



Making a positive difference  
for energy consumers

Mr Neil Clitheroe  
Global Retail Director  
Iberdrola

BY EMAIL

Date: 22 September 2016

Dear Mr Clitheroe

### **Open letter – customer satisfaction with Scottish Power’s complaints handling**

Today we published the report of our latest survey into customer satisfaction with suppliers’ complaint handling. Simply put the results are unacceptable. The overall level of satisfaction, which had fallen from the 2012 to 2014 waves, has dropped again and the percentage of consumers having a different view to their supplier on the status of their complaint has only marginally improved. Among the most concerning statistics is the significant rise in consumers reporting they are “very dissatisfied”, up 7% and 11% respectively for domestic and microbusiness consumers.

The survey shows that your results are again poor, with only 13% of those surveyed stating they were satisfied with how their complaint was handled. As you know, following an Ofgem enforcement investigation Scottish Power paid £18 million in consumer redress due, in part, to failures in complaint handling and resolution between 2012 and the end of 2015.

Due to the fact the survey sample was taken before the end of the enforcement case against you we are not, at this time, asking you to undertake any further actions beyond what we previously agreed. However we expect you to respond publicly to this letter updating on how you are working to give consumers a better experience following the findings from the investigation.

I stress that, in future surveys, should we not see an improvement in your performance we will consider taking further enforcement action against Scottish Power.

### **The survey results**

This is the fifth wave of this survey and covers the largest nine suppliers. The survey indicates that your consumers are far more likely to be very dissatisfied (64%) compared to the industry average (45%). The results indicate that there are issues throughout your complaints process, from registration of the issue through to resolution. Compared to the industry average significantly more of your consumers surveyed:

- found it difficult to register their complaint with you (more than any other supplier surveyed)
- reported that you did not inform what steps would be taken or how long each step of the process would take
- said decisions by complaint handling staff were not made “there and then”

- reported the complaint took longer than two months to resolve
- felt they had to chase you to find out what was happening with their complaint
- had a different view of the complaint to you (of all the suppliers surveyed, you had the largest resolution gap<sup>1</sup> which is a key driver of dissatisfaction)

As well as these procedural issues, and just as concerning, the survey found your customers were much less likely than the industry average to think that your staff treated them fairly, understood the complaint, took it seriously or were helpful. The impact of your performance was that, at the time of the survey, 59% of your domestic consumers surveyed were either planning, in the process or had switched away from you.

### **Next steps**

As stated above we would like you to respond to this letter acknowledging your performance and setting out the progress you have made since the resolution of the enforcement case against you. We would also be happy to meet with you to discuss your improvement plans in greater detail.

Yours sincerely



**Dermot Nolan**  
**Chief Executive**

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<sup>1</sup> Complaints which are flagged as closed by the supplier but the complainants thinks have not been resolved yet expressed as a percentage of all complaints flagged as resolved by the supplier