
Kensington & Chelsea Community Enterprises CIC

Switching household energy tariffs – an action research study



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**In partnership with A Moveable Feast, Age UK
Kensington & Chelsea, Nucleus Legal Advice Centre and
London South Bank University**

**Commissioned by NHS Hammersmith & Fulham, NHS
Kensington & Chelsea and NHS Westminster**

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Executive Summary

An independent study was carried out by a partnership of Central & West London based charities on behalf of the local NHS. The study was commissioned as part of a programme of work looking at the wider determinants of health, - i.e. non-health factors that affect people's health, one of which is fuel poverty.

The purpose of the research was to look at whether supporting people to better understand the domestic energy market would result in people changing their suppliers or tariffs, and therefore reduce their household expenditure, and thereby alleviate a factor that can lead to poverty.

The specific research objectives were:

1. To provide independent tariff advice to 150 vulnerable households (older people, black & minority ethnic (BME) groups and young families) in the three boroughs
2. To assess whether independent tariff advice has better outcomes than the deals households would have found on their own – savings, confidence etc.
3. To explore residents ambivalence to changing tariffs (including barriers)
4. To identify any particular themes that are relevant to the three groups (BME communities, people aged 75 plus and families with young children).

151 households took part in the study. Those people were from demographic groups considered to be 'disadvantaged', those facing additional barriers or more highly affected by fuel poverty: people over 75 years of age, people from black and minority ethnic (BME) communities and families with young children.

The participants represented a group for whom making savings to their living expenses was very important. Virtually none of the sample had savings and 62% reported having debts. At least half were struggling financially and average weekly income was £230.

The research methodology chosen for this study, Participative Action Research (PAR), involved training community researchers in the subject area and the researchers going into their communities and conducting one-to-one face-to-face interviews with their peers. The researchers were also involved in the design of the interview questionnaire. This proved to be a particularly effective way of reaching those for whom saving money could make a real impact, as the advice given came from peers, and in some cases, people who themselves had experience of financial hardship.

The research coordinator was an academic researcher based at London South Bank University (LSBU), who also provided ethical approval.

The study concluded that the provision of independent tariff advice does indeed have better outcomes than the deals that people would find on their own. The most common action taken during the project was speaking to an advisor; few participants searched for deals unaided. A total of 19 participants tried to switch during the project, 13 did switch, mainly

young families, with anticipated savings of between £20 and £150 a year. Around 14 participants are thought to have attempted switching since the project.

The main barrier to switching for these demographic groups was ambivalence due to lack of interest or time, or having other financial or family priorities. Other important barriers were scepticism regarding the benefits, provider loyalty or trust and a lack of knowledge. Participants reported finding the issue of tariff switching complex; for many this deterred them from even considering switching or meant they were unable to switch unaided.

A number of themes emerged that were distinct to the specific demographic groups – for example with older people provider loyalty, apathy and scepticism were important. Young families were most likely to switch during the project. The black and ethnic minority (BME) group were more likely to consider switching but relied on informal information, in some cases delivered in their own language.

The study produced a number of recommendations (section 10, page 26) for public health commissioners, for voluntary organisations and for the industry. The main thrust of the recommendations is that the provision of clear, personalised information and support greatly increases the likelihood of people switching suppliers or tariffs. Also, working with voluntary and community organisations is an effective way to reach those in the community that are facing particular barriers or disadvantages.

The findings from this study support current recommendations from the Government, Ofgem and Age UK on empowering consumers by providing information, advice and advocacy, particularly in complex markets such as energy.

1. Terms used in this report

Voluntary and community organisations (VCOs)	The charities which formed the partnership for the project
Research coordinator	Academic researcher Dr Ava Lorenc based at London South Bank University, who oversaw the design and delivery of the research methodology
Researchers	Individual volunteers recruited by the partner organisations (VCOs), who conducted and wrote up the interviews with the participants
Participants	Members of the public, people from the local community who were invited to take part in the study
Intervention	The whole process of conducting two interviews with participants and provision of independent written information and some guidance on where to go for further help and advice
PAR	Participatory Action Research
BME	Black and Minority Ethnic
H&F	Hammersmith & Fulham (London Borough)
K&C	Kensington & Chelsea (Royal Borough)

2. Background

This project was commissioned and funded by Inner North-West London NHS Primary Care Trusts (INWL) which covers Westminster, Kensington & Chelsea and Hammersmith & Fulham. The following background is from their tender document.

People are living in fuel poverty if they are spending more than 10% of their disposable income on heating costs. Mortality in England rises 18% during the winter months, whereas other, colder, countries have smaller increases.

Fuel poverty was recently highlighted in the Chief Medical Officer of Health's Annual Report¹ as a preventable condition that can kill as many as 50,000 people during a bad winter.

Fuel poverty disproportionately affects households containing vulnerable people (the elderly, children and those with a disability or long-term illness). Sustainable and evidence-based action to address fuel poverty will demonstrate INWL's commitment to reducing health inequalities in the borough.

According to the Department of Energy and Climate Change (DECC), the estimated number of households in fuel poverty in the UK rose between 2006 and 2007 by 0.5 million, to stand at around 4 million (around 16 per cent of all households)². These figures were from their 2009 annual report on fuel poverty statistics and it is worth noting that these do not include the impact of the recession and rising fuel costs.

K&C is estimated to have a higher percentage of households living in fuel poverty compared to the London and England. DECC estimate that 8.3% of London households and 11.5% of England households are fuel poor. K&C's rate is 12.6%.³

According to Environmental Officers in the three boroughs, many local residents struggle to switch tariffs on their own, despite the plethora of switching sites available to them. Anecdotally, they believe that people from BME backgrounds whose first language is not English, and older people are the two groups who are least likely to switch.

Surveys support this, showing that vulnerable people such as older people and those on low incomes are particularly disadvantaged in the energy market⁴.

¹ Department of Health – 2009 Annual Report of the Chief Medical Officer --
http://www.dh.gov.uk/prod_consum_dh/groups/dh_digitalassets/@dh/@en/@ps/documents/digitalasset/dh_114012.pdf

² Department of Energy and Climate Change – Annual report on Fuel Poverty Statistics, 2009 --
http://www.decc.gov.uk/en/content/cms/statistics/fuelpov_stats/fuelpov_stats.aspx

³ Department of Energy and Climate Change – Local authority fuel poverty levels, 2006 --
http://www.decc.gov.uk/en/content/cms/statistics/fuelpov_stats/regional/regional.aspx

⁴ Ipsos MORI Report on the 2009 Consumer Conditions Survey for Consumer Focus;
Ofgem 2008 Energy Supply Probe.

3. Methods

This was a Participatory Action Research (PAR) study. PAR is based on the principle that researchers work with communities in a way that leads to action for change. It also aims to create knowledge while trying to change what is being investigated and seeks to understand and improve the world by changing it.

The overall aim of this project was to examine the impact of expert tariff advice on local peoples' likelihood to, and success in, switching energy tariffs to more suitable packages.

The specific questions ("objectives") were:

1. To provide independent tariff advice to 150 vulnerable households (older people, BME and young families) in the three boroughs
2. To assess whether independent tariff advice has better outcomes than the deals households would have found on their own – savings, confidence etc.
3. To explore residents ambivalence to changing tariffs (including barriers)
4. To identify any particular themes that are relevant to the three groups (BME communities, people aged 75 plus and families with young children).

Three voluntary and community organisations (VCOs) took part in the project – Nucleus Legal Advice Centre⁵, A Moveable Feast (AMF)⁶ and Age UK Kensington & Chelsea⁷. Each VCO identified 3 to 6 researchers, from existing volunteers.

Three training sessions were provided for the researchers, covering general principles of advising about debt, information about energy tariffs and training in use of Participative Action Research. Part of the training involved the researchers themselves designing the interview questions. As an action research approach was taken, sessions were interactive with the researchers acting as collaborators, for example an interim meeting was held to discuss ongoing analysis with researchers. A project management group met regularly over the project to monitor progress and ensure standards were met.

151 participants were recruited to take part in the study. The three collaborating VCOs (Nucleus/Age Concern/AMF) each recruited between 49 and 52 people. Recruitment was through writing to existing clients, asking current service users at appointments, outreach events, identifying individuals from the service database and 'snowballing' (participants

⁵ Nucleus Legal Advice Centre is a voluntary organisation providing free legal advice, assistance and representation in the Royal Borough of Kensington and Chelsea, in particular in the Earl's Court area.
www.nucleus.org.uk

⁶ A Moveable Feast is a social enterprise based in south Westminster offering expert health and well-being services primarily to local Arabic & Bangladeshi communities
<http://www.moveablefeast.Originationinsite.com>

⁷ Age UK Kensington & Chelsea is a local organisation (affiliated to the national Age UK network) supporting older people to remain independent. A wide range of health, well-being, education and social care services are delivered at community venues and in clients' homes
<http://www.ageuk.org.uk/kensingtonandchelsea>

invited their friends/family). Potential participants were contacted by phone, letter or face-to-face.

Sampling aimed for an equal spread across the three boroughs and for 50 people from BME communities, 50 people aged 75 and over and 50 families with young children.

Exclusion criteria were:

- Under 16 years of age
- Unable to provide informed consent due to language or mental health problems
- Not resident in Westminster, Kensington & Chelsea or Hammersmith & Fulham.

Before each interview, the researcher provided participants with an information sheet about the research project and asked the participant to sign a consent form to take part (see Appendix). Researchers read out the information to those participants with limited literacy or English language ability.

The researchers gave each participant a unique code, and only this code was used when submitting the interview data for analysis. Therefore all participants were anonymous apart from to the researcher that interviewed them.

The researchers met with participants on two occasions:

1. The first time to interview the participants about their current energy supplier, current financial situation, previous experience of tariff-switching, barriers to switching and to provide the 'intervention' (advice on tariff-switching and printed materials, access to websites and details of services available). Participants completed a demographic questionnaire.
2. The second time to interview participants about how useful they found the first meeting and the information given, what other information they have accessed in the meantime, how they felt about the intervention e.g. more confident, what barriers they feel exist to them changing tariffs and what they still need to help them make a decision.

Interviews took between 30mins and 45mins although some were up to 2 hours. Those who spoke a first language other than English had translation available where this was within the VCO's usual procedures. In some cases the second interview was conducted by telephone.

On completion of the second interview, each participant received a £10 retail voucher as an incentive for taking part. Interviewers kept a reflective log throughout.

Data was collected by a number of methods:

- Interview questionnaire administered by researcher (see Appendix)
- Researchers' case notes for each participant
- A demographic questionnaire for each participant
- Researchers' reflections during the project, from their logs and from feedback in meetings.

The researchers entered the data using a 'Survey Monkey' online database. Data was analysed thematically and collaboratively between the research coordinator Dr Lorenc and the researchers. The research coordinator also entered quantitative data into SPSS software and analysed it using descriptive statistics and chi-squared tests where appropriate.

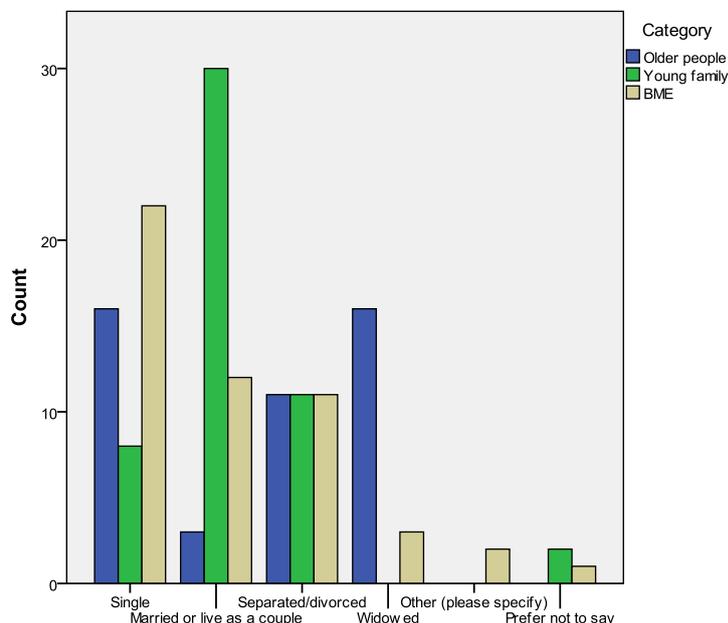
4. Participants

Fourteen researchers took part, from three different VCOs. They each interviewed between 3 and 25 participants, with most interviewing between 10 and 12. Exact figures on numbers of people approached and recruited are not available, but it is thought that between 20% and 50% (different for the different VCOs) of those invited took part.

A total of 151 people were interviewed (49 from AMF, 50 from Age UK and 52 from Nucleus). Participants were allocated to one of three groups for analysis: 47 older people over 75 years, 51 young families, 51 BME (Black and Minority Ethnic) groups (2 were missing demographics). Four of the researchers conducted all or some of their interviews in a language other than English – this does not appear to have affected the results regarding switching. 60% were from Kensington and Chelsea, 36% from Westminster (nearly all from AMF) and 6 from Hammersmith and Fulham. Four participants did not return for their second interview, giving a total of 147 second interviews. Drop out was thought to be due to scepticism of the benefit of the study, especially for those who were adamant they would not switch provider/tariff. 2 people could not be contacted.

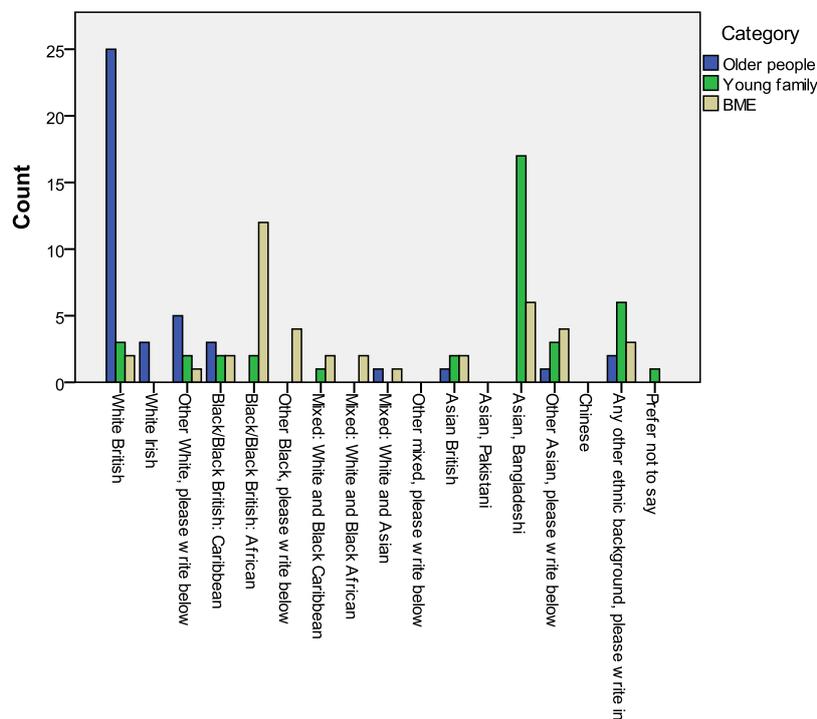
Of the total sample, the majority were female (75%). Marital status was varied with 31% single, 30% married, 22% separated and 13% widowed (see Figure 1). Education was also diverse, with 19% finishing before 14 years or not attending school (most likely older people, $p < 0.001$) and 40% finishing school at 19 years or over. 31% were currently not working, 38% retired (46 of the 47 older people), 17% working and 14% studying.

Figure 1: Marital status



The majority were not White British - 21% White British, with a range of other ethnic groups including 15% Bangladeshi, 9% Black African, 8% Somalian. Those interviewed by AMF were mainly Bangladeshi (74%). The older people group were more likely to be White British, the young families to be Bangladeshi and the BME group Black African ($p < 0.001$) – see Figure 2. This is similar to the general population where the majority of the older population are from the White ethnic group (81% H&F 87% K&C, 84% Westminster). Most had not been born in the UK (70%), 59% of whom had lived here for over 20 years, with only 8% living here less than 5 years. 60% did not speak English as their first language – Somali and Arabic were most common first languages.

Figure 2: Ethnicity for the three subgroups



5. Pre-intervention data

5.1. Finances

5.1.1. Current financial situation

Around a third of participants did not provide data on this question, due to its sensitive nature as discussed below (section 9.3). 44% of those who did not respond were older people, for whom finances were more likely to be sensitive and personal. Weekly income per household ranged from £67 to £900, with a mean of £230 (although 20 people declined to answer/couldn't remember).

Of those who did respond, around half described negative financial situations (“struggling”, “difficult”, “not good”, “hard”), only 16 described good situations, the remainder were ‘ok’ (“managing”, “comfortable”, “stable”). Poor finances were attributed to low incomes (including living on benefits/pension), cuts to benefits, difficulties budgeting, providing for children (including adult children living at home) and debts. ‘Ok’ situations were described as ‘living within my means’, ‘balancing expenditure and income’ and ‘knowing my limits’. Good finances were mainly attributed to being good at handling money and budgeting, rather than high incomes. Extreme situations included “critical”, “just existing”, “lowest rank of the financial ladder”, and one participant filing for bankruptcy. It should be noted that this data is likely to be biased by issues to do with admitting financial hardship.

Those who were 'ok' were more likely to be older people (44%; only 12% of the 'poor' category were older people). Those in the 'good' category were more likely to be BME (47%).

	Negative	'Ok'	Good
Young families	43%	30%	27%
BME	45%	26%	47%
Older people	12%	44%	27%

5.1.2. Benefits

Only 9 participants were not receiving any benefits. The most common were means tested benefits and child benefit:

Benefits	n	%
Means tested benefits (housing benefit, income support)	68	45.0
Child benefit	56	37.1
Retirement pension	49	32.5
Tax credits	48	31.8
Pension credit	32	21.2
Disability based benefits	20	13.2
Private pension	20	13.2
Incapacity benefit	15	9.9
Job seekers allowance	12	7.9

5.1.3. Savings

Very few people described having savings, with most saying they have no savings and cannot see how they could save money. A number mentioned that they find it hard to save.

A third of participants stated that they feel saving money is important with a further 12 stating 'very important'. Reasons included for children, the future, to buy a house, to feel in control. Only 7 felt it was not important.

5.1.4. Debts

62% of participants had debts of some kind, mainly credit or store cards.

Debts	n	%
Credit/store cards	45	29.8
Bank overdraft	27	17.9
Bank loan	18	11.9
Personal loan (from friends/family)	17	11.3
Mortgage/rent arrears	16	10.6
Council tax arrears	13	8.6
Other (fines, payday loans, hire purchase, child maintenance)	6	4.1

15 people were not worried about their debts, mainly as they had payment plans or were receiving advice. 18 people had difficulties with their debts, struggling to keep up with repayments. 7 people talked about the emotional impact of debt, causing worry and stress.

5.2. Energy

5.2.1. Energy provider

Most people (48%) had been responsible for paying their energy bills for over 15 years. Length of time with current provider varied widely:

	n	%
Less than 1 year	9	6.0
1 year to 2 years	10	6.6
2 to 5 years	42	27.8
5 to 10 years	35	23.2
10 to 15 years	12	7.9
More than 15 years	42	27.8

Older people were more likely to have been with their current provider for more than 15 years and BME groups for less than 1 ($p < 0.001$).

Most had had no problems when contacting their provider (86 people) and were happy with the service. The 46 who had problems mainly said communication was stressful, with reasons including making mistakes, not coming to read the meter, being hard to understand, not helping them to reduce their bills, no scope for delaying payment.

5.2.2. Energy bills and usage

50% of participants felt they had problems paying their energy bills and 26% were happy with their bills. Older people were less likely to have problems than young families or BME (33% compared to 56% and 61% respectively), $p=0.013$. Problems were most commonly due to low income, high bills and struggling to pay off arrears, but also issues such as heating old houses. 16 people discussed making savings elsewhere to be able to pay their bills, such as 'starving', not going on holiday, using less heating. Those who were happy with their bills discussed paying them on time and budgeting so they can cover them.

Most people (72%) had tried to cut down their energy usage to keep bills down, and 39% reported turning appliances off, 22% had taken energy efficiency measures such as insulating, and 13% had shopped around for better deals. In one extreme case an older person stopped using their gas altogether in order to reduce their energy bills.

5.2.3. Switching intentions

28% of participants had previously tried to shop around for a better energy deal. Experiences varied with some switching providers, some switching payment method or tariff, and a few switching then switching back. There was no difference between the three groups.

Reasons for not switching included:

- Lack of knowledge (27 people)
- Not bothered or interested – feeling that it wouldn't make a difference, not wanting to make the effort, laziness, not wanting a change (24 people)
- Personal reasons – being too old for change, scared of change, not able to understand the information, not speaking English (16 people)
- Lack of time (14 people)
- Provider loyalty/trust/preference – good service, being a 'loyal person', trust in long-established providers, comfortable with what they know (14 people)
- Not sure they would save money (9 people)
- External factors such as landlord paying bills or being in arrears with current provider (5 people)

After being told how much they could potentially save, 52% of participants were more likely to consider switching, with 36% not changing their mind, and 7% less likely. There was no difference between the 3 groups, although those from Nucleus seemed slightly more likely to intend to switch (67%). Of those with no change/less likely, 9 people felt that the savings were not guaranteed or did not believe them, 10 were happy with their current service and did not trust other providers, 6 people had previously switched and would not repeat it.

Those who were more likely either had not heard of the possibility of switching before or hadn't realised how much they could save, and many stated they would only consider it if they were given help.

6. Results of the intervention

6.1. Effect of the intervention on switching intentions

The main information provided by researchers to participants was the written information (Consumer Focus leaflet – see Appendix), which they usually went through with them and explained. In addition 27% directed participants to and 13% helped with websites to compare tariffs, 17% suggested they contact the energy company directly, 17% referred participants to an advice agency and 13% suggested they speak to friends or family. In 26 interviews the researcher provided additional verbal information such as explaining the next steps, discussing how much they could save, discussing different providers. 21 researchers also gave personalised information such as looking at the participant's bills, discussing previous experiences, discussing energy usage, calling the provider on the participant's behalf. After receiving the information:

	N	%
Definitely plan to switch	22	14.6
Might consider switching	67	44.4
Probably won't switch	35	23.2
Definitely won't switch	25	16.6

	Spoke to advisor	Waiting to speak to advisor	Searched myself	Called provider directly	Written project information helped	Total reporting some action taken*
Older people	15%	17%**	0%	4%	4%	38%
BME	17%	11%	4%	13%	9%	42%
Young families	22%	10%	8%	12%	6%	46%

*Participants could report more than one action taken

**The majority were at Age UK

Data from qualitative answers on what participants did during the week is given in Table 6. This shows that young families were most likely to have taken action and older people least likely. Very few participants searched for deals themselves (including using websites), and the most common action was speaking to an advisor. Older people in particular requested personalised information and advice, and 11 of the 51 older people interviewed either had or have planned appointments with an advisor.

The second interviews were conducted around a week after the first and evaluated whether participants had tried to switch provider/tariff. 91% of participants were still with the same energy provider and 13% (19 people) had tried to switch. In an Ofgem survey during 2009 17% (gas) and 18% (electricity) of people switched tariff during the course of a year⁸. This project resulted in a 13% switching rate within a four week period.

6.2. Switchers

Of the 19 who tried to switch, 13 of actually did, with 6 more definitely planning to and, importantly, an additional 16 people had booked appointments with advisors to help them consider switching, and for further advice on debt and finances (many had complex financial situations and lives). Some participants switched after the project (see section 8). The 19 'switchers' were significantly more likely to be from AMF (11), with 6 from Nucleus and only 2 from Age UK ($p=0.027$).

Of those who switched: eight switched both gas and electricity; 4 electricity only; and 1 gas only.

Those who tried to switch were more likely to be young families than older people or BME groups (23% compared to 7% and 6%, $p=0.015$).

Of the 13 who switched, 10 did it via telephone, 1 by direct contact and 2 via websites. Five of those who switched did so following speaking to an advisor, four had used the comparison websites themselves, six contacted their provider directly (one with help from an advisor). 5 of those who tried switching cited the project information as directly prompting and helping their decision.

Saving money was the main reason for switching, including being in the cheapest band for longer (5 people), although 2 additionally cited customer care as influencing their decision. Anticipated savings were between £20 and £150 a year; generally as expected (7 people), although 5 saved less than they expected to, and 1 more. 8 people changed the method of paying their bills.

8 people explained that before they took part in the project they had no idea about tariff switching, and it was their participation that highlighted the issue to them. 3 more had heard of it but the project encouraged them to take action.

8

http://www.ofgem.gov.uk/Markets/RetMkts/ensuppro/Documents1/Update%20on%20Probe%20Monitoring_FINAL.pdf

10 said they would consider switching again in the next 12-18 months if a better deal came up, and 10 said they would recommend switching to a friend/relative.

6.3. Non-switchers

Table 7: Non-switchers' reasons for not switching	
Reasons for not switching	Number of participants*
Not bothered/interested	39
Need longer than a week	29
Fear regarding changing or scepticism that savings would be made	27
Provider loyalty, trust or preference	27
Lack of knowledge	18
Saving money is not a priority in life compared to health or family	17
Previously switched or advised not to	14
External factors (mainly being in arrears with current provider)	12
Too busy generally	11
*Participants could give more than one reason	

The main reason for not switching was that participants couldn't be bothered, based on: the hassle of switching, being happy with the current situation, being tired and stressed; being too old to change. One participant even said that the thought of changing is "horrendous". Those who felt a week was not long enough cited: waiting for something/someone e.g. energy supplier to get back to them, someone to help them, having other things to do that week, not having found the time in a week. Fear and scepticism (third most common) were based on: scepticism of energy companies in general; that they are out to con you; not trusting that savings would be worth it. In particular participants thought that once you switch to a new provider they will then put up their prices. One participant felt strongly that the government should monitor the energy companies' conduct to protect the consumer. Provider trust, loyalty and preference was predominantly based on experiencing good customer service.

Based on the qualitative responses (so not statistically significant), older people were more likely to cite 'can't be bothered' (22 out of 47 people) or scepticism (13 people) and less likely to cite lack of time or external factors. Researchers felt that there was a significantly large group of older people who would not consider switching either as they were relatively affluent or because of frailty and health problems. Lack of time was a barrier for around a

quarter of both young families and BME groups. Provider loyalty/preference was most common for BME groups.

69 (54%) of those who did not switch said they intend to in the next 12 months, especially from Nucleus (28), less so from AMF (22) or Age UK (19), $p=0.021$. 19 people said they will shop around more in the future, and 10 said they will now ask for advice when they need it, others said they would now be more careful when choosing a supplier and would more readily change. Some obtained a quote from a new supplier and gave this to their old supplier who matched the price, so they did not switch but achieved a cost saving.

In terms of what would encourage switching, the majority (51 people; equal across the three groups) cited significant savings. Other factors included receiving advice, changes in circumstances e.g. health, if there were problems with the current provider or clearing debts with the current provider. Information that might have helped included personalised advice – sitting down with someone one-to-one to discuss further (25 people), easier to use websites and clearer information (20 people), advice from trusted friends or family (5 people) and information directly from the supplier (4 people).

22 people who did not switch said that before the project they were unaware of tariff switching and would have been unlikely to consider it, but are now thinking about it (equal across the three groups). An additional 17 people said they were aware but the project provided additional information or a prompt or the confidence to consider taking action (less likely to be older people). The project information was more likely to affect the decision of young families than older people or BME groups.

7. Implications

The study achieved a sample of 151 participants, of whom 97% received the intervention and completed both interviews. The sample was diverse in terms of ethnicity, marital status, education, and employment. A high proportion were not born in the UK and income was very low at £230/week on average per household (UK average for employed people is £501/week⁹ and weekly disposable- after housing costs - household income is £371¹⁰). At least half were struggling financially. Researcher feedback suggests that people prioritise paying energy bills/arrears over other bills and expenses.

The people interviewed often had complex lives, including health problems (physical and mental), disabilities, multiple financial issues (debts, low income, reliance on benefits) and family commitments. This often meant they had little time or ability to explore the complex issue of tariff switching, or they prioritised other issues over saving money on energy bills.

⁹ <http://www.ons.gov.uk/ons/rel/ashe/annual-survey-of-hours-and-earnings/ashe-results-2011/ashe-statistical-bulletin-2011.html>

¹⁰ <http://www.ons.gov.uk/ons/rel/regional-trends/region-and-country-profiles/social-indicators/social-indicators---london.html>

The project highlighted the benefit of identifying complex financial needs and referring for specialist debt advice. Particular issues for the three groups are given below.

Few people were aware of tariff switching or had tried to switch prior to the project, mainly due to lack of knowledge or interest. The project resulted in 13% of people attempting to switch, which demonstrates a successful intervention, comparable to figures over a year period of 17%/18%¹¹ and 13%¹².

7.1. Provision of information about tariff switching

This project has a number of implications for the provision of information on tariff switching:

1. There is a need for clear, accessible information on tariff switching as very few people are aware of the issue or how to do anything about it.
2. Many people are nervous and sceptical about anything to do with energy companies so it is important that interventions are clearly labelled as impartial and independent. This has recently been highlighted by Age UK¹³ and Consumer Focus¹⁴.
3. Emphasising potential savings may encourage switching, but these need to be realistic and, where possible, personalised.
4. Older people and BME groups may be especially unlikely to switch tariff; young families appear more likely to.
5. Older people are reluctant to change their provider/tariff due to apathy and loyalty/preference/long-standing use of their current provider
6. Verbal one-on-one information and personalised advice is most useful, in particular for this group with complex lives and financial situations. This is in line with recent Government recommendations on providing consumer advice and representation in complex markets¹⁵.
7. Comparison websites are very difficult to use, with very few people able to effectively use them by themselves.
8. People may need adequate time to absorb and process the information and make a decision (longer than a week).
9. Loyalty to existing provider may impact some people's decisions, in particular due to good customer service. For some people customer service is as/more important than

¹¹

http://www.ofgem.gov.uk/Markets/RetMkts/ensuppro/Documents1/Update%20on%20Probe%20Monitoring_FINAL.pdf

¹² Wilson, C.M. & Waddams Price, C.W. 2005, Irrationality in Consumers' Switching Decisions: When More Firms May Mean Less Benefit, ESRC Centre for Competition Policy.

¹³ Age UK. Agenda for later life 2012: Policy priorities for active ageing.

¹⁴ Consumer Focus (2012) Informing choices: Consumer views of energy bills.

¹⁵ Department for Business, Skills and Innovation (2012) EMPOWERING AND PROTECTING CONSUMERS: Government response to the consultation on institutional reform

saving money. This should be taken into account when recommending switching, and the possibility of switching tariff and not provider should be emphasised.

10. Interventions need to be tailored for target populations. In particular for older people the process may take longer due to health problems and disability, and verbal information is more useful than written/online. Language needs should also be accounted for.

7.1.1. Supporting older people

- Older people tended to report having an 'ok' financial situation and were less likely than other groups to have problems paying their bills. However, this may reflect better financial management rather than high income, and prioritisation of staying out of debt and paying bills. In particular some older people cut down their energy usage dramatically in order to be able to pay the bills. Findings may also be biased by problems discussing finances or admitting to financial problems.
- Older people were more likely to have been with their energy supplier for longer, which may create barriers to switching due to loyalty or not wanting change. In addition, researcher feedback suggests this generation do not view themselves as 'customers' and may expect state provided services to help them rather than switching themselves.
- Older people may be unlikely to have heard of tariff switching so information should take this into account.
- Older people appeared less likely to try switching. Feedback from researchers suggests this is often due to scepticism of energy suppliers. Qualitative data shows that older people were less likely to contact providers directly (none used the internet), which may be due to hearing problems and/or lack of confidence, with many needing assistance (from friends/family/Age UK) when making such calls. Low levels of switching in this group appear mainly due to internal factors such as apathy, stress, worry and scepticism rather than external factors such as lack of time, although older people may have needed longer to understand the information and organise advice appointments. This has implications for service provision.
- The lack of interest in tariff switching or ability to switch for many older people is concerning and suggests that many older people would only benefit from state-controlled action such as the government passing regulations stipulating that fuel companies must give the cheapest tariff to pensioners.
- Speaking to an advisor and getting personalised information/advice seemed to be the most used and useful method for older people, with 22% of older people seeking advice appointments. Feedback from researchers suggests that this need and gap may be more important than previously thought, and highlighted how the project provided Age UK with a reason to approach older people, particularly about financial issues which they may not usually discuss.
- Websites are unlikely to be of use to this demographic group.

7.1.2. Supporting black & minority ethnic (BME) communities

- BME groups were less likely to report having financial problems, with almost half describing a 'good' financial situation. However almost 2/3 had problems paying their energy bills. There may have been cultural differences whereby BME groups are more open to discussing financial issues.
- Most had been with their supplier for a short time and were least likely to have tried to switch following the project. Provider loyalty/preference appears to be an important barrier to switching.
- Feedback from researchers suggests that BME groups may have different attitudes to energy usage such as the use of heating etc
- Friends/family and community members may be particularly important sources of information in this group.
- BME groups appear to be more aware of the issue of tariff switching but need additional information
- BME groups may need information in their own languages.

7.1.3. Supporting families with young children

- Over half of young families reported problems paying energy bills
- Young families were the group most likely to try switching during the project. They were most likely to have spoken to an advisor or searched themselves.
- Feedback from researchers suggests that families with young children often prioritise children over saving money e.g. keeping the heating on
- Other priorities and lack of time were important barriers for this group, as many were busy with family duties and other financial issues.
- Literacy may be an issue as some participants required their children to assist with interviews and tariff switching.
- Young families may be aware of the issue of tariff switching and some did search for tariffs within the project, but most need additional information

8. Update

We have some anecdotal information on what has happened since the project ended.

- Age UK K&C met with 21 participants after the project to help them to consider switching. Of these 3 did switch provider, 2 switched tariff within the same provider, and 2 are giving it further consideration.
- At least 7 other participants are thought to have switched tariff after the project.
- Age UK have also noted an increase in requests (about 10) from clients to help them consider switching, which they attribute to word spreading on the 'pensioner grapevine' about Age UK offering this service.

- Those who switched after the second interview may either have needed more time to make a decision, or may have been prompted to switch after receiving further information and advice during the second interview.

9. Reflections on project design and methodology

From the researchers' reflections and feedback during project meetings and email correspondence, the following issues arose regarding the project methodology.

9.1. Recruitment

- Many potential participants refused to take part due to being suspicious that the project was linked to energy providers. The project information helped, and researchers made efforts to explain their impartiality and that the project was aiming to help them and was not influenced by any commercial companies, but some were still too nervous/suspicious/worried, especially if they had previously had a bad experience.
- The £10 vouchers given to participants were appreciated and often facilitated recruitment.
- It was difficult to recruit in the short time period and with longer it may have been possible to obtain more conclusive results and explanations.
- It was particularly difficult to recruit in Hammersmith and Fulham compared to the other boroughs as the VCOs had limited outreach there
- Age UK in particular felt that their regular service users were more likely to take part. This may have biased the sample. Future projects should attempt to recruit more 'hard to reach' people
- Over 75s were particularly hard to recruit due to being a small population group, often with issues such as poor health, poor mobility, being housebound, disabilities etc.
- The participants' enthusiasm for taking part varied widely, with some very keen to answer questions and find out more, others quite reticent or brief in their answers, due to the suspicion described above, lack of interest in the topic, or being in a hurry.

9.2. Conducting the interviews

- Again, some participants felt that the study was a 'ploy' to con them into switching, so much time was spent explaining and reassuring
- Some researchers used group settings to conduct the interviews, e.g. mother toddler groups, taking individuals away from the group one by one to do the interviews.

- The researchers were given a degree of flexibility in terms of how to organise the interviews, so that they could be tailored to their particular groups and organisations.
- Some participants had other people present to help translate or answer the questions. Two interviews may have been biased due to having family members present which may have restricted their answers
- Some participants appeared to be in a hurry so may have rushed their answers

9.3. Interview questions

- Many people were uncomfortable with the questions on finances and demographics and perceived them as too personal (at least 8 interviews specifically stated this), with some skipping these parts. This has implications for helping people to switch energy tariffs whilst taking account of their broader financial situation. The researchers made efforts to put participants at ease by saying they understand/are in a similar situation, or emphasised that we just want a general idea rather than specific details. Having a prior relationship with participants did not appear to help.
- We could perhaps have asked more about energy usage and cutting down as some interviews hinted at complex reasons for energy use such as ill health and family priorities
- Some issues on specific questions (see Appendix for questions): Q1 not clear, Q5 is similar to Q1 and is confusing, Q5 on interview 2 (factors affecting decision) was not clear to participants, the tick box question on debts is not very useful, the names of benefits were not up to date, Q9 is confusing, Q8c is too much for one question, Q8d is too simple/patronising, Q8e is interesting as most people say no and ask why the energy providers have not told them about this
- Some people were disappointed if they have switched and haven't saved £300 (as suggested in the information provided). Perhaps we should have emphasised that this saving is not guaranteed and will depend on your supplier, usage etc.
- Some interviewers struggled to keep the participants on the topic when they talked about other aspects of their, often complex, lives.
- Some researchers were unclear if survey monkey data entry was working
- At least 7 interviews were conducted in a language other than English. Language barriers may have constrained the depth of information obtained.

9.4. Using community researchers/volunteers

Using volunteer community researchers was an excellent method, for a number of reasons:

- Many could speak languages other than English which was helpful, especially for the BME subgroup
- Researchers being not necessarily of the same peer group as the participants was felt to be beneficial when discussing personal and sensitive issues
- Many researchers had been through similar financial issues and experiences with switching tariffs which really helped them to empathise and understand.

- Some volunteers were able to dedicate extra time to this project which was helpful

Although some issues did arise:

- Some volunteers found it difficult to fit this work into their busy lives and often had to stop doing other work to complete the interviews in time, but all succeeded!
- Ideally in action research the researchers would have been more involved in the analysis, but the timescale did not allow for this
- The importance of being clear about the workload and roles of the volunteers from the outset was highlighted as some were not clear about the extent of work involved.

9.5. Using VCOs

Using VCOs was an excellent method, for a number of reasons:

- They had excellent access to the communities of interest, as demonstrated by their success in recruiting
- They could recruit locally
- Participants trusted the VCOs
- They were well placed to provide further support and advice to participants on the issues raised in the interviews
- The organisations benefitted by identifying people who should be using their services, exploring how their organisations provide information and advice, and improving referral between organisations. Age UK in particular were very pleased to be able to use the project as an 'excuse' for contacting older people and to raise issues related to finance and benefit entitlement.
- They could provide expert advice to the researchers.

Some issues which arose:

- The volunteers were not able to give 'expert' advice as initially considered, as the timescale of the project did not allow for thorough training.
- Difficulties entering data due to limited computer access in their organisations.

9.6. Project management

Project management was challenging and feedback from researchers highlighted a few issues:

- Scheduling interviews with older people was harder and took longer due to illness and having to do home visits
- Some researchers felt the tight timescale meant the work was rushed, although others felt it did not affect the project
- We omitted the demographics form from the researchers' packs initially, and this had to be emailed to them
- It was difficult to ensure researchers entered their data by the deadline

- Devolving responsibility for managing the project to the three delivery organisations was useful as the researchers were used to dealing with the staff in those VCOs, and project staff were also able to draw in support from other colleagues. We also provided contact details with whom to contact when.

9.7. Learning for future action research projects

If similar projects are conducted in the future, the following should be considered:

1. Sensitivity is needed in approaching potential participants due to suspicion of anything related to energy companies. Impartiality should be emphasised.
2. Sensitivity is also needed when discussing financial issues, for example only raising these issues after trust has been established in the interviews. Personal financial questions should only be asked if they add significant value to the results, otherwise the negative impact is likely to outweigh any benefits.
3. Longer than a week is needed to enable both recruitment and data entry, as well as participants having time to make a decision re switching.
4. Questionnaires should be piloted where possible
5. VCOs should be utilised as they have excellent access to the communities of interest
6. Community researchers and an action research approach were very successful in this project and would be recommended, although careful and strict management is required. In particular using researchers who had personal experience of financial hardship was useful.
7. The complexity of tariff switching and using comparison websites should not be underestimated, in particular those providing information need extensive training. Training for those providing advice would be recommended both for provision of advice but also creating empathy and understanding for the researchers. In this project most people needed to speak to a qualified advisor before switching.

9.8. Limitations of the project

1. Although 151 people were recruited and all interviews conducted, entered and analysed in the time, the short timescale of the project may have impacted the results, in particular not allowing enough time for participants to make a decision regarding switching. Feedback suggests that a number of participants switched provider after the second interview (see section 8).
2. As VCOs and researchers were given flexibility in terms of how they recruited and delivered the intervention to ensure success within the timescale, findings may vary according to these differences. This may account for differences between the three groups, especially older people who were nearly all Age UK service users.
3. Although good representation was achieved across the three groups, as well as other demographic indicators, the borough of Hammersmith and Fulham was underrepresented as the VCOs did not have enough service users in this borough. In addition the older people subgroup was predominantly White British.

4. 'Generalisability' of the findings is limited due to the small sample and the non random sampling method.
5. Despite two training sessions for researchers on the topics of debt advice and tariff switching, the issue was still too complex for many to explain in the time available. Many participants may have interpreted it only as switching provider or switching to dual fuel.
6. The individual researchers may have had different results depending on the approach they used and their rapport with the interviewee.
7. Findings on financial situations and debt are likely to have been biased by the sensitive nature of these topics.

10. Recommendations

10.1. Public health commissioners

1. Commission independent services to support energy tariff switching, as part of on-going work to reduce fuel poverty. This reflects current Government recommendations for the provision independent advice to help vulnerable consumers make choices in complex markets¹⁶.
2. Prioritise funding to support people from disadvantaged groups, who experience increased barriers, and fund one-to-one personalised advice for certain groups.
3. Work closely with local voluntary and community organisations as they have the relationships and reach into disadvantaged demographic groups, and there is added value in linking such work to existing advice and information services.
4. Consider a wider awareness-raising campaign, perhaps at a higher level (e.g. NHS London or nationally) about the benefits of researching the market and trying to get better deals on an annual basis.
5. Consider action research as a useful tool in working with local communities themselves to affect change.

10.2. Voluntary organisations

1. Subject to this work being funded, create and/or provide written information about energy tariff switching, and use different formats as appropriate. VCOs should work with existing organisations such as Citizens Advice to avoid being overburdened¹⁷.
2. Incorporate information and advice on energy tariff switching into general debt advice.

¹⁶ Department for Business, Skills and Innovation. *Empowering and protecting consumers*. June 2011

¹⁷ Department for Business, Skills and Innovation. *Empowering and protecting consumers*. June 2011

3. Develop specific approaches to advising on tariff switching that acknowledge specific needs, for example older peoples reluctance to change and sensitivity about discussing financial affairs.

10.3. The industry

1. Ofgem should continue to encourage simplification of the household energy supply market and force suppliers to present information in a more transparent way, to enable consumers to make better decisions about suppliers.
2. Simplify comparison websites for use by disadvantaged groups, particularly those with poor literacy, limited computer skills and poor English language. Lack of internet access as a barrier to switching, especially for older people and those on low incomes, has been highlighted by the Government¹⁷.

11. Conclusions

This study aimed:

- To provide independent tariff advice to 150 vulnerable households (older people, BME and young families) in the three boroughs
- To assess whether independent tariff advice has better outcomes than the deals households would have found on their own – savings, confidence etc.
- To explore residents' ambivalence to changing tariffs (including barriers)
- To identify any particular themes that are relevant to the three groups (BME communities, people aged 75 plus and families with young children).

To provide independent tariff advice to 150 vulnerable households (older people, BME and young families) in the three boroughs:

- This project was successful in providing advice on energy tariff switching to 151 vulnerable households (BME communities, people aged 75 and over, and families with young children).
- A particular strength of the project was the use of voluntary/community organisations and community researchers to facilitate outreach to these communities and provide advice and support.

To assess whether independent tariff advice has better outcomes than the deals households would have found on their own – savings, confidence etc.

- 19 people (13%) tried to switch their tariff or provider during the project, which is significantly higher than the rate reported by Ofgem among the general UK population.

- During the project very few participants accessed information on their own either using comparison websites or contacting suppliers directly; most people needed personalised one-on-one advice to negotiate tariff-switching.
- The timescale of the project was very short, with most of the participants being revisited within 2 weeks of the first interview. Our anecdotal information is that many more have plans to switch or at least look into switching, and there has been a 'word-of-mouth' effect among other clients of the partner organisations.
- The existence of the easy-to-understand information about tariffs and potential savings greatly increased people's willingness to switch tariffs. For example 25 said that having personalised information would help them.
- The main recommendation from this project is the provision of one-on-one personalised advice, in particular for older people.

To explore residents ambivalence to changing tariffs (including barriers)

- The project was successful in raising awareness of the importance of tariff switching but also highlighted the complexity of the issue. This complexity made it difficult to provide adequate advice within the project, necessitating the use of advice services in addition to the project intervention. Participants also reported finding the issue of tariff switching complex; for many this deterred them from even considering switching or meant they were unable to switch unaided.
- The main barrier to switching was ambivalence due to lack of interest or time, or having other financial or family priorities. Other important barriers were scepticism regarding the benefits, provider loyalty or trust and a lack of knowledge.

To identify any particular themes that are relevant to the three groups (BME communities, people aged 75 plus and families with young children).

- This project highlighted some distinct differences among the demographic groups which will affect the type of information and support that should be provided to those groups to assist in switching.
- Older people: tend to be sensitive regarding discussing financial issues; are often sceptical of energy providers; may not be culturally used to the concept of 'shopping around'; and are disadvantaged by lack of internet access. These issues have been highlighted by Age UK as policy priorities¹⁸.
- BME groups were more likely to consider tariff switching, but appeared to rely on informal advice, and may need information in their own languages.
- Young families were the group most likely to try switching and were particularly able to search for information independently; lack of time and other priorities including family duties were their main barriers.

¹⁸ Age UK. *Agenda for later life 2012: Policy priorities for active ageing*.

Appendices: study materials

Code:

**Kensington & Chelsea
Community Enterprises CIC**

**London South Bank
University**

ENERGY TARIFF SWITCHING – ACTION RESEARCH PROJECT

Demographic form

We would be very grateful if you could complete the following questions. This information will be kept anonymous and it will only take a few minutes. Please tick the relevant answers below.

1. Are you

- Male Female Prefer not to say

2. What is your age group?

- 18 or under 19 – 29
 30 – 39 40 - 49
 50 – 59 60 – 69
 70 – 74 75 or over Prefer not to say

3. What is your cultural background?

- | | |
|--|---|
| <input type="checkbox"/> White British | <input type="checkbox"/> Black/Black British: Caribbean |
| <input type="checkbox"/> White Irish | <input type="checkbox"/> Black/Black British: African |
| <input type="checkbox"/> Other White, please write below
_____ | <input type="checkbox"/> Other Black, please write below
_____ |
| <input type="checkbox"/> Mixed: White and Black Caribbean | <input type="checkbox"/> Asian British |
| <input type="checkbox"/> Mixed: White and Black African | <input type="checkbox"/> Asian, Pakistani |
| <input type="checkbox"/> Mixed: White and Asian | <input type="checkbox"/> Asian, Bangladeshi |
| <input type="checkbox"/> Other mixed, please write below
_____ | <input type="checkbox"/> Other Asian, please write below
_____ |
| <input type="checkbox"/> Chinese | |
| <input type="checkbox"/> Any other ethnic background, please write in: _____ | |
| <input type="checkbox"/> Prefer not to say | |

4. Were you born in the UK?

- Yes No – if no how long have you lived here? _____ years

5. Is English your first language?

- Yes No – if no what is your first language? _____

ENERGY TARIFF SWITCHING – ACTION RESEARCH PROJECT

INFORMATION FOR PARTICIPANTS

You are being invited to take part in a study. Before you decide it is important for you to understand why the research is being done and what it will involve. Please ask if there is anything that is not clear or if you would like more information.

What is the purpose of the study?

The aim of this project is to find out what impact expert tariff advice can have on local peoples' ability to find better household energy deals. We will provide independent advice to 150 households in the three boroughs and find out whether this has better outcomes than the deals households would have found on their own. We hope that improving the choices people make on energy suppliers will save them money. If our advice is successful then we may consider making it available to more people so they can save money.

Why have I been chosen?

We are inviting 150 local residents to take part in the project, specifically older people (75 and over), people from minority ethnic backgrounds and families with young children. You have been approached as you are involved with one of our partner community organisations (Nucleus, Age Concern and A Moveable Feast).

Do I have to take part?

Participation in this study is voluntary. If you do decide to take part you can opt out from any question. You can also withdraw at any time during the project (until 23rd May) and without giving a reason.

What will happen to me if I take part?

We will ask you to take part in two sessions. The first will ask some questions about your financial situation and experiences of fuel tariff switching. We will then provide you with information and resources about tariff switching and ask you to use this to consider switching. The second session will discuss your experiences and decisions and whether you need any more information. We will give you details of people who can help if you still need help. These discussions may be recorded and the recording will be kept securely. Only anonymous data from these discussions will be used.

What do I have to do?

You will need to answer some questions, and use the information we give you to think about switching energy tariffs.

What are the possible disadvantages and risks of taking part?

We do not anticipate any disadvantages or risks apart from taking up some of your time.

What are the possible benefits of taking part?

You will learn about energy tariffs and how to make the best decision which could save you money. You will have access to expert information and advice on saving money and on energy tariffs. You will also receive a £10 shopping voucher at the end of the 2nd interview.

Will my taking part in this study be kept confidential?

All information collected in this research will be anonymous and strictly confidential. You will not be identifiable from any data presented or published. Only the research team will have access to the research data. The data will be kept securely for 5 years. It will not be passed to any third party. At the end of the 5 year period all data will be destroyed.

What will happen to the results of the research study?

The results of the project will be presented in a form of a report which will be given to local NHS public health managers, who are funding the project. The data will be presented in summary form, that is no individual could be identified from this report. The results may also be presented as a scientific publication.

Who is organising and funding the research?

The study is being organised by Kensington & Chelsea Community Enterprises CIC (KCCE-CIC), along with a researcher from London South Bank University, Nucleus Legal Advice Centre, A Moveable Feast and Age Concern Kensington & Chelsea. It is funded by NHS Hammersmith & Fulham, NHS Kensington & Chelsea, and NHS Westminster.

Who has reviewed the study?

This study has been reviewed by the Research Ethics Committee at London South Bank University.

Contacts for Further Information

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Organisational Development Manager

Kensington & Chelsea Social Council

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Complaints

If you have a complaint or are unable to resolve an issue with the research team, you can contact the Chair of the University Research Ethics Committee at

<http://www.lsbu.ac.uk/rbdo/external/index.shtml>

Code:

ENERGY TARIFF SWITCHING - ACTION RESEARCH PROJECT

Consent form

Please tick all the boxes below and sign the form.

I have read the attached information sheet on the research in which I have been asked to participate and have been given a copy to keep. I have had the opportunity to discuss the details and ask questions about this information.

The Investigator has explained the nature and purpose of the research and I believe that I understand what is being proposed.

I understand that my personal involvement and my particular data from this study will remain strictly confidential.

I have been informed about what the data collected in this investigation will be used for, to whom it may be disclosed, and how long it will be retained.

I understand that I am free to withdraw from the study at any time within the duration of the project, without giving a reason for withdrawing.

I hereby fully and freely consent to participate in the study.

Participant's Name:(Block Capitals)

Participant's Signature:

Date:

As a researcher on this project I confirm that I have explained to the participant named above the nature and purpose of the research to be undertaken.

Investigator's Name:

Investigator's Signature:

Date:

ENERGY TARIFF SWITCHING – ACTION RESEARCH PROJECT

INTERVIEW QUESTIONS

Before you start

- Prepare yourself mentally for the interview
- Assign a code (your initials and number e.g. AL01, AL02) and label this sheet, consent form, demographic form and any other notes you make
- Explain who you are and where you are from (Age Concern/AMF/Nucleus)
- Explain that the project aims to help local people save money through reducing their gas/electricity bills
- Explain that you are impartial (not linked to any energy company or government organisation) and that all the information collected today is completely confidential; taking part will not affect their benefits or anything else.
- Make sure they feel comfortable and safe and ensure you have enough time (we recommend around 30mins)
- Give them the information sheet (to keep), make sure they have read/had it read to them and they understand it. Ask them to sign the consent form and countersign it yourself.

You will need to type up your answers into the web-based system 'survey monkey'. Please use the following links (use again each time for each participant)

First interview: <https://www.surveymonkey.com/s/Energytariffs1>

Second interview: <https://www.surveymonkey.com/s/Energytariffs2>

Interview One

- 1) Our research is trying to save people money. Could you tell me a bit about your current financial situation and whether saving money is important to you?

Financial situation
Saving money

- 2) Are you working/unemployed/retired at the moment?

--

- 3) Could you tell me whether you receive any of the following at the moment? (tick all that apply)

- | | |
|--|--|
| <input type="checkbox"/> Means tested benefits (income support, housing benefit) | |
| <input type="checkbox"/> Job seekers allowance | <input type="checkbox"/> Retirement pension |
| <input type="checkbox"/> Incapacity benefit (ESA/IB) | <input type="checkbox"/> Private pension/2 nd pension |
| <input type="checkbox"/> Disability based benefits (DLA/carer benefit) | <input type="checkbox"/> Pension credit |
| <input type="checkbox"/> Tax credits | <input type="checkbox"/> Child benefits |

- 4) We'd like to get a picture of your financial situation. Do you have any of the following at the moment?

- | | |
|---|--|
| <input type="checkbox"/> Credit cards/store cards | <input type="checkbox"/> Mortgage or rent arrears |
| <input type="checkbox"/> Bank overdraft | <input type="checkbox"/> Child maintenance payments |
| <input type="checkbox"/> Bank loan | <input type="checkbox"/> Council tax arrears |
| <input type="checkbox"/> Payday loan | <input type="checkbox"/> Fines |
| <input type="checkbox"/> Personal loan (friends & family) | <input type="checkbox"/> Hire purchase e.g. car payments |
| <input type="checkbox"/> None of the above | |

- a) If yes, are these a problem/issue for you? Can you tell me a bit more?

--

- 5) Do you have problems paying for your energy (gas/electricity) bills, or are you happy with them? Yes No Please can you tell me a bit more about that?

- 6) Have you taken any measures to try and keep your energy bills down? (tick all that apply)

- | | |
|---|---|
| <input type="checkbox"/> Using less (turn down heating) | <input type="checkbox"/> Stop using (turn heating/appliances off) |
| <input type="checkbox"/> Insulation/energy efficient | <input type="checkbox"/> Shopping around for better deals |

- 7) How long have you been paying your own energy bills?

- | | |
|---|---|
| <input type="checkbox"/> Less than 1 year | <input type="checkbox"/> 1 year to 2 years |
| <input type="checkbox"/> 2 to 5 years | <input type="checkbox"/> 5 to 10 years |
| <input type="checkbox"/> 10 to 15 years | <input type="checkbox"/> More than 15 years |

- 8) I'd like to ask you a bit about your experience with energy companies/providers (give examples if necessary e.g. British Gas, npower)

- a) How long have you been with your current provider?

- | | |
|---|---|
| <input type="checkbox"/> Less than 1 year | <input type="checkbox"/> 1 year to 2 years |
| <input type="checkbox"/> 2 to 5 years | <input type="checkbox"/> 5 to 10 years |
| <input type="checkbox"/> 10 to 15 years | <input type="checkbox"/> More than 15 years |

- b) How do you find your provider? (prompt: good/bad/helpful/stressful)

- c) Have you talked to your energy provider and why? What was that like?

- d) Have you noticed that there are different energy companies?

- Yes No

- e) Have you noticed that there are different deals available ("tariffs") for gas and electricity?

- Yes No

9) Have you ever tried to shop around for better deals on your energy bills?

- Yes** → **can you tell me about what you did?** (prompts: why decided to, did it go smoothly, any problems, did you save money, where did you get information or help)
- No** → **what would you say are the main reasons you haven't?** (prompts: can't be bothered, no time, don't know how to, loyalty, good service, getting a good deal now, no internet access, not under my control)

10) Prices over the last 8 years have more than doubled from approx £600 per year to over £1200 per year. Research suggests that, if you have not switched, the average household could save over £300 per year simply by switching provider. Based on this information are you:

- More likely to switch
- No change
- Less likely to switch → please can you give me more information?

11) I would like you to answer a few questions about your age, education etc. Please could you fill in this form? (fill it in for them if they prefer/have problems reading)

12) PROVIDE INFORMATION ON TARIFFS

13) Now that I have given you this information, do you think you:

- Definitely plan to switch
- Might consider switching
- Probably won't switch
- Definitely won't switch

14) Agree to meet again, in approx 7 days if possible. Remind them they will get their £10 voucher at the end of the next interview.

Thank you so much for helping with this research. I hope you will find the information useful. If you have any queries please contact [Age Concern/AMF/Nucleus] or one of the contacts on your information sheet.

Please add your reflections here after the first interview.

This may include any issues you think affected the interview, any non verbal behaviour you noticed, your thoughts on how we could change the interview questions, ideas of themes that are emerging, how you dealt with certain issues or situations, and any other thoughts.

Interview Two

Thank you for meeting with me again.

1) So, are you still with the same gas/electricity provider? Yes No

2) Did you try to switch?

Yes → Did you manage to switch? Yes → **Go to question 3**
 No ↘ No ↙ **Go to question 4 (PTO)**

3) So you managed to switch to get a better deal, can you tell me a bit more about your experience of switching? (let them tell their story)

a) Did you switch: electricity only gas only both

b) What information/advice/services did you use? Did anyone else help you?

c) What method did you use direct contact telephone website

d) How much do you think you will save? (per week/month/year) £

e) Is this saving: less than expected
 as expected
 more than expected

f) Were there any other criteria which led you to chose your new supplier
 Cheapest More likely to be in the cheapest band for longer
 Customer care/easy to contact
 other (give details)

g) Did you have to change the method of paying your bills? Yes No

h) Are you likely to try and switch again to a better deal (if one if available) in the next 12 - 18 months? Yes No

i) **Would you, or have you, recommended to anyone that they switch?** Yes No

4) So you didn't switch provider. Can you tell me a bit about why not? (prompts: can't be bothered, a week wasn't long enough, couldn't get hold of anyone, don't know how to, loyalty, good service, getting a good deal now, no internet access, not under my control)

a) **Do you think you might consider switching in the next 12 months?** Yes No

b) **What would have to change for you to consider switching?**

5) Can you tell me, are there any factors which affected your decision which you haven't mentioned? Do you think your decision would have been different if you hadn't taken part in this project?

6) Is there anything you would do differently in the future?

7) What information, resources or services would have helped?

Please add your reflections here after the second interview.

This may include any issues you think affected the interview, any non verbal behaviour you noticed, your thoughts on how we could change the interview questions, ideas of themes that are emerging, how you dealt with certain issues or situations, and any other thoughts.

Information sheet provided to participants

London Electricity Region

15 March 2012



	Standard Rate						Economy 7 Rate						Online Tariff					
	British Gas	EDF Energy	npower	E.ON Energy	Scottish Power	Scottish and Southern Energy	British Gas	EDF Energy	npower	E.ON Energy	Scottish Power	Scottish and Southern Energy	British Gas	EDF Energy	npower	E.ON Energy	Scottish Power	Scottish and Southern Energy
Low User																		
Gas																		
Direct Debit	£558	£477	£534	£507	£508	£505	N/A	N/A	N/A	N/A	N/A	N/A	£535	N/A	£440	N/A	£473	N/A
Standard Credit	£574	£507	£586	£540	£578	£535	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Prepayment	£569	£507	£531	£540	£528	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Electricity																		
Direct Debit	£314	N/A	£286	£344	£353	£314	£358	N/A	£331	£371	£377	£361	£300	N/A	£281	£298	£317	N/A
Standard Credit	£340	N/A	£328	£366	£410	£333	£398	N/A	£373	£394	£416	£382	N/A	N/A	N/A	£317	£369	N/A
Prepayment	N/A	N/A	£329	£367	£361	£309	N/A	N/A	£373	£394	£377	£357	N/A	N/A	N/A	N/A	N/A	N/A
Dual Fuel																		
Direct Debit	£863	£783	£810	£834	£844	£820	N/A	£812	£855	£859	£868	£867	£826	N/A	£735	£801	£765	N/A
Standard Credit	£905	£833	£905	£907	£978	£868	N/A	£863	£950	£934	£984	£918	N/A	N/A	N/A	£891	£880	N/A
Prepayment	N/A	£833	£860	£907	£880	£844	N/A	£863	£905	£934	£905	£872	N/A	N/A	N/A	N/A	N/A	N/A
Medium User																		
Gas																		
Direct Debit	£772	£878	£701	£700	£702	£701	N/A	N/A	N/A	N/A	N/A	N/A	£730	N/A	£619	N/A	£656	N/A
Standard Credit	£790	£719	£754	£745	£799	£745	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Prepayment	£791	£719	£735	£745	£724	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Electricity																		
Direct Debit	£441	N/A	£459	£481	£490	£456	£579	N/A	£562	£579	£559	£564	£421	N/A	£418	£435	£443	N/A
Standard Credit	£481	N/A	£501	£511	£561	£485	£619	N/A	£604	£616	£610	£600	N/A	N/A	N/A	£482	£509	N/A
Prepayment	N/A	N/A	£501	£512	£502	£485	N/A	N/A	£604	£616	£559	£581	N/A	N/A	N/A	N/A	N/A	N/A
Dual Fuel																		
Direct Debit	£1198	£1132	£1150	£1156	£1178	£1157	N/A	£1212	£1254	£1253	£1245	£1265	£1146	N/A	£1027	£1110	£1072	N/A
Standard Credit	£1265	£1205	£1245	£1257	£1350	£1230	N/A	£1289	£1348	£1362	£1399	£1346	N/A	N/A	N/A	£1267	£1234	N/A
Prepayment	N/A	£1205	£1236	£1257	£1227	£1231	N/A	£1289	£1340	£1362	£1283	£1326	N/A	N/A	N/A	N/A	N/A	N/A
High User																		
Gas																		
Direct Debit	£1024	£911	£899	£928	£932	£932	N/A	N/A	N/A	N/A	N/A	N/A	£981	N/A	£830	N/A	£873	N/A
Standard Credit	£1064	£969	£952	£987	£1061	£993	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Prepayment	£1053	£969	£975	£987	£956	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Electricity																		
Direct Debit	£652	N/A	£717	£685	£695	£668	£926	N/A	£926	£907	£844	£882	£625	N/A	£588	£639	£633	N/A
Standard Credit	£692	N/A	£759	£729	£787	£713	£966	N/A	£968	£965	£915	£942	N/A	N/A	N/A	£680	£719	N/A
Prepayment	N/A	N/A	£760	£729	£714	£750	N/A	N/A	£968	£965	£844	£965	N/A	N/A	N/A	N/A	N/A	N/A
Dual Fuel																		
Direct Debit	£1962	£1593	£1606	£1579	£1611	£1600	N/A	£1763	£1815	£1797	£1780	£1814	£1591	N/A	£1408	£1516	£1476	N/A
Standard Credit	£1742	£1695	£1701	£1716	£1838	£1707	N/A	£1876	£1909	£1953	£1966	£1936	N/A	N/A	N/A	£1758	£1686	N/A
Prepayment	N/A	£1695	£1735	£1717	£1670	£1744	N/A	£1876	£1944	£1953	£1801	£1959	N/A	N/A	N/A	N/A	N/A	N/A

The small print: Standard and online rate: All calculations are based on annual consumption of 2,100 kWh (low), 3,300 kWh (medium) and 5,100 kWh (high) for standard rate electricity and 11,000kWh (low), 16,500kWh (medium) and 23,000kWh (high) for gas. Please note that some companies have more than one online tariff. Price shown is for cheapest tariff.
 Economy 7 Rate: All calculations are based on annual consumption of 2,900 kWh (low), 5,300 kWh (medium) and 8,200 kWh (high) for economy 7 rate electricity, and 11,000kWh (low), 16,500kWh (medium) and 23,000kWh (high) for gas. Economy 7 bills assume a 55% night time usage. Price shown is for standard economy 7 tariff.
 All prices shown include VAT at 5%. All prices reflect all known price changes at the time of publication.
 However, you should check with your chosen supplier before switching to see if prices have changed.
 Scottish and Southern Energy includes the following brands: SSE, Southern Electric, Scottish Hydro Electric, Swire and Alamo.
 N/A = No available tariff for this supplier or this payment type.
 Data compiled by www.energylinx.co.uk

Thank you for contacting Consumer Focus to request Price Comparison Information for your area.
 Please find a breakdown of current supplier prices for gas, electricity and dual fuel for your region.
 There are three different types of tariff that are featured in our factsheets: Standard, Economy 7 and Online or Internet tariffs. You can compare prices depending on how you pay and the usage type that best matches the amount you pay for your gas or electricity each year.

Compare prices	
Do you pay by..?	Are you a...?
Direct debit - if you pay a regular fixed amount from your bank account	Low user - if you generally pay £25-£38 per month or £300-£450 per year for one fuel
Standard credit - if you pay by cash or cheque when you get your bill	Medium user - if you generally pay £39-£50 per month or £451-£600 per year for one fuel
Prepayment - if you have a card, token or coin meter	High user - if you generally pay £51-£67 per month or £601-£800 per year for one fuel

Make the Change

Once you are happy that you have selected the supplier and deal best suited to meet your needs, changing is a fairly simple process:

- Get in touch with the new supplier and agree a contract with them.
- Give your old supplier 28 days notice that you are changing to a new supplier. Do this initially by telephone and follow it up with written confirmation.
- Pay any outstanding bills owing to your existing supplier or they may prevent you from transferring.
- Take a meter reading on the day you change supplier so that your old supplier can work out your final bill, or your new supplier can use it as the starting point for your first bill.

British Gas	0800 048 0202	www.britishgas.co.uk
EDF Energy	0800 096 9000	www.edfenergy.com
npower	0845 078 2925	www.npower.com
E.ON	0845 059 9905	www.eonenergy.co.uk
ScottishPower	0845 2700 700	www.scottishpower.co.uk
Scottish & Southern Energy	0845 7444 555	www.scottishsouthern.co.uk

Price Comparison Services

To obtain a free, impartial and comprehensive price comparison for all licensed suppliers in your area, use one of the internet price comparison services which are accredited to the Consumer Focus "Confidence Code" a voluntary code of practice for price comparison services.

These independent price comparison sites help thousands of households every month, to compare prices and switch to better deals. They offer a comprehensive service that compares your current supplier, tariff and usage with the tariffs on offer for all licensed suppliers in the UK to help find the best deal for you, and provide you with a free and easy to use switching service. Call them to see just how much you could save by switching.

www.beatthatquote.com	0845 652 1546
www.confused.com	Telephone N/A
www.energylhelpline.com	0800 074 0745
www.energylinx.co.uk	0800 849 7077
www.fuelswitch.com	Telephone N/A
www.moneysupermarket.com	0845 345 1296
www.simplifyswitch.com	0800 111 395
www.switchelectricandgas.com	Telephone N/A
www.theenergystore.com	0845 330 7247
www.ukpower.co.uk	0800 093 2447
www.unravelit.com	Telephone N/A
www.uswitch.com	0800 404 7908
www.whichewitch.co.uk	01992 822 867

Look out for the Confidence Code logo which is displayed on each accredited comparison site.



For independent advice and information on energy matters, consumers should contact Consumer Direct on 08454 04 05 06 or 08451 28 13 84 (Minitom users) or via its website - www.consumerdirect.gov.uk

www.consumerfocus.org.uk