



# Energy Sector Report

January to December 2017

# Energy

## Sector Report January - December 2017

### New ways of working

2017 was the first full year of working with Ofgem and Citizens Advice as a tripartite group – one of the key improvements made following the Energy Ombudsman Review in 2016.



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The group focuses on addressing causes of complaints, benefitting all consumers whether they have complained to us or not, and to ensure our work on supporting and promoting best practice complaint handling at the first tier is more systematic and more visible to Ofgem.

The tripartite group works together to try to identify signs of systemic problems much earlier, with the aim of supporting suppliers with improvements which will improve the energy industry as a whole.

In December 2016, a domestic energy supplier went through the Supplier of Last Resort process, which was the first time it had been used in eight years. Throughout 2017, the Energy Ombudsman worked with the company that inherited the customers of the disbanded supplier to support a fair outcome for the consumers and the company. Ombudsman Services addressed areas the process had missed, as it was formed with business suppliers in mind, rather than domestic

suppliers. As a result, Ofgem updated its process to better cover these areas of concern.

In 2017, Ombudsman Services addressed several recurring issues that affected several suppliers. We tackled problems such as annual statement inaccuracies and calorific value issues. For the latter in particular, Ombudsman Services noticed an energy supplier using the wrong value, which resulted in incorrect bills. We raised this with the company, which corrected the issue and worked with us to determine a fair award for all affected customers. We then identified this was an issue several other companies were affected by and discussed with the regulator, Ofgem.

The regulator welcomed the positive outcome from our collaborative approach with the first company affected and it was content for us to work with the other companies in a similar way, without the need for formal action.

### Complaint trends and collaboration with stakeholders



Switching replaces back-billing as the hot topic in the energy sector for 2017. Ombudsman Services was involved in the original version of Energy UK's Energy Switch Guarantee and we worked with Energy UK again, running workshops

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at our offices to generate sector wide discussion on improvements to the guarantee. The Energy Guarantee Switch is now a voluntary code of practice aimed at encouraging best practice and consumer confidence beyond the regulatory requirements.

Back-billing, part of the voluntary code of practice for accurate bills, worked well for the majority of suppliers and has now been put into Standard Licence Conditions (SLC) to ensure a minimum and consistent standard of application across the energy sector.

As the Smart Meter rollout continued and we received complaints in regard to this, we responded by setting up an internal Smart Meter Champions team, to assist our staff with the latest news, guidance and key information.

Our colleagues have been better placed to understand the issues consumers bring to us around smart meters, to investigate these complaints and give helpful information to consumers, companies and other stakeholders.

### Customer satisfaction

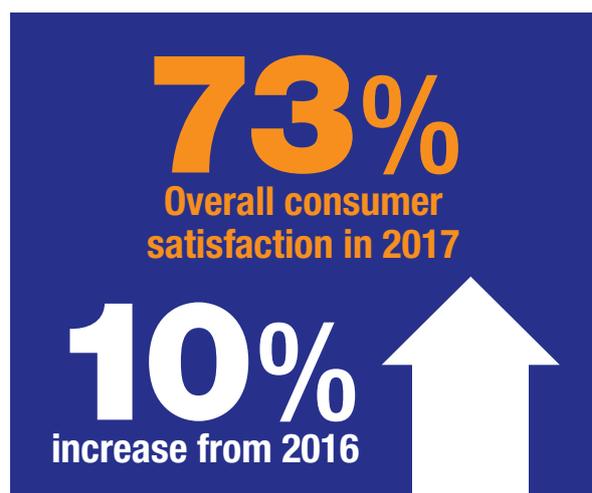
In January 2017 we launched our customer satisfaction programme to key stakeholders of the Energy Ombudsman – consumers, participating companies and key external stakeholders such as Ofgem, Energy UK, EHU and Citizens Advice.

The 360° feedback we received during 2017 has helped us to understand perception of the

service; our independence and impartiality; where we influence and add value to key external stakeholders.

Feedback received from users of the service has helped us to understand consumer's experience of the customer journey, which has driven process improvements in an effort to maximise overall consumer satisfaction.

In 2017, overall consumer satisfaction in the energy sector was 73% - an increase in satisfaction of 10 percentage points from 2016. Overall speed and efficiency saw an increase in satisfaction of 22 percentage points from 2016 to 79% in 2017.



For more information about what we do and examples of how we handle complaints, please visit our website [www.ombudsman-services.org/energy](http://www.ombudsman-services.org/energy)

# Energy at a glance

## Total initial contacts

**88,423**

## How these contacts got in touch

**43,261**

49% Telephone 

**45,066**

51% Written 

## of those written contacts

**54%**  
24,356 web forms



**37%**  
16,791 emails



**9%**  
3,913 letters



**>0%**  
6 fax



**54%** of contacts were inside our terms of reference (ITOR)

**46%** of contacts were outside our terms of reference (OTOR)

## Contacts outside of terms of reference

**38%** More information was required

**26%** Premature complaint

**5%** Not yet complained to the company

**7%** Not a customer of the company

**24%** Other

## Complaints resolved

**48,737**

## of the complaints resolved

Upheld **63%**

Not upheld **8%**

Settled **8%**

Maintained **21%**

## Key performance indicators (KPIs)

**100%** of correspondence actioned within 10 days

**87%** resolved in under 6 weeks

**96%** resolved in under 8 weeks

## Top complaint types

**57%** Billing

**9%** Customer service

**8%** Switching

## Awards and remedies

 **0%** Financial

 **10%** Non-financial

 **90%** Both

The logo for Ombudsman Services features a stylized 'O' composed of a multi-colored ring (blue, green, yellow, orange, red) on the left side. The text 'Ombudsman' is in a grey sans-serif font, and 'Services' is in a larger, bold grey sans-serif font below it.

# Ombudsman Services

Good for consumers – Good for business

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