

**TPI Working Group**

Input session for TPI Code  
12:45 – 17:00

**Meghna Tewari, Jenny Boothe, Alex Tyler**  
20 October 2014

ofgem

# Welcome

26<sup>th</sup> September

- **Background**
  1. TPI definition
  2. Accreditation to TPI code
  3. Code Administration functions

20<sup>th</sup> October

- **Working arrangements**
  4. Complaints handling
  5. Breaches and sanctions
  6. Roles & responsibilities of Code Board
  - 3b. Review administration functions

7<sup>th</sup> November

- **Summary and Logistics**

Summary of 1 - 6

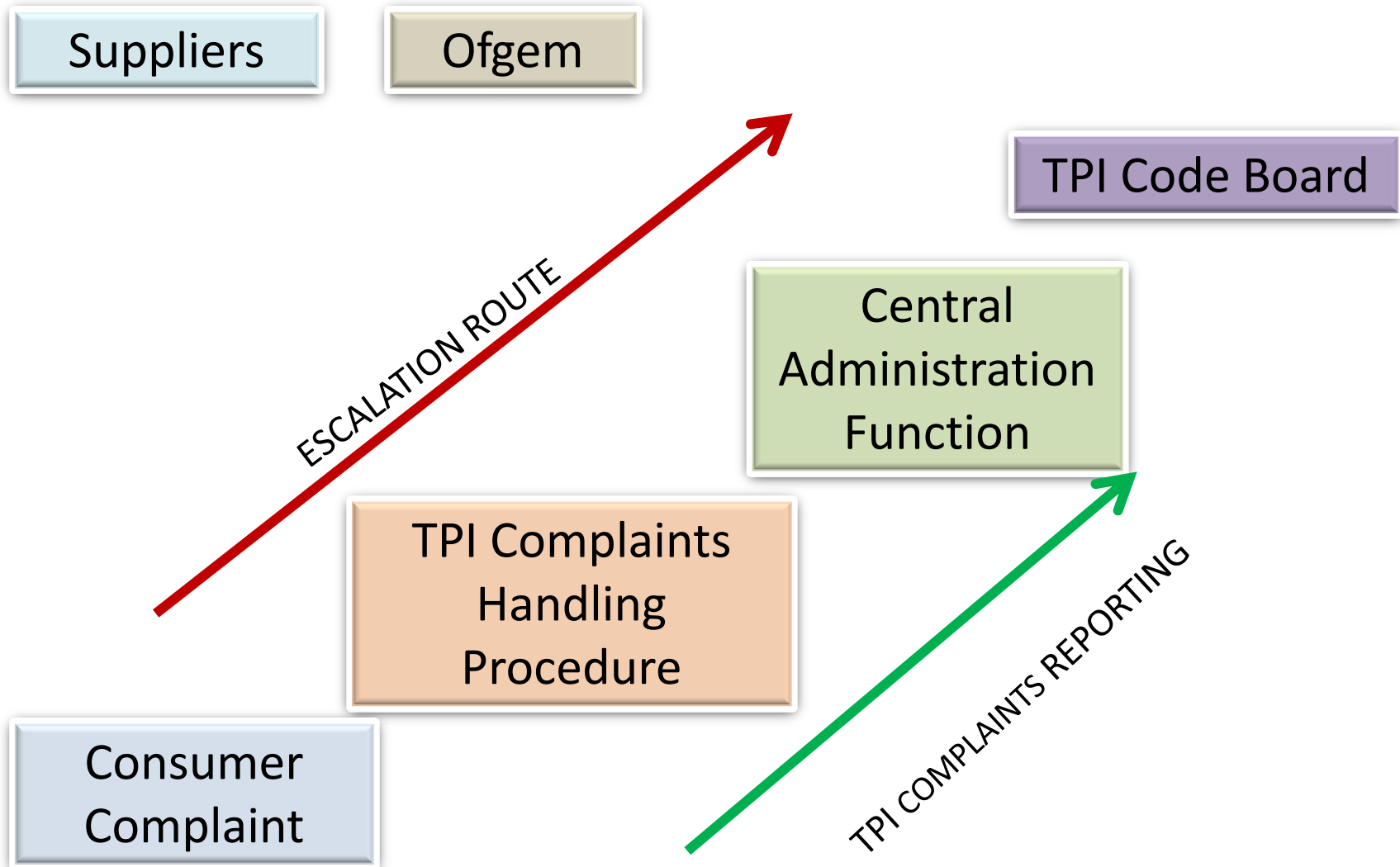
  7. Code modifications
  8. Funding

<b>Welcome</b>	<b>Meghna Tewari (MT)</b>	<b>12:45 – 12:55</b>
Review & agree output of 26/09	Jenny Boothe (JB)	12:55 - 13:00
Definition of ‘complaint’ & ‘breach’	JB	13:00 – 13:15
The Code Board: membership & roles	Alex Tyler (AT)	13:15 – 13:30
Break out sessions + lunch <ul style="list-style-type: none"> <li>• Reporting</li> <li>• Complaints process</li> <li>• Breaches process</li> </ul>	All	13:30 – 14:15
<i>Comfort break &amp; return to CR9</i>		<i>14:15 – 14:30</i>
Presentation of findings + discussions <ul style="list-style-type: none"> <li>• Reporting</li> <li>• Complaints process</li> <li>• Breaches process</li> </ul>	All	14:30 – 15:45
<i>Comfort break</i>		<i>15:45 – 16:00</i>
Review of the Administration function	AT	16:20 – 16:40
Wrap-up and next steps	JB	16:40 – 17:00

- Original research identified issues (1)
- Follow-up research in 2013 (2)
- Polarised view about brokers: 34% positive, 31% negative
- 64% reported having been approached by brokers over the last twelve months (41% contacted more than 5 times)
- 49% agreed 'accurate information had been provided' by broker (21% disagreed)
- 38% agreed whether broker had been 'upfront about whether there was a cost...for their services' (31% were not)
- 12% who had used broker services were highly satisfied
  
- No single point of contact for complaints
- In year September – September, Ofgem received 167 complaints about TPIs, including 202 issues
  - Largest single reason: sales misinformation (23%)

(1) (Nov 2011 – onwards) Retail Market Review work

(2) Dec 2013: Quantitative Research into Non-Domestic Consumer Engagement in, and Experience of, the Energy Market



## Complaints Handling Parameters

What is a complaint?  
- Any expression of dissatisfaction

What information should be logged by the TPI (including their subcontractors)?

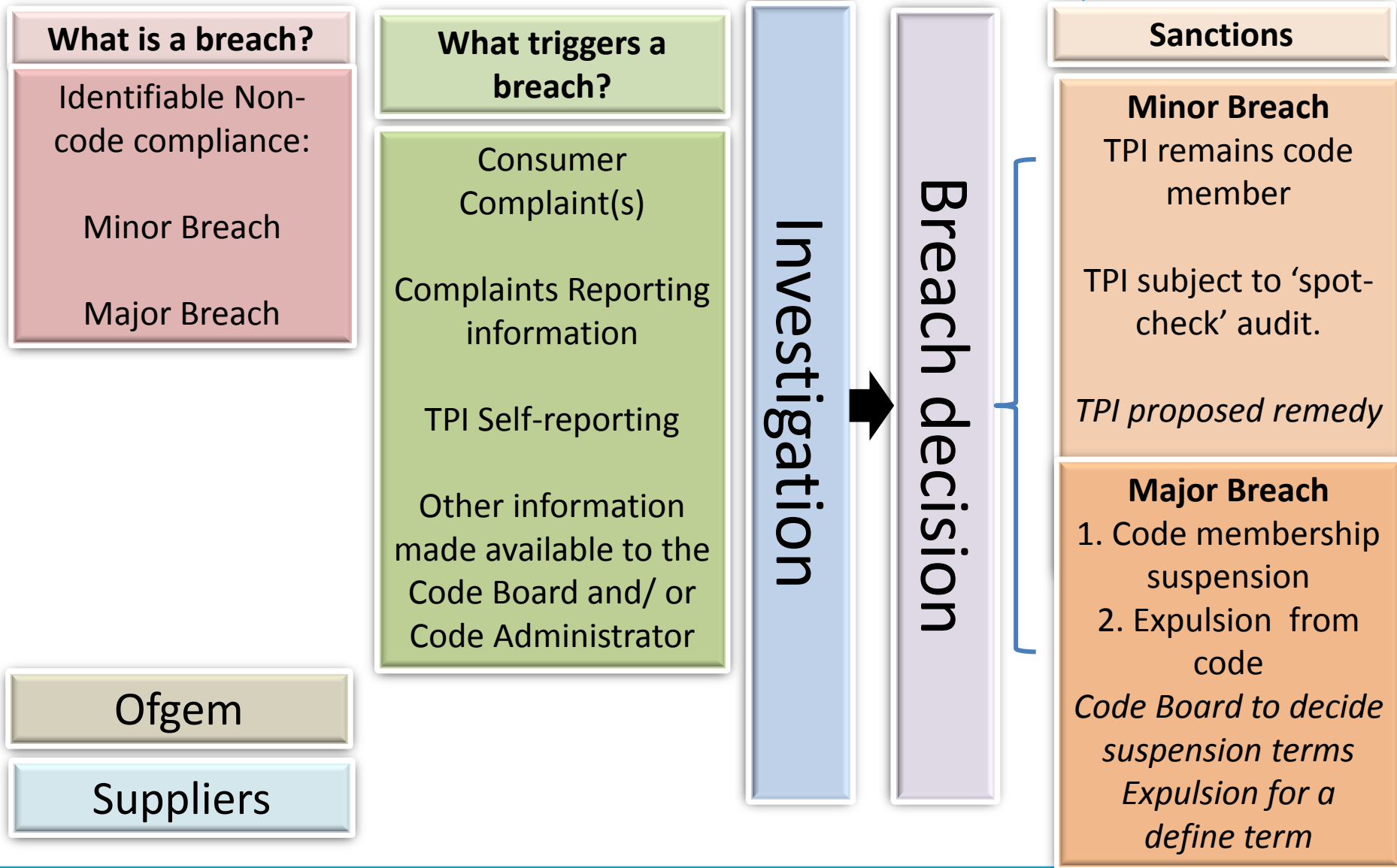
What should be reported to the CAF?

What role should the TPI Code Board have in complaints handling?

How should suppliers assist in the resolution of complaints?

Is there a specific role for Ofgem in this process?

# Breaches and Sanctions





## Breaches and Sanctions Parameters

What evidence should be used to determine a breach of the code?

What are the criteria for a minor and major breach?

What standards should apply in conducting an investigation?

What role should the Board have in determining a breach and levying sanctions?

Is there a specific role for Ofgem in this process?

Are there specific roles for suppliers in this process?

## 6. Code board: membership

### Members drawn from industry

- Stakeholders represented
- Current industry knowledge
- Large pool of potential candidates

### From outside industry

- Reduced potential for bias claims
- Potential for best practice from eg finance industry

### From Ofgem

- Industry knowledge
- Unbiased

### From Ex-industry

- Industry knowledge
- Reduced potential for bias claims

- Ability to fairly impose sanctions
- Open to accusations of cronyism

- Lower industry knowledge

- Restrictions upon role

- Number of available candidates

Objective: To develop a common language for the process of managing the code

Outputs:

1. Identify categories and definitions for complaints/ breaches, to allow clear reporting
2. Develop reporting frequencies and formats
  1. Data to central functions
  2. Data out to code participants
  3. Data published, including complaints/ breaches

Example of complaint category: [Name], [Definition], [Example]

- Perception: }-Name
- not making it clear to the customer how much of the market they have searched to get the price }-Definition
- the TPI presents a cheaper price, but does not tell the customer they have only gone to one supplier }-Example

Objective: To develop a complaints process showing role and responsibilities of parties

Outputs:

1. Process for complaints received that covers:
  1. Complaints received at TPI
  2. Complaints received elsewhere
  3. Complaints about a non-trading TPI or where TPI is not named in original complaint
  4. Standards to be applied within each stage of the process

## Break out session 3 (Room 6): Breaches & Sanctions

Objective: To develop a breach process showing responsibilities of parties

Outputs:

1. Process for breaches that covers:
  1. How breaches are identified
  2. Definition of code breach
  3. Reporting of breaches
  4. Publication of breaches
  5. Definition and execution of Sanctions

1) Reporting – room 5

2) Complaints process – room 9

3) Breach and sanction process – room 6

# 1) Feedback: Reporting

## 2) Feedback: Complaints



## 3) Feedback: Breaches

# Comfort break

How communicate with industry?

- Single list of parties

What level of staff skills will be needed?

- Analysts
- Clerks

Timescales for managing responses

Powers to require submission of information eg during an investigation

Format for reports/ submissions

- All communications electronic?

Format for holding list of accredited companies?

- Procedure for updating & notifying?

# Feedback

- Submitted to dedicated mailbox:  
[ThirdPartyIntermediaries@ofgem.gov.uk](mailto:ThirdPartyIntermediaries@ofgem.gov.uk)

# Wrap up and next steps

**Ofgem is the Office of Gas and Electricity Markets.**

**Our priority is to protect and to make a positive difference for all energy consumers. We work to promote value for money, security of supply and sustainability for present and future generations. We do this through the supervision and development of markets, regulation and the delivery of government schemes.**

**We work effectively with, but independently of, government, the energy industry and other stakeholders. We do so within a legal framework determined by the UK government and the European Union.**