

OVO Energy 1 Rivergate Temple Quay Bristol BS1 6ED

hello@ovoenergy.com www.ovoenergy.com

Mr Dermot Nolan CEO Ofgem 9 Millbank London SW1P 3GF

**BY E-MAIL**: dermot.nolan@ofgem.gov.uk **Copy to:** Jeremy.AdamsStrump@ofgem.gov.uk

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## Dear Dermot

Thank you for your open letter to OVO Energy dated 22 September 2016 in relation to the results of Ofgem's bi-annual complaints survey.

As a top-rated Which? energy supplier we take customer complaints seriously and we welcome any insight into how we can improve our performance. To that end we have reviewed the survey reports in detail and respond as follows.

## 1. General observations about the report

We understand that the survey results show an overall drop in satisfaction levels across the industry and therefore we can understand Ofgem's concerns.

However where the results relate specifically to OVO, we wish to highlight that only 91 of our customers were interviewed - the lowest out of all suppliers involved, and statistically a very small sample base particularly as a proportion of our total customer base (c. 690,000).

It is also worth mentioning that in Ofgem's Q2 complaints reporting, OVO reported only 112 complaints per 100,000 customers, which out-performed the average Big Six Q1 score of almost 2,000 complaints per customer.

Nevertheless we take on board all comments about OVO's performance in the survey as valuable feedback and respond to specific issues below.

## 2. OVO's approach to customer complaints

OVO has a dedicated complaints team led by experienced individuals, including a number who have been promoted from the front-line customer care team and therefore have valuable knowledge of a broad range of customer queries.

Key aspects of OVO's complaints team are as follows:

- **Fast and fair resolutions.** The team's mindset and approach is focused entirely on delivering positive outcomes for our customers, even where this may prove to be to OVO's additional cost or impact. The team are trained, coached and managed around this core principle.
- **Complaints agent empowerment.** The team have a higher sign-off limit for goodwill payments to customers, to enable them to make decisions and resolve issues at first point of contact with the customers.
- **Resolution proposal.** The team now provides customers with a proposed resolution in writing within one working day after receiving the complaint to ensure that the customer has immediate, firm communication from OVO and to facilitate a positive resolution as quickly as possible.
- Repeat chase. The team's standard process involves new minimum standards for
  making ongoing multiple contact attempts to customers where complaints are not
  resolved in the first instance following a written proposal. This ensures we are in
  regular communication with our customers and we make every effort to resolve
  their issue without having to resort to escalation to the Extra Help Unit or the
  Ombudsman.
- EHU and ombudsman engagement. The team actively engages with these and other regulatory bodies to gather feedback and continually improve our complaints processes, with an increasing focus on supporting vulnerable customers.

## 3. Survey results specific to OVO's performance

The table below draws out the main results of the survey that reflected OVO's performance specifically, and OVO's response in each instance.

Results of OVO customers surveyed	OVO's response & proposed action
21% stated that overall they were satisfied with how their complaint was handled	As noted above, the result reflects the very small sample size of OVO's customers.
	Nevertheless we acknowledge that regardless of the sample size there is considerable room for improvement which we are confident we can achieve by addressing some of the other issues identified in the report.

47% did not escalate their complaint	We have since 2015 improved our processes to make it easier for our Customer Service teams to identify when customers are unhappy while also completing over 1,000 hours of additional training specifically around complaint escalation and handling dissatisfaction.
4% were offered a free copy of OVO's complaints handling procedure	We are currently reviewing signposting of our complaints procedure in all of our complaints-related communications
21% were given a complaint reference	We try to avoid confusing customers by giving them a 'new' reference number just for their complaint and instead use their OVO account number as a single reference point. However we are happy to review if this approach still works for our customers.
24% did not have to chase to find out what was happening	We have recently updated our processes with new minimum standards for our Complaints teams to ensure we are in regular communication with our customers

We trust this information is helpful in explaining OVO's complaints process and addresses any concerns you may have arising from our performance in the recent survey.

We would be happy to continue engaging in dialogue with your team on this matter.

Yours sincerely

Daphne Yao

**General Counsel, OVO Energy**