

# E.ON UK - Independent Audit of Complaint Resolution Processes

## Agreed Upon Procedures Report of Factual Findings

**Date of Issue – 27 November 2014**

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# 1 Introduction

## Requirement for independent audit

The Chief Executive of Ofgem wrote an open letter to the Chief Executives of E.ON and other energy suppliers on 26 September 2014 concerning customer satisfaction with suppliers' complaints handling. It contained a specific requirement that E.ON undertake an independent audit of its processes for determining whether a complaint has been resolved. As part of this examination, E.ON was also asked to consider how it communicates to customers to ensure that they have a clear understanding of the status of their complaint.

Ofgem stated that it expected E.ON to confirm that it was compliant with this area of complaint handling regulations, reporting its conclusions to Ofgem and publishing the results of the audit not later than 28 November 2014.

## Basis on which work performed

E.ON UK plc (the "Company", "E.ON" or "You") has engaged Deloitte LLP ("Deloitte") to perform agreed upon procedures ("AUPs") solely for the purpose of assessing E.ON's complaints resolution processes against the Gas and Electricity (Consumer Complaints Handling Standards) Regulations 2008 and the Standards of Conduct and providing a report that E.ON can provide to Ofgem and publish on its website. The AUPs were designed to fulfil the requirement for an assessment of E.ON's complaints resolution processes as requested by Ofgem.

Deloitte has performed the procedures as agreed by E.ON in accordance with ISRS 4400, the International Standard on Related Services Engagements "Engagements to Perform Agreed-Upon Procedures Regarding Financial Information", and the engagement letter dated 20 October 2014 (the "Engagement Letter"). For the purposes of this engagement, the term "audit" refers to an Agreed Upon Procedures engagement under ISRS 4400.

Section 4 of this Report has been produced to document the factual findings from execution of these AUPs. These findings have been discussed with E.ON to provide them with an opportunity to confirm the factual accuracy and completeness of the matters reported; provide any additional context; and potentially feedback measures they intend to take to address any deficiencies identified.

The basis on which the Report has been produced is set out in Section 6 below.

## Structure of this report

Section 2 contains an overview of E.ON's complaints resolution processes which has been prepared by E.ON to describe how it satisfies the requirements of the Consumer Complaints Handling Standards.

The factual findings from execution of the Agreed Upon Procedures are summarised in Section 3, with the detailed factual findings in respect of each procedure set out in Section 4.

Section 5 contains E.ON's response and outline action plan in respect of the exceptions identified in Section 4.

# 2 E.ON's Description of its Complaints Resolution Process

The following section is a summary of E.ON's complaint resolution processes prepared by E.ON's management. Deloitte has not reviewed the below assertions provided by management.

Over the last two years we have worked with customers to understand their past experiences of having complained to E.ON and to bring to life their insights within our company. We have designed a customer journey that has been built on what customers told us is important to them when they have a complaint:

- **“I can tell you about my problem easily”** - We make sure our customers can tell us about their complaint in a way that suits them; making it easy to interact with us. All our people who work with customers are trained to recognise any expression of dissatisfaction and record this as a complaint. Customers do not need to speak to a specific complaints department or search for contact details in order to register their complaint.
- **“You really understand me”** - All our employees have been trained in having great resolution conversations. We spend the time to listen to our customers and truly understand their situation and needs, giving customers the reassurance that we are there to sort things out for them.
- **“You take helpful action”** - We use our knowledge and expertise to make sure the right steps are taken to resolve things once and for all. We have Resolution Managers, who manage complaints through to resolution. They are highly trained and have access to a network of subject matter experts across the business to make sure they can get things done.
- **“I'm happy everything is sorted”** - We always want to make sure our customers get a fair and reasonable solution to their problem. Whenever a customer is not satisfied that we have put things right, we carry out an impartial review of the complaint and how we've handled it to see if we should do anything differently. We signpost our customers to take their case to the Ombudsman whenever we have not been able to resolve complaints to their satisfaction.

Improving how we handle complaints and removing the need for our customers to complain are integral to our vision: to be *our customers' trusted energy partner*. One of our strategic goals is achieving market leading customer satisfaction and handling our customers' complaints with care is a fundamental driver.

We are building a culture with a core belief that *every complaint is a gift*, giving us the opportunity to fix issues before they affect other people, and to use our customers' great feedback to continue getting better and better. Resolving complaints and preventing them from happening again are the drivers behind the changes we have already implemented, and continue to put in place for our customers.

Through engagement and communications we are delivering the *Treating our Customers Fairly* programme. We have evolved our thinking on *Treating our Customers Fairly* in line with the implementation of Ofgem's Standards of Conduct (SOCs). Our strategy and focus supports Ofgem's principles that underlie SOC's. There is no principle more important for complaints resolution than 'saying sorry when we've made a mistake and putting it right as quickly as possible'. We want to make things easy, transparent and fair for our customers and we have designed the way we work by putting our customers at the heart of everything we do.

## **Handle with Care: our new way of working**

We have streamlined and simplified the way we manage and resolve complaints. Customers were central to this, and were involved in the co-creation of our new way of working – which we call *Handle with Care*.

*Handle with Care* is designed to be consistent, simple, clear, transparent, compliant and based on best practices. We strive to resolve most of our customers' complaints on the spot. We have dedicated Resolution Managers who take ownership of any complaint that cannot be resolved on the spot and manage it to resolution. Where we cannot agree a resolution with a customer we offer them a review by someone who has not dealt with the complaint before: the Reviewer brings a fresh pair of eyes to the case. In the review we look into how the complaint has been handled and whether the resolution offered is corrective, fair and reasonable. At the outset of the conversation the Reviewer informs our customers about their opportunity to take the case to the Ombudsman in the event they remain dissatisfied.

## **How we are delivering this change**

Our Board and senior management team are actively committed to improving the way we handle complaints. The *Complaints Steering Committee*, which is a sub-set of the UK Board, meets monthly to lead our complaints strategy and ensure we are delivering the improvements we strive for.

We have an integrated plan to help create and embed the necessary capabilities to deliver great service recovery for our customers:

- One simple way of managing and resolving complaints
- Consistent service standards
- Enhanced handling skills
- Quality assurance
- A major investment in a new complaints management system

In order to deliver this plan we needed to develop our people and provide them with the training and support required to offer the service our customers expect and deserve. We have trained 4,000 colleagues on our new way of working. As part of this we have reviewed, designed and communicated clear roles and responsibilities for our people. We have also worked to develop our empathy through video stories of customers having negative experiences which are then successfully resolved.

As well as training our people, we have provided them with guidelines to emphasise:

- Taking ownership of complaints
- Clearly communicating the next steps to our customers
- Confirming acceptance of a resolution offer
- Reducing the time to reach a fair and positive outcome

Below is an example of the Principles of Great Resolution conversation guide:

When I can fix it myself there and then and it's the first time they are raising that complaint		
What I need to do to be genuinely helpful	How I could sound	How my customer will feel
<input checked="" type="checkbox"/> Listen to my customer		They gave me time to explain my situation and really listened to what I had to say and they were genuinely sorry
<input checked="" type="checkbox"/> Acknowledge and show my customer I understand how they feel	I'm really sorry to hear that. I can see how that has caused you a problem.	
<input checked="" type="checkbox"/> Clarify what the problem is	I want to make sure I get this sorted for you so I'd like to ask you a few questions to help me understand what I need to do. Is that OK?	They asked me questions and checked their records which made me feel like they really understood me and my problem
<input checked="" type="checkbox"/> Summarise and explain how the problem has happened	OK, so from what you've told me and what I can see on your account[...]	
<input checked="" type="checkbox"/> Tell my customer what I'm going to do to fix it or give them the right helpful advice	I'm really sorry that's happened. What I'm going to do to get this sorted is [...] OR [give right advice]	I feel they really appreciated how I felt and I believe they will really do everything they can to get it all sorted OR I now understand
<input checked="" type="checkbox"/> Gain agreement from my customer that this will sort it	Are you happy that this would sort everything out for you?	
<input checked="" type="checkbox"/> Summarise next steps	OK that's all sorted for you. Just to confirm, what I've done is [...] and you'll [see/receive by ..]	I'm really clear on what's going to happen next
<input checked="" type="checkbox"/> Check my customer is happy	Are you happy with that?	
<input checked="" type="checkbox"/> Tell my customer I'm logging a complaint and why	I'm really pleased I could get that sorted for you. What I'm going to do is log this issue on our system. This will help us make sure it doesn't happen again to you or other customers so thank you for [...]	
<b>MY HELPFUL ACTIONS</b>		
<input checked="" type="checkbox"/> Take the agreed action straight away		
<input checked="" type="checkbox"/> Close the resolved complaint		

These guides are critical to support our colleagues and ensure our customers' complaints are handled with care.

We have reviewed and centrally documented our policies, guides and protocols so that our people have the right tools and clarity to resolve our customers' complaints. These are readily available to our people on a new micro-site that has been created within our intranet.

We have also introduced a knowledge repository called *Ask?* and have a team of people that maintain and update it. *Ask?* has best-in-class functionalities to help our people find answers quickly and easily, as well as guidance and up-to-date company news and information.

To facilitate great service recovery we have made significant investment in a new Complaints Management System. This system helps our people to do their job in a more efficient way with inbuilt workflows to ensure Handle with Care is followed; it drives the capture of useful and accurate information to ensure regulatory compliance and also to facilitate root cause analysis.

We undertake an ongoing series of quality controls on all colleagues who have contact with customers, which has a strong focus on how we manage our customers' complaints. Our quality assurance approach provides focus on the key parts of the customer journey including the recognition of dissatisfaction, recording of the complaint, resolution of the issue and agreeing with the customer that their issue has been resolved before complaints are closed.

Complaints root cause analysis has given us great opportunities to improve our service and is a key input to shaping our continuous business improvement. To do this, we have developed an approach that enables us to look at the root cause of our complaints and prevent them from happening again for our customers. Key information is captured in our system and our people highlight issues they see affecting our customers. To fully understand this data we have invested in dedicated analysts to demonstrate where and why things go wrong in our organisation. Senior business owners are assigned to be responsible for driving the required improvements.

## **Our results so far**

There are real indications that the approach we have taken is moving us in the right direction.

We have recently achieved 2<sup>nd</sup> position in the Citizens Advice Complaints League Table, moving up from the 5<sup>th</sup> place within two years.

In October 2014 Which? customer service survey awarded us three stars for the category 'resolving complaints'.

In addition, in terms of overall satisfaction we are proud to be top of the Uswitch Satisfaction awards for large suppliers for the third year running. Our overall satisfaction score improved 5% points to 76% in the 2014 Awards announced on 26th November 2014.

Finally, independent research we commissioned shows a number of improvements made between December 2013 (GfK research commissioned by Ofgem) and July 2014:

- A reduction in the resolution gap (where we think complaint is resolved but customer does not) from 49% to 39%;
- An increase in the proportion of customers who say we treated them fairly from 32% to 43%;
- An improvement of net satisfaction in 12 out of 14 aspects of complaints handling, with an improvement of 10% and above for the following drivers:
  - Ease of finding the correct person to contact (+14%)
  - Feeling of someone taking ownership (+13%)
  - Taking a proactive approach (+11%)
  - Clearly informing you of next steps (+11%)
  - Their attitude towards dealing with your complaint (+11%)
  - Provided you with further contact details (+11%);
- Overall, an increase in the proportion of customers satisfied with the way we handled their complaint from 36% to 42%.

Nevertheless, we absolutely recognise there is scope to go further and are determined to do so.

## **We are committed to improve further**

The above developments demonstrate a move in the right direction, but we recognise that there is scope to go further.

We believe 'Handle with Care' is helping us tackle a number of the issues raised by the GfK research commissioned by Ofgem and published in September 2014:

- Clear roles and responsibilities and a simple rule of resolution at first point of contact where possible or progression to a Resolution Manager result in our customers feeling increased ownership of complaints;
- Escalation to a Resolution Reviewer for an impartial re-assessment of the case increases empowerment and proactive resolution;
- The clearer, simpler process and the expertise of our dedicated resources are expected to increase the speed of resolution, reduce errors and improve the communication of next steps to our customers;
- Live transfer of calls to Resolution Managers and Reviewers provides a better customer experience;
- Support for customers who choose to go to the Ombudsman, after we have actively managed their issue, and explored a number of options with them.

This coming year is crucial as we complete the roll-out of 'Handle with Care' and we embed the new way of working.

In 2015, our complaints transformation managers will be visiting all core customer service areas to provide expert support to embed our 'Handle with Care' way of working.

We believe that our success depends on a customer centric culture and will be continuing to regularly communicate and engage with our people to build that. An accreditation programme for our customer facing colleagues on recognising, recording and managing complaints has been recently introduced and it will help us to embed the change. We will work on regular reinforcement of the learning by using one of our most successful communication channels: 'Learning nuggets' in Fit to Fly. The embedding of Treating Our Customers Fairly is also supporting our improvements and the principles fully align with our work on complaint resolution and reduction.

With input from our managers and advisors we are planning a series of workshops designed to raise the awareness of the challenges when managing complaints and to provide colleagues with greater clarity on how they can deliver the 'Handle with Care' customer experience. We will pilot these sessions in 2015. They will provide valuable insight and will bring more consistency to offering our customers the best experience possible, even at a time when they may be unhappy. We also wanted to use the opportunity to continue to reinforce the strength of message around the importance of getting this right for our customers.

We are looking into introducing a regular customer satisfaction survey to allow us to understand the levels of satisfaction with our complaints management. We will use the customer comments in conjunction with other forms of feedback and complaints data to drive improvements throughout our business.

Improving performance will always be a continuous process. Thus, we are going to continue to build our root cause capability and Independent Quality Assurance. We have piloted an Independent Quality Assurance initiative as part of the roll-out of Handle with Care and this will become a business-as-usual process during 2015. The aim is to provide an independent focus on complaint performance to further reinforce business line controls, supporting continuous improvement and giving Senior Managers assurance that our customers' complaints are being effectively managed.

In summary, E.ON recognises the need for effective complaints handling and resolution processes, not only to comply with the Complaints Handling Standards, but to deliver the positive customer experience which is consistent with our business philosophy. We have explained above what we have done to put in place a fully compliant, effective complaints resolution process and how we will continue to develop and improve. This has the absolute commitment of E.ON's senior leadership team.













# 3 Summary of Factual Findings

Deloitte has performed the procedures as agreed by E.ON (AUPs) in accordance with ISRS 4400 (see Introduction – Basis on which work performed), This section provides a summary of factual findings from the execution of the AUPs performed from 30 October to 19 November 2014 and should be read in conjunction with the detailed factual findings in Section 4 of this Report.




Through execution of the AUPs, the detail of which has been recorded in Section 4 below, we identified no exceptions for four of the AUPs. For the remaining AUPs we identified some deviations for which E.ON is currently progressing remediation activities. These deviations can be categorised as follows:

- The process has changed, staff trained and the process is being embedded as a business as usual task.
- Management are currently amending the process.
- Management are aware of the issue and are examining options to remediate the issue.

The table below contains the heading of the AUP area with a summary of whether any exceptions were noted for any of the detailed procedures performed in the area. The procedures performed, including the scale and nature of the testing, varied between each AUP area. Any deviation, including a single deviation in a sample of 25 items, has been reported as an exception against the specific AUP.




Ref	Agreed Upon Procedure	Status*
1	Does E.ON have a complaints resolution process in place that is consistent with the Regulations?	 Exception noted in: 1.3
2	Does E.ON have a complaints management system in place that is consistent with the Regulations?	 No exceptions noted.
3	Are complainants advised of progress, delays and referrals to a qualifying redress scheme?	 Exceptions noted in: 3.2, 3.3 and 3.4
4	Are complaint outcomes communicated clearly, promptly and fairly to complainants?	 Exceptions noted in: 4.1, 4.2 and 4.4
5	Are complainants provided clear information on their options if they disagree with the outcome?	 No exceptions noted.
6	Are complaint closures appropriate?	 Exceptions noted in: 6.2, 6.3, 6.4 and 6.6
7	Are those complaints where the complainant disagrees with the outcome treated correctly?	 Exception noted in: 7.2
8	Are key performance measures used to monitor complaints handling and resolution?	 Exceptions noted in: 8.6
9	Is complaints resolution performance monitored by senior management <sup>1</sup> on a regular basis?	 No exceptions noted.
10	Are staff members involved in the complaints resolution process appropriately trained on the policy and process they are expected to conduct?	 No exceptions noted.



\*Status has been defined as follows:




 No exceptions noted	 Exception noted: remediation action in progress by management	 Exception noted: no remediation in progress by management
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<sup>1</sup> Head of Business and Director roles



# 4 Detailed Factual Findings





#	Agreed Upon Procedure	Factual Findings	Exception noted	Summary
1	Does E.ON have a complaints resolution process in place that is consistent with the Regulations?	<p>We mapped the in scope Regulations to requirements or content within</p> <ol style="list-style-type: none"> <li>1. Complaints Handling Procedures (located at eonenergy.com/chp, retrieved on 5 November 2014).</li> <li>2. Complaints Policy and Procedures (issued on 3 June 2014)</li> <li>3. Template notice of the rights to refer the complaint to the Ombudsman or system generated Final Position letters.</li> </ol> <p>We were able to trace 20 of the 21 subsections to E.ON documentation.</p>	For the regulated requirement in Section 6 Signposting consumers to the redress scheme if complaints cannot be resolved (subsection 3a), Deloitte was unable to trace to the documentation the requirement for a notice of the rights to refer the complaint to the Ombudsman to be sent on the first working day after the regulated provider becomes aware it is not able to resolve the complaint.	
2	Does E.ON have a complaints management system in place that is consistent with the Regulations?			
2.1	Confirm that the information relating to a complaint that is required by the regulation can be recorded on E.ON's complaints management system.	We observed the test and production versions of the complaints management system (CMS) and established the system has the capability to record information associated with complaints which is aligned to the requirements of the regulations listed AUP 1 above.	No exceptions noted	
2.2	Ascertain that an audit trail is retained for complaints providing a full historical record from opening to closure.	We observed the following audit trails which are unable to be deleted by a Customer Facing Colleague (CFC) user account on the Complaints Management System (CMS):	No exceptions noted	


#	Agreed Upon Procedure	Factual Findings	Exception noted	Summary
		<ul style="list-style-type: none"> <li>• Actions can be added to the complaint by the agent handling the complaint. Each action recorded in the action log includes the user identifier, date and time stamp details. Open and closed actions are visible to anyone who accesses the complaint, and are also contained on an agent dashboard visible to the complaint owner and their Team Manager.</li> <li>• Any user accessing a complaint record must note why they entered the record when exiting the complaint.</li> <li>• There is history screen which shows all the resolutions offered and details the escalation of the complaint and automated events including day 2 and day 56 letters.</li> </ul>		
3	Are complainants advised of progress, delays and referrals to a qualifying redress scheme?			
3.1	There is a procedure in place for updating complainants about open complaints.	We observed that there is a clear policy in place for updating complainants about open complaints.	No exceptions noted	
3.2	For complaints reported during the testing period that took longer than two days to resolve select a sample of 5 micro business and 20 domestic complaints and assess whether the agent agreed a timeline with the complainant.	<p>For 12 out of 20 domestic cases that were selected we found that the agent agreed a timeline of when an update would be provided.</p> <p>For 4 out of 5 micro business cases that were selected we found that the agent agreed a timeline for providing an update to the complainant.</p>	<p>In the testing of the domestic complaints on screen:</p> <ul style="list-style-type: none"> <li>• In 5 cases the notes were unclear what timeline had been agreed with the complainant</li> <li>• In 2 cases, there was an apparent lack of contact with the complainant recorded on the system</li> <li>• In 1 case, the complaint was initially closed when there were actions still outstanding.</li> </ul> <p>In the testing of the micro business complaints on screen, for 1 case the notes</p>	

#	Agreed Upon Procedure	Factual Findings	Exception noted	Summary
			were unclear what timeline had been agreed with the complainant.	
3.3	For complaints reported during the testing period that took longer than two days to resolve select a sample of 5 micro business and 20 domestic complaints. Where actions have been set to contact the complainant within a specific timescale assess whether the agent updated the complainant in line with the timescales set	<p>For 16 out of 20 domestic cases that were selected we found that the agent updated the complainant in line with the timeline agreed with the complainant or, where the complainant could not be contacted, in line with internal contact timescale procedures.</p> <p>For all 5 micro business cases that were selected we found that the agent updated the complainant in line with the agreed timeline.</p>	<p>In the testing of the domestic complaints on screen:</p> <ul style="list-style-type: none"> <li>• In 2 cases the notes were unclear whether the complainant had been updated about their complaint.</li> <li>• In 1 case, an action to contact the complainant was set on day 1, and this action had been left open. A different advisor called the complainant 13 working days later.</li> <li>• In 1 case, the complaint was initially closed when there were actions still outstanding.</li> </ul>	
3.4	For complaints reported during the testing period that took longer than two days to resolve select a sample of 5 micro business and 20 domestic complaints and assess whether a letter was sent to the complainant's address on the 2nd day for open complaints where agreed with the complainant.	<p>For 12 out of 20 domestic cases that were selected we found that the day 2 letter was sent out on day 2 per the CMS system. For 1 case the day 2 letter was not applicable.</p> <p>For 5 out of 5 micro business cases that were selected we found that the day 2 letter was sent out on day 2 per the CMS system.</p>	<p>In the testing of the domestic complaints on screen:</p> <ul style="list-style-type: none"> <li>• In 3 cases it was observed on screen the day 2 letter was sent to the complainant on working day 4.</li> <li>• In 2 cases it was observed on screen the day 2 letter was sent on working day 5.</li> <li>• In 2 cases no evidence of the day 2 letter being sent or the complainant declining the paper copy of the Complaints Handling Procedure was recorded on screen.</li> </ul>	
3.5	For complaints reported during the testing period that	We were unable to perform this procedure as there were	No exceptions noted	




#	Agreed Upon Procedure	Factual Findings	Exception noted	Summary
	took longer than two days to resolve select a sample of 5 micro business and 20 domestic complaints and assess whether a letter was sent to the complainant's address confirming the complainant's right to refer the complaint to the Ombudsman Services was sent on the 56th day for open complaints, where applicable.	no complaints that reached 56 days prior to being resolved.  We subsequently performed a walkthrough of an aged complaint in the dashboard after core fieldwork was completed. We were able to examine the day 56 (also known as the 8 week) letter being appropriately recorded as being sent on day 57.		
4	Are complaint outcomes communicated clearly, promptly and fairly to complainants?			
4.1	For a sample of 5 micro business and 20 domestic complaints reported during the testing period across all communication channels, confirm the result of the complaint was communicated to the complainant.	For 19 of the 20 domestic complaints selected we found that the result was communicated correctly to the complainant.  For 4 of the 5 micro business complaints selected we found that the result was communicated correctly to the complainant.	For the 1 domestic complaint where the result was not communicated correctly to the complainant this was due to no resolution being offered to the complainant despite the complaint being marked as closed and resolved with the resolution accepted.  For the 1 micro business case where the result wasn't communicated correctly to the complainant, the complaint was recorded closed as during the initial conversation but the call went dead and the agent didn't want to call the complainant back for fear of angering the complainant further.	
4.2	For a sample of 5 micro business and 20 domestic complaints reported during the testing period across all communication channels, confirm the content of the communication was in "plain and intelligible language", avoiding unnecessary technical and industry jargon.	Deloitte sampled 25 complaints which involved telephone calls and was able to obtain recordings of 5 calls associated with the complaints. E.ON management notes a limited number of calls are retained.  In 4 of the 5 calls, the E.ON representative used plain and intelligible language.	In 1 of the sampled calls the E.ON representative repeatedly used the term "loss pending" with relation to why an action had occurred without explaining, after approximately 10 minutes of call duration the complainant asked for an	




#	Agreed Upon Procedure	Factual Findings	Exception noted	Summary
4.3	For a sample of 5 micro business and 20 domestic complaints reported during the testing period across all communication channels, confirm E.ON established if the complainant is satisfied with the outcome.	<p>Deloitte reviewed E.ON's policy including the Complaints Policy and Procedure noting there is no specific requirement or guidance for an E.ON representative to confirm if the complainant is satisfied.</p> <p>We sampled 25 complaints which involved calls and were able to obtain 5 calls associated with the complaints. E.ON management notes a limited number of calls are retained.</p> <p>For 4 calls the E.ON representative was able to observe if the customer was satisfied in accordance with at least one of the scripted questions in the Principles of Great Resolution.</p> <p>For 1 call the complainant was handed off to another E.ON representative and the call recording ceased.</p>	<p>explanation which was provided.</p> <p>No exceptions noted.</p>	
4.4	For a sample of 5 micro business and 20 domestic complaints reported during the testing period across all communication channels, confirm the complainant's response is recorded/documented and retained.	<p>For 16 of the 20 domestic complaints that were selected we found that the complainant's response was correctly recorded.</p> <p>For 4 of the 5 micro business complaints selected we found that the complainant's response was correctly recorded.</p>	<p>For the 4 domestic complaints where exceptions were noted:</p> <ul style="list-style-type: none"> <li>In 3 cases resolutions were recorded as accepted but the notes did not record how acceptance was confirmed.</li> <li>In 1 case, the complaint was closed as resolved with the resolution but no resolution was actually offered.</li> </ul> <p>For 1 micro business complaint the complaint was closed as resolved with the resolution accepted but no resolution had actually been offered.</p>	




#	Agreed Upon Procedure	Factual Findings	Exception noted	Summary
4.5	For a sample of 5 micro business and 20 domestic complaints reported during the testing period across all communication channels, confirm the form of communication is same as initiated by the complainant or is the complainant's preferred form of communication where provided.	For all 20 of the domestic complaints selected we found that the form of communication used was appropriate.  For all 5 micro business complaints selected we found that the form of communication used was appropriate.	No exceptions noted	
5	Are complainants provided clear information on their options if they disagree with the outcome?			
5.1	For a sample of 5 micro business and 20 domestic complaints reported during the testing period confirm the complainant is clearly informed of the options open to them if the complaint is deemed to be at the stage where a notice of the rights to refer the complaint to the Ombudsman occurs	For all 25 complaints in the sample, we observed that the options for complainants with complaints in the notice of the rights to refer the complaint to the Ombudsman stage were provided with clear options and details of next steps available.	No exceptions noted	
5.2	For a sample of 5 micro business and 20 domestic complaints reported during the testing period confirm the options provided are in line with the policy and procedure in place at E.ON.	For all 25 complaints in the sample, we observed that the notice of the rights to refer the complaint to the Ombudsman sent to the complainant stated the options available to complainants in plain and intelligible language. The notices of the rights to refer the complaint to the Ombudsman reviewed all included the complainant's right to refer to the Ombudsman Services: Energy within 6 months of the date of the notice. This is in accordance with E.ON's documented Complaints Policy and Procedure.	No exceptions noted	
6	Are complaint closures appropriate?			
6.1	Ascertain that a pre-defined set of closure codes has been implemented, with clear guidance on use provided to operational complaints staff.	We examined the Complaints Management System (CMS) and observed 8 complaint status codes, 3 of which related to complaint closure. We observed within the CMS system a user cannot select an overall status, rather information entered and attributes selected ("functionality") in the	No exceptions noted	




#	Agreed Upon Procedure	Factual Findings	Exception noted	Summary
		<p>system define the statuses. We traced the functionality associated with the 3 closure codes to training or reference material. For all 3 codes we were able to locate guidance to support the implementation of functionality associated with the codes.</p>		
6.2	<p>For a sample of 5 micro business and 20 domestic complaints reported and closed during the testing period confirm the agent has closed the complaint in line with the E.ON policy.</p>	<p>We found that 14 out of the 20 domestic complaints selected were closed in line with E.ON's policy.</p> <p>We found that 4 out of the 5 micro business complaints selected were closed in line with E.ON's policy.</p>	<p>For 6 domestic complaints:</p> <ul style="list-style-type: none"> <li>• 2 cases had the resolution status updated to 'Resolution Accepted', there was no evidence in the complaint notes that the complainant had accepted the resolution offered or E.ON making further attempts to contact the complainant after the resolution offer had been made to confirm acceptance.</li> <li>• 2 cases had no evidence an acceptable resolution had been offered.</li> <li>• 1 case had the resolution status updated to 'Resolution Accepted' when the complainant had been through the "Resolved No Contact" process and therefore had not confirmed their response to the resolution offer.</li> <li>• 1 case had a lack of evidence clearly stating why the complaint had been closed.</li> </ul> <p>For 1 micro business case, there was no evidence of an acceptable resolution being offered.</p>	






#	Agreed Upon Procedure	Factual Findings	Exception noted	Summary
6.3	For a sample of 5 micro business and 20 domestic complaints reported and closed during the testing period confirm closure occurred within the timescales agreed or notified to the complainant.	<p>We found that 15 out of the 20 domestic complaints selected were closed within the correct timescale.</p> <p>We found that 4 out of the 5 micro business complaints selected were closed within the correct timescale.</p>	<p>For 5 domestic complaints:</p> <ul style="list-style-type: none"> <li>• 4 exhibited a long period of time elapsing with no contact with the complainant and therefore the complaint was not closed in line with internal processes. The specific time periods that elapsed were: 12, 18, 19 and 31 working days respectively.</li> <li>• 1 resulted from not waiting the full seven days following a no contact letter being sent before closing the complaint.</li> </ul> <p>For 1 micro business complaint, 27 working days elapsed with no contact with the complainant.</p>	
6.4	For a sample of 5 micro business and 20 domestic complaints reported and closed during the testing period where delays occurred, they were communicated to the complainant and a revised timescale is provided to the complainant.	<p>We found that for 16 out of the 20 domestic complaints selected, delays were effectively communicated with the complainant and revised timescales were created.</p> <p>We found that for 4 out of the 5 micro business complaints selected delays, were effectively communicated with the complainant and revised timescales were created.</p>	<p>All 4 of the domestic complaint exceptions were due to a long time elapsing without updating the complainant and there was no evidence that this was communicated to the complainant prior to the delay. The specific time periods that elapsed were: 12, 18, 19 and 31 working days respectively.</p> <p>For 1 micro business complaint, 27 working days elapsed with no contact with the complainant.</p>	
6.5	For a sample of 5 micro business and 20 domestic complaints reported and closed during the testing period confirm all activities to investigate and resolve the claim were completed prior to the complaint being	We sampled 20 domestic and 5 micro business complaints and noted 9 of the sampled domestic complaints were not suitable to perform the test because no actions were recorded against the complaint file. Of the 11 which were	No exceptions noted	



#	Agreed Upon Procedure	Factual Findings	Exception noted	Summary
	closed.	<p>suitable, all 11 were found to have all actions completed before closure.</p> <p>Of the 2 micro business complaints which were suitable both had their actions appropriately closed before closure of complaint.</p>		
6.6	For a sample of 5 micro business and 20 domestic complaints reported and closed during the testing period confirm any additional information requested by E.ON from the complainant has been received (unless otherwise notified to the complainant) prior to the complaint being closed.	<p>We initially sampled 20 domestic and 5 micro business complaints and noted none of the samples included requests for additional information from the customer. We additionally sampled another 20 domestic and 5 micro business complaints and found 2 domestic and 1 micro business complaints did have information requested from the customer. For the applicable sample of 2 domestic customers, 1 had all information received before the complaint was closed and the other did not.</p> <p>For the single applicable micro business complaint, the information was received before the complaint was closed.</p>	In the 1 instance where a request for information from a domestic complainant was not received before the complaint was closed, we were not able to identify the cause from the limited evidence available. E.ON policy and procedure requires requests for information from customers to be recorded as actions. We observed CMS allows a complaint to be closed while an action remains open.	
7	Are those complaints where the complainant disagrees with the outcome treated correctly?			
7.1	For a sample of 5 micro business and 20 domestic complaints reported during the testing period where the complainant disagrees with the outcome and confirm the complaint was reviewed and the appropriate action was taken as per E.ON's policy.	In all 25 complaints in the sample, E.ON's internal policy requiring an impartial review of complaints where the complainant has rejected the initial resolution offered was followed. The actions taken by the Resolution Reviewer met E.ON's internal policy as documented in the Complaints Policy and Procedure.	No exceptions noted.	
7.2	For a sample of 5 micro business and 20 domestic complaints reported during the testing period where the complainant disagrees with the outcome and confirm the notice of the rights to refer the complaint to the Ombudsman option provided to the complainant	In 24 out of 25 complaints in the sample, the notice of the rights to refer the complaint to the Ombudsman provided to the complainant met E.ON's internal review process as documented in the Complaints Policy and Procedure.	For one domestic complaint we found that the complainant was advised of their Ombudsman referral rights before the notice of the rights to refer the complaint to the Ombudsman ("Notice") proposal	



#	Agreed Upon Procedure	Factual Findings	Exception noted	Summary
	is in line with the policy and procedure in place at E.ON.		was sanctioned by the Ombudsman Liaison team. This is not in accordance with the Complaints Policy and Procedures, which state that the Ombudsman Liaison Team must sanction the Notice before the complainant is advised that the complaint has reached a Notice position.	
8	Are key performance measures used to monitor complaints handling and resolution?			
8.1	From a population of 5 business days during onsite testing, select a sample of 5 micro business and 20 domestic complaints reported during the testing period where the complaint remains open and confirm the complaint was included in the daily open complaint reporting or a dashboard.	We traced a sample of 25 open complaints from the ICE system to the Oracle Business Insights dashboard used by line managers.	No exceptions noted	
For a selected sample of 5 business days within the testing period, confirm:				
8.2	E.ON produced MI to monitor complaints handling and resolution.	We examined the Oracle Business Insight (OBI) dashboard during fieldwork and sighted display tabs which include percentage resolved same day, daily resolved and daily repeated claims trended over months to allows users to monitor handling and resolution. The dashboard displays live data for managers and not information at a point in time in the past. To ensure the MI was available during the period of review, we were able sample five days and confirm the viewing of MI related to the percentage resolved same day, daily resolved and daily repeated claims.	No exceptions noted	
8.3	The reports highlighted actions overdue.	We examined the CMS dashboard during fieldwork and	No exceptions noted	


#	Agreed Upon Procedure	Factual Findings	Exception noted	Summary
		<p>observed that users can view outstanding actions and sort by aged items first. The dashboard displays live data for managers and not information at a point in time in the past. To ensure the MI was available during the period of review, we were able sample five days and confirm CMS and its dashboard were available to users with no lost user hours recorded.</p>		
8.4	<p>Exception reports where unexpected circumstances / outcomes arise were completed and reviewed by management.</p>	<p>We examined the Oracle Business Insight (OBI) dashboard and noted a screen displays complaint re-open statistics which is trended. The dashboard displays live data for managers and not information at a point in time in the past. To ensure the MI was available during the period of review, we were able sample five days and confirm the viewing of MI related to re-opened claims.</p>	No exceptions noted	
8.5	<p>Exception reports include detection of inappropriate complaints closures where E.ON's resolution procedures have not been followed correctly.</p>	<p>We examined the Oracle Business Insight (OBI) dashboard and noted a screen displays complaint re-open statistics which is trended. The dashboard displays live data for managers and not information at a point in time in the past. To ensure the MI was available during the period of review, we were able sample five days and confirm the viewing of MI related to re-opened claims.</p>	No exceptions noted	
8.6	<p>For a sample of 5 Customer Facing Colleagues, 3 Resolution Managers and 2 Resolution Reviewers ensure the mandated monthly quality assurance control of complaint interaction assessments had been performed during the testing period.</p>	<p>The Complaints Policy and Procedure requires each Customer Facing Colleague (CFC) to have the following quality control performed by a manager:</p> <ol style="list-style-type: none"> <li>1. 3 "Control 1 - Identifying a complaint", one of the three needs to include an actual complaint.</li> <li>2. 1 "Control 3 - Correctly raising a repeated claim".</li> </ol> <p>The Complaints Policy and Procedure requires each Resolution Manager to complete the following quality</p>	<p>The following exceptions were noted:</p> <ol style="list-style-type: none"> <li>1. For 1 CFC, although 3 "Control 1"s had been performed, all three were of non-complaint communication and therefore did not meet the policy requirement. The mandated "Control 3" was not performed.</li> <li>2. For 2 CFCs, 2 of the 3 "Control</li> </ol>	

#	Agreed Upon Procedure	Factual Findings	Exception noted	Summary
		<p>controls:</p> <ol style="list-style-type: none"> <li>3 "Control 2 - Have you managed complaints effectively",</li> <li>1 "Control 3 - Correctly raising a repeated claim".</li> </ol> <p>We confirmed the Complaint Policy and Procedures requirements for monthly quality assurance reviews had been fully performed for 5 out of 10 staff sampled.</p>	<p>1"s were not performed and the single "Control 3" was not performed.</p> <ol style="list-style-type: none"> <li>For 1 CFC, 2 of the 3 "Control 1"s had not been performed.</li> <li>For 1 Resolution Manager, 2 of the 3 required "Control 2"s were not performed.</li> </ol>	
9	Is complaints resolution performance monitored by senior management <sup>2</sup> on a regular basis?			
9.1	<p>Examine the complaints monitoring processes operated by E.ON and confirm for the testing period:</p> <p>Management actions to address unsatisfactory performance are recorded, passed to the relevant departments and tracked</p>	<p>We observed the key monitoring forums to be a weekly Executive, monthly Steering Committee and monthly Complaints Operational Leadership Group (COLG) meetings. We sampled 2 executive meetings, 1 steering group and 1 COLG minutes or reports and confirmed actions were recorded and tracked. For one sample action we were able to review evidence of the action being completed. One weekly Executive meeting could not be sampled as it did not occur in the week sampled as the forum had just commenced and reporting was being finalised.</p>	No exceptions noted	
9.2	<p>Reports for the period are provided to senior management whose responses are recorded and actioned</p>	<p>We observed for the key monitoring forums in 9.1 reports were either specifically prepared for the meetings examined or the agenda for the meetings examined MI which is available to the participants.</p>	No exceptions noted	
9.3	<p>An established governance structure is in place including:</p>	<p>We noted the complaints team is independent as it reports into a steering committee which includes three different direct reports to CEO.</p>	No exceptions noted.	

<sup>2</sup> Head of Business and Director roles

#	Agreed Upon Procedure	Factual Findings	Exception noted	Summary
	<ul style="list-style-type: none"> <li>○ The complaints line of command being independent</li> <li>○ Regular management and oversight meetings, minutes/record of decisions, tracking of actions</li> <li>○ Summary information being provided on regular basis to the wider team e.g. middle management</li> </ul>	<p>Testing of the establishment of governance including meetings, minutes and execution of actions has been testing in 9.1 and 9.2.</p> <p>We noted summary information of complaints resolution is provided to managers from the Oracle Business Insight (OBI) dashboard with includes trending of complaint resolution.</p>		
10	Are staff members involved in the complaints resolution process appropriately trained on the policy and process they are expected to conduct?			
10.1	In reference to the current complaints resolution policy and process; obtain and examine training materials and evidence of implementation of training.	We obtained copies of the training materials and supporting guidance, tailored by role description, in place at E.ON. The training materials are provided to staff in either e-learning or classroom format, dependent on role description. We were able to corroborate the implementation of training by viewing that the e-learning course is hosted on E.ON's learning platform and viewing past completion records. We also viewed a log of Resolution Manager training completion which included the name of the Resolution Manager.	No exceptions noted	
10.2	In reference to the current complaints resolution policy and process; assess the completeness of training materials in meeting the regulations and adhering to E.ON's internal complaints handling procedures	<p>Regulations and Training Comparison</p> <ul style="list-style-type: none"> <li>• 13 components of the Regulations were tested against the training materials or items referenced in the training materials, and Deloitte found all 13 components could be traced.</li> </ul> <p>E.ON Processes and Training Comparison</p> <ul style="list-style-type: none"> <li>• 10 elements of E.ON's internal processes were found to be included in the training materials.</li> </ul>	No exceptions noted	

#	Agreed Upon Procedure	Factual Findings	Exception noted	Summary
10.3	In reference to the current complaints resolution policy and process; confirm that policy, procedure and guidance documents are readily available to staff.	We confirmed that E.ON's documented Handle With Care Policy & Procedure document (and supporting guidance including the Principles of Great Resolution and the Principles of Great Written Resolution) are hosted on the E.ON intranet site. The 5 staff sampled were all able to confirm when questioned that complaints handling policy and guidance was on the Portal and in 'Ask', which Deloitte has been advised is E.ON's staff help guide. Deloitte observed that Ask and the Portal are both available via E.ON's intranet. The 5 sampled staff all additionally advised that they each have a personal guidance folder containing hard copies of the procedures and guidance. When a document is updated, the 5 sampled staff advised their Team Manager distributes the new version and collects the old version for disposal at the same time. 4 out of 5 staff advised that their Team Manager conducts an inspection of their folder from time to time to check all documents are the most recent version.	No exceptions noted	
10.4	In reference to the current complaints resolution policy and process; assess the completeness of training delivery including identification of planned completion of roll out to all applicable staff, and where any non-attendance, ascertaining reasons and plans for completion of training.	<p>We were advised by management that E.ON has commenced its second annual rotation of e-learning for Customer Facing Colleagues. We corroborated this by viewing a training plan and schedule that had been prepared to ensure relevant staff would be trained in the 4th quarter of 2014. We sampled the week ended 3 October 2014 and obtained an automated completion reporting the results of 108 Customer Facing Colleagues who had taken the e-learning training modules and the assessment.</p> <p>We observed the Handle with Care transformation commenced with training of staff recently (approximately 14 months ago). Management note Resolution Managers and Resolution Reviewers are not required to perform</p>	No exceptions noted	

#	Agreed Upon Procedure	Factual Findings	Exception noted	Summary
		<p>annual refresher training following their initial joiner training due to the nature of their specialist roles (in comparison to CFCs) and a plan for separate refresh training for RMs and RRs is under development.</p> <p>We observed tasks including the centralisation of non CFCs including assessing ongoing training needs and refresher trainings assigned to the transformation plan for the 2015 calendar year. We examined an ad hoc “Fit to Fly” hot topic reminder to complaints staff on 16 October related to re-enforcing the Principles of Great Resolution.</p>		
10.5	<p>Select a sample of 5 attendees; confirm attendance, awareness of content and knowledge of where to access complaints training materials and guidance.</p>	<p>All 5 of the E.ON staff randomly sampled (of which 3 were Customer Facing Colleagues, 1 was a Resolution Manager and 1 was a Resolution Reviewer) whom we interviewed on a one to one basis demonstrated awareness of the content of the training materials in place and knowledge of where to access training materials and guidance.</p> <p>We saw documentary evidence for the 3 Customer Facing Colleagues and the Resolution Manager sampled that these individuals had attended complaints training courses. Deloitte was not provided with a documented record of the Resolution Reviewer randomly selected for sample checking, although the Senior Regulatory Manager advised that this individual had received one to one training from her team manager because she did not start on a scheduled induction date. This was corroborated by an interview with the Resolution Reviewer, who confirmed she had received the training from her team manager, and an email was provided by the team manager confirming that the training was provided as advised by Senior Regulatory Manager.</p>	No exceptions noted	



# 5 E.ON's action plan

This section documents the action plan provided by E.ON in response to exceptions identified during execution of the Agreed Upon Procedures.

## E.ON Summary Comments

E.ON would like to thank Deloitte for undertaking this thorough review of our Complaint Resolution process. We are pleased that our approach has been endorsed in the majority of areas. We are committed to continuing to improve our complaints handling process and the outputs of this work will be used to support this activity.

#	Exception noted by Deloitte in this report	Applicable requirement	E.ON's response / proposed action
1	For the regulated requirement in Section 6 Signposting consumers to the redress scheme if complaints cannot be resolved (subsection 3a), Deloitte was unable to trace to the documentation the requirement for a notice of the rights to refer the complaint to the Ombudsman to be sent on the first working day after the regulated provider becomes aware it is not able to resolve the complaint.	Signposting consumers to the redress scheme if complaints cannot be resolved.	We have amended our policy to clarify the one missing element from the 21 aspects of the relevant regulation which have been mapped. Whilst this was not clarified at policy level, the requirements are built in to our underlying processes. See relevant AUP (3.5 and 7.2).
3.2	<p>In the testing of the domestic complaints on screen:</p> <ul style="list-style-type: none"> <li>In 5 cases the notes were unclear what timeline had been agreed with the complainant</li> <li>In 2 cases, there was an apparent lack of contact with the complainant recorded on the system</li> <li>In 1 case, the complaint was initially closed when there were actions still outstanding.</li> </ul> <p>In the testing of the micro business complaints on screen, for 1 case the notes were unclear what timeline had been agreed with the complainant.</p>	For complaints reported during the testing period that took longer than two days to resolve select a sample of 5 micro business and 20 domestic complaints and assess whether the agent agreed a timeline with the complainant.	<p>Our standards are clearly defined around the need for complete and accurate notes supporting all complaints. We continually work on embedding our standards in respect of the quality of complaints notes.</p> <p>We will take the following actions:</p> <ol style="list-style-type: none"> <li>communicate the importance of and what makes comprehensive notes, with emphasis on agreeing and updating timescales with customers, to ensure we can evidence the discussion with our customers in respect of their complaints;</li> <li>explore the potential for further systems enhancements within our Complaints Management System to support the quality of complaints notes</li> </ol>

#	Exception noted by Deloitte in this report	Applicable requirement	E.ON's response / proposed action
			<p>recorded;</p> <p>c) develop the system to prevent complaint closure whilst actions have not been marked as completed;</p> <p>d) review how we cover the completion of complaint records related to agreeing timelines with customers in our training and take a specific refresher action with an audit trail;</p> <p>e) by March 2015 we will have an ongoing independent internal assurance to review the application of the complaints handling processes in the various business areas. This will include reviews of the quality of complaint notes.</p>
<p><b>3.3</b></p>	<p>In the testing of the domestic complaints on screen:</p> <ul style="list-style-type: none"> <li>In 2 cases the notes were unclear whether the complainant had been updated about their complaint.</li> <li>In 1 case, an action to contact the complainant was set on day 1, and this action had been left open. A different advisor called the complainant 13 working days later.</li> </ul> <p>In 1 case, the complaint was initially closed when there were actions still outstanding.</p>	<p>For complaints reported during the testing period that took longer than two days to resolve select a sample of 5 micro business and 20 domestic complaints where a timeline has been agreed and assess whether the agent updated the complainant in line with the timeline agreed with the complainant.</p>	<p>Our standards are clearly defined around the need for complete and accurate notes supporting all complaints. We continually work on embedding our standards in respect of the quality of complaints notes.</p> <p>We will take the following actions:</p> <ul style="list-style-type: none"> <li>a) communicate the importance of and what makes comprehensive notes, with emphasis on agreeing and updating timescales with customers, to ensure we can evidence the discussion with our customers' in respect of their complaints;</li> <li>b) explore the potential for further systems enhancements within our Complaints Management System to support the quality of complaints notes recorded;</li> <li>c) develop the system to prevent complaint closure whilst actions have not been marked as completed;</li> <li>d) review how we cover the completion of complaint records related to agreeing timelines with customers in our training and take a specific refresher action with an audit trail;</li> </ul>

#	Exception noted by Deloitte in this report	Applicable requirement	E.ON's response / proposed action
			<p>e) by March 2015 we will have an ongoing independent internal assurance to review the application of the complaints handling processes in the various business areas. This will include reviews of the quality of complaint notes.</p>
<p><b>3.4</b></p>	<p>In the testing of the domestic complaints on screen:</p> <ul style="list-style-type: none"> <li>In 3 cases it was observed on screen the day 2 letter was sent to the complainant on working day 4.</li> <li>In 2 cases it was observed on screen the day 2 letter was sent on working day 5.</li> </ul> <p>In 2 cases no evidence of the day 2 letter being sent or the complainant declining the paper copy of the Complaints Handling Procedure was recorded on screen.</p>	<p>For complaints reported during the testing period that took longer than two days to resolve select a sample of 5 micro business and 20 domestic complaints and assess whether a letter was sent to the complainant's address on the 2nd day for open complaints where agreed with the complainant.</p>	<p>Our policy is that when we cannot resolve a complaint by the end of the next working day, we give our customers visibility of the Complaints Handling Procedure including the available sources for independent advice. We also offer our customers to send a paper copy (day 2 letter) and, where requested, this is issued promptly as an automatic process by our Complaints Management System.</p> <p>We note the results of the Deloitte sample. We have fixed an issue in the complaints management system since the date of the audit sample. All day 2 letters are now issued promptly.</p> <p>We will also introduce an audit trail in the system to clearly record where the customers have told us that they did not wish to receive a paper copy of our Complaints Handling Procedure.</p>
<p><b>4.1</b></p>	<p>For the 1 domestic complaint where the result was not communicated correctly to the complainant this was due to no resolution being offered to the complainant despite the complaint being marked as closed and resolved with the resolution accepted.</p> <p>For the 1 micro business case where the result wasn't communicated correctly to the complainant, the complaint was recorded closed as during the initial conversation but the call went dead and the agent didn't want to call the complainant back for fear of angering the complainant further.</p>	<p>For a sample of 5 micro business and 20 domestic complaints reported during the testing period across all communication channels, confirm the result of the complaint was communicated to the complainant.</p>	<p>We have issued a communication ('learning nugget') to reinforce our policy and principles of great resolution requirement to clearly articulate a proposed resolution and gain the customer's confirmation before a complaint record is closed.</p> <p>We will take a specific training refresher action to be cascaded in all business areas with an audit trail.</p> <p>By March 2015 we will have an ongoing independent internal assurance to review the application of the complaints handling processes across business areas. This will include reviews of complaint resolution, confirmation with customers and record</p>

#	Exception noted by Deloitte in this report	Applicable requirement	E.ON's response / proposed action
			<p>keeping.</p> <p>The handling of the micro business case is not in line with our policy and training will be provided around how we should manage complaints or other contacts where the call has ended prematurely. We will also re-brief this specifically as a reminder to all staff.</p>
4.2	<p>In 1 of the sampled calls the E.ON representative repeatedly used the term "loss pending" with relation to why an action had occurred without explaining, after approximately 10 minutes of call duration the complainant asked for an explanation which was provided.</p>	<p>For a sample of 5 micro business and 20 domestic complaints reported during the testing period across all communication channels, confirm the content of the communication was in "plain and intelligible language", avoiding unnecessary technical and industry jargon.</p>	<p>Our servicing framework includes the principle that 'we will speak your language' and it is clear in this example we did not do so early enough in the conversation.</p> <p>All customer facing staff who speak to our customers receive regular Service Quality monitoring which reviews both how we engage with customers and the appropriateness of what is done as a result.</p> <p>We will take the following actions:</p> <ul style="list-style-type: none"> <li>a) Issue a refresher communication to all staff;</li> <li>b) Review how 'we will speak your language' is incorporated within our training;</li> <li>c) Include reviews of how issues are discussed and explained to customers in the forthcoming independent internal assurance activity.</li> </ul>
4.4	<p>For the 4 domestic complaints where exceptions were noted:</p> <ul style="list-style-type: none"> <li>• In 3 cases resolutions were recorded as accepted but the notes did not record how acceptance was confirmed.</li> <li>• In 1 case, the complaint was closed as resolved with the resolution but no resolution was actually offered.</li> </ul> <p>For 1 micro business complaint the complaint was closed as resolved with the resolution accepted but no resolution had</p>	<p>For a sample of 5 micro business and 20 domestic complaints reported during the testing period across all communication channels, confirm the complainant's response is recorded/documentated and retained.</p>	<p>Our standards are clearly defined around the need for complete and accurate notes supporting all complaints. We continually work on embedding our standards in respect of the quality of complaints notes.</p> <p>On 18 November we asked all managers to brief their teams during the morning 'Fit to Fly' session about summarising and clarifying the resolution for our customers and confirming it before marking the complaint as resolved.</p>

#	Exception noted by Deloitte in this report	Applicable requirement	E.ON's response / proposed action
	actually been offered.		<p>In addition, we will take the following actions:</p> <ul style="list-style-type: none"> <li>a) communicate the importance of and what makes comprehensive notes, with emphasis on resolution confirmation by the customer to ensure we can evidence the discussion with our customers;</li> <li>b) explore the potential for further systems enhancements within our Complaints Management System to support confirmation of the resolution;</li> <li>c) review in our training how we cover the completion of complaint records related to our customers confirming the resolution and take a specific refresher action with an audit trail;</li> <li>d) in 2015 we will have an ongoing independent internal assurance to review the application of the complaints handling processes in the various business areas. This will include reviews of the quality of complaint notes including customer's confirmation of the resolution.</li> </ul>
6.2	<p>For 6 domestic complaints:</p> <ul style="list-style-type: none"> <li>• 2 cases had the resolution status updated to 'Resolution Accepted', there was no evidence in the complaint notes that the complainant had accepted the resolution offered or E.ON making further attempts to contact the complainant after the resolution offer had been made to confirm acceptance.</li> <li>• 2 cases had no evidence an acceptable resolution had been offered.</li> <li>• 1 case had the resolution status updated to 'Resolution Accepted' when the complainant had been through the "Resolved No Contact" process and therefore had not confirmed their response to the resolution offer.</li> <li>• 1 case had a lack of evidence clearly stating why the</li> </ul>	<p>We found that 14 out of the 20 domestic complaints selected were closed in line with E.ON's policy.</p> <p>We found that 4 out of the 5 micro business complaints selected were closed in line with E.ON's policy.</p>	<p>Our standards are clearly defined around the need for complete and accurate notes supporting all complaints. We continually work on embedding our standards in respect of the quality of complaints notes.</p> <p>We will take the following actions:</p> <ul style="list-style-type: none"> <li>a) communicate and refresh the training to clarify in what circumstances we use 'Resolution Accepted' and 'Resolved no contact' closure categories;</li> <li>b) explore the potential for further systems enhancements within our Complaints Management System to support the quality of complaints notes recorded;</li> <li>c) review in our ongoing training how we cover the completion of complaint records related to our customers confirming the resolution;</li> </ul>

#	Exception noted by Deloitte in this report	Applicable requirement	E.ON's response / proposed action
	<p>complaint had been closed.</p> <p>For 1 micro business case, there was no evidence of an acceptable resolution being offered.</p>		<p>d) by March 2015 we will have an ongoing independent internal assurance to review the application of the complaints handling processes in the various business areas. This will include the use of the closure categories and the review of the quality of complaint notes including customer's confirmation of the resolution and record keeping.</p>
<p><b>6.3</b></p>	<p>For 5 domestic complaints:</p> <ul style="list-style-type: none"> <li>4 exhibited a long period of time elapsing with no contact with the complainant and therefore the complaint was not closed in line with internal processes. The specific time periods that elapsed were: 12, 18, 19 and 31 working days respectively.</li> <li>1 resulted from not waiting the full seven days following a no contact letter being sent before closing the complaint.</li> </ul> <p>For 1 micro business complaint, a long period of time elapsed with no contact with the complainant.</p>	<p>For a sample of 5 micro business and 20 domestic complaints reported and closed during the testing period confirm closure occurred within the timescales agreed or notified to the complainant.</p>	<p>We have a 'no contact' protocol in our policy and procedures. We will take the following actions to ensure this is applied correctly:</p> <ul style="list-style-type: none"> <li>a) brief the protocol through management communication;</li> <li>b) include in refresher training for resolution managers and reviewers;</li> <li>c) review the control and assurance framework to reflect the protocol.</li> </ul> <p>In addition, we will:</p> <ul style="list-style-type: none"> <li>d) review in our training how we cover the completion of complaint records related to agreeing timelines with customers and the importance to provide prompts updates to our customers;</li> <li>e) By March 2015 we will have an ongoing independent internal assurance to review the application of the complaints handling processes in the various business areas. This will include reviews of the quality of complaint notes including agreed timescales and updates.</li> </ul>
<p><b>6.4</b></p>	<p>All 4 of the domestic complaint exceptions were due to a long time elapsing without updating the complainant and</p>	<p>For a sample of 5 micro business and 20 domestic complaints reported and closed during</p>	<p>We will take the following actions:</p> <ul style="list-style-type: none"> <li>a) review in our training how we cover the completion of</li> </ul>

#	Exception noted by Deloitte in this report	Applicable requirement	E.ON's response / proposed action
	<p>there was no evidence that this was communicated to the complainant prior to the delay. The specific time periods that elapsed were: 12, 18, 19 and 31 working days respectively.</p> <p>The 1 micro business exception was due to a long time elapsing without updating the complainant.</p>	<p>the testing period confirm where delays occurred, they were communicated to the complainant and a revised timescale is provided to the complainant.</p>	<p>complaint records related to agreeing timelines with customers and the importance to provide prompts updates to our customers;</p> <ul style="list-style-type: none"> <li>b) reinforce the message to our complaints team managers to coach resolution managers and reviewers on this specific aspect;</li> <li>c) include reviews of the quality of complaint notes including agreed timescales and updates in the independent internal assurance to review the application of the complaints handling processes in the various business areas.</li> </ul>
<p><b>6.6</b></p>	<p>In the 1 instance where a request for information from a domestic complainant was not received before the complaint was closed, we were not able to identify the cause from the limited evidence available. E.ON policy and procedure requires requests for information from customers to be recorded as actions. We observed CMS allows a complaint to be closed while an action remains open.</p>	<p>For a sample of 5 micro business and 20 domestic complaints reported and closed during the testing period confirm any additional information requested by E.ON from the complainant has been received (unless otherwise notified to the complainant) prior to the complaint being closed.</p>	<p>We will take the following actions:</p> <ul style="list-style-type: none"> <li>a) develop the system to prevent complaint closure whilst actions have not been marked as completed;</li> <li>b) communicate the importance of and what makes comprehensive notes, with emphasis on agreeing and updating timescales with customers, to ensure we can evidence the discussion with our customers' in respect of their complaints;</li> <li>c) explore the potential for further systems enhancements within our Complaints Management System to support the quality of complaints notes recorded;</li> <li>d) review how we cover the completion of complaint records related to agreeing timelines with customers in our training and take a specific refresher action with an audit trail;</li> <li>e) By March 2015 we will have an ongoing independent internal assurance to review the application of the complaints handling processes in the various business areas. This will include reviews of the quality of complaint notes including recording the requests for</li> </ul>

#	Exception noted by Deloitte in this report	Applicable requirement	E.ON's response / proposed action
			information from customers as actions.
7.2	<p>For one domestic complaint we found that the complainant was advised of their Ombudsman referral rights before the notice of the rights to refer the complaint to the Ombudsman ("Notice") proposal was sanctioned by the Ombudsman Liaison team. This is not in accordance with the Complaints Policy and Procedures, which state that the Ombudsman Liaison Team must sanction the Notice before the complainant is advised that the complaint has reached a Notice position.</p>	<p>For a sample of 5 micro business and 20 domestic complaints reported during the testing period where the complainant disagrees with the outcome and confirm the notice of the rights to refer the complaint to the Ombudsman option provided to the complainant is in line with the policy and procedure in place at E.ON.</p>	<p>We note the Deloitte finding and acknowledge that our process was not followed properly in this case.</p> <p>Although, there was no detriment to our customer, we have amended our policy to make clearer and prevent any reoccurrence in future. We have also already re-briefed the complaints review team. We will also:</p> <ul style="list-style-type: none"> <li>a) include this specific point in the Principles of Great Resolution;</li> <li>b) communicate as necessary;</li> <li>c) review how we cover this aspect in the in the training and take a specific refresher action with an audit trail.</li> </ul>
8.6	<p>The following exceptions were noted:</p> <ol style="list-style-type: none"> <li>1. For 1 CFC, although 3 "Control 1"s had been performed, all three were of non-complaint communication and therefore did not meet the policy requirement. The mandated "Control 3" was not performed.</li> <li>2. For 2 CFCs, 2 of the 3 "Control 1"s were not performed and the single "Control 3" was not performed.</li> <li>3. For 1 CFC, 2 of the 3 "Control 1"s had not been performed.</li> </ol> <p>For 1 Resolution Manager, 2 of the 3 required "Control 2"s were not performed.</p>	<p>For a sample of 5 Customer Facing Colleagues, 3 Resolution Managers and 2 Resolution Reviewers ensure the mandated monthly quality assurance control of complaint interaction assessments had been performed during the testing period.</p>	<p>We note the Deloitte finding and regularly review and report the level of control checks completed on a monthly basis with this monitored as part of our Governance Framework.</p> <p>We have taken an immediate action and on 17 November we have introduced a weekly report available to every manager. This means that our business leaders can now see the complaints compliance score as well as the number of checks completed, and week by week ensure that the required number of checks are completed and follow up where this is not being done.</p> <p>Improving performance will always be a continuous process. We have piloted an Independent Quality Assurance initiative as part of the roll-out of Handle with Care and this activity will become a business-as-usual process by the end of March 2015. The aim is to provide an independent focus on complaint performance to further reinforce business line controls, supporting continuous improvement and giving Senior</p>



#	Exception noted by Deloitte in this report	Applicable requirement	E.ON's response / proposed action
			<p>Managers assurance that our customers' complaints are being effectively managed.</p> <p>It should be noted that the Deloitte sample included two colleagues working part time hours and one who was not undertaking customer facing activity during the review period. Whilst our policy defines volume of checks at colleague level to support their coaching, our core tracking of performance, trends and interventions is driven from the aggregate checks undertaken across our business. During October we completed over 14,165 control checks on complaint interactions undertaken by our staff.</p>

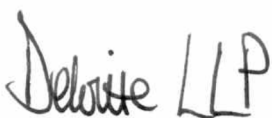
# 6 Statement of Responsibility

We take responsibility for this report which is prepared on the basis of the limitations set out below.

The scope of our work in preparing this independent examination report ("Report") was limited solely to those procedures set out above. Accordingly we do not express any opinion or overall conclusion on the procedures we have performed. You are responsible for determining whether the scope of our work specified is sufficient for your purposes and we make no representation regarding the sufficiency of these procedures for your purposes. If we were to perform additional procedures, other matters might come to our attention that would be reported to you. Our Report should not be taken to supplant any other enquiries and procedures that may be necessary to satisfy the requirements of the recipients of the Report. The procedures we performed did not constitute a review or an audit of any kind. We did not subject the information contained in our Report or given to us by the Directors to checking or verification procedures except to the extent expressly stated above. This is normal practice when carrying out such limited scope procedures, but contrasts significantly with, for example, a statutory audit. The procedures we performed were not designed to and are not likely to reveal fraud.

Our Report has been prepared solely for your exclusive use and solely for the purpose of assessing your complaints resolution processes against the Gas and Electricity (Consumer Complaints Handling Standards) Regulations 2008 and the Standards of Conduct set out in the engagement letter with E.ON, and to report to you the result of those procedures.

However, we understand that a copy of our Report will be made available to Ofgem and published on your website for the purpose of demonstrating that you have obtained an independent assessment of your complaint resolution processes. We agree that a copy of our Report may be provided to Ofgem and published on your website in connection with this purpose but only on the basis that we accept no duty, liability or responsibility to Ofgem or any other party in relation to our Report. Our Report is not to be used for any other purpose, recited or referred to in any document, copied or made available (in whole or in part) to any other person without our prior written express consent. We accept no duty, responsibility or liability to any party, other than you, in connection with the Report or this engagement.



Deloitte LLP  
London

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