Nutwood

Ofgem complaints performance

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Last month Ofgem published its energy supplier complaints performance data for Q422. I raised some questions about suppliers' interpretation of the data, and its publication on their own websites (*Energy Spectrum* 845, 27 February, page 20). Several colleagues responded with comments.

Is there a need for more uniformity of interpretation and presentation of the concepts of "complaint" and "resolution"? A broad interpretation allows more scope for suppliers to understand and analyse what their customers want, but if the figures are used for published "league tables" then there is an obvious incentive to skew the interpretation of those concepts. Colleagues would like more mutual consistency, but how to achieve this is not clear. Ofgem, Energy UK and suppliers did considerable work on this a couple of years ago, but as the pandemic took effect other Ofgem projects took priority. There seems a widespread feeling that there continues to be more important priorities now.

Utility Warehouse (which, contrary to my article, does publish its Ofgem complaints data, albeit the latest published data are for Q222) says "Utility Warehouse aims for the highest standards in customer service. However, there may be occasions when our customers may wish to complain (the industry regulator calls these "an expression of dissatisfaction"). Some examples of customer complaints could be: Not understanding a letter that we have sent to them, Asking for information on submitting a meter reading, Querying direct debit payments."

Customers might well want to know how many serious complaints are made against each supplier, or against a supplier they are considering. But do they really want to know how many customers ask how to submit a meter reading or query their direct debit payments? Should supplier and regulatory effort, both of which cost customers money, really be devoted to recording and publishing the number of such questions?

If suppliers used these statistics to assess and improve their own performance, there might be a stronger case. However, I sense that suppliers have their own and different methods for this, using external benchmarks such as Trustpilot as well as internal ones.

One suggestion to aid comparability was to use instead a more specific and objective measure such as customer references to the Energy Ombudsman. The numbers here would be about a tenth of the number of complaints reported to Ofgem. This seems worth considering and would reduce rather than increase the amount of work involved. In the meantime, rather than launch a new investigation, perhaps Ofgem and/or Energy UK should have a word with those few suppliers whose figures seem significantly out of line with the others?

As to possible differences in content or timing of publication, again various views. A general sense that there ought to be mutual consistency, but one colleague thought customers would not use supplier websites, another suggested using Ofgem's site as a single source of truth. Both imply not to bother with supplier sites, but again a feeling that this was not a priority at the present time.

I understand that. But it does seem questionable regulatory practice for Ofgem to have a rule, or at least a published expectation, that suppliers will publish the same complaints data on their own sites, but not to enforce this rule and not to check periodically that the data are published and consistent.

If some larger suppliers wish to publish separate brand-specific data that seems fine (personally I welcome the additional detail). Perhaps the Ofgem website could mention that its own data are for the whole licensee, and that suppliers might publish brand-specific data.

Other differences between Ofgem and supplier websites remain slightly mysterious. A few simple errors have been identified, and I am struck by the apparent evidence that calculating, reporting and publishing these few complaints statistics is more challenging than I would have expected. Perhaps this strengthens the case for using a simpler more uniform regulatory measure, like Ombudsman references? And leaving suppliers to make their own arrangements for the collection, analysis and publication of any additional measures?

Developments in the OCS league, March 2023

Since the last calculation of OCS scores in January, we have the Q422 Citizens Advice star ratings, as well as the Q422 Ofgem complaints performance just discussed. What impact do they have on Overall Customer Satisfaction scores? The most striking feature of the Ofgem data was the 42% increase in complaints to British Gas (I was wrong to suggest this might have been related to disputed customer transfers to prepayment meters. Rather, I am told it was a result of a result of customers starting to feel the effect of increased prices as the weather became colder, plus postal delays in delivering the Energy Bills Support Scheme.) This translated into a striking 23% reduction in the OCS measure of Ofgem complaint scores. Other suppliers recording markdowns were SSE down 7%, Utility Warehouse and Octopus Energy down 4%. On the bright side, Ecotricity was up nearly 9%, Scottish Power up 5%.

With the Citizens Advice star ratings, it was again mainly declines: Boost Power and Scottish Power down 7%, EDF Energy and SSE down 6%, Utilita down 5% and E.ON Energy down 4%. But Outfox the Market up 9% and Octopus Energy up 6%. Finally, and not surprisingly, Trustpilot recorded very little change over the past couple of months: 10 suppliers didn't move, eight suppliers moved up or down by 2%, and E moved up 6%. Figure 1 graphs the OCS scores since December, showing first the impact of the new Which? scores in January and then the combined effect of the other changes in March.

As always, it seems, Octopus Energy remains way out ahead on 77%, defying gravity as one of only two suppliers to increase its OCS score. Outfox the Market was last seen at 72% but now disappears because it was not fully scored by Which?. Cooperative Energy and Utility Warehouse both on 70% maintain their positions in Division One. All but one of the seven suppliers in Division Two slipped very slightly in the last month. EDF Energy and Bulb remain on top with 65%, Ovo, Utilita and Shell Energy are next with 63% (Shell Energy being the only other supplier to increase its OCS score this time). Then So Energy and E.ON Energy at about 60.5%.

Finally in Division Three, Scottish Power holds nearly level at 56%. Boost Energy at 55% is down from 60% in December and relegated from Division Two. SSE has fallen from 56% last month to 52%. The contrast between Ovo's own brand at 63% and its two sub-brands at 55% and 52% is quite striking. But British Gas's fall from over 57% last month to 51% now, at the bottom of the league, is the most striking change we see this month. Overall, though, perhaps we should be grateful for the stability shown as we come through a difficult winter.

