

A power for good

Social obligations
annual report 2005

British Gas



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British Gas 
Doing the right thing

Contents

Helping to make your life easier	3
Introduction from the Managing Director of British Gas	4
Paying bills and helping customers in difficulty	6
Number of customers on each payment scheme	7
Domestic debt	8
Domestic debt payment arrangements – non Prepayment Meter customers	9
Domestic debt payment arrangements – Prepayment Meter customers	10
Disconnections	11
Fuel direct	14
Prepayment Meter code of practice	16
Codes of practice for our customers who are older, disabled, living with an illness, blind, or hard of hearing	18
Codes of practice on energy efficiency	20
Glossary	22
Useful phone numbers	23



Helping to make your life easier



This booklet is a record of the performance of British Gas in 2005 in relation to our social obligations to customers. These obligations are set out in the Gas and Electricity Suppliers' Licences. Under the terms of these licences, performance records must be kept by all suppliers of domestic gas and electricity.

This booklet covers the year ending 31st December 2005 and contains information reported to both Ofgem (Office of Gas and Electricity Markets), the industry regulatory body, and energywatch, an independent consumer organisation created by Parliament.

If you would like this information in another format such as large print, Braille or audio, call our British Gas Home Energy Care team on **0845 955 5404***.

If you are hard of hearing or speech impaired and use a textphone, please call **18001 0845 955 5502***.

Introduction

Throughout 2005, we have continued to build on our commitment to provide our energy customers with exceptional services, meeting their needs and providing guidance and advice in managing their household finances.

Against a backdrop of unprecedented increases in the wholesale cost of energy, we have looked to develop new and innovative ways of, promoting energy efficiency, helping our customers keep their homes warmer and reduce their energy bills.



The here to HELP programme that we run in partnership with a selection of UK charities continues to tackle the root causes of household poverty by improving the living conditions and quality of life of people in some of Britain's most deprived communities.



Our partnership with Help The Aged has been in place for over 7 years and we have invested more than £6 million in developing and implementing practical schemes to improve the lives of approximately 1.7 million older people. Work under the partnership has now evolved to focus on the issues of winter deaths and fuel poverty using the strapline, 'working together to stop the cold killing older people'. As part of this, the partnership has worked to increase awareness of state benefits available to older people, help them claim their personal entitlement and increase their income, and help lift them out of fuel poverty.

For those customers struggling with their household energy bills, debt prevention has and remains our philosophy. We believe it is important to obtain a balance between doing everything we reasonably can to help those customers who want to pay, but can't, whilst also tackling those customers who can pay, but choose not to. Our commitment remains that we will not disconnect any customer who we know is vulnerable, or is potentially vulnerable.



The British Gas Energy Trust is now in its second year, this is an independent charitable trust established by ourselves with an initial funding of £10 million over three years. The Trust provides a combination of grants and advice to help

customers experiencing problems with essential household debt. To date the Trust has awarded over one thousand grants averaging £350 to UK families.

We also realise the impact that our recent energy price rises could have on our elderly and disadvantaged customers. To protect these customers in 2005 we launched a winter rebate initiative that offered our customers who were in receipt of a wide range of qualifying state benefits significant savings on their gas and electricity bills.

The Energy Savers Club was also launched as an innovative approach to incentivise consumers to use energy wisely, to save money, and help protect the environment. The Energy Savers Club is a two year on-line energy efficiency offer for householders who want to improve the energy efficiency of their homes and reduce their bills. Customers will receive a cash-back reward for not wasting energy and becoming more energy efficient.

Customers can join the British Gas Energy Savers Club on-line and undertake to improve the energy rating of their home. In return we offer customers: On-line billing, renewable electricity, a two year tailor made on-line energy efficiency plan, tips and advice designed to help improve the energy rating of the home, together with discounts on exclusive energy efficiency products.

Here at British Gas we are committed to devising and delivering services that have a positive impact on our customers, and take our responsibility towards our elderly and disadvantaged customers very seriously.



Mark Clare
Managing Director, British Gas

Paying bills and helping customers in difficulty



To help you manage your bills more effectively, we offer many different ways of paying for your gas and electricity.

Sometimes, customers have difficulty paying their bills. If this happens to you, let us know straightaway. The sooner we hear from you, the sooner we can help. We may be able to offer you more time to pay or suggest a suitable payment arrangement at a rate you can afford. It may be appropriate for you to have a Prepayment Meter fitted to help manage your payments. At all times, we take into account your ability to pay when agreeing to the best payment arrangement to collect any outstanding debt.

Number of customers on each payment scheme (all domestic customers)

Gas

Quarterly (cash or cheque)	39.1%
Quarterly variable direct debit	0.7%
Monthly direct debit	40.1%
Monthly standing order	0.8%
Monthly payment scheme (cash or cheque)	2.5%
Fortnightly/twice monthly payment schemes	1.0%
Weekly payment scheme	2.6%
Flexible payment scheme (e.g. pay as you go)	0.0%
Prepayment Meter	12.8%
Fuel direct	0.2%
Other	0.2%

Electricity

Quarterly (cash or cheque)	34.4%
Quarterly variable direct debit	0.0%
Monthly direct debit	43.6%
Monthly standing order	0.1%
Monthly payment scheme (cash or cheque)	1.6%
Fortnightly/twice monthly payment schemes	0.9%
Weekly payment scheme	2.1%
Flexible payment scheme (e.g. pay as you go)	0.0%
Prepayment Meter	17.2%
Fuel direct	0.1%
Other	0.1%

Domestic debt (all customers)

Gas

Number of customers, at end of reporting period, on a debt payment arrangement extending beyond 91 days	459,372
Number of customers with debt over £100 carried forward from previous reporting period	193,995
Number of customers with debt over £300 carried forward from previous reporting period	82,587
Number of customers with debt over £600 carried forward from previous reporting period	33,836
Average debt per customer (total debt/numbers of customers in debt)	£192.05

Electricity

Number of customers, at end of reporting period, on a debt payment arrangement extending beyond 91 days	192,210
Number of customers with debt over £100 carried forward from previous reporting period	87,859
Number of customers with debt over £300 carried forward from previous reporting period	30,020
Number of customers with debt over £600 carried forward from previous reporting period	11,958
Average debt per customer (total debt/numbers of customers in debt)	£143.50

Domestic debt payment arrangements – non Prepayment Meter customers

Gas

Number of customers entering into a debt repayment arrangement (extending beyond 91 days) in this reporting period	374,166
Average weekly amount towards debt (for arrangements extending beyond 91 days, entered into during this reporting period)	£3.29
Average number of weeks to recover debt (for arrangements extending beyond 91 days, entered into during this reporting period)	44
Number of arrangements entered into in this reporting period with debt repayment at below £3 per week	242,531
Number of arrangements entered into in this reporting period with debt repayment set between £3 and £6 per week	91,141
Number of arrangements entered into in this reporting period with debt repayment set above £6 per week	40,494

Electricity

Number of customers entering into a debt repayment arrangement (extending beyond 91 days) in this reporting period	168,764
Average weekly amount towards debt (for arrangements extending beyond 91 days, entered into during this reporting period)	£3.01
Average number of weeks to recover debt (for arrangements extending beyond 91 days, entered into during this reporting period)	48
Number of arrangements entered into in this reporting period with debt repayment at below £3 per week	119,195
Number of arrangements entered into in this reporting period with debt repayment set between £3 and £6 per week	35,046
Number of arrangements entered into in this reporting period with debt repayment set above £6 per week	14,523

Domestic debt payment arrangements – Prepayment Meter (PPM) customers

Gas

Number of customers at end of reporting period with PPMs calibrated to recover a debt	333,668
Number of PPM customers at end of reporting period without a debt	1,102,469
PPMs calibrated in this reporting period to recover a debt	90,775
Average weekly amount towards debt for PPMs calibrated in this reporting period	£5.67
Average number of weeks to recover debt for PPMs calibrated in this reporting period	48
PPMs calibrated in this reporting period with debt repayment at below £3 a week	25,609
PPMs calibrated in this reporting period with debt repayment set between £3 and £6 a week	48,594
PPMs calibrated in this reporting period with debt repayment set above £6 a week	16,572

Electricity

Number of customers at end of reporting period with PPMs calibrated to recover a debt	68,722
Number of PPM customers at end of reporting period without a debt	1,021,441
PPMs calibrated in this reporting period to recover a debt	21,230
Average weekly amount towards debt for PPMs calibrated in this reporting period	£6.07
Average number of weeks to recover debt for PPMs calibrated in this reporting period	53
PPMs calibrated in this reporting period with debt repayment at below £3 a week	657
PPMs calibrated in this reporting period with debt repayment set between £3 and £6 a week	15,940
PPMs calibrated in this reporting period with debt repayment set above £6 a week	4,633

Disconnections

Our policy

At British Gas we do everything we can to avoid disconnecting your supply. We only do so as a last resort when all other attempts to agree a suitable way of repaying any outstanding debt have failed.

If you are of pensionable age, and live alone or with other people, all of whom are also of pensionable age or are under 18, we will not disconnect your supply between 1st October and 31st March.

Disconnections/de-energisations for debt

Gas

Number of customers disconnected in this reporting period for non-payment of debt	14
Number of disconnections in this reporting period where there was no verbal contact with the customer during the lifecycle of the bill for which their supply has been disconnected (this contact could be prompted either by the customer or the supplier)	12
Number of disconnections of all known pensioner, disabled or chronically sick households in this reporting period	0

Electricity

Number of customers disconnected in this reporting period for non-payment of debt	3
Number of disconnections in this reporting period where there was no verbal contact with the customer during the lifecycle of the bill for which their supply has been disconnected (this contact could be prompted either by the customer or the supplier)	1
Number of disconnections of all known pensioner, disabled or chronically sick households in this reporting period	0

Post disconnection (debt)

Gas

Number of customers reconnected in this reporting period	68
Percentage reconnected within 2 days of disconnection	2%
Percentage reconnected within 4 days of disconnection	5%
Percentage reconnected within 7 days of disconnection	7%
Percentage reconnected within 14 days of disconnection	9%
Percentage reconnected within 1 month of disconnection	9%
Percentage reconnected within 3 months of disconnection	9%
Number of customers disconnected for debt in this reporting period who have not had their supply reconnected by the end of this reporting period	8
Average period of disconnection for customers reconnected in this reporting period	922 days*

Electricity

Number of customers reconnected in this reporting period	2
Percentage reconnected within 2 days of disconnection	0
Percentage reconnected within 4 days of disconnection	34%
Percentage reconnected within 7 days of disconnection	50%
Percentage reconnected within 14 days of disconnection	54%
Percentage reconnected within 1 month of disconnection	65%
Percentage reconnected within 3 months of disconnection	81%
Number of customers disconnected for debt in this reporting period who have not had their supply reconnected by the end of this reporting period	165
Average period of disconnection for customers reconnected in this reporting period	85 days*

* The average period of disconnection for customers is dependant upon the time it takes for the customer to contact British Gas post-disconnection to arrange reconnection terms.

Disconnections/de-energisations for alleged fuel theft (includes post-disconnections)

Gas

Number of customers disconnected for alleged fuel theft in this reporting period (non PPM customers)	110
Number of customers disconnected for alleged fuel theft in this reporting period (PPM customers)	255
Number of customers disconnected for alleged fuel theft in this reporting period, who have not had their supply reconnected by the end of the reporting period	328
Percentage reconnected within 2 days of disconnection	23%
Percentage reconnected within 4 days of disconnection	42%
Percentage reconnected within 7 days of disconnection	73%
Percentage reconnected within 14 days of disconnection	91%
Percentage reconnected within 1 month of disconnection	100%
Percentage reconnected within 3 months of disconnection	100%

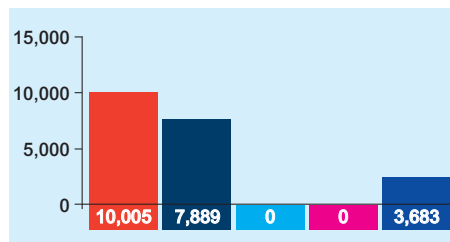
Electricity

Number of customers disconnected for alleged fuel theft in this reporting period (non PPM customers)	61
Number of customers disconnected for alleged fuel theft in this reporting period (PPM customers)	363
Number of customers disconnected for alleged fuel theft in this reporting period, who have not had their supply reconnected by the end of the reporting period	370
Percentage reconnected within 2 days of disconnection	38%
Percentage reconnected within 4 days of disconnection	47%
Percentage reconnected within 7 days of disconnection	76%
Percentage reconnected within 14 days of disconnection	86%
Percentage reconnected within 1 month of disconnection	90%
Percentage reconnected within 3 months of disconnection	100%

Fuel direct

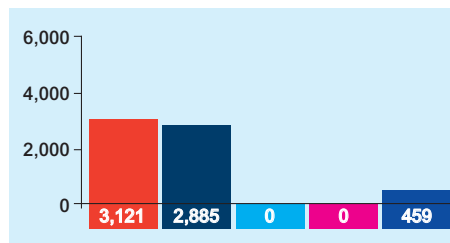
If you receive Income Support or Jobseeker's Allowance and have an outstanding debt, the Benefits Agency may help by paying your bill directly to us out of your benefit under the Fuel Direct Scheme. If you want to pay in this way, contact your local Benefits Agency.

Gas



- Number of customers joining Fuel Direct in this reporting period
- Number of customers referred to DWP* in this reporting period
- Number of customers requesting to pay by Fuel Direct, but refused by supplier in this reporting period
- Number of customers referred by supplier to DWP*, who then refused to let them join Fuel Direct in this reporting period
- Number of customers on Fuel Direct who no longer have a debt

Electricity



- Number of customers joining Fuel Direct in this reporting period
- Number of customers referred to DWP* in this reporting period
- Number of customers requesting to pay by Fuel Direct, but refused by supplier in this reporting period
- Number of customers referred by supplier to DWP*, who then refused to let them join Fuel Direct in this reporting period
- Number of customers on Fuel Direct who no longer have a debt

*Department for Work and Pensions

Warrants of entry

Gas

Number of customers disconnected on a warrant visit	14
Number of PPMs installed on a warrant visit	8,694
Number of warrants used, where forcible entry was necessary, to enter occupied property (to install a PPM or disconnect for non-payment of debt)	3,065
Number of warrants used, where forcible entry was necessary, to enter unoccupied property (to install a PPM or disconnect for non-payment of debt)	0

Electricity

Number of customers disconnected on a warrant visit	3
Number of PPMs installed on a warrant visit	3,809
Number of warrants used, where forcible entry was necessary, to enter occupied property (to install a PPM or disconnect for non-payment of debt)	1,270
Number of warrants used, where forcible entry was necessary, to enter unoccupied property (to install a PPM or disconnect for non-payment of debt)	0

Security deposits

Gas

Number of security deposits held	3,976
Average value of security deposits held	£155.07
Number of deposits held for more than 12 months at end of this reporting period	1,648
Number of security deposits paid in this reporting period	2,388

Electricity

Number of security deposits held	700
Average value of security deposits held	£113.61
Number of deposits held for more than 12 months at end of this reporting period	176
Number of security deposits paid in this reporting period	706

Prepayment Meter Code of Practice



British Gas offers Prepayment Meters as an easy way to pay for gas or electricity in advance. For many customers, this method of payment can prevent them falling into debt – and in many cases it helps them repay an existing debt in a more manageable way.

Prepayment Meters may not be right for everyone and we always take a customer's personal circumstances into account before fitting one. For example, Prepayment Meters may not be suitable for customers who cannot physically get to a payment outlet to charge their meter.

Prepayment meters installed/removed and services provided

Gas

Total number of PPMs installed in this reporting period	115,434
Number of PPMs installed in this reporting period on request as a payment option for customers without a debt	24,659
Number of PPMs installed in this reporting period to recover a debt	90,775
Number of customers changing from PPM to credit terms in this reporting period	42,823
Number of requests to change from PPM to credit meter from customers without a debt that have been refused	0
Number of PPMs installed in this reporting period where the customer was known to live more than 2 miles from nearest vending outlet	0

Electricity

Total number of PPMs installed in this reporting period	30,589
Number of PPMs installed in this reporting period on request as a payment option for customers without a debt	9,359
Number of PPMs installed in this reporting period to recover a debt	21,230
Number of customers changing from PPM to credit terms in this reporting period	23,297
Number of requests to change from PPM to credit meter from customers without a debt that have been refused	0
Number of PPMs installed in this reporting period where the customer was known to live more than 2 miles from nearest vending outlet	0

For our Prepayment Meter customers, we've introduced a 'frequently asked questions' telephone line – **0800 587 6567** for gas, and **0800 555 7000** for electricity, plus information on our website **house.co.uk**

Codes of practice for our customers who are older, disabled, living with an illness, blind, or hard of hearing

British Gas is committed to delivering the best possible service to all our customers. For those with specific needs such as our customers who are older, disabled, living with an illness, blind, or hard of hearing, we offer a range of free services to help make life easier... special controls and adaptors... repositioning of meters for easier access... Braille and Talking Bills and where applicable, gas safety checks free of charge.

If you join the 'British Gas Home Energy Care Scheme', we can keep a record of any specific requirements that you have.

For information please call **0845 955 5404***,
or if you have a textphone **18001 0845 955 5502***.

Priority service register (PSR)

Gas

Customers on Priority Service Register at the end of this reporting period	362,246
Number of customers that have joined the PSR in this reporting period	9,097

Electricity

Customers on Priority Service Register at the end of this reporting period	221,749
Number of customers that have joined the PSR in this reporting period	29,520

Registered services

Gas

Number registered for receiving Talking bills at the end of this reporting period	793
Number registered for receiving bills in Braille/large print at the end of this reporting period	12,360
Number registered for password schemes at the end of this reporting period	111,464
Number registered for third party billing/bill re-direction at the end of this reporting period	8,382
Number registered for quarterly reads at the end of this reporting period	362,246

Electricity

Number registered for receiving Talking bills at the end of this reporting period	266
Number registered for receiving bills in Braille/large print at the end of this reporting period	4,346
Number registered for password schemes at the end of this reporting period	35,787
Number registered for third party billing/bill re-direction at the end of this reporting period	5,100
Number registered for quarterly reads at the end of this reporting period	221,749

Services provided on request

Gas

Number of meters repositioned or replaced at the customer's request, free of charge, in this reporting period	845
Number of customers provided with special controls or adaptors, free of charge, in this reporting period	861*
Number of customers that used minicom/textphone service in this reporting period	241*
Number of customers provided with a safety check, free of charge, in this reporting period	19,795

Electricity

Number of meters repositioned or replaced at the customer's request, free of charge, in this reporting period	239
Number of customers provided with special controls or adaptors, free of charge, in this reporting period	861*
Number of customers that used minicom/textphone service in this reporting period	241*

*Combines data for Gas and Electricity customers

Codes of practice on energy efficiency

A growing number of our customers want to save money and help protect the environment by reducing their energy consumption. To help them achieve this, British Gas has invested in a multi-million pound programme to promote energy efficiency. As part of this, we're providing grants and discounts for energy efficient boilers, heating controls as well as cavity wall and loft insulation. To find out more contact our Energy Efficiency Advice Line on **0845 965 0650*** and ask for our free Code of Practice leaflet on energy efficiency, *Saving energy saves money* (D03).



The information in the table below reflects the service provided by our Energy Efficiency Advice Line in 2005. We have one dedicated line for all our gas and electricity customers to call when seeking advice on how to use energy more efficiently, which is **0845 965 0650***.

Number of customers provided with energy efficiency advice in this reporting period	21,069
Number of customers given advice about insulation in this reporting period	8,297
Number of customers given advice about selection of new appliances in this reporting period	5,707
Number of customers given advice about usage of appliances and/or controls in this reporting period	11,829
Number of customers given advice about grants available in this reporting period	3,398
Number of customers given other advice in this reporting period	7,017
Number of energy efficiency Codes of Practice sent out in this reporting period	11,346
Number of customers in debt provided with energy efficiency information in this reporting period	122,296
Number of customers on Fuel Direct provided with energy efficiency information in this reporting period	395
Number of customers on the Priority Service Register provided with energy efficiency information in this reporting period	483
Number of customers referred to Warm Front/Warm Deal or EEC contacts in this reporting period	1,292

Glossary

British Gas – supplies gas and electricity to millions of domestic and commercial customers throughout Great Britain and bills customers for the gas and electricity used.

Ofgem – the Office of Gas and Electricity Markets which regulates the gas and electricity industry in Great Britain.

Domestic Customers – are defined as those customers being supplied in domestic premises, using their supply wholly or mainly for domestic purposes.

energywatch – an independent consumer organisation created by Parliament to protect the interests of all domestic, commercial or industrial energy consumers. They offer free, impartial advice and support to gas and electricity consumers.

Prepayment – a method where customers pay for gas or electricity as they use it (by purchasing tokens, or charging a key or card, depending on the type of meter).

Fuel Direct – an agreement made with the Benefits Agency, where payment is made for gas and/or electricity direct from a customer's benefit payment.

Regular Payment Scheme – an agreement between the customer and the company whereby an agreed amount is paid at regular intervals to meet the cost of gas and/or electricity supplied.

British Gas Home Energy Care Scheme – offers a range of services for our customers who are older, disabled or living with an illness. We take into account their specific circumstances when we contact them.

Password Scheme – a scheme that allows customers to check the identity of British Gas staff and its agents when they visit by using an agreed password.

British Gas Codes of Practice

British Gas has drawn up a series of Codes of Practice which give details of the way we work and the services we provide to customers. All our Codes of Practice have been approved by Ofgem.

The Codes of Practice cover a wide range of subjects including; help with paying bills, using Prepayment Meters, services for older, disabled or customers living with an illness, energy efficiency advice, site access and complaints handling.

To receive a copy of any of these Codes of Practice, call our Customer Service Centre on 0845 609 1122*.

Useful phone numbers

British Gas Customer Services

Gas 0845 609 1122*
Electricity or Dual Fuel 0845 788 8400*
Monday to Friday 8am to 8pm, Saturday 8am to 6pm

British Gas Prepayment Line

Gas 0845 600 0055*
Electricity 0845 766 0111*
Monday to Friday 8am to 8pm, Saturday 8am to 6pm

British Gas HomeCare

Lines are open 24 hours, seven days a week 0845 960 5040*

Energy Efficiency Advice Line

Monday to Friday 8am to 5pm 0845 965 0650*

British Gas Home Energy Care

Monday to Friday 8am to 8pm, Saturday 8am to 6pm 0845 955 5404*

For customers who are blind or partially sighted

Monday to Friday 8am to 8pm, Saturday 8am to 6pm 0845 955 5404*

Textphone for people who are hard of hearing or speech impaired

Monday to Friday 8am to 8pm, Saturday 8am to 6pm 18001 0845 955 5502*

Warm Front

National home energy efficiency scheme offering grants for insulation and heating repairs for households claiming Government benefits. 0800 316 6011

Gas Emergency Services

Lines open 24 hours 0800 111 999

*Your call may be monitored and/or recorded for quality assurance.

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Doing the right thing