



Utility Customer Service Management Ltd.

Submission to Ofgem 16<sup>th</sup> March 2015

## Connections market review – proposed Code of Practice

Whilst we **support** the drive towards **greater competition** as a way to bring about improvements in the market both in terms of pricing and Customer service, we feel **smaller** sized **Customers remain isolated** from such developments. This is on the basis that the appeal for competition in this market area is smaller (because the markets are smaller and more difficult to target) and there is less understanding of market by said Customers. This aspect is indeed mentioned in section 2.6 of Market research – key findings.

For this reason, we feel **strong regulation** in the area continues to be required and if anything, expanded. Guaranteed standards for example apply to all DNO's and yet their compliances varies greatly from strong compliance to an approach of trying to absolving themselves from compliance if an interpretation not in the best interests of Customers can be adopted. In short, if an interpretation is vague, the DNO should aim to comply unless agreed with the authority otherwise thus **upholding** the **spirit** of the **guaranteed standards**.

Indeed, we feel in these areas standards could be **expanded** to include aspects such as response to written enquires and meter removals to allow demolitions – an aspects which has already been aired with Ofgem as causing issues for developers.

A clear indication of the forgoing is the number of times the research by bigsofa mentions **Customer “frustration”** and in our view is an area of great discontent festering 'under the radar'. In support of this, UK Customer Satisfaction index carried out by the Institute of Customer Service continues to **rank utility companies low** in terms of Customer service.

A further cause of concern is the apparent **wide divergence** in which **DNO's** appear to feel quite comfortable to operate. These are a few examples:

### Stakeholder engagement

Effective engagement should (in our view) enable a DNO to develop based on the requirements and desires of Customers such that they can demonstrate they have engaged, listened and changed – this is not universal with some stakeholder engagement not even being recorded and hence, very low commitment to develop or even listen.



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### Breakdown of costs

Another area where there is wide divergence between DNO's with one DNO giving quite detailed breakdowns and yet an adjacent DNO refusing based on it being "commercially sensitive".

### Approach to multi occupancy buildings

The approach to these varies considerably across DNO's to the extent that developers are able to have installations in one area which are refused in the adjacent DNO area.

These three simple examples suggest there is room for some coming together of approaches and a common **Code of Practice could be the catalyst** however, we have some very real concerns that some DNOs will become entrenched in "their own way of doing things" such that peer group pressure will not bring about change.

We struggle to fully understand how a common Code of Practice will address the forgoing issues and because of this **remain concerned regarding Customer Services issues for smaller Customers** even though a proposed Code of Practice could lead to market improvements for larger Customers.

*For clarity, smaller Customers here refer to Customer progressing small schemes with DNO's such as up to 15 new dwellings.*