



# Collaboration Network

In Partnership  
with

Special Interest Group

## Collections & Recoveries

30<sup>th</sup> April 2024

10am – 11.30am



Featuring

Money and Pensions Service

Ofgem





# Collaboration Network

Special Interest Group  
Collections & Recoveries

COEO

## Why the Collections & Recoveries Group?

- Based on feedback from Members
- A cross sector view of the challenges for for customers and colleagues
- An opportunity to collaborate to improve outcomes & approach
- A safe environment





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## Etiquette for Session

- Video on and sound off please (unless talking!)
- Name and Company Name via ...
- Add thoughts in the Chat function as we go
- Use the hands up if you'd like to comment
- Or jump in if there's a gap (after someone has finished!)



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## Today's Agenda

- Introductions
- Overcoming the challenges linked to engaging with customers in financial difficulty
  - The Motivations and Barriers of customers accessing debt advice – **Daniel Kelly, The Money and Pensions Service**
  - Research on the lived experiences of consumers in vulnerable circumstances – **Jonathan Mortimer, Ofgem**
- Open discussion – led by Ian Parry, Coeo



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Introduction from COEO

Pete Gent  
Director





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The Motivations and Barriers of customers  
accessing debt advice

Daniel Kelly  
Money and Pensions Service





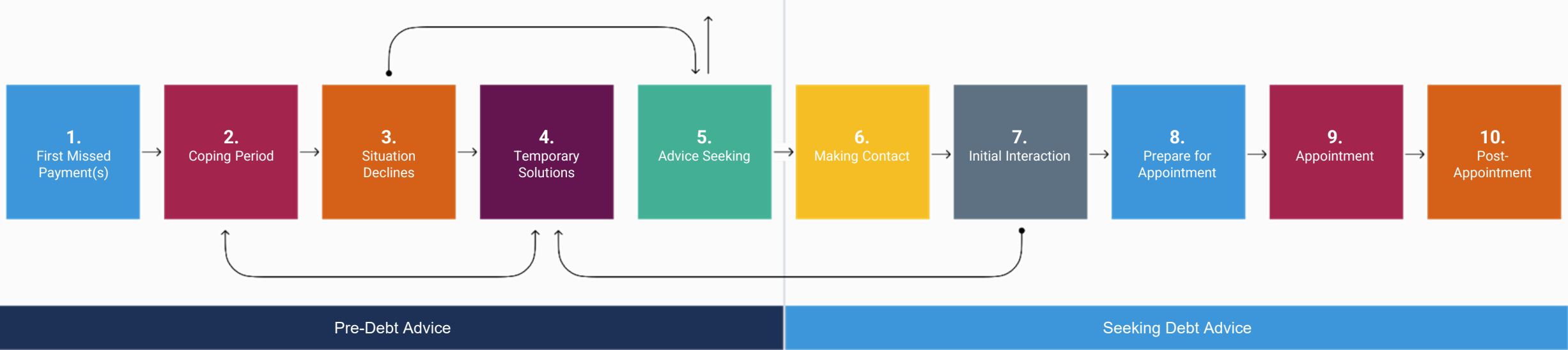


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Service

# The motivations and behaviours of people needing but not accessing debt advice

# There is a common user journey among non-customers

The user journey shows the cycle of debt that many people in our research experienced. We found ten steps divided into two distinct stages: pre-debt advice and seeking debt advice. People regularly move up and down the steps, making progress then falling back like snakes and ladders.





# Four overarching barriers to seeking debt advice

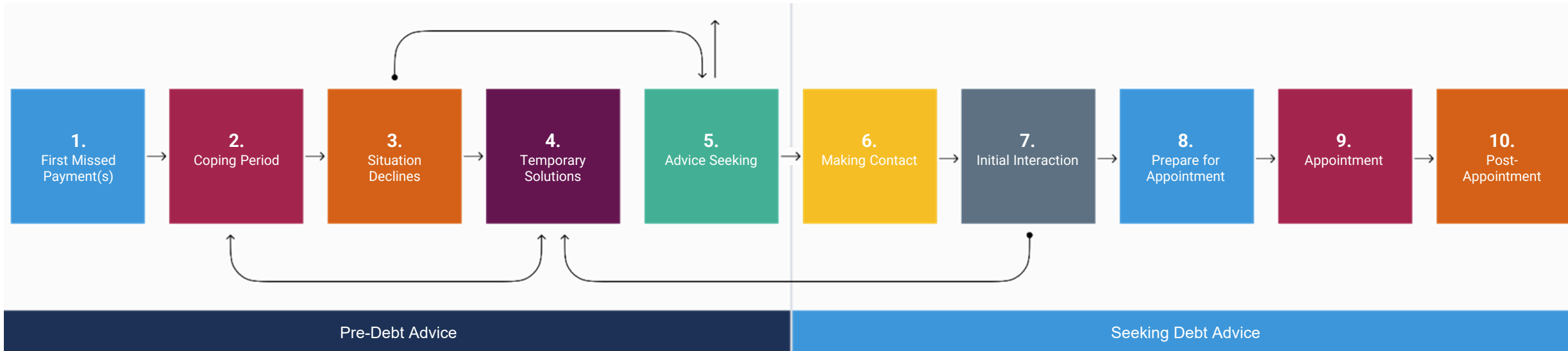
We identified two barriers that affected every step of the debt and advice seeking journey, and two barriers that are amplified for those with vulnerabilities.

1. People feel embarrassed about struggling with bills / debts / money problems

2. People find it too overwhelming when they start to think about dealing with their debts

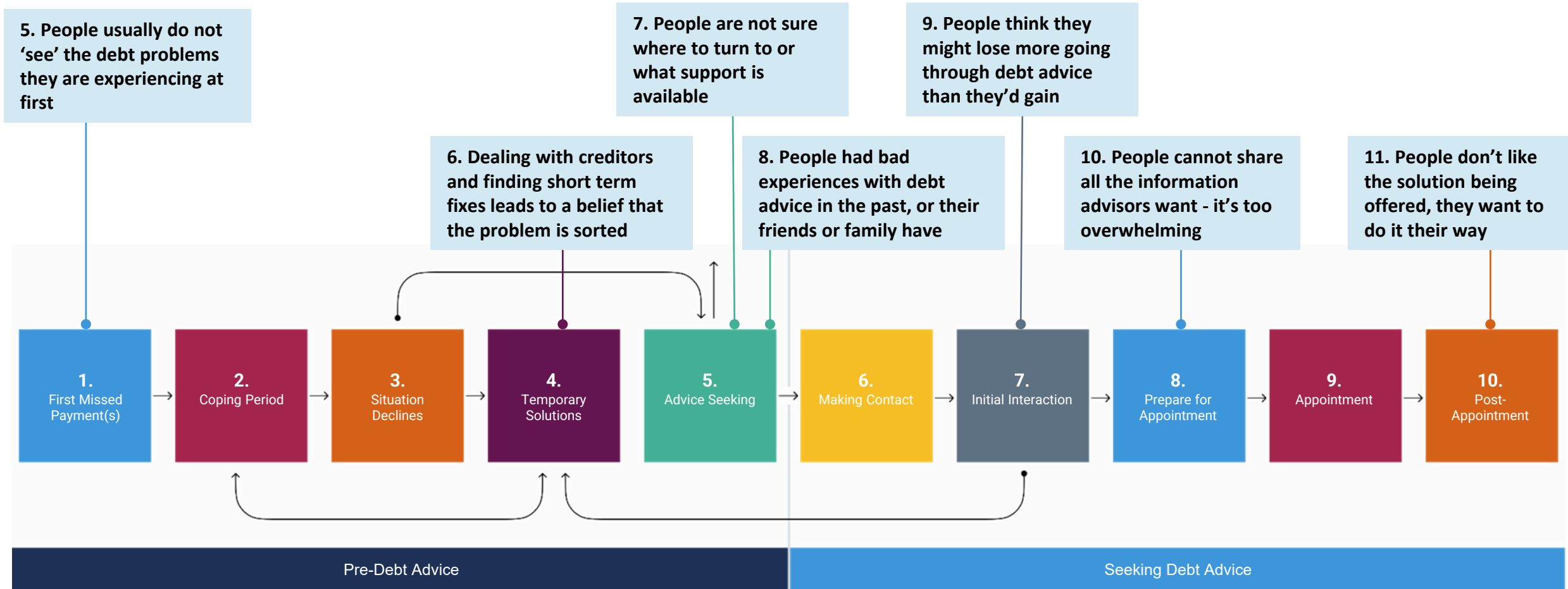
3. People with vulnerabilities often also have low (financial) literacy and confidence

4. When vulnerable people are juggling multiple challenges, debt is not always the priority



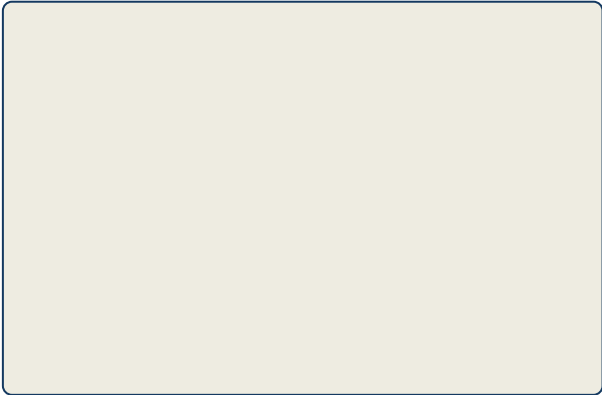
# Seven specific barriers to seeking debt advice

We identified seven other barriers that map along the debt advice journey.

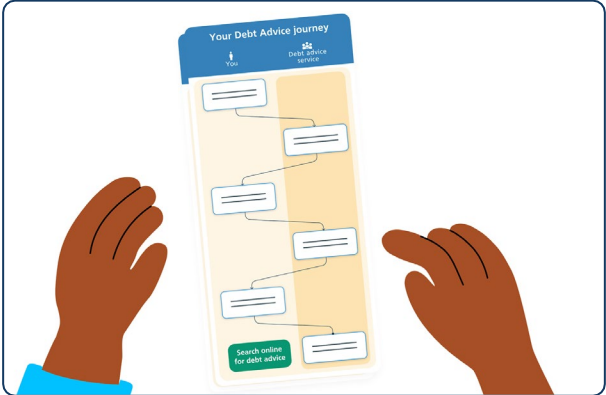


# We tested the journey map and money health checker in a simulation experiment

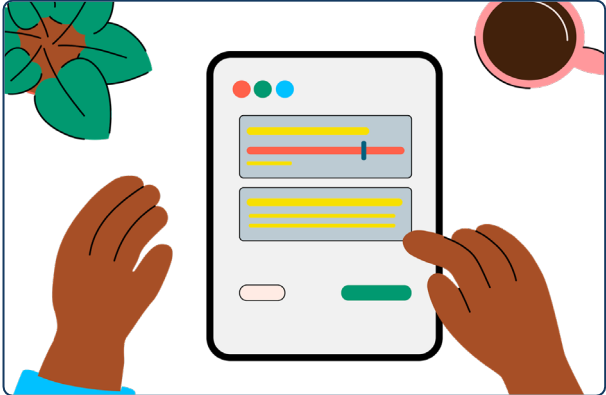
Participants were randomly allocated to one of three different paths in the simulation experiment.



**Control (no intervention)**



**Journey Map**



**Money Health Checker**

# Below is a snapshot of Triggers 4 to 6

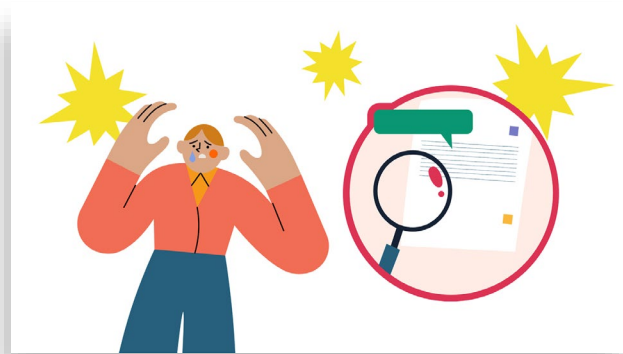
## Trigger 4



Your energy and phone bills are overdue and you are struggling to manage payments for food and other household essentials. It will be a few weeks before you can expect any income.

You receive a letter from your energy company which says that your electricity will be cut off in two weeks unless you pay the money you owe.

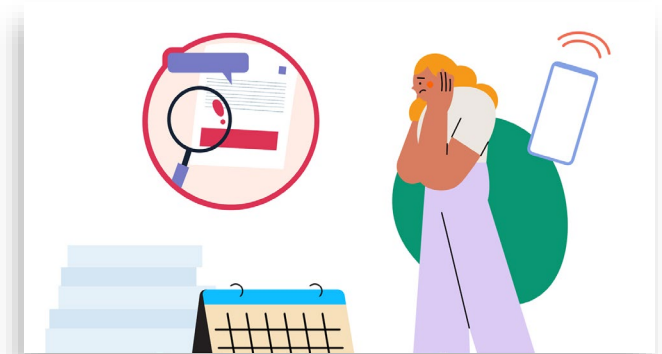
## Trigger 5



You have also had to deal with some unexpected expenditures recently, which have left you behind on more of your bills, including your council tax.

You receive a letter from the council, saying that they will take you to court if you do not repay the outstanding amount.

## Trigger 6



You are continuously receiving calls, letters, and messages about bills that are overdue.

One day, you receive a letter from one of your creditors that says you have two weeks to pay all of the money you owe, or an enforcement officer (sometimes referred to as a bailiff) will be sent to your home.

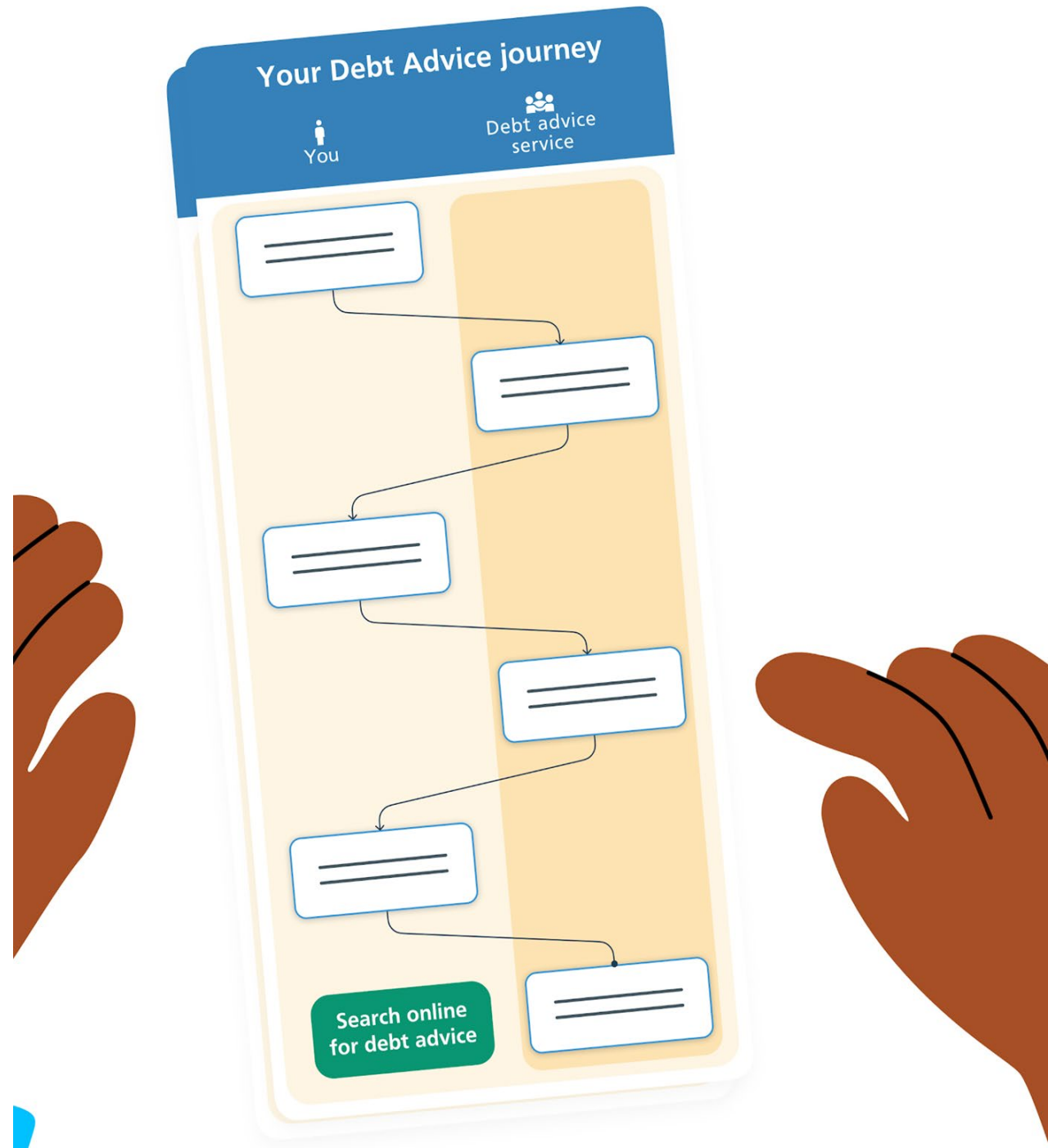
# Journey map

## What is it?

- Participants are guided through a simple overview of the journey through debt advice.
- The customer's autonomy in choosing solutions is made clear.

## Supporting insights

- Worry about what will happen during debt advice is an important barrier.
- People don't want to relinquish control of their finances.
- People worry that they will have solutions forced on them by the debt advisor.



# Money Health Checker

## What is it?

- Participants answer a few quick and simple questions about their 'money health'.
- They are then signposted to appropriate sources of support or information.

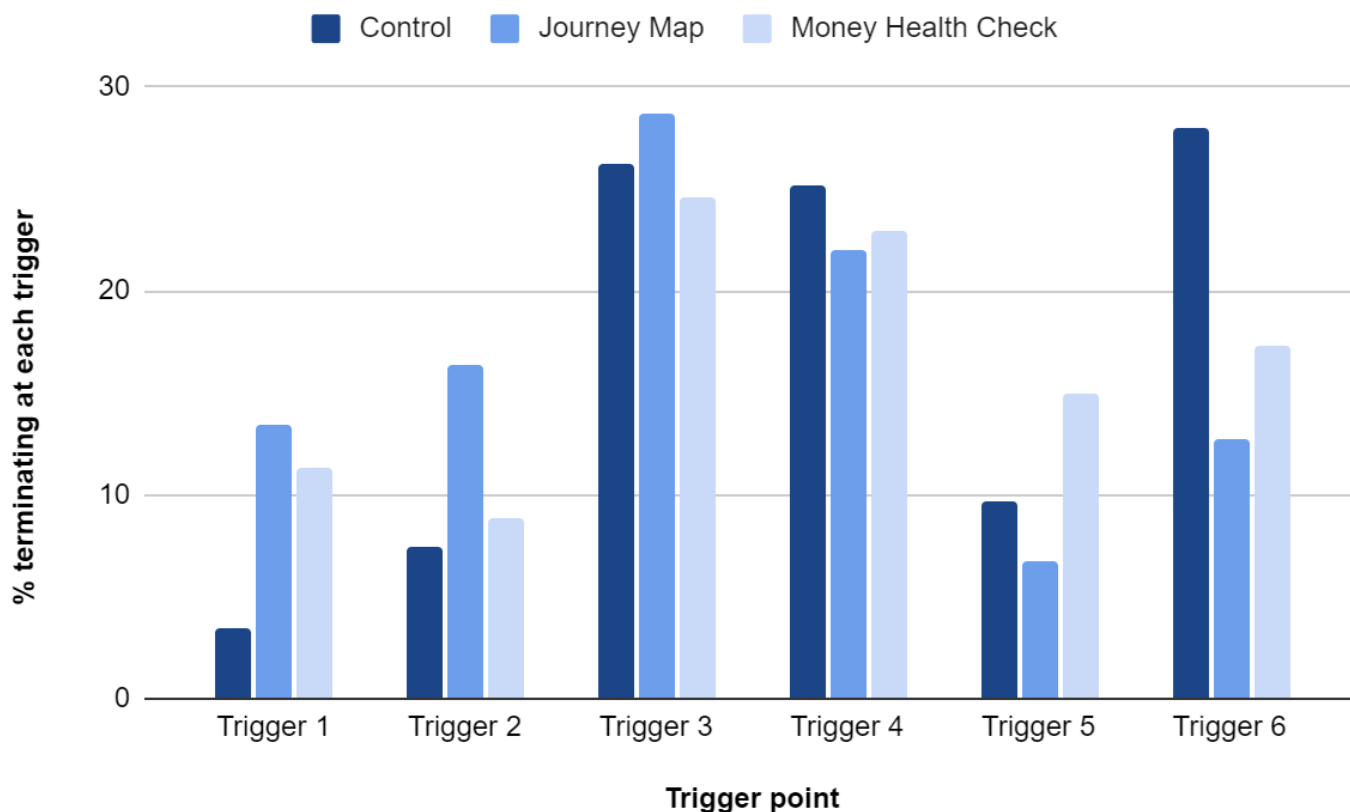
## Supporting insights

- Many people think that debt advice is for people 'worse off' than them.
- Many people lack awareness of the availability of free debt advice.
- Many people lack insight into their own financial situation, and fail to connect their own circumstances with 'debt'.



# Simulation experiment results

## Q2: Did the solutions encourage participants to seek debt advice *earlier* in the scenario?



- There was a statistically significant association between group and time-to-debt advice ( $p < .001$ )
- Participants in the Journey Map group sought debt advice earlier than participants in the Control group; they were more likely to seek debt advice at triggers 1 and 2, and less likely to seek debt advice at trigger 6
- Participants in the Money Health Checker group also sought debt advice more quickly than Control participants, though this effect was less pronounced.
- We observed no evidence that vulnerable participants were any more or less likely to seek debt advice within the simulated scenario.

Note: This analysis was conducted on the subset of participants who chose to seek debt advice at some point within the simulated scenario (n = 691)



# Overview of universal recommendations

In addition to the solution concepts, we identified seven sets of recommendations related to the different barriers and stages of debt advice.

1. Reframe debt advice and the role of debt advisors

2. Make the debt advice journey flexible for when life is challenging

3. Radically simplify the process

3. Create more pre-debt advice touchpoints

4. Increase understanding of the negative impact of quick fixes

5. Increase visibility of free debt advice services

6. Rebuild the relationship with debt advice and solutions

8. Educate people on what they will gain through debt advice

9. Give people more control of their journey





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# Thank you

[Daniel.Kelly@maps.org.uk](mailto:Daniel.Kelly@maps.org.uk)



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Research on the lived experiences of consumers in vulnerable  
circumstances

Jonathan Mortimer  
Ofgem

The Ofgem logo, consisting of the word "ofgem" in a lowercase, orange, sans-serif font, is centered within a white circle. The circle has a multi-colored border with shades of blue, purple, and pink.






ofgem

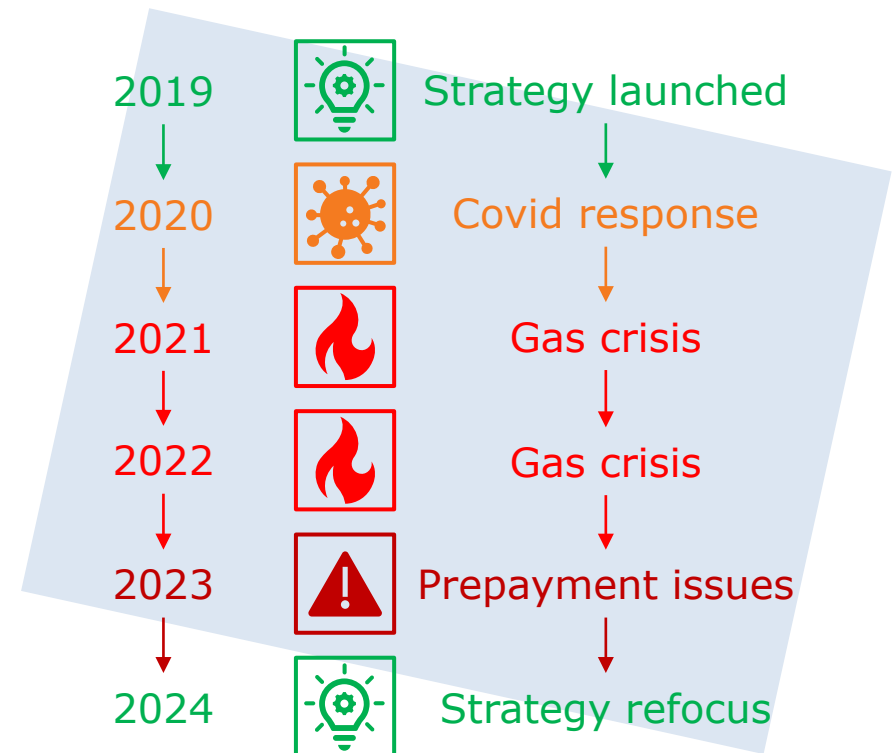
# Understanding the lived experiences of consumers in vulnerable circumstances



- In 2019 Ofgem published our [Consumer Vulnerability Strategy 2025](#)
- Over recent years there has been a need to prioritise work such as our response to the pandemic and gas crisis
- In early 2024 we looked at the future of our vulnerability strategy, which included direct consumer research.

Below statistics provide an indication of some different vulnerable groups

|   |   |   |   |   |
|---|---|---|---|---|
|  |  |  |  |  |
| 19%   | 11%   | 24%   | 32%   | 10.2m   |
| of England & Wales population aged 65+  | of GB have a child under 5 in their household                                     | of GB experience financial vulnerability  | of GB have a LT health problem or disability in household                         | people in UK are digitally excluded   |
| ( <a href="#">ONS</a> )   | (Ofgem)   | ( <a href="#">ONS</a> )   | (Ofgem)   | ( <a href="#">Good Things Foundation</a> )  |



- In Jan-24 & Feb-24 we engaged with a wide range of people to understand next steps for the strategy
- This included commissioning direct consumer research, with fieldwork taking place in Feb-24



## Objectives

Understand and explore:

- The **lived experience** of vulnerable consumers
- The role that energy plays in their lives
- Experiences of existing support and engagement with their energy suppliers
- The key needs of people with different vulnerabilities
- Potential spaces for improvement in the support they receive.

## Approach

Qualitative approach engaging 40 people:

- x30 digitally engaged:
  - 2-week moderated diary tasks
- x10 digitally disengaged
  - 2-week paper-based diary
  - Depth interview

Through this research we also engaged **seldom heard** participants.

- Vulnerability can be complex; people’s health, finances and life circumstances change over time, often suddenly
- Affordability is foremost in vulnerable consumers’ minds when they think about energy.

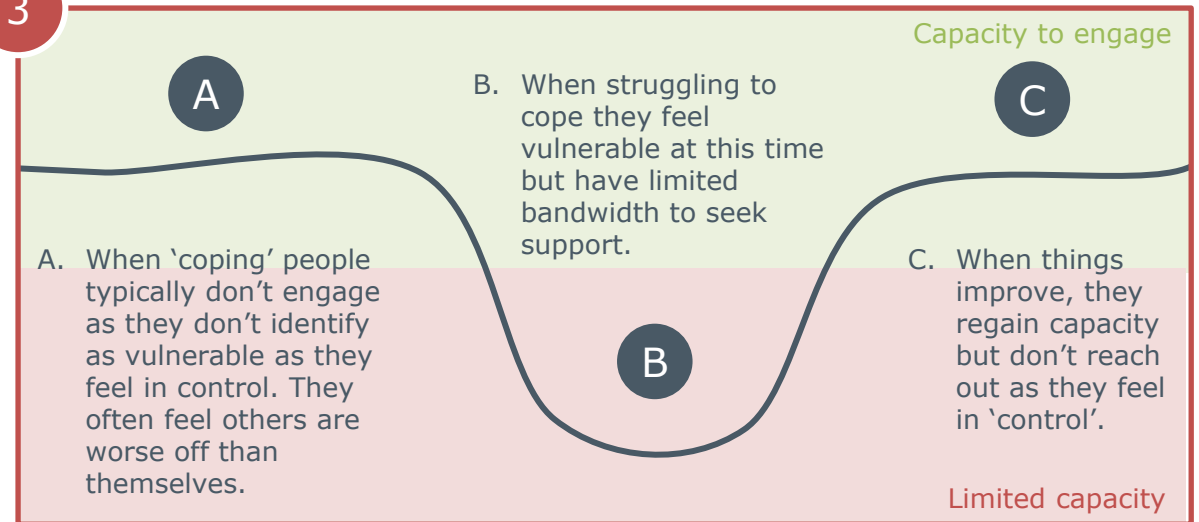
1

Vulnerability can be multi-layered and dynamic

2

People do not always identify as vulnerable

3



**Nicky\***

Nicky is in her 30s and is studying at the Open University but isn't currently working. She suffers from depression, anxiety and panic attacks as well as chronic pain. Nicky has previously experience substance misuse and has recently been released from prison. She is experiencing lots of change and uncertainty in her life. She is very aware that any increase in energy prices will cause her to struggle to pay her bills.



**Alan\***

Alan (80s) recently suffered a series of mini strokes that left him with vascular dementia. Linda (70s) provides care for Alan on a daily basis as he struggles with cognitive processing. He has difficulty keeping warm as a result of the strokes and attends a 'warm hub'; a warm room with drinks and food. This means he & Linda don't need to worry about heating their home these days. Despite their age & health, they feel they are coping well and don't need support.



**Bob\***

Bob's condition means his temperature isn't well regulated. "My husband and I adopted 2 brothers almost 6 years ago...they have severe behavioural & emotional challenges." He knows his supplier has a great support scheme. "I'm trying to apply...it's really tough when I don't have the capacity...once I'm home from work, fed my family and the kids are in bed. I don't have the headspace for it."

\*participant names changed



- There are a range of individual factors that shape attitudes and behaviours of vulnerable consumers
- Low expectations of support, coupled with limited bandwidth can drive detrimental behaviours.

## Expectations & attitudes

- Assume help won't be available to them
- Want help with querying & paying bills
- Unless had a positive experience before, expect the experience to be negative



Claire\*

Claire is a single mother living with her 2 sons, aged 5 & 9. She suffers from anxiety & depression. Her experience of using emergency credit causes high levels of stress. When the money gets low, she **keeps the house cold** and has begun selling items in order to buy essentials.

She feels talked down to by her supplier when she called up to ask for advanced credit and **felt 'belittled'** by the staff, making her feel worse. She was already **embarrassed** to ask for help. She **felt pressured** to pay it back in one go, which was a real struggle for her. This led Claire to think that energy companies don't care about their customers.

## Behaviours

- Can adopt behaviours that impact on health
- Barriers can prevent some from telling their supplier about their circumstances
- Less likely to engage in energy generally



*"I didn't reach out...I didn't think there would be any support when I was so deep in debt & not working. I chose to ignore it & it got much worse rather than be honest & ask for help. I was in a very negative place in my life, feeling there was no way out & no one wanted to help me...I buried my head in the sand."*



*"When my family is already struggling & I am finding it hard to even focus on dinner, completing an application (for financial support) within a certain time frame can be challenging."*

## Perceptions:

### Positive previous experiences

- *"Energy companies represent their customers as they might their families"*
- *"They're like a solid armchair that's always been there."*
- *"They keep me warm & snug"*

## Perceptions:

### Negative previous experiences

- *"I feel they are preying on the needs of people"*
- *"I think all suppliers, including my own, are greedy"*
- *"They don't care about their customers. They only care about profit."*



Most participants have not tried to access support before, in particular those who are digitally disengaged



For those that had, financial support is most often requested. This includes understanding why bills have gone up



Typically, those who had sought support said the experience was positive & they expect this will be the same next time



The more negative experiences were due to the time it took to speak with someone and/or get the issue resolved



Not knowing that help is out there, or that their energy supplier can help *someone like them* can be a significant barrier



Asking for help is perceived as a long process, with a sense that they'll just be "waiting in a call centre"



Feelings of embarrassment or shame can also put people off from notifying their supplier of their situation or asking for help



A lack of capacity at the point of need is a major barrier to seeking & engaging with help

- At a high-level, the needs we heard from vulnerable consumers are not unlike the needs of non-vulnerable
- However, they have more barriers to meeting these needs, and the impact of not meeting these is bigger.

Affordable energy & advice on bills & future-proofing home

Being able to heat their home when it is cold

Uninterrupted supply of energy

Receiving a good service



"I live by myself and I don't put the heating on unless my grandchild comes round."



"I have COPD (Chronic Obstructive Pulmonary Disease). I only put the heating on in the lounge. I don't have it on in the bedroom, but I've got to keep warm. If it's cold, I start coughing badly & need my inhaler."



David\*

David is on the [Priority Services Register](#) due to his health. "An unavailable energy supply would be chaos. **No heat would mean hospitalisation** for me, and no electricity would mean I can't keep my medicines fresh. I also have a son with cancer & fibromyalgia who is affected by the cold & a 3-month-old granddaughter living in the house. **If I get into any trouble, I can talk to them via WhatsApp.** If there is a power cut, I get a phone call telling me what's going on."

"I needed help with my bills being so high & struggling to understand why. I feel like if you have a disability or struggle to understand they don't care."



- Beyond the core needs on the previous slide, there are some minor differences amongst different groups.



### Parents with children under 5

- Cost is most important as on a tight budget
- Any increase needs to be taken from somewhere else
- Energy is essential to providing their children with a basic standard of living



### With disabilities or LT health conditions

- Uninterrupted supply & receiving support during difficult times particularly important
- Keeping medications cool & equipment functional is a must



### Aged over 70

- Uninterrupted supply is very important
- To know they're getting value for money
- Responsive customer service



### Financial vulnerabilities

- Cost of energy is front & centre of mind
- Any increase is a challenge as already struggling to afford the basics & have competing financial demands



### Digitally disengaged

- Need more proactive communication as fewer options to find information out
- Otherwise, needs are largely the same
- There is a spectrum of digital disengagement



### Seldom heard

- Point at which support is needed is likely to arrive much earlier
- Participant in this group can be more likely to miss payments or go into debt

- Participants identify a number of areas where they feel their needs aren't being met
- The cost of energy remains a key issue for many, along with knowing what help is available *for them*.

## Cost of energy

- Do not seek financial support from 'official' places
- Would value 'saving sessions'

## Comfortable home

- People are making sacrifices that have a detrimental impact on them

## Uninterrupted supply

- Not front-of mind
- In this research, support was felt to be good

## Receiving a good service

- Access to support can be streamlined
- There can still be a lack of empathy



Dan\*

Dan began to struggle financially during the 2020 covid lockdown. He slipped back into **substance misuse** (which had previously been a problem for him) & this became his priority over his finances. He is now living with his sister & her husband. Despite being currently out of work, he has **good support around him** & is in a much more positive place. As a result, he **no longer feels like he needs support** from his energy supplier.

## Opportunities...

- How can we help to reduce the burden on vulnerable people who may be going through significant life events?
- How can we work with other regulated sectors to streamline this for people?
- How can we increase awareness & visibility of support at the point of need? (when people also have limited bandwidth to engage)



*"I feel the staff could be more compassionate. The way they talk to you is just not okay. They talk down to you which I find belittling, especially as you feel embarrassed as [you are] asking for help"*



## Lived experiences of vulnerable consumers

- Vulnerability is complex and dynamic
- Regardless of circumstances, participants rarely self-identify as vulnerable



## Role that energy plays in consumers' lives

- Energy forms a large part of people's basic needs
- The role of energy has increased significance for certain vulnerable groups



## Experiences of support & engagement with suppliers

- Managing & understanding energy bills is a key concern for financially vulnerable
- Expectations of support are low, which acts as a barrier to accessing help when it is needed



## Key needs of consumers with a range of vulnerabilities

- Financial support is the main priority for participants
- The most vulnerable feel the complexity of their circumstances may require a more personalised approach



## Opportunities to do more

- There is a strong desire for proactive, empathetic & easily accessible customer service
- Longer term, there is some appetite for support to help vulnerable consumers transition towards net zero

- We are finalising a detailed research report and planning out what the next phase of research looks like
- Our [Forward Work Programme](#) sets out our high-level milestones to get to a finalised, updated strategy
- The outcomes we want to see will have a narrower focus and be more relevant to immediate priorities.



**Retain a theme-based approach with the new strategy**



**Narrow the focus of the strategy to more immediate priorities**



**Aiming for a new strategy in place early 2025**



# Questions

**Ofgem is the Office of Gas and Electricity Markets. We are a non-ministerial government department and an independent National Regulatory Authority, recognised by EU Directives. Our role is to protect consumers now and in the future by working to deliver a greener, fairer energy system.**

**We do this by:**

- **working with Government, industry and consumer groups to deliver a net zero economy at the lowest cost to consumers.**
- **stamping out sharp and bad practice, ensuring fair treatment for all consumers, especially the vulnerable.**
- **enabling competition and innovation, which drives down prices and results in new products and services for consumers.**



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## Discussion Questions

Ian Parry

Director of External Affairs  
COEO





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## Discussion questions

- What strategies do you use to engage customers in financial difficulty?
- How do you currently share what support you offer with customers?
- After today's insights from MaPS and Ofgem, what changes could you take back to the business to increase engagement with customers?



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What's Ahead...

 Collaboration Network

The **CX Lounge**

**Q:** How do you ensure CX is commercially appreciated?

90 Minute Discussion Club Series

Online

7th May 2024 | 09.30 - 11.00



**Guest Chair**

Rebecca Brooks-Daw  
Senior CX Manager  
AXA Health

# Complaints Training Series Module 2: Communication & Ease of Complaining

In Partnership with Equiniti



- Insight & Overview from Ofgem
- Expert Led Workshop with Neil Martin from The First Word
- Presentation: Making Complaining Easier (and Smoother) with Professor Moira Clark
- Insight & Case Study from Equiniti
- Sharing of Best Practice





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# Complaints

*Coffee Club*



In Partnership with

## Aptean Respond

Complaints Management | Reducing Risk, Enhancing Customer Experiences

Guest Chair

Kate Robbins

Head of Customer Policy

Wessex Water

**Q:** "What insight do you have from customers with extra needs, or organisations that represent them, about their expectations for complaint management?"



14th May 2024 | 09.30 - 11.00

Online via Zoom



Partner Webinar:

# Transforming Complaints Data into Your Competitive Advantage

Join us as we walk through insights into leveraging complaints data effectively by:

- Adopting a Proactive Approach to Complaints Management
- Increasing your FPOC Resolution
- Reducing costs through effective FOS Processes
- Increasing speed to resolution/PBO/PCO

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- Update from the FCA
- Update from the FOS
- Industry Expert Presentation
- Facilitated Breakout Rooms
- Sharing of Best Practice
- Cross-Industry Insights

# Consumer Duty

## Complaints Handling & Consumer Duty



This May, we will continue to collaborate on the FCA's Consumer Duty within Financial Services. Our latest session will see a collaborative response from the FCA and the FOS on the impact Consumer Duty has had in Complaints Handling.

### Featuring





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# Financial Fraud & Scams



Session led by  
Arun Chauhan from Tenet Law

“Tell me and I forget. Teach me and I remember. How we can improve our education of customers about fraud risk”

29th May 2024

10.00 - 11.00

Online



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VULNERABILITY

WEEK UK 2024

# 25 Mile Charity Walk

## 5th July 2024

### Rochester, Kent

In partnership with



south  
east  
water

*Be part of the walk*

*Donate to support terminally  
ill children & their families*

Proudly  
Supporting



# demelza

extraordinary care for extraordinary children



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# Vulnerability Summit 2024

3rd July 2024 | 09.00 – 16.30  
BSI, Davy Avenue Knowlhill, Milton Keynes MK5 8PP

Sponsored by



A full day dedicated to overcoming vulnerability challenges across sectors.

Speakers from:



British Standards Institution



Nationwide



Money Advice Trust



NFU Mutual



HM Treasury



Royal London



Sovereign Network Group



Independent Age



StepChange Debt Charity



Helen Pettifer Training



# Collaboration Network

## Annual Conference & Awards Ceremony 2024

Royal Leonardo Hotel, London | 2nd October 2024

Featuring speakers from:



Northumbrian  
Water Group



Starling  
Bank



Financial  
Ombudsman  
Service



Barking &  
Dagenham  
Borough



HM Treasury



Monzo



Further  
Coaching



City Mental  
Health Alliance



Virgin Media O2



Money & Pensions  
Service



Northern Gas  
Networks



Nationwide



FCA



Alzheimer's  
Society



Brainfood  
Consulting



DeAnna Avis



EARLY BIRD TICKETS NOW AVAILABLE

Our Partners





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*Together, we can go further*

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