



Amy Jennings
Non-Domestic Retail Policy
Ofgem
10 South Colonnade
Canary Wharf
London
E14 4PU

20 March 2023

Dear Amy,

Consultation on Guidance for Third Party Intermediary Alternative Dispute Resolution scheme criteria

Thank you for the opportunity to respond to your consultation on Ofgem's guidance for Third Party Intermediary (TPI) Alternative Dispute Resolution (ADR) schemes.

As a microbusiness supplier we are fully aware of our obligation to only work with TPIs that are members of a Qualifying Dispute Settlement Scheme (QDSS). We are actively only dealing with TPIs who are currently signed up to the Ombudsman's scheme as this is the only scheme operational at this time.

We acknowledge that other parties may want to offer QDSS services and welcome the guidance on what a QDSS should demonstrate to prove they can provide an independent, fair, effective and transparent out of court dispute settlement service to microbusiness customers.

While we welcome this guidance, we are concerned that there does not appear to be any external compliance monitoring of QDSS provision which could result in inconsistent application of accreditation and ongoing service provision. We have set out our response to Ofgem's three questions specifically in Annex 1.

If you have any questions arising from our response, please do not hesitate to contact me or Gareth Williams (gareth.williams@scottishpower.com).

Yours sincerely,

Rhona Peat
Head of Retail Regulation

**CONSULTATION ON GUIDANCE FOR THIRD PARTY INTERMEDIARY ALTERNATIVE
DISPUTE RESOLUTION SCHEME CRITERIA – SCOTTISHPOWER RESPONSE**

Question 1: Does the proposed guidance clearly set out the guideline structures for a provider to offer a high quality and effective service for microbusiness customers seeking TPI dispute resolution services?

ScottishPower believes that the guidance does clearly set out structures for a provider to offer a high quality and effective service for microbusiness customers seeking TPI dispute resolution services. It reasonably explains how an organisation can set itself up to meet the definition of a QDSS which TPIs can sign up with, thus allowing suppliers to meet their obligation to only work with TPIs who are signed up with a QDSS.

Question 2: Is there anything missing from the draft guidance that could result in a provider offering ineffective TPI dispute resolution services now or in the future?

There does not appear to be any single body for accrediting QDSS or ongoing auditing of these providers to ensure that they remain compliant with the guidelines that determine their status as a QDSS. This suggests that TPIs and or Suppliers would need to constantly monitor the QDSS to ensure they are maintaining the appropriate levels of service. We think it would be helpful for a nominated body to be responsible for ensuring QDSS providers remain compliant with Ofgem's guidance.

Relying on multiple parties to ensure a QDSS provider is meeting the requirements set out in the guidance is open to interpretation and could result in different suppliers accepting or rejecting the status of the QDSS. This could have an impact on TPIs being able to deliver a satisfactory service for microbusiness customers.

Question 3: Do you have views on how QDSS providers can inform customers, TPIs and suppliers that they meet and can continue to meet these requirements - and therefore give microbusiness customers confidence in using it?

Again, there would need to be some level of auditing of these QDSS providers to ensure they are meeting the requirements upfront and on an ongoing basis. It would need to be a separate party that would give microbusiness customers the confidence to use the service. All QDSS providers should be listed on a central register that is publicly available to all parties, that can be easily signposted by relevant stakeholders to inform customers of the choices available to them when choosing a QDSS to represent them.

ScottishPower
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