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Dear Dermot

### **Open letter – SSE – customer satisfaction with suppliers' complaints handling**

Thank you for your letter of 26 September, which highlighted the disappointing complaint handling performance across the industry. While our first objective is to avoid complaints altogether, I take our obligations for dealing with customer complaints extremely seriously. As you may already be aware, we strive to be the industry leader in complaints handling, as part of our wider goal to be regarded as the best energy supplier for customer service.

It is encouraging to see that we have maintained our overall performance, particularly through a period of significant change and extensive public scrutiny. Despite this, I agree complaint handling is an area we must improve. The report also reinforces our view that improving customer experience in the energy market must be central to the efforts of all market participants if trust is to reach the levels you and I both want.

### **Working with Ofgem and the Ombudsman Service**

Broadly speaking, we agree with the concerns highlighted within both the GfK report and your letter. As part of our ongoing programme of work, we have already taken steps which will address a number of these issues. SSE has been working closely with Ofgem and the Ombudsman Service on trials to provide additional communications when a complaint reaches six weeks old and also signpost customers to the Ombudsman earlier in the process. We agreed to take part in these trials because we are keen to improve the customer experience of the complaints process and find early resolution wherever possible.

### **Improving customers' experience of the complaints process**

Whilst we appreciate that referring customers to the Ombudsman provides an essential route for customer redress, we recognise there is much we can do before complaints reach this stage. Our plans already include comprehensive improvements to our current process. This begins with the development of our new management system which will enhance the way we manage and track complaints, particularly those which are not resolved on the same day. This new system will remove any unnecessary delays by including additional checks to ensure our customers are regularly updated.

It will also provide a complaint reference which customers can quote if they need to get in touch through a bespoke complaints line. In the longer term we are considering commissioning a gap analysis against the ISO 10002 Customer Satisfaction and Complaint Handling standard (BSI. *ISO 10002 Customer Satisfaction. Complaints Handling*) to assess our performance with a view to achieving accreditation in the future.

### **Enabling employees to respond effectively to complaints**

As well as investing in our systems, we will reinforce the message that customers have the right to escalate a complaint to a manager at any time, a promise which is supported by our Service Guarantee. In addition we will strengthen our existing escalation process, with enhanced time-based triggers to ensure escalated complaints reach a senior manager earlier in the process. Our Complaints Handling Statement will be reviewed to fully reflect the complaint process and clearly set out customer expectations.

Furthermore, we will provide refresher training on complaints handling and we are redesigning the way we deal with the key questions customers ask us, particularly around common themes such as billing enquiries. To ensure that customer complaints are handled consistently, we are working towards moving all of our complaints that remain unresolved on the first day to a highly trained 'centre of excellence'. This team will be focussed on keeping customers fully informed and working towards an early resolution, with all actions completed. This centre of excellence will also provide support to front line employees through a complaints advice line. Their approach, and the advice which they provide, will be guided by our Standards of Conduct obligation.

### **Tackling the root causes of complaints**

We have completed a significant amount of work to improve the customer experience through our 'Customer Contact and Complaint Reduction' programme. This programme is designed to improve our understanding of the reasons customers contact us, reduce unnecessary contacts, customer effort and ultimately enhance the overall customer experience. I would refer you to our previous letter to Neil Barnes dated 5 September and the subsequent presentation by Tony Keeling at Ofgem's "Challenge Panel", conducted on 20 October. This highlighted the additional root cause analysis being carried out by SSE. The work undertaken, coupled with feedback received via our staff, the online Customer Voice panel and our Treating Customers Fairly Forums, will put SSE in a stronger position to minimise the number of complaints we receive going forward.

### **Sticking to SSE's service value**

We believe that the Standards of Conduct, as laid out in our Treating Customers Fairly (TCF) statement, is supportive of the existing service value we have in place, known as "Treating Customers like Family". This has a particularly strong focus on taking personal responsibility for customer queries or complaints, empowering staff to make the right decisions quickly and keeping the promises made to customers.



Continued incorporation of this service value into new initiatives will further support our programme of improvement.

### **Working to benefit micro business customers**

The report is also relevant to our micro business customers and this area of the business is engaged in ongoing work to review and improve our processes. We have already instigated an internal review in order to further research and address a number of these issues to take account of the Ofgem/GfK report. Our non-domestic business is also working closely with our domestic business in order to establish whether any joint improvements to our service can be made and ensure learnings and best practice is shared. Our micro-business sector has always investigated the root causes of all complaints received and has been increasingly proactive in taking steps to prevent repeat situations from occurring. We are now running daily and weekly reports to address these issues. This will ensure that open complaints are being dealt with accordingly and that the customer is being updated. SSE recognises that proper communication with the customer has a huge impact upon the customer's satisfaction, as well as on preventing misunderstandings. As such we are making a marked effort to contact customers by telephone where appropriate. We believe this is leading to improvements in customer satisfaction levels.

### **Focusing on enduring solutions**

We remain committed to doing the right thing for our customers by responding to their needs and making continuous improvements to our service. You have my personal assurance that I, along with rest of the SSE Board and senior management team, will concentrate our efforts on this area over the coming year, to satisfy ourselves that we can work towards delivering the right outcomes for customers. Although management information relating to complaints form part of our wider existing suite of reporting tools, there are areas identified through this research where there would be benefits in taking this a step further. This consists of proactively seeking additional customer feedback and utilising our Customer Forums to gain a deeper understanding of their overall experience around complaints handling, in order to establish whether there are any resolution gaps in our processes.

Some immediate Improvements have been identified, however I am sure you will appreciate that others will require a period of time to develop and implement. I would therefore ask Ofgem to reconsider its plan to bring forward the next survey, to allow more enduring solutions to be delivered. I would be happy to discuss this issue with you in more detail at our next meeting, should this be useful.

Yours sincerely

Alistair Phillips-Davies  
Chief Executive

