



## BT's response to Ofcom's Consultation: 'Proposed guide for treating vulnerable consumers fairly'

### Summary

BT has a long history of ensuring inclusion through our product offerings, through our service channels and through practices to identify and support our customers who find themselves needing extra help. We are committed to doing even more across all three of our brands. BT fully supports Ofcom's ambition - to ensure all communication providers treat vulnerable people fairly and give them the help, support and services they need.

We welcome Ofcom's voluntary best practice guidance. All three of BT brands already has in place the majority of Ofcom's proposed suggestions.

***It is however important, that providers retain flexibility to develop the best approach for their customers***

Ofcom set out in the regulatory condition (C5) the framework it considers necessary to ensure all providers are focused on giving the best service for vulnerable customers. It has further fleshed out this framework through its very helpful proposed best practice guidance. However, providers are best placed to truly understand their customers' needs and it should be up to individual providers to implement measures best suited to their customers and their business. For example, it might be appropriate for large providers to have dedicated teams looking after vulnerable customers, whereas for smaller providers this may not be the case. There will not be a one size fits all approach across industry. So, with flexibility to ensure best outcomes in mind, there are some of Ofcom's proposals that we do not believe will work in practice and in some cases better ways to achieve the desired outcome. We discuss this in the body of this document and suggest alternative approaches where appropriate.

***The guidance should become a learning guide, which evolves over time***

The new regulatory requirement came into effect in October 2018. Since then - as an Industry - we have been focused on understanding the needs of and putting measures in place for, customers who find themselves in vulnerable circumstances. But making such changes takes time. What customers' need from their service provider and how we better support those needs, is a learning journey. Therefore, we agree with Ofcom that a best practice guide has to evolve over time. We consider the most meaningful way to do this

is for providers to work collaboratively to own and update the best practice guidance. Industry has already established a Panel chaired by the CCP, which would be the perfect platform for ensuring this guidance becomes a live document – taking ongoing input from communications providers, and from across other sectors, and so create a learning guide.

***Focus should be on outcomes for vulnerable customers rather than the number of customers flagged***

Ofcom notes a particular concern over the number of customers who are flagged as vulnerable, and suggests it may look to intervene if more customers are not flagged. Whilst flagging can be an important tool for providers and help to ensure a customer gets the support and help they need, simply looking at the number of customers a provider has flagged is a blunt tool. Flagging is only relevant if something different or more is going to happen because of the flag. By sticking to this basic principle, we believe the industry can build trust that self-identifying is a positive and useful experience for consumers. An overly acute focus on the numbers of customers flagged may drive perverse outcomes, whereby customers are flagged but see no benefit in so being. If this is the case it will be extremely difficult to build trust. We therefore consider that Ofcom's focus instead should be on outcomes for vulnerable customers.

***If Ofcom intends to actively monitor against C5, it should do so through insight from mystery shopping***

We support Ofcom's approach of 'suggested practical steps for providers', and as mentioned, see real merit in this evolving into a live learning guide. However, if Ofcom does plan to use the guidance to monitor providers' compliance with C5, it must take into consideration that:

- a) some of the suggested steps not only require changes to systems and processes but also cultural change, and so will take time for providers to implement;
- b) not all suggestions will be appropriate for all providers to implement and this must be taken into consideration, and
- c) the primary focus of any monitoring by Ofcom should be on outcomes for vulnerable customers

We consider a better approach for Ofcom to measure the effectiveness of C5, would be through conducting annual industry mystery shopping. Ofcom should then work with industry on a collaborative basis to address any areas for improvement.

The remainder of this document discusses Ofcom's guidance in more detail. For ease of reference, where we have issues with Ofcom's proposals we have included the specific paragraph. Where we have not commented on a proposal we are broadly supportive.

## Ofcom's proposed best practice guidance

All three BT brands already have in place the majority of Ofcom's proposed suggestions, to help ensure vulnerable customers are treated fairly. We have a long history of supporting our customers who find themselves in vulnerable circumstances. We currently have a programme of work to go even further and do even more in this area.

### Establishing and publishing policies

#### *'Taking an inclusive approach to who is potentially vulnerable'*

3.8: providers must have a robust understanding of the different issues that could affect their customers and use this to inform their policies and practices.

3.9: work with consumer interest groups and charities when developing policies and procedures.

Providers across all sectors, not just communications, are learning about the issues that could cause their customers to become vulnerable on a temporary or permanent basis. But this will take time. As will making changes to processes, and affecting the culture change needed to really embed understanding within our organisations. Identifying the right interest groups and charities, to best help us support our customers and developing these relationships will also take time.

We are sure Ofcom recognises this, and will take it into consideration when assessing progress - judging providers on direction of travel and ambition, rather than expecting providers to have all of the answers immediately. We see our work to improve outcomes for vulnerable customers as an ongoing programme with no hard end-date. However, realistically it is likely to take a further 18-months plus, to develop the culture within industry needed to fully understand the broad range of issues that may make people vulnerable.

#### *'Publishing policies on treating vulnerable consumers fairly'*

3.12 have information available via different communication channels on request. These could include paper copies available by post or in store.

We support customers having access to information via different channels and in different formats, if requested. For example, we already provide all information available on our website in printed format if asked. However, requiring providers to hold paper copies in store will not work in practice. We have around 600 retail stores across the country and a great deal of customer information, which is updated on a regular basis. Updating paper copies will mean printing and distributing new leaflets or packs, and disposing of old, every time there is a change. Additionally, we will have to hold enough copies so they are available at any time.

This gives rise to several issues: a) it creates a risk that information provided to customers is not up-to-date b) practically there is limited space in store to hold printed information c) there will be increased disproportionate costs for providers d) there are environmental concerns – our policy is to move away from producing paper copies. We consider a better

approach is for advisors to print in store a hard copy if requested by the customer. We are promoting going paperless as part of our environmental policies, but black and white printing facilities are available in all of our stores, along with the ability to send information via alternative media e.g. braille or audio, if requested.

## Treating vulnerable consumers fairly

### *'Identifying vulnerable customers'*

4.3 the overall number of customers identified by providers as potentially vulnerable is significantly smaller than we might expect.

4.5 providers to raise awareness of the help, support and services on offer to new, existing and re-contracting customers. Providers should also do all they can to encourage consumers to tell them about any specific accessibility or customer services needs they have.

- Ask all customers at the earliest opportunity whether they have any specific accessibility or customer service needs
- Give new, existing and re-contracting customers a statement about help for vulnerability or specific accessibility or customer service needs, and explain how customer can sign up.

4.6 providers should train their employees to listen carefully and be aware of the potential characteristics, behaviours or verbal cues of someone who might be vulnerable or who might benefit from the help, support and services that are available. They can then offer them when needed.

4.7 We would expect to see substantial improvements in the numbers who are [flagged]. If not, we will consider further interventions to bring about improvements.

### **Flagging pa 4.3 & 4.7**

C5 has only been in place since October 2018, and the number of customers we have flagged has increased steadily since then. We would expect the number of customers we, and other providers, flag to continue to increase over time as providers make more customers aware of the extra help and support available and as trust in self-identification grows.

Whilst flagging can be an important tool for providers and help to ensure a customer gets the support and help they need, simply looking at the number of customers a provider has flagged is a blunt tool. Flagging is only relevant if something different or more is going to happen because of the flag. By sticking to this basic principle, we believe that the industry can build trust that self-identifying is a positive and useful experience for consumers.

An overly acute focus on the numbers of customers flagged may drive perverse incentives for providers to flag and in doing so drive bad outcomes - customers are flagged but see no benefit in so being. We believe this could undermine trust in consumers and in fact make them more reticent to self-declare. We therefore do not consider it necessary or proportionate for Ofcom to take further interventions to increase the number of customers with a vulnerability flag – instead it should focused on outcomes for vulnerable customers and work with industry to improve them.

We absolutely agree, that is the responsibility of the provider to give customers baseline information to ensure awareness and understanding of what extra help and support is available. It may also be appropriate for an advisor to add a note to a customer's account if they have picked up signs of vulnerability. But flagging a customer as vulnerable is a very different thing. This must be requested by the customer. A customer's circumstance can be a very sensitive matter and adding a vulnerability flag to a customer's account must only be at the behest of the customer, with clear consent.

It would be extremely useful if Ofcom would discuss with industry the insights it has on how it thinks we can encourage more customers to self-declare.

#### **Raising customer awareness para 4.5**

We agree it is important that customers in vulnerable circumstance are made aware of the help, support and services available to them. But we do not consider providing a generic statement to all customers at point of sale the most effective way to do this. Customers have to take in a lot of information when making a purchase and are focused on the new service or equipment they are getting. It is unlikely that providing them with generic information at this stage would be useful and effective for them. Instead, customers need access to this information at a time appropriate to them. We would therefore propose a better approach is to provide information on the extra help and support available at various points on the customer journey. This might be, for example, in welcome communications, as part of annual communications or if a customer calls their provider.

#### **Identifying vulnerable customers par 4.6**

There is a limit to how far providers can be expected to go in regards to identifying customers who may be vulnerable. Some characteristics may be relatively easy for advisors to identify. For example, if a customer asks an advisor to repeat themselves a number of times or asks them "to speak up", it may point to a hearing impairment and potentially a relatively easy conversation to suggest ways that we can help. However, it would not be appropriate to expect advisors - in a few minutes conversation - to identify other forms of vulnerability. For example, mental health issues may be complex and almost impossible to pick up through verbal cues. Additionally, if an advisor did suspect a customer has such an issue, raising that unprompted would result in some customers feeling this kind of approach is intrusive and an inappropriate conversation for their communications provider to initiate.

#### **'How providers can help vulnerable consumers'**

4.10 We expect providers to offer a range of communications channels to customers.

4.14 Avoid vulnerable consumer having to explain their personal circumstances each time they contact [their provider]

- Customer service advisors should make clear and detailed notes on their internal systems
- A direct contact should be available for customers who would benefit from this

4.15 Some providers are taking steps to also improve face-to-face interactions with customers. Examples include checking in advance if someone might take longer to answer the door.

4.17 We encourage providers to have specialist staff in place who have specialist training on helping vulnerable consumers

4.19 [Providers] could also test their communications with customers, where appropriate.

4.24 We encourage providers to provide all customers with a statement, alongside their new contract documents or welcome pack

4.31 We encourage providers to build links with [third parties] and, where possible, have direct telephone or digital routing

4.33 We encourage providers to be sensible when communicating with these people required so they can deal with queries or issues on behalf of consumers without unnecessary barrier

#### **Range of communication channels 4.10**

We support providing a range of communications channels for customers, however it must be up to each provider to determine which methods are best suited to providing a great service for their customers. We also need to be mindful of balancing the benefits of further investments against costs. For example: based on customer base, it may not be appropriate for some providers to implement, say 'video call and text', as only a very small number of customers may be helped, for a relatively large investment.

#### **Interactions with customers par 4.14-15, 4.17, and 4.19**

Providers must be mindful of GDPR, so for example sensitive information about a customer's condition cannot be recorded. There must also be flexibility on how providers ensure customers have the best experience. For example, a separate direct contact number maybe limiting but an efficient process to route customers through to specialist advisors - dependent on the nature of their contact – a better solution.

We agree that initiatives such as those proposed in para. 4.15 can really help vulnerable customers. We would therefore encourage Ofcom to engage with Openreach directly to determine what can be adopted from other sectors, such as Energy & Water.

Having a specialist team is not the most effective approach for all providers. Ofcom must take into consideration the size of providers and different operating models when assessing best practice. For example: Plusnet is a low cost provider with a low cost operating model. All advisors are trained to provide all the support customers need and do not have 'ring-fenced' teams.

Ofcom stated that providers should test communications with customers. We would like to understand from Ofcom which communications it considers providers should test and – given the large range of circumstances that may make someone vulnerable – which vulnerable groups, as for example a wheelchair user may have no issues whatsoever understanding communications, whereas someone with dementia may struggle.

#### **Information at point of sale par 4.24**

We are very supportive of providing customers' with information on the extra help, support and services we provide. But we do not consider point of sale is the appropriate time to

provide that information. It is likely to be too much information for the customer to take in. A more appropriate approach would be to provide customers with details on how they can access the information when convenient to them e.g. web address, phone number etc. within their welcome pack.

We believe that providers should have the flexibility to determine the most appropriate why to make customers aware of the help, support & services available to them. We support updating electronic communications to get the message out but do not think it is cost justifiable to provide a generic statement to all customers or hold paper copies of information in store.

### **Third parties par 4.31 and 4.33**

We are very supportive of building links with third parties and have a number of relationships already in place. Based on discussions with these organisations we do not however consider 'warm transfers' to be appropriate. Often the customer has to prepare themselves for a conversation with an organisation, and needs time and space and to do so when right for them. Also, many of the organisations we have spoken with are not set up for the call volumes warm transfers may generate. We consider a more appropriate approach is to provide information to the customer, about organisations that might be useful to them, so that the customer can get in touch when it's right for them.

We always take a compassionate approach to someone who is trying to help a vulnerable person with their account. But to ensure our customer is protected, we do need to validate who the person is and prove their relationship to the customers. Furthermore, what a deputy may do on someone's account must be limited. For example, it would not be appropriate to allow a helper to buy expensive equipment or close an account. We would welcome more guidance from Ofcom on what more they would expect to see in practice and how deputies are handled in other sectors.

## **Monitoring performance**

'Evaluating staff performance'

6.4 Include measures in performance measurements relating to the service provided to vulnerable customers. This could be linked to the providers' annual appraisal processes
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Our focus is on providing all customers with a brilliant personal service and our advisors are measured on these outputs; namely, did we understand and resolve the customer issue first time and were we personal (Customer satisfaction). Existing performance measures apply equally to vulnerable customers and there is no need for additional performance measures. Our advisors are empowered to provide this level of service to all of our customers and we believe this inclusive approach will better service all our customers