

Energy Ombudsman Eight Week and Deadlock Letters

Supplier Guidance

Background

The following guidance was agreed by the Energy Ombudsman Eight Week and Deadlock Letter Working Group initiated in December 2013. The Group, open to participation by all suppliers, was convened to respond to Ofgem's research finding that, of customers who were entitled to do so (i.e. had received eight week or deadlock letters), only around 7% of domestic customers and around 4% of micro business customers referred their complaint to the Energy Ombudsman. The remit of the group was to improve the content and format of eight week and deadlock letters across the market, so as to ensure that customers know their rights to go to the Ombudsman. The group did not look at recommendations around other factors influencing customer referrals to the Energy Ombudsman.

Ombudsman signposting data suggests the whole sector average for signposting from January to November 2019 had reached 47%. This guidance was updated by the Energy Ombudsman and Energy UK in 2020 to reflect the shift towards principles-based regulation since 2013, and with the aim of further improving consistency of signposting.

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1. Guidance for both Eight Week and Deadlock letters

1a. Standardised text on the Energy Ombudsman

The Gas and Electricity (Consumer Complaints Handling Standards) Regulations 2008¹ require suppliers to provide the following information to customers on the Energy Ombudsman:

- that the customer has the right to refer the complaint to the Energy Ombudsman;
- that it is independent of the energy company;
- that it is free of charge;
- the types of redress available (an apology; an explanation of what went wrong; a practical action to be taken to correct the problem; and, a financial award); and
- that its decision is binding on the company but not the customer.

Suppliers will ensure that all of the above information is included in both letters in a clear and prominent position. The positioning of the above information should be appropriate to the length of the letter.

1b. Personalisation, Language and Tone

Suppliers will apply the following principles to both letters:

- Suppliers will make it clear how a customer can contact the Ombudsman;

¹ <http://www.legislation.gov.uk/uksi/2008/1898/contents/made>

- The letter should be personalised to the customer so that it is clear that it is not a mass communication;
- It should be addressed to the customer appropriately and as an individual;
- Suppliers will use plain and simple language;
- Where possible and appropriate, suppliers will provide specific details of the customer's complaint within the body of the letter, provide a detailed case update and demonstrate ownership of the customer experience;
- The letter should make it straightforward for the customer to understand how to get back in touch with the company to discuss the complaint, for example through the provision of a complaint reference number or complaint owner and by listing clearly relevant contact details and office opening hours;
- Supplier letters will be sufficiently formal to highlight the importance of the letter, whilst remaining accessible;
- Any apologetic tone will be used appropriately;
- Letters will highlight the issue and customer action appropriately, but will also be empathetic to the customer and considerate of the issues they may be facing;
- In line with the discussion at the recent Citizens Advice hackathon, recognise the value of a creative approach to wording within the regulations to ensure that it fits in with the overall brand image of the company.

2. Guidance for Eight Week letter

The reference to the letter being an “Eight Week letter” should be in a prominent position. In line with the principle of the supplier having ownership of the complaint, the supplier should provide a clear statement of their position and outline options for next steps.

3. Guidance for Deadlock letter

The reference to the letter being a “final position” or “deadlock” letter should be in a prominent position. There should be a clear statement of the supplier's final position. This statement should make it clear whether any offer from the supplier would remain on the table in the event that a customer took their complaint to the Energy Ombudsman, in order to ensure that the customer can make an informed decision on their next step. An example of how this has been worded by one supplier is as follows (although ultimately the exact wording will be determined by the supplier):

“If you choose to go to approach the Ombudsman, the goodwill offer mentioned above will be withdrawn. This means that they can investigate your case from a neutral position and will avoid any confusion. The Ombudsman may decide that the offer should be reinstated or require a different award which may be more or less than offered by us.”

4. Eight Week or Deadlock letters which are sent to a business defined as a micro business by the supplier, but not by Ofgem

Where suppliers apply micro business treatment to business customers who fall outside the accepted Ofgem definition², the eight week and deadlock letters will clearly explain to the customer how a micro business is defined, either within the body of the letter itself, or through the inclusion of the Energy Ombudsman factsheet. It must be clear to the customer that the Energy Ombudsman will only be able to accept a case where it believes that the business meets the Ofgem criteria of a microbusiness. A case from a larger business would not be accepted unless the supplier explicitly requested the Ombudsman to do so.

² A microbusiness is defined as a business which:

- a) Consumes no more than 293,000kWh of gas or 100,000kWh of electricity each year; or
- b) Has fewer than ten employees and an annual turnover not exceeding €2m

Annex A – Agreed example wording relating to description of the Energy Ombudsman

The following examples can be used to inform the wording suppliers will ultimately decide to use. Signatories of the guidance do not have to accept the exact wording but need to adhere to the main principles set out. Suppliers are encouraged to be flexible and creative in their approach and seek to create their own prototypes based on the below to ensure that it fits with the overall branding and tone of the company. Signatories of the guidance do not have to accept the exact wording but need to adhere to the main principles set out.

A1. Eight Week Letter

Free, independent help is at hand

Eight weeks have passed since you first told us about your complaint. You now have the right to refer your complaint to the Energy Ombudsman if you want to. You'll find their details <indicate where>.

The Ombudsman is there to help resolve disputes between energy suppliers and their customers. It is free for you to use their services, and they are totally independent – so they do not take sides, and make their decision based on the information available. If you agree with their decision, we have to act on what they say. This may mean we have to issue an apology, explain what has gone wrong, correct the problem or give you a financial award. You do not have to accept their decision.

You may contact the Energy Ombudsman in any of the following ways:

Ombudsman Services contact details:

Website:	www.Ombudsman-Services.org
Phone:	03304401624 (phoneline open 8am-8pm Monday to Friday, 9am-1pm Saturday)
Email:	Enquiry@Ombudsman-Services.org (emails are responded to within 5 working days)
Letter:	The Energy Ombudsman, P.O. Box 966, Warrington, WA4 9DF

A2. Deadlock Letter

If you want to take this further, you have the right to contact the Ombudsman.

As we cannot agree a way to resolve your complaint, I recommend you contact the Energy Ombudsman. You have up to 12 months from the date of this letter to do so. You'll find their details <indicate where>.

The Ombudsman is there to help resolve disputes between energy suppliers and their customers. It is free for you to use their services, and they are totally independent – so they do not take sides, and make their decision based on the information available. If you agree with their decision, we have to act on what they say. This may mean we have to issue an apology, explain what has gone wrong, correct the problem or give you a financial award. You do not have to accept their decision.

If you can, it is probably best to contact them first either by phone or through their online form. Please make sure you mention you have received this 'deadlock' letter when you contact them.

Ombudsman Services contact details:

Website:	www.Ombudsman-Services.org
Phone:	03304401624 (phoneline open 8am-8pm Monday to Friday, 9am-1pm Saturday)
Email:	Enquiry@Ombudsman-Services.org (emails are responded to within 5 working days)
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