equality and challenges discrimination.

The service aims:

- to provide the advice people need for the problems they face
- to improve the policies and practices that affect people's lives.

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