UCSM
Utility Customer Service Management Ltd.

Submission to Ofgem
August 2023

Consumer standards statutory consultation.

UCSM Ltd acts as a Utilities consultancy spanning all utilities predominantly across the south of England and targeted towards small to medium sizes Customers hence, over 85% of our works is in the area of domestic supplies. Typically, an under represented group of Customers.

We are not a third-party intermediary but do interreact on behalf of our Customers with suppliers and it is based upon this background, this submission is made.

Overriding view from Utility Customer Service Management Ltd.

- The industry already has a mechanism to monitor and drive improvements in Customer service in Guaranteed Standards and yet these are poorly supported – industry members appear able to flaunt these at will resulting in poor service, dissatisfied Customers, and without the firm back-up of the regulator – reducing standards of service. If this very simply mechanism cannot be enforced then what is value of any new method or indeed, this consultation.
- Any appetite for improvement must in the first instance focus on correcting what we are currently doing wrong i.e. compliance to existing mechanisms before even considering new mechanisms.
- Please, can we see more formal determinations to drive enforcement of existing rules and regulations before considering more which makes the whole industry more complex. It would also enhance the authority held by the regulator.
- Keep it simple.

Customer satisfaction and our approach to driving up standards.
This area has been in need of focus for some years now and even the quoted figure of 74% consumer satisfaction is well below what Customer should be able to expect from a supplier. This is not just our view – this is recorded widely across multiple Customer service indices. This then takes us to a point of asking what target is being aimed at from the current 66%, is it to restore it to the previous poor level of 74% or to seek even further improvements?

Further to this, and it is indeed our hope, the progress will be two fold that is, to restore to previous levels (74%) and then to higher levels (that have ironically, not been declared)?
Further to this, we note reference to competition not driving “sufficient performance” – competition has existed for over ten years now – what time scale can Customers expect the regulator to respond to signals of poor service - is it because the level appears to have dropped to 66% or because the level has been consistently low? In itself, we struggle to understand how competition can be expected to deliver Customer service when all who compete are allowed to “ride” on poor service with very little by way of accountability. We relate this to football, if fouling is generally accepted then there is zero incentive for any club not to foul unless the governing body takes a prompt and active role in the matter.

Improving contact ease.
It is our view that some of the principle issues in terms of communication with suppliers are:

- Poor response to issues. This normally presents itself as either incorrect information being given or failure to return phone calls – with the principle source for this conclusion being from “help” pages in national media. This is made worse by suppliers insisting on very restricted methods of communication (which are supported by both the ombudsman and regulator) i.e. mainly phone calls and hence, no documented recording of the event which always works to the advantage of the supplier. Even the use of webchat tends to default to this with no written record of the chat being made available to the Customer.
- A two way email/message system can provide both a record for each party but also enable each party to response in their time which provides a greater opportunity for better quality responses. This is of course, provided the supplier does not place unreasonable hurdles to Customer using such a facility as is often the case now e.g. account numbers (an number which is unique and only searchable by a single supplier!).
- Stop all one way communication. Suppliers meet many of their obligations by sending emails and/or text messages to Customer which are from non-return addresses so a Customer has zero option but to receive same and no method to respond or to even be able to block text messages. Customer are then left having to make phone calls to either AI controlled answering service or to join long ques because – simply put – “Your call is important to us and we will get to you as soon as we can – you are number 23 in the que”!!!

- The issue of being open 24/7 is absolutely bazaar. Suppliers have an obligation to its Customers and if this is a point of Customer service after so many years of suppliers taking their role then something very fundamentally has failed many years ago. We fail to understand how this can possibly be a point for discussion – perhaps the regulator would accept visiting their local hospital A&E unit to find they are closed but we feel very confident, the majority of the public would not accept this situation.
- Vulnerability, it may be a good approach for the regulator to detail vulnerability both in terms of long term and short term and to also provide firm estimates as to the percentage of consumers who they expect to fall into this category – this would then enable suppliers to both cater for same but also to account for the additional costs involved?
- The role of suppliers was (in our view) clearly defined when they came into existence and very much revolved around the “supplier hub” principle. This has since fallen by the way side, mainly because the expectations upon them were not enforced and as such, we find DNO’s have been required to “pick up” aspects from suppliers e.g. being a key focal point. Unless the responsibility of suppliers is not clearly defined **AND** suppliers are held account able to failures, the process of falling Customer standards will continue unhindered.
- In terms of a free enquiry service - is his not currently available from all suppliers and should essentially supports the principle of “if you wish to pay less, then use less”? The provision of a free call line – manned by staff who have an extremely narrow breadth of training (it is the supplier who provides this and why should they spend more than the minimum) would we suspect lead to even more complaints of poor service with the cost being borne by all consumers in general. This aligned with the issue of definition of “vulnerability” and being able to identify same (both short term and long term) appears to be a recipe for discontent.
- We believe all suppliers provide a clear and readily available method of contact and suspect each and every one of them could and would defend their position. Indeed, in the absence of very clear accountability in terms of their responsibilities, suppliers will also have (and do have) the support of the ombudsman and the regulator. We again fail to see how this can be an issue now without suppliers having enjoyed a period of non-compliance and low accountability.
- We are unaware of any supplier who actively support full disabilities. Dementia, which is on the increase causes memory loss and yet all suppliers either insist on phone call communications or chat function without copy of said chat being made available to Customers thus, said Customer have zero by way of written record of the interaction. This as a principle appears to fall by the wayside of all Customer groups – much the disadvantage of a growing number of sufferers.

- Extended hours of access to suppliers can easily be made available via email/chat function and provides a written record to all parties (if this facility is enabled in chat functions) and should be encouraged. A 24 hour call line manned by one person which for 1000 calls per night is of no use to anyone! This is without prejudice to the statutory function of suppliers for emergency works e.g. meter faults which as detailed previously, has resulted from poor compliance and accountability.

Identification and support/advise for those struggling with their bills.

- We fail to understand how an industry can support this stance and yet simply ignore a growing number of sufferers of dementia as detailed above.
- The industry remains void of a standard letter of authority (LOA) which can be tiered in such a way to offer family members etc. access to consumers accounts. It is with some grave concern this is mentioned as it could result in an LOA created with complexity which far out ways it benefits as the implementation of such can only proceed under strong reasonable and Customer focused leadership.

Reputational incentives.

- We have the view that any changes must add value to the general population of Customers. This means in practical terms that should a supplier have a high reputational rating this is reflected in their service and vis versa – unfortunately, this is not our experience and this discrepancy only leads to miss trust of the industry. In our view, a low score would be supported by an approach to a random 10 people who expressed a view on the matter.
- Reputational ratings as “just another report” without considerable compliance and implications is simply a meaningless cost burden to consumers.
- Reference is made on this matter to “great examples of supplier customer service” which is in our view the wrong approach. If you have a puncture on a car, one does not think about the other three tyres and how they have performed! For this to be meaningful, focus needs to be on failures after all, this is not a popularity contest! Or perhaps a point is being missed – a Customer who has received dreadful Customer service should feel grateful if their suppliers reputational rating is higher than the rest!

Other key areas to support our assessment.

- No comment.

Monitoring and evaluation.

- Mention is made of stakeholder engagement, an option imposed on DNO's for a period which returned, in our view, genuine potential benefits to all parties. One of the greatest benefits is for senior staff in DNO's to be "exposed" to the view from Customers which focuses their mind – again, our view. We have expressed to Ofgem in the past the value of such an approach with suppliers and remain of the view this would offer great value should this approach be adopted – to date, this has not been the case.
- Greater focus on more information is mindless in our view when the information already available is not used effectively. This consultation document is a good example, 98 pages of data when effectively the issue is a simple one of Customer service. A good example of this is that of Guaranteed standards, a tool for setting minimum standards for Customer service and for reporting on performance and yet, they are interpreted in different ways by different organisation and yet when this is challenged, the challenge is not support by the industry. For an industry to improve, this point has to change and we genuinely feel changing what is currently wrong is the first step towards improvements. Ignoring existing standards will devalue existing standards and any new standards become existing standards once implements and nothing will change.

Consumer Standards framework.

- Do Ofgem feel the general public (consumers) know and or appreciate the deference between "principle-based and prescriptive-based standards are? We feel if the answer to this is no, then why do it after all, even the very simplest of standards appear to be failing currently so why complicate matters.
- In terms of support for Customer unable to pay, the level (in terms of percentage of overall Customers) has to be set by Ofgem so that appropriate financial measures can be made by each supplier. This is on the basis that the money used to provide this support is paid for by regular – hard working Customers.