



AUSTRALIAN
ENERGY
COUNCIL

STATEMENT OF OBJECTIVES & PRINCIPLES

Best practice energy retail customer
assistance - through COVID and
beyond

Drafted by the Australian Energy Council in collaboration with leading
consumer advocates

About this statement

This statement is a joint commitment from retailers and community advocates to the community, created in response to issues raised by the COVID-19 pandemic. It is an ongoing guide to support the implementation by individual retailers of processes and policies that assist people experiencing payment difficulty, based upon agreed principles and objectives of best practice.

This statement is also intended as an aspiration to all stakeholders who are involved in the delivery of energy. Retailers, community advocates, and governments all have a responsibility to assess the impacts of their processes and procedures, and ensure all decisions enable positive outcomes for people, in line with the best practice principles in his statement.

Backdrop

COVID-19 impacted communities and households throughout 2020 and its effects are continuing. The severity of those impacts, who they affect, and how long they will persist remains uncertain.

The way in which households are supported during the recovery and beyond is of great importance. Regulatory approaches to consumer support tend to rely upon accumulated evidence of impact to inform responses. Support frameworks focused solely on regulatory requirements around hardship are often too narrow to capture those in need, early enough to get the best outcomes. In the current circumstances, they are also unlikely to be the most effective means of building retail processes that can consistently respond to the highly varied needs of people experiencing financial difficulty as a result of COVID-19. This statement is expressly intended to encourage retailers and other stakeholders to seek to achieve best practice support, as an adjunct to, but separate to the regulatory framework.

Ongoing engagement between retailers and their customers will need to be more consistently effective to enable sustainable long-term relationships and reduce any barriers to getting the best outcomes for people experiencing payment difficulty. This focus on two-way engagement, where retailers enable their customers clear and simple pathways to support is critical during this period and beyond.

Community support organisations play an important role. There are shared objectives for retailers and the community to further enhance support beyond the framework of regulatory requirements.

A collaborative approach between retailers and community organisations presents an opportunity to use the perspectives, strengths and experiences of both stakeholder groups to respond more rapidly and effectively to the needs of people and the community, and to help ensure the best outcomes for people impacted by COVID-19.

Overarching objective of this statement

To outline agreed best practice principles and outcomes of assistance. This should be used to inform the development and implementation of retail processes for supporting people in payment difficulty such that the impact of payment difficulty on households is minimised and they are assisted in their recovery from the impacts of COVID-19.

What is best practice?

For the purposes of this statement, best practice is a set of universal principles, applied in a bespoke manner, according to the circumstances and needs of people.

Best practice principles

Best practice:

- > **focuses** on positive long-term outcomes that will benefit the customer.
- > **involves partnerships** with networks and other service providers, that enable delivery of positive customer outcomes.
- > **is community organisations and retailers** and their agents working collaboratively toward positive outcomes for people facing difficulty.
- > **sees collaboration between community organisations and retailers being broader** than regulatory requirements and 'minimum' standards.
- > **is responding to the needs of customers** based on the aspiration that disconnection for non-payment should not be required
- > **is building trust by acting consistently** focusing on long-term relationships, and optimising the assistance provided at each interaction.
- > **ensures all people are treated with dignity** and respect
- > **is early identification**, engagement, and action.
- > **involves responding** and taking action in good faith
- > **sees innovation** as a pathway to improved outcomes
- > **improves the accessibility** of support

Outcome intentions

As a result of a commitment to best practice principles:

- > **responses to payment difficulties see people getting the support they need**, when it will be most effective. These responses provide clear avenues to engagement and fair access principles that aim to avoid the ongoing impacts and costs that come from disconnection.
- > All contractors and service agents that act on behalf of retailers and other stakeholders **understand and deliver best practice**.
- > **collaborative relationships are built and developed** between retailers, community organisations, and people who are experiencing payment difficulty. These relationships enable best practice assistance responses, particularly in relation to the impacts of COVID-19.
- > **two-way trust is built** between retailers and their customers.
- > Existing retail practices and contact points are leveraged and adapted to **reflect best practice principles**.
- > retailers **innovate and improve** in their development of assistance measures, guided by best practice principles.
- > **the ongoing design of retailers' processes and procedures improves** access by making things simple, intuitive and understandable for all people.