

Response to Ofcom's Call for inputs on Debt and Disconnection

Shell Energy Retail Limited (SERL) welcomes the opportunity to comment on this consultation. SERL has been in the business of providing fast, reliable broadband to thousands of customers across Britain for many years. Our priority is to help our customers access cleaner, convenient and competitive home services; and to provide solutions that will help them to reduce emissions.

We recently welcomed nearly half a million more broadband and telephony customers from Post Office and are investing in our processes to focus on providing a best in class customer experience for our new and existing customers.

SERL considers the areas covered in this CFI extremely important and we are keen to work with Ofcom to make improvements within the industry. Our guiding principle is to put the customer first which includes providing excellent service when a customer faces financial difficulties.

Provider identification, engagement and communication with customers in debt or struggling to pay

Ofcom has suggested that providers should improve how they identify vulnerable customers so that providers can offer the right help and support. SERL is committed to helping customers where we are made aware of their vulnerable circumstances. We are mindful of the delicate nature of these situations and the sensitivity associated with being classified as "vulnerable". We have adopted an approach of active listening. All of our ex-Post Office customer facing employees have received vulnerability training and we are in the process of rolling this out across SERL for our customer facing telecoms employees. We believe it is important that any agent who interacts with a customer knows how to pick up on any suggestions of vulnerability and is able to handle this accordingly. We publish details of our approach to vulnerability in various customer facing communications and ask customers to inform us of their needs. If a customer does inform us they are vulnerable, in accordance with the General Data Protection Policy we ask for their consent in order to store this information.

We are always open to new suggestions of ways to identify vulnerable customers, without directly asking them in conversation, either face to face or on the phone and would be keen to explore the possibility of using external data sources with the support of Ofcom. We are, however, mindful that we will still require the customer's consent to log their vulnerability.

We agree with Ofcom that it is useful to use a range of communication channels in order to engage with customers, noting that a one size fits all approach is not suitable where customers are used to an omnichannel approach through other interactions. To fall back only to letter correspondence when a customer is indebted, for example, will not deliver the right customer or business outcome. The approach SERL takes is to cycle between different communication methods throughout an arrears journey to ensure we create maximum opportunity for contact. This will involve; Letter, Email, SMS, Call and Payment Link. This recognises that suppliers need to

make adjustments for those customers who do not feel able to speak directly to their supplier, for example online payment options or web chat functionality. In our communications, where possible and appropriate, we look to emphasise the support available from external sources. We would therefore be supportive of Ofcom's approach to introduce this within the guidance and would welcome further guidance on best practice based on the experience of other providers.

We understand Ofcom is considering approaching providers to explore the possibility of working together to test the effectiveness of behaviourally informed communications in future, in order to develop the understanding of how people respond to different messages. To do so incurs costs, both development costs and people costs. At a time when we are engaging in a migration and preparing for the EECC as well as reviewing and refining our processes we would not be able to commit to this. We believe that it would be more appropriate and beneficial to discuss our own understanding of our customer base and what types of communications provide an effective response.

Strengthening links with organisations and charities that can provide free debt advice and support

SERL is pleased to announce that we have recently partnered with StepChange and are working with them to strengthen our approach to debt and disconnection. This partnership means that customers are able to engage directly with StepChange about their telecoms debt. StepChange will liaise with us on behalf of the customer. We note that our size as a telecoms business coupled with our energy business has enabled us to form this relationship but ask Ofcom to be mindful of smaller providers when considering increasing the prominence of this recommendation in the guide. We have decided to focus our attention and effort with StepChange but are aware that some of the larger providers will be able to engage with multiple charities.

Introducing further guidance that providers should routinely include clear and prominent information about sources of free debt advice in their payment and collection related communications to customers in arrears is welcomed. SERL already does this where the communication allows for it and believes that other providers should do this as well.

Measures taken by providers to effect payment

SERL broadly agrees there should be some further consistency across suppliers in the way they seek to effect repayment from customers, although, we believe that a cautious approach should be taken to generate consistency. It's aim should be to create a minimum expectation across suppliers rather than the sometimes unintended outcome where an 'innovation ceiling' is created and providers are not incentivised to think of new ways to help customers pay and remain connected. This, we believe, would not deliver the best outcomes for the industry or customers.

We acknowledge that the Breathing Space Initiative has created some consistency across all industries but we welcome Ofcom's suggestion to introduce further consistency on freezing charges if a customer is experiencing problem debt. We hope that Ofcom will share their monitoring of the approaches taken with us so that we can benefit from the learnings of other providers to implement a best practice approach.

We ask Ofcom to focus on the number of attempts and types of attempts to contact customers rather than the time period between arrears and disconnection. In an effort to alleviate pressure on a customer through an extended period of indebtedness prior to the disconnection there is a risk that suppliers do not make adequate attempts to contact customers resulting in an avoidable build up of debt the customer is required to then repay. We suggest Ofcom look to clarify their guidance in this space to ensure suppliers continue to seek to engage with the customer and not just allow the debt to mount over a period prior to disconnection.

SERL agrees that a staggered service suspension is useful for both suppliers and customers. Our approach in this space is to restrict outbound telephone calls (except for emergency numbers) allowing the continuation of inbound telephone calls so a customer can request a call back for instance. Where service restrictions are placed on data services there is limited scope to introduce 'exempt sites' within our current infrastructure. We are supportive of vulnerable customers having a specific debt collection cycle and we believe that this would be more appropriate than developing systems to allow calls to continue specific helplines. We believe that time and effort is better spent focussing on Ofcom's other recommendations within this CFI.

When publishing information to customers about our debt and disconnection approach it is important to strike a balance between being helpful and being open to people abusing the system. We think it would be beneficial for consumers and businesses to have a more consistent approach and introducing regulation through the form of revised general conditions would provide this. In doing so, it is vital that Ofcom seek further views from industry about the level of detail that is appropriate whilst taking on board comments from debt advice charities who understand the customers needs.

Measures designed by providers to support customers who are in debt or struggling to pay

We believe that amending the guide to create a more consistent approach to the 'toolkit' available to support customers would create a positive outcome for customers generally. SERL offers Payment Holidays and Payment Plans alongside signposting support from external providers.

We welcome the recommendation to provide additional details of support packages available more readily to customers with an accessible FAQ function on our website alongside guidance on what happens if a customer can't afford their payments.

Generally speaking, we agree with Ofcom that it is not necessary to amend the general conditions as we believe the best practice guide is sufficient for providers to understand the expectations of them. It also allows for some flexibility based on providers' understanding of their customers. If Ofcom were minded to introduce new general conditions we would stress the importance of analysing the effectiveness and impact ahead of any new regulation.