



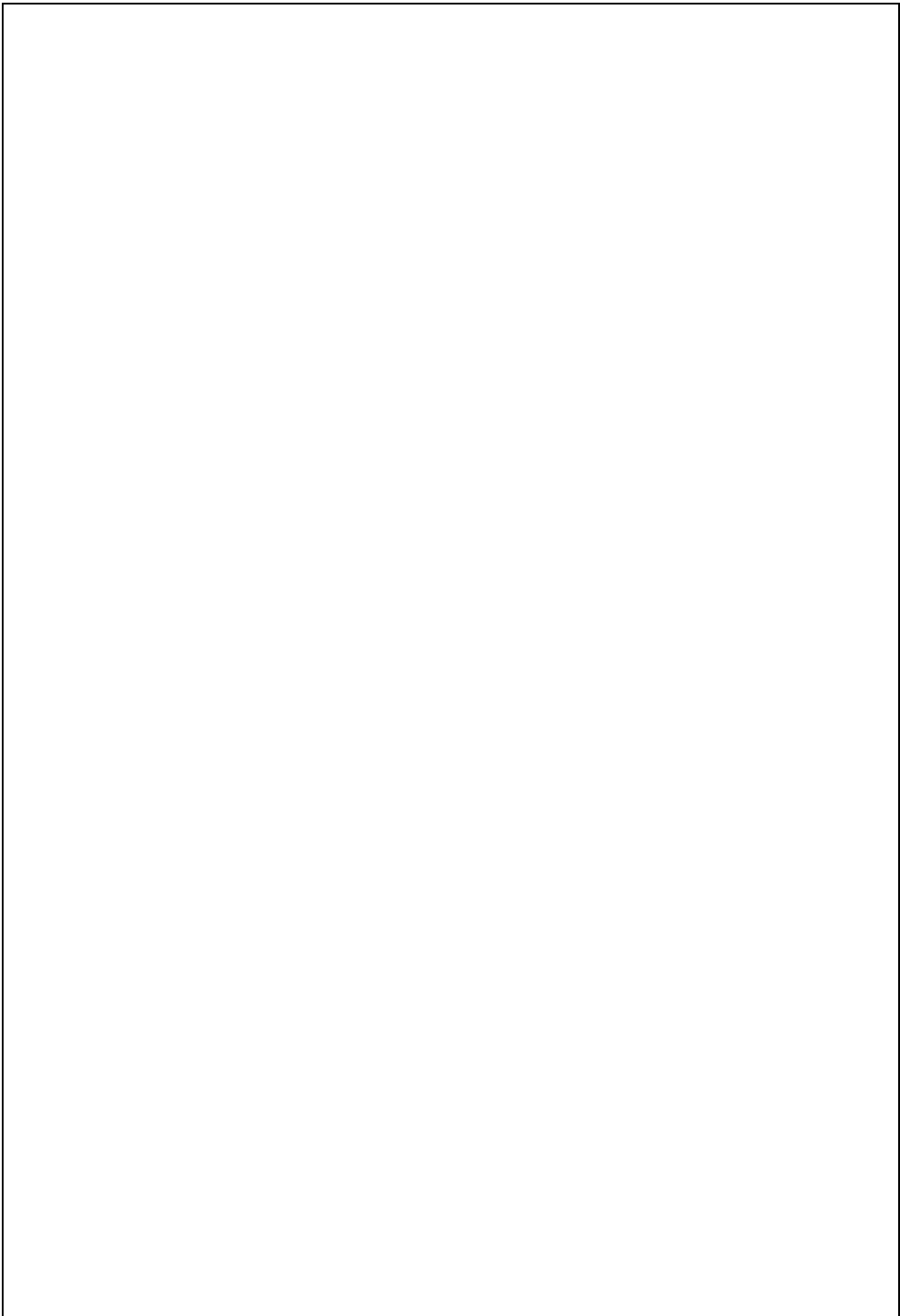
A GUIDE TO MANAGED FIELD AND COLLECTION SERVICES



AN ACS  
GUIDE

# ACS UTILITY SERVICES

Advanced Collection Systems Ltd | 2015



## **UTILITY SERVICES**

An ACS guide to debt collection and  
field services in the utility industry

## **ACS Guide to Utility Services**

Advanced Collection Systems have been helping utility companies with the collection of their overdue accounts since we were founded 15 years ago.

From those early days we have listened to our customers and developed a range of services they told us they wanted.

Now we offer a range of utility based services that are designed to free up your staff so they can do what they are best at, while we deal with your problems.

## **Meter to Cash Services**

Simply put, this is getting more of your money into your bank account, where it belongs. We offer three main services;

### **1. Training and Consultancy**

We work with your in house team to develop your collection strategy, letter suite and escalation path to increase collections internally. We also offer training in telephone techniques to maximise results from your call centre.

### **2. Outsourced Credit Control**

By acting as your credit control department, through a separate address and telephone number, we can use all our resources and expertise to ensure prompt payment of your invoices. This leaves your staff free to concentrate on their primary business functions and improves your productivity and cash flow. Other benefits include:

- Regular accounting reports
- Potential problems identified at an early stage
- Reduced staffing and all other overhead costs
- Full banking and invoicing services

Should an invoice exceed your credit terms the debt can automatically be escalated to our collection department together with a history of the account and immediate disconnection/de-energisation procedures implemented if necessary.

### 3. Final Billed Debt Recovery

We developed our own bespoke collection software specifically with the utility industry in mind. Each debt is personally handled by a dedicated account manager ensuring continuity and maximum results for our clients.

We believe that the personal touch is a major factor in helping us to outperform larger agencies and will become even more important as FCA and Ofgem requirements take effect. We **do not** automate processes for the sake of it and can therefore ensure personal attention to detail on every account we manage. A strict diary function within our software ensures that accounts are dealt with according to predefined timeframes and SLA's whilst maintaining your compliance requirements.

We have developed a number of collection strategies over the years as we know that 'one size does not fit all.' Each client has a unique collection cycle that is tailored to their exact requirements and designed to maximise returns.

## **Live Account Services**

Since our inception in 2000 we have managed “live” account recovery and specialist services for our utility clients. We provide collection and disconnection services for residential, SME and group accounts.

Because we specialise in this industry, our account managers have a great deal of experience and a strong track record of dispute resolution, enabling us to resolve the majority of issues without impact on your own resources.

## **De-energisation Services**

We have a dedicated “Disconnections” team that manages the whole process for our clients. We accept disconnection instruction for:-

Isolation due to debt  
Vacant premises  
Health and safety issues

An immediate PDV (pre disconnection visit) is undertaken by our national network of field agents. ALL agent reports are called in to ACS from site, in real time. We do not wait for a report to be emailed or posted. This ensures your accounts are dealt with in the shortest timeframe possible. Depending on the outcome of the PDV, our staff will instruct the most appropriate course of action to protect your interests and recover your cash.

Typical actions taken by our agents at site include:-

- Collection of the full balance or part payment and payment arrangement set up
- New occupier or change of tenancy identified and proof obtained
- Attempt to establish that the property is still occupied if no response
- Dispute identified and resolved if possible
- Property identified as vacant – meter removal or disconnection instructed if required by client.

In all cases a Human Rights letter will be left with the customer or at the premises to ensure further action can be taken if necessary.

We offer 3 levels of disconnection service;

- Disconnect Only.** Working in tandem with your own collections department to ensure the best results are achieved. We use our resources and industry knowledge to provide a managed field service, ensuring the process runs as smoothly and quickly as possible, leaving your staff free to recover your funds. Costs are agreed in advance and are related to the volume of accounts passed.
- Live Collect.** Working in tandem with your own in house or outsourced disconnections department, we contact your debtors to recover your money before completion of the disconnection process, improving your balance sheet and



helping you retain customers. As with our other debt recovery services, this is offered on a **no collection, no fee** basis.

- c. **Collect + Disconnect.** Our most popular service – we manage the whole process for you, escalating accounts into disconnection if recovery of your debt initially proves unsuccessful. Our collectors will continue to pursue recovery during the isolation process – only payment in full or a payment plan that meets your requirements will halt disconnection. The cost of the field services is lower than our **Disconnect Only** model and any debt that is recovered during the process is charged on our “**no collection, no fee**” basis.

## Warrants

ACS makes an application for a “Rights of Entry” warrant. Our agent will attend the debtor’s local Magistrates Court with the necessary documentation and information required to be granted a warrant.

Execution of Warrant – ACS will arrange the attendance of a network engineer, locksmith, Warrant Officer and if necessary police or other specialist trade to ensure that the disconnection is completed.

Reconnection – ACS can facilitate the reconnection of supply if necessary.

## Special Projects

Sometimes a “straightforward” disconnection is not possible due to site issues such as asbestos on site, meter access or location issues. In these cases ACS provide the trades and resources necessary to overcome these issues and prevent debt building up indefinitely.

## Fast Track Disconnections

In some circumstances a faster disconnection process is required. This may be due to a large outstanding debt or health and safety issues. In these instances we have developed a priority service that reduces the time frame for disconnection by at least 2 weeks.

## Smart Meter Disconnections

With the national roll out of smart meters, remote disconnections are becoming an attractive and viable option for suppliers. However, in an open letter published by Ofgem, they state that in “circumstances both where there is a meter with non-smart, or smart, functionality, **face to face contact is required**”

Suppliers need to be aware that to avoid breaching Ofgem guidelines and potentially their licence conditions, there is still a requirement for an agent to be present at the supply site when the remote disconnection takes place.

Our smart meter disconnection service ensures that all requirements are met and protects you from possibly serious action by the regulator.

### **Information visits/Special reads**

Some of our clients do not have the resources to undertake visits to gain meter information or obtain special reads. We can use our national network of agents to make these visits on your behalf. All agents are utility trained and can assist with meter queries.

### **Revenue Protection**

It is now a licence condition that suppliers have in place procedures to detect, prevent and investigate theft of gas and electricity. The only practical way to achieve this is via site visits, both to check status of the site and ensure no tampering has taken place and also following disconnection to check illegal reconnections have not taken place.

Many of our clients use our network of trained agents to conduct pro active or reactive investigations into energy abstraction (theft)

## **Other Services**

Clients in the utility sector often have a variety of ad hoc or infrequent requirements. It does not usually make commercial sense to maintain in house resources to manage these issues. ACS are often the first port of call for our clients and wherever possible, will find or create a solution that meets our clients needs. Examples of solutions we have provided for our clients include;

Pre meter installation signal checks

Smart meter installations

Meter storage after removal

Meter fault investigation

Supplier health and safety obligations

On site complaint investigation and management

Demolished site investigation and evidence (part of industry required fictitious debt reduction process)

## Case Study 1

Our client started trading in 2011 and supplies electricity to commercial SME premises. Their business model was to install Smart Meters to all sites and have all customers set up on direct debit. This would ensure customers would have accurate reads, pay promptly and if necessary the supply could be remotely disconnected.

When they first contacted us, they did not envisage a need for disconnection services and engaged ACS to provide our **“Trace + Collect”** service to recover debt on final billed accounts where there had been a change of tenancy and the customer had vacated leaving no forwarding address.

Rapid growth of the company highlighted a few unforeseen circumstances;

- Inability to arrange for installation of a smart meter
- Lack of signal from smart meter
- No team, process or resources in place to deal with ‘Live’ debt

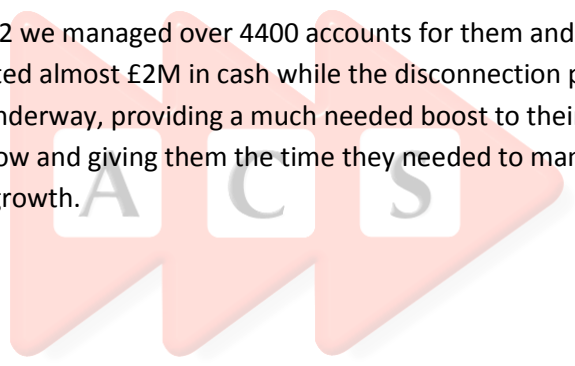
This led to an increasing debt burden for the company, which, along with the usual cash flow pressures experienced by high growth businesses, meant a solution needed to be found quickly.

They could have created an in house disconnections department but they did not have the time to recruit and

train the staff required and a spiralling head count wasn't the sort of growth they wanted.

ACS took over the management of Live debt under our **“Collect + Disconnect”** service. The advantages to our client over contracting directly with a field services only company were real time management of their accounts without any additional staffing or resource burden and continuous cash collection activity from those accounts while the disconnection process was underway.

In 2012 we managed over 4400 accounts for them and collected almost £2M in cash while the disconnection process was underway, providing a much needed boost to their cashflow and giving them the time they needed to manage their growth.



## Case Study 2

Our client is a mid sized, well established electricity supplier with a commercial only business model. They have a large portfolio of group and multi site accounts, many of which are in the retail sector.

Unfortunately, the recent recession hit the UK High Street hardest and several high profile retailers entered administration, leaving our client with hundreds of sites where responsibility for utilities was now in doubt.

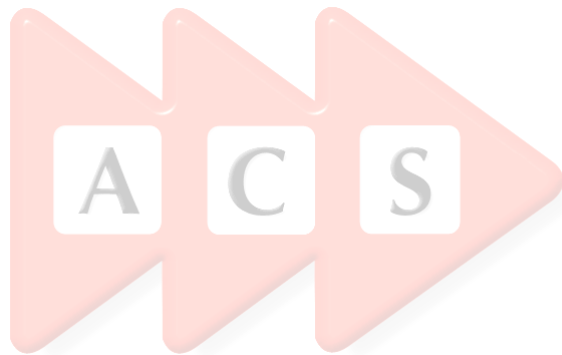
Exposed to the risk of further losses due to ongoing consumption and no one to hold responsible for payment, it is usual in these circumstances to simply arrange disconnection of all sites, as fast as possible.

Although this approach would seem to protect the suppliers interests it is costly and leads to a high risk of complaints from landlords and prospective new tenants who are unlikely to have received notification of the action since most letters will go to what is now an empty building.

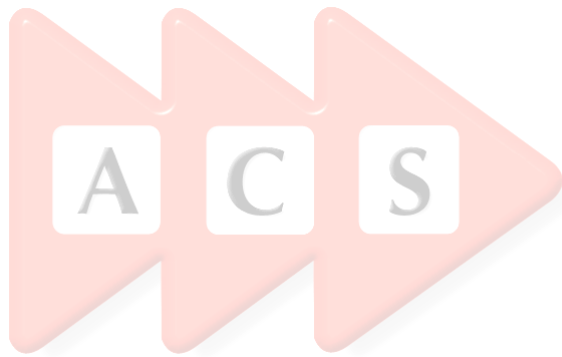
We believed there was an alternative, less confrontational and costly option.

ACS created a specific process to identify and contact the landlords, liaise with them, the administrators and potential new tenants in order to establish who would be liable for utilities going forwards.

Our goal was to obtain all the necessary documentation to enable our client to set up an account for the new customer without resorting to disconnection. This approach reduced costs for our client, reduced complaints and helped our client retain the supply on a significant number of sites.







Established in 2000, ACS Limited is an experienced debt recovery agency with a specialist, in house disconnection department.

You can find further information and resources that may be of use to you, including further copies of this guide on our website:

**[www.advancedcollection.co.uk/resources](http://www.advancedcollection.co.uk/resources)**

