

## Customer Journey Working Group – update meeting

Meeting to discuss complaints data gathered from 1 October 2008 – 20 September 2009.

From  
Date  
Location

Ofgem  
11 January 2010  
Ofgem, 9 Millbank

### 1. Present

Consumer Direct (CD)	Tom Ballard
Consumer Focus (CF)	Dhara Vyas and Claire Lukas
ERA	Sofia Gkiousou
Ofgem	Maxine Frerk, Marcus Clements & Lisa Taylor
British Gas	Nigel Howard and Jo Akers
EDF	Denise Willis and Simon Rowe
E.ON	Tina Pearce and Paul Fairclough
npower	Paul Tonkinson, Chris Harris & Liz Gibson
Scottish & Southern Energy (SSE)	David Mitchem and Gareth Shields

### 2. Apologies

Energy Ombudsman	Andrew Bradley
ScottishPower	Grant Tierney

### 3. Agenda Item 1: Ensuring a common approach to complaints

3.1. The main purpose of the meeting was to discuss complaints handling. Having looked at the complaints data collected over the first 12 months of the new complaints handling standards Ofgem felt that concerns remained regarding consistency of interpretation in some areas of the standards. The meeting was designed to encourage suppliers to share experiences / lessons learnt in order to get a consistent approach. Consumer Focus has a duty to publish information and it is important that it is accurate.

3.2. Maxine Frerk asked those present to give their thoughts on complaints in order to spark debate and flesh out differences in interpretation.

#### Definition of a complaint

- EDF summarised the work it had done since the under-recording of complaints in the first six months of the new standards had been established. It had re-enforced

the definition of a complaint (and the new standards in general) with their staff through: a dedicated intranet site; staff training; team performance coaches; super users (point of contact when uncertain); quarterly cross site meetings (so each site is handling complaints in the same manner); and quarterly assurance sessions, whereby calls are played back to ensure consistency. EDF confirmed that it logged all expressions of dissatisfaction; dissatisfaction being decided by the type of call and tone of voice. EDF carried out its own customer research and found that 45% of customers questioned did not consider their call to be a complaint but rather a query – though EDF had logged it as a complaint.

- E.on reported that some call handling staff felt that recording complaints was a negative against them. This was a culture issue which E.on was striving to overcome, i.e. complaints were previously viewed a bad thing.
- Maxine Frerk said that the message from Ofgem to suppliers was that it was better to over-record than to under-record on the basis it was preferable from a customer service point of view to do so, ensuring there was a record if the customer needed to follow up. Ofgem's research had shown that often when a supplier thought the matter was resolved the customer did not.
- British Gas said that it held regular benchmarking exercises, listening to calls and searching out for key words indicating dissatisfaction. It had an integrated system (as do E.on and SSE) so recording complaints was a simple process, which had helped it meet the standards.
- Npower reported that it had changed its processes in the summer to provide more training for staff to identify and deal with complex complaints and refer them internally sooner. It suspected a small number of complaints over a very short period may have been missed as a result but the process was now more robust.
- Npower stated that it had levelling sessions where staff listened to calls. Consumer Direct stated that it did the same. E.on said it would welcome industry levelling sessions; **ERA agreed to set these up.**

#### Closed complaints

- Npower gave an example of why their complaints outstanding at day+1 were higher than other suppliers; a straightforward complaint regarding a refund was not considered closed until the subsequent action, in this case the refund, was made (for BACS this was 3 days, for cheques 7-10 days). Other suppliers confirmed that they considered the complaint to be closed once the 'button is pressed' for the refund, not when it was sent.
- Maxine Frerk said that npower's system took the standards literally i.e. the definition of closed was "no outstanding action". She suggested that suppliers try to agree a common approach. In the meantime, Ofgem agreed to look again to check that legally there is flex to interpret on the "button pressed" model and get back to you.

#### Repeat complaints

- Npower explained that their high number of repeat complaints was due to their system which linked complaints if they were from the same person on the same topic, e.g. if Mr X calls up in June 2008 about a billing complaint, which is then resolved, then calls up a year later with another but different billing complaint npower's system classifies it as a repeat complaint. All suppliers agreed that this should not be considered as a repeat complaint. npower undertook to re-educate staff and enhance their system to rectify this.

- Other suppliers had a system that flags up that the customer has complained before and on what subject but it was then up to their staff to ascertain if it was a repeat complaint or not. E.on said that it had held sessions with advisors to get consistency.
- British Gas asked that guidance be issued on 'time frame' for recording repeat complaints. E.on stated that it had agreed a one year timeframe with the Ombudsman. Maxine said that she was keen to encourage consistency and asked that industry take this forward. **ERA agreed to set up a session.**

Complaints outstanding +31 days

- Npower handed out case studies that showed why erroneous transfers, the gains process, and complex metering complaints could not be resolved within 30 days. Maxine asked suppliers if this was the case why were npower's unresolved complaints so much higher than those of other suppliers, given that they could be expected to have a similar level of such complaints. Suppliers agreed to look further into this. **It would be appropriate for ERA to set up a session to discuss this.**

#### Action

ERA to set up industry sessions on complaints definition, closed complaints, repeat complaints, complaints taking longer to resolve, and to report back to Ofgem on the outcomes.

#### Person – By

ERA – asap

## 4. Agenda Item 2: Consumer Focus plans for publishing complaints information and any observations

4.1. Consumer Focus had published data on 11 January showing domestic supplier performance on company referrals from Consumer Direct and cases received by the Consumer Focus Extra Help Unit since October 2008. It hoped this would give consumers a performance indicator for suppliers.

4.2. Consumer Direct stated that it was writing a report for CF on where customers got CD details. Those who were better at 'advertising' CD's details might get more referrals. This was something that CF metrics must recognise and ensure all suppliers highlight CD contact numbers equally prominently so that CF performance information was not unbalanced. Maxine remarked that CF needed to be mindful of not creating perverse incentives for suppliers in this area.

4.3. Consumer Focus stated that it would publish in January a consultation seeking views on the data it should publish, which it hoped to do in April. This would be informed by research with consumers on the information they would like to see. It also planned to develop measures for micro business and distribution networks down the line.

4.4. Consumer Direct said that the quicker useable data was available to consumers to make informed choices the better. It currently encouraged consumers to look at Consumer Focus' confidence code and price comparison website to look for the best supplier.

4.5. Consumer Focus added that it was currently examining the customer journey in the new arrangements, looking to identify stranded consumers, customer satisfaction, and the role/impact on advice agencies.

## **5. Any other business**

5.1. Tina Pearce asked what Maxine Frerk's observations were on how the overall arrangements were now working. Maxine stated that suppliers had stepped up their performance to get the complaint handling standards right but individual complaints handling could be better. She was keen to see the next Harris research to see what had changed in order to compare performance. Maxine considered that there was still more to be done on customer statistics; the complaints handling standards had done their job on certain fronts but consistency remained an issue.

5.2. OFT was in the process of re-contracting for the Consumer Direct service; the successful provider should be appointed in October. Tom Ballard said he will keep CJWG up-to-date on developments. There would probably be a new system but this would not impact referral partners.

5.3. Consumer Direct was undertaking refresher training for staff which may increase the number of referrals in the short term as its quality monitoring had identified that some referrals had been missed. It was also looking more widely at its training and may wish to involve others in this.