

## Advice to customers

### Introduction

11.1 Our reference requires us to consider whether any of the four boards could improve the efficiency and thereby reduce the costs of, or could improve its standard of service in relation to, the provision of advice in connection with its revenue collection system or with the appropriate tariff for a particular customer. The paucity of quantitative information relating to customer advice has severely limited the scope of our inquiries into these questions.

11.2 All four boards told us that they did not regard the provision of advice to customers as a separate function, but rather as an integral part of each of the boards' activities. Thus they did not keep records in a manner which enabled them to isolate the cost of giving advice on the reference activities from the cost of the activities themselves, nor could they provide soundly-based estimates of the amount of staff time involved. Furthermore in many cases the advice covered both matters relating to the reference activities and other matters. This added to the difficulties of allocating costs. The allocation of time spent on giving advice on the reference activities is not a matter which is identified as a separate, quantifiable task within the programme of manning studies undertaken by the boards, but rather it is included as an integral element of workload cost. The boards gave various rough indications of the orders of magnitude involved, but they emphasised that the allocations of staff time were necessarily of limited accuracy.

11.3 For the purpose of our inquiry we have taken advice to include information and explanations provided by the area boards to customers in connection with the reference activities described in paragraph 11.1. Such advice may be initiated by the boards or may be provided in response to enquiries by customers, and can be classified broadly as follows:

- (a) Advice of a general nature which is published at the boards' initiative in newspapers, or in leaflets, or on the reverse of accounts, reminders and final notices. This includes, for example, advice on the different tariffs and methods of payment which are available to customers, and on the Code of Practice for the payment of domestic accounts.
- (b) Advice given to individual customers (or particular groups of customers) by letter, telephone or personal contact. This includes both general information as at (a) above and advice relating to a customer's particular circumstances, such as an explanation of an electricity account or of the way to read a certain type of meter or advice on tariffs available to the customer which may be associated with how to use electricity more efficiently.

11.4 Another reason for the difficulty experienced by the boards in attempting to cost or otherwise measure the provision of advice on the reference activities is that advice given by board staff is often incidental to the main transaction. For instance, a query about the size of an account may lead to the customer being advised how to use electricity more efficiently. Similarly board staff dealing with debt collection may find that a particular customer would benefit from choosing a different tariff. (Advice on tariffs is dealt with in more detail in Chapter 12.)

11.5 Advice to customers plays an important role in many of the boards' transactions. Customers are faced with choices about tariffs and methods of payment; they may have queries or complaints, for example about accounts, or meter-readings. Failure by a board's staff to deliver advice promptly, fully and accurately may result in or add to the number of complaints and even a loss of revenue.

### **Advisory services provided**

11.6 Although in theory any of the boards' staff may be called upon to give advice to customers, the opportunity for doing so differs markedly between different groups of staff. It was generally agreed by all four boards that shop staff were highly involved in giving advice but meter readers were not. The following paragraphs discuss the types of advice available at shops and local offices within each of the four board areas.

11.7 Customers of each board obtain advice from board offices by telephone, personal call or letter, and by personal call at one of the board's shops. Advice to all customers on payment methods and facilities is given on their bills and on follow-up correspondence. Additionally each board produces a range of leaflets which provide advice and information, including advice on the reference activities.

### **NEEB**

11.8 In NEEB the main points of customer contact are the board's shops and the customer service enquiry units (CSEUs) in the district offices. Both give full advice to customers about the whole range of the board's activities including those covered by the reference.

11.9 The board's 47 shops provide advice, particularly to domestic customers, on accounts, changes of tenancy, applications for supply, use of the Code of Practice and the organisation of special meter-readings. Continuous loop videos are used to provide information to customers.

11.10 The aim of NEEB's five CSEUs in the district offices is to provide an effective and consistent quality of telephone and written service to customers on all types of transaction with the board. Their staff are supported by a comprehensive telecommunications system that facilitates communications with both customers and other sections within the board. Also provided are visual display units (VDUs) to make up-to-date account data readily available to staff dealing with enquiries from customers. A few shops also have such VDU support.

11.11 Customers experiencing difficulty in paying their bills can obtain advice from the central debt control unit whose payment arrangements are agreed and confirmed.

11.12 Commercial staff make regular visits to commercial and industrial customers to advise on the efficient use of electricity and the most economic tariff. NEEB staff also organise seminars for special interest groups on such topics as agriculture, factory heating and heat recovery.

## **SEEB**

11.13 SEEB told us that advice to customers affects a large part of the board's daily business and many employees working in district administration departments are engaged on matters pertaining to customer service. Much of the time of staff working in the board's shops is also directed towards customer service and advice.

11.14 The board estimated that 9 per cent of the time of shop staff is engaged on giving advice on reference activities or on ways in which application for supply can be made. Each of the 77 shops has a telephone position linked to the district office through which a customer may make a free enquiry about an account or be advised on payment arrangements, often talking directly to the person responsible for accounts.

11.15 The board employs 18 home economics advisers to give advice on the use of electricity in the home. They visit customers individually and also talk to Women's Institutes and other organisations on the advantages of electricity and methods for using electricity more efficiently, particularly for space and water heating and for cooking. They give advice on tariffs and on ways to pay electricity bills. In addition there are staff within the energy sales sections of the district commercial office who, when dealing with new supply connections and the selection of tariffs, provide advice on the reference activities for approximately 5 per cent of their time.

11.16 Administrative staff in the board's district offices, provide advice in the course of their main tasks; contact with the customer is by letter and telephone, and information is available to the board's staff through VDUs. For example in obtaining payment of money due to the board, a debt collection clerk will need to provide advice associated with meter-reading, billing and collection. SEEB told us that this type of advice was an integral part of the job and any attempt to distinguish the advice element would be artificial. On occasions a debt collection clerk might be drawn into providing advice on the best choice of tariff. SEEB estimated that less than 5 per cent of time would be spent giving this form of advice.

11.17 SEEB staff also visit customers to discuss disputed energy accounts, to organise methods of payment and to suggest more economic tariff applications. Fifty to 90 visits per day are made.

## **EMEB**

11.18 None of EMEB's 75 shops are currently served by visual display units although the board is considering improving the present facilities. There are direct telephone links between shops and district offices for customers to use. EMEB has recently established trial 'advice and information centres' in three of its larger shops. The results of the trial will determine whether this facility is extended to other shops. EMEB assessed shop staff as having the highest involvement in providing advice to customers.

11.19 In the board's 15 district offices customer contact representatives, district energy sales staff and supplies section staff are mainly involved in providing advice through visits to customers' premises. Planned visits, as well as the provision of specific expert advice in response to individual enquiries, are also carried out by group and headquarters marketing, utilisation and tariff section staff. Board staff are also involved in planned talks to groups of customers and representative bodies like Age Concern, Rotary Clubs, Women's Institute and chambers of commerce. There is a regular involvement with local radio stations on 'talk-in' programmes and close liaison with local newspapers.

11.20 The customer enquiries, service and credit control assistants in district offices have ready access through VDUs to the particulars of meter-readings, billing and payment relating to individual customers, and their job requires them to provide advice.

## **SWEB**

11.21 SWEB considers the provision of advice to be an inherent feature of providing the electricity service. Advice is available across its full range of activities but, in relation to the reference activities, advice from staff is obtained mainly from the board's 78 shops and the commercial/customer records sections in local offices. Office-based staff are supported by comprehensive telecommunications and interactive VDU terminal systems which facilitate communications and provide up-to-date data to staff dealing with enquiries from customers. SWEB is currently considering the introduction of terminals into shops.

11.22 In each shop is a 'customer advice centre' from which customers may obtain advice leaflets and seek advice from staff; they may also use the free phone to make enquiries at the board's local offices. Notices are provided which describe payment methods and meter-reading. Through this system enquiries about accounts may be dealt with initially by shop staff or by customer records staff in the local office, the latter group taking over the more complicated matters.

11.23 Shop staff can deal with enquiries from domestic customers about the benefits of the Economy 7 tariff. Other simple tariff enquiries are handled by the local office staff. For more complex installations, including those where there is at present an off-peak tariff, the energy marketing staff in the area offices usually provide tariff advice, often by visiting the customer. Home Service Advisers and other energy marketing staff give talks to, and organise seminars for, special interest groups.

## **Customer care**

11.24 'Customer care', as described by the boards, is a programme of activities being pursued by each board to encourage its employees to deal with the customers in a sympathetic and caring manner. It aims to make sure that staff do not forget that it is the customer who comes first in all dealings. EMEB's concern for these matters is reflected in its creation of a Corporate Affairs Department responsible direct to the Chairman. One of its major functions is to study customer attitudes and develop customer care. A comprehensive review by its 'Customer Care Working Party' is currently in progress. SWEB has an inter-functional committee dealing with customer care and reporting to the Deputy Chairman.

11.25 Although customer care will address many simple aspects of dealings with customers, such as reducing delay and general inconvenience, it also aims to improve the manner in which staff deal with telephone calls, letters and personal visits, many of which will arise from situations in which the customer requires advice. Thus although the programmes were not initiated solely to improve advice, their success may be helpful to customers in this respect and should contribute to a reduction in the number of complaints.

## **General comments**

11.26 Whilst the arrangements of the four boards differ in detail the general need of customers for advice is similar. Appendix 11.1 provides an overview of activities and circumstances in which advice is provided on the reference activities. The result of advice may be specific action taken either by the board or by the customer. For example, a customer query concerning a meter-reading may well be resolved by reference to the customer's record, leaving the customer to complete his payment. If the query is not resolved the board may need to schedule a meter examination or initiate a more detailed on-site investigation. Any change in the circumstances of a customer that will affect the electricity supply arrangement, or indeed any transaction initiated by the boards with respect to a customer, may give rise to a need for advice. But unless—exceptionally—advice is the prime function of a particular group within the organisation, it is not designated as a cost centre by any board.

11.27 The boards are paying increasing attention to customer care and have in recent years been reorganising their arrangements for dealing with queries and complaints from customers. In particular they have set up enquiry units in district or local offices, and have introduced more sophisticated and expensive equipment including VDUs partly for this purpose. The boards have told us that they are able to assess whether or not the additional costs of these changes are justified purely on efficiency grounds.

## **Quantitative data provided**

11.28 Appendix 11.2 provides a summary of the quantitative data provided by the boards that is relevant to the discussion of advice and communications. Individual contributions made by SEEB and SWEB are shown in Appendices 11.3 and 11.4. There is a dearth of data on these subjects in all four boards.

11.29 Data provided on the number of staff engaged in giving advice to customers on the reference activities are incomplete and at most provide a rough indicator of the staff resource expended on advice. Thus SEEB indicated that the amount of time spent by its debt collection clerks giving advice incidental to their main task would be under 5 per cent. The same figure was given for office staff engaged in the meter-reading activity and also for staff in the consumer records section. SWEB made estimates of the total advice provided by its staff on reference activities, including advice given as part of their main function and incidental advice. On this basis it estimated 141 full-time equivalent staff engaged on giving advice. NEEB and EMEB were unable to provide similar data but did supply the additional data given in Appendices 11.5 and 11.6 which indicate the relative importance of different staff in providing advice.

11.30 Shop staff are a main provider of advice to customers on the reference activities. SEEB estimated that the time spent by all its shop staff in giving advice amounted to 35 full-time staff equivalents on such advice. Equivalent data provided for the shop staff in SWEB and EMEB were respectively 31 and 61. NEEB reported that the number of customer service tasks provided by its shops had increased from 1982-83 to 1983-84 by approximately 8 per cent.

11.31 Data provided in Appendix 11.2 on the number of telephone enquiries dealt with by NEEB's Customer Service Enquiry Units in 1983-84 show that the vast majority were concerned with customer movements and energy account queries.

11.32 NEEB reported issuing 71,000 leaflets per year on tariffs and 80,000 on general advice.

### **Measures of effectiveness**

11.33 Advice is a necessary activity in enabling the boards to conduct their daily business. The knock-on effect of failing to give advice or giving poor advice could be considerable. Thus a direct measure of effectiveness would relate to the following broad aims:

- (a) no opportunities to give advice are missed;
- (b) all advice given is both correct and complete; and
- (c) advice is correctly acted upon either by the customer or by the boards' staff.

However it is clearly at best very difficult to determine to what extent these aims are being achieved, except in so far as complaints are received about poor advice given or about alleged failure to deal with queries.

11.34 An apparently more tangible measure of effectiveness would be the nature and level of complaints made by customers, although at present the recording of representations or complaints does not allow complaints about the giving or availability of advice to be separately identified. Some boards told us that the number of complaints made represented the only quantifiable data on which their performance could be assessed. As to the levels of complaints in recent years, Appendix 11.7 shows the data recorded by the boards and that

provided independently by the consultative councils. It should be noted that the figures are not compiled on consistent bases. Most of the boards' figures represent complaints which they consider 'justified', but the interpretation of this definition varies between the boards. The figures for the consultative councils do not distinguish between 'justified' and other complaints or representations, but we were told that the councils differ in the ways in which they record complaints.

11.35 The figures in Appendix 11.7 dealing with complaints on accounts indicate how the level of such complaints is changing over time. Board figures for NEEB and SEEB have fallen but the SEE Consultative Council's figures have risen. The figures for EMEB show a consistent rise in the level of complaints whilst for SWEB the board's figures fall; the corresponding council's figures show little change. The difference may partly be due to the different ways in which the figures are compiled.

11.36 Since the numbers of customers served by the boards will influence the numbers of complaints, Table 11.1 shows for 1983-84 the figures in Appendix 11.7 for complaints on electricity accounts, expressed as complaints per 10,000 customers. Although the board's figures for EMEB are nearly twice the level of complaints shown for the other boards, the corresponding council's figures for EMEB are only half those shown by the councils for the other boards.

TABLE 11.1 Complaints per 10,000 customers for 1983-84

	<i>NEEB</i>	<i>SEEB</i>	<i>EMEB</i>	<i>SWEB</i>
Board	1.13	1.03	1.94	0.81
Consultative Council	3.42	3.70	1.69	3.50

*Source:* Derived by MMC from data provided by the area boards and the consultative councils.

11.37 The boards themselves argued that their figures for complaints implied a high degree of satisfaction among their customers with the services provided.

11.38 The National Association of Citizens Advice Bureaux (NACAB) provided at our request evidence of approaches or complaints made to the citizens advice bureaux about the supply of electricity or customers' problems in paying for it. The contribution of the bureaux in this field is acknowledged by a reference to them, as a source of advice, in the Code of Practice. The bureaux do not keep separate records of the types and numbers of complaints made about electricity supply and accounts. There is no means of knowing therefore how many complaints, including complaints about advice by the boards, are made to the bureaux but not covered in the figures provided by the boards or the consultative councils, and considered in the preceding paragraphs.

11.39 We suggested to the boards and the consultative councils that they should agree on a uniform arrangement for collecting, reconciling and publishing their respective statistics on customer complaints, which might make it easier to use the statistics as indicators of the boards' effectiveness in serving their customers, including the giving of advice on reference activities.

11.40 There was general agreement that the boards and the consultative councils should continue their close co-operation in dealing with these statistics. SWEB and SWECC told us that they had harmonized their statistics and that the monthly report to the board covered both sets of figures.

11.41 We were also told that the Electricity Consumers' Council, the national body representing the industry's customers, was trying to standardise the recording and publishing of statistics of complaints for all the area consultative councils, and that it then had in mind to discuss with the Electricity Council the possibility of some reconciliation between the industry's and the consultative councils' statistics. It was hoped that these efforts would lead to improvements in the interpretation and use of the statistics of customers's complaints.

### Conclusions

11.42 Many of the boards' staff involved in revenue collection spend part of their time in giving advice to customers or answering their queries or complaints. Those activities are integral parts of the primary tasks in which they are engaged. In the area, district or local offices in particular, staff are also dealing with queries or complaints not related to the reference activities. We acknowledge the difficulties facing the boards in dealing with our requests to provide estimates of staff time and of the costs involved in these activities. We accept that no useful purpose would be served by the boards' attempting to measure accurately, and on a routine basis, the staff time and the costs involved in giving advice or answering queries in connection with revenue collection and tariffs. But the boards should continue to satisfy themselves that any additional costs for these activities are justified on efficiency grounds.

11.43 We note the efforts being made to standardise the basis on which the consultative councils record and publish their statistics of customers' complaints. We hope that as a result of those efforts, and the continuing co-operation between the area boards and the consultative councils, these statistics will provide a better indication of the extent of customer satisfaction with the operation of the revenue collection systems of the boards, the advice given by the boards on revenue collection matters, and their effectiveness in dealing with customers' queries. In these further attempts to improve the value of statistics, the involvement of the Citizens Advice Bureaux with the area electricity consultative councils should not be overlooked.