



Making a positive difference
for energy consumers

All suppliers

By email

Our Ref:

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Dear Supplier,

Supplier Performance Report – Proposed changes to the publication template and frequency of publication

On 5 June 2019, Ofgem E-Serve published a [Letter to Suppliers](#) on plans to make changes to the Supplier Performance Report (SPR) template and frequency of publication, with a view to enhance its value to the consumers and the supplier community.

Ofgem E-Serve proposed to make the following changes:

- Publish updates to the SPR data every six months, with the possibility to moving to quarterly in the future;
- Include a brief commentary under the existing charts to provide consumers and the supplier community with details of the incidents recorded on the SPR;
- Include a 'Compliance Highlights' table that will highlight the most severe incidents of non-compliance recorded within the relevant quarter and a 'comparison' between the current and past reporting periods;
- Identify suppliers who have improved or maintained a good level of compliance across the schemes as well as suppliers whose performance has worsened over time.

We stated in the letter to suppliers that at this time we are not considering a change to the way in which incidents are scored.

We asked suppliers and anyone interested in our proposals for reviewing the SPR to consider the points listed above and to provide feedback on three questions:

1. Do you agree with the frequency at which we plan to publish the SPR?
2. Do you have any comments on the format we are proposing to adopt?
3. Do you agree with the proposal to highlight the most severe incidents of non-compliance?

We received 11 responses: nine from energy suppliers, one from the trade association Energy UK and one from a provider of metering and data collection services to utility companies.

The Office of Gas and Electricity Markets

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Any feedback specifically in relation to the SPR scoring matrix and the data reported within will not be acted upon as these aspects were addressed in 2016 through the [SPR consultation and are outside the scope of this review](#).

Responses to Question 1 – Do you agree with the frequency at which we plan to publish the SPR?

All respondents agree with the frequency at which we plan to publish the SPR, as long as the current process that allows suppliers to review the incidents before these are published will not be altered.

Some respondents requested further evidence on how the proposed changes will improve transparency and value for consumers.

One respondent pointed out that as annual external audits are carried out throughout the year, the publication of audit related incidents within separate reports may result in one respondent ranking higher than those who are yet to be audited. The same respondent proposed to conduct all audits within the same SPR reporting period to ensure a fair comparison between supplier performance at a given point in time.

Two respondents raised the point that a more frequent publication will have a greater resource demand on suppliers, especially if the review of the incidents that Ofgem proposes to publish on the report coincides with one of the scheme's reporting deadlines.

Our response

We have considered the views of respondents on question 1 and have decided to increase the frequency of publication to six months. The current publication process, within which the incidents and scoring are shared with suppliers in advance of publication, remains in place. As such, suppliers will continue to have the opportunity to review and provide comments on the incidents before the SPR is published on our website.

More frequent updates will provide stakeholders with more information, whilst suppliers will be incentivised to improve their performance. Furthermore, the commentary around the charts, the compliance highlights table and the comparison between the current and past reporting period will help stakeholders to get a better understanding of the data.

With regard to audit related findings, we believe that more frequent publications will push suppliers to proactively detect and resolve issues. These findings will still be published on the SPR within the relevant reporting period. However, the report will highlight which suppliers have been subject to an audit within the same reporting period.

Responses to Question 2 - Do you have any comments on the format we are proposing to adopt?

All respondents were broadly supportive of the format we are proposing to adopt for the publication of the SPR.

A number of respondents raised concerns around the publication not taking into consideration the supplier portfolio size or market share.

One respondent requested us to advise on the level of detail of information that will be published on the report to ensure that sensitive commercial information is not disclosed.

Our response

We have considered the views of respondents on question 2 and decided to adopt the proposed format for the publication.

All obligated suppliers, with no exception, must comply with the requirements of the environmental schemes, as such the supplier portfolio size or market share are not relevant for the purpose of measuring performance.

With reference to the risk of sensitive information being disclosed, we can confirm that the commentary provided within the publication will be limited to the name of the supplier and description of the incident. Furthermore, the list of incidents that we are proposing to publish, including the scoring assigned to each of the incidents, will be shared with suppliers in advance of publication.

Responses to Question 3 - Do you agree with the proposal to highlight the most severe incidents of non-compliance?

All respondents expressed consensus on the proposal to highlight the most severe or notable incidents.

Most respondents requested further clarity around the definition of 'severe' incident.

Our response

With reference to the severity of the incidents and in line with the SPR scoring matrix, all incidents are scored from 0 to 4 against the categories listed below:

- a. compliance with overriding obligation;
- b. deadlines;
- c. governance;
- d. accuracy of data;
- e. financial implications.

The highest scoring category for an incident is the score that defines the overall score for that incident.

Having considered the views of respondents on question 3, we have decided to highlight the most severe incidents of non-compliance (i.e. incidents scored as a 4) within the publication.

We will intend to implement these changes from October 2020.

Yours faithfully,



Russell Ogilvie
Senior Manager - Supplier Compliance