

Guidance for Energy Brokers on signposting to Ombudsman Services in the event of unresolved complaints

Introduction

For any complaint process to work effectively it's important for the individual complaining to be made aware of their right to access Alternative Dispute Resolution (ADR) services. It's also essential that consideration of complaints is achieved within reasonable timeframes.

What is signposting and why is it important?

If a broker is unable to address a micro-business customer's complaint, they should make them aware of their right to raise a dispute with Ombudsman Services as the designated Alternative Dispute Resolution provider. We refer to this as signposting.

Customers should be signposted to our service when their complaint has either:

- a) reached a "deadlock" position, where the parties involved aren't able to agree a resolution and have reached the end of the complaint process; or
- b) been unresolved for more than eight weeks.

Effective signposting shows your commitment to customer care. When signposting to our service, brokers should explain our role and provide our contact details. The following guidance is based on work undertaken with Energy UK to provide guidance around the contents of signposting letters.

1. Guidance for both eight-week letters and deadlock letters

1a. Providing information on the Energy Ombudsman

In line with the energy scheme and complaint handling standards, brokers will be expected to provide customers with the following information, prominently placed in eight-week and deadlock letters:

1. Ombudsman Services provide an independent and impartial Alternative Dispute Resolution service that is free for our customers to use.

2. Resolutions can include: an apology; an explanation of what went wrong; a practical action to be taken to correct the problem; and/or a financial award.
3. Brokers have to accept dispute resolutions proposed by Ombudsman Services, but our customers can choose to reject them.

1b. Personalisation, language and tone

Brokers should apply the following principles to both letters:

- Use plain and simple language to ensure accessibility.
- Personalise the letter appropriately to the customer as an individual, using an appropriate degree of formality, to ensure the customer understands its importance.
- Where possible and appropriate, provide specific details of the customer's complaint within the body of the letter. Include a detailed case update and demonstrate ownership of the customer experience.
- Letters should be empathetic to the customer and considerate of the issues they may be facing using an apologetic tone as appropriate.
- The letter should clearly explain how to make contact with you to discuss the complaint, providing any relevant reference numbers, contact details and office opening hours.
- Make it clear to customers how they can contact Ombudsman Services.

To support the eight-week and deadlock process and to ensure letters are issued at the correct time, we would recommend that brokers set up a system to monitor complaints. This would enable them to log the complaint, monitor its age and set an alert to trigger signposting letters being sent for complaints older than eight weeks. Being able to re-open a complaint if the same problem reoccurs, rather than needing a customer to log a new one would also be good practice.

2. Guidance for eight-week letters

It's important that reference to the letter being an eight-week letter (i.e. the complaint has been unresolved for more than eight weeks) is in a prominent position. Include a clear statement of your position to demonstrate ownership of the complaint and outline the options for what happens next.

3. Guidance for deadlock letters

It's important that reference to the letter being a final position or deadlock letter is in a prominent position. Include a clear statement of your final position which enables the customer to make an informed decision based on whether your offer will still be available if they escalate their complaint to Ombudsman Services. For example;

“If you choose to escalate your complaint to the Ombudsman, our goodwill offer will be withdrawn. This enables them to consider your case from a neutral position and avoids confusion. They may decide on a different award which may be more or less than our original offer, or they may ask us to reinstate our offer.”

In addition, the letter should include a statement informing the consumer that they have a time limit of 12 months from the date of the deadlock letter to approach Ombudsman Services.

FAQ's

What happens if a broker doesn't signpost customers to Ombudsman Services?

Ofgem introduced a new supply licence condition from 1st December 2022 to ensure fairness for micro-business customers. This condition requires suppliers only to work with energy brokers who are signed up to a qualifying Alternative Dispute Resolution (ADR) scheme. We consider signposting to be a vitally important part of this scheme, promoting fairness and access to ADR for both micro-businesses and brokers.

In order to register for the scheme, brokers commit to signpost their customers to Ombudsman Services where they're not able to resolve a complaint directly or it remains unresolved after 8 weeks.

Under the terms of the scheme, Ombudsman Services will monitor signposting rates and address evidence of poor practice. In persistent cases, this could lead to removal from the register, and losing the ability to work with suppliers.

Is it the broker's responsibility to evidence signposting?

We expect you to show that you've signposted your customer to our service by adding evidence to our complaint system. If no signposting evidence is added, our system will reflect that the complaint was not signposted.

How do Ombudsman Services check broker's signposting?

We check all of the information provided for accuracy. If no evidence of signposting has been recorded, we will amend the data to reflect that.

Example of an eight week letter

RE: You can now access a free, impartial dispute resolution service to resolve your complaint

Complaint reference number: [XXXXXX]

Dear [Customer]

Thank you for making us aware of your complaint. We're sorry that we haven't been able to resolve it yet.

We understand that your complaint was regarding [insert complaint info] and to date we've unfortunately been unable to address this, which has resulted in [insert effect info].

If you'd like to discuss this with us again then please call [insert number] or email [insert email address]. Our office is open [insert opening days/hours].

As eight weeks have passed since you first complained to us, you can now use Ombudsman Service's free, independent, impartial dispute resolution service.

They'll ask you to provide all of the details of your complaint and any supporting information you can, before asking us for the same. They then consider all of the information to reach a conclusion on how to resolve your case.

Resolutions can include: an apology; an explanation of what went wrong; a practical action to be taken to correct the problem; and/or a financial award. You can choose to reject their resolution, but if you accept it, we have to act, and resolve the dispute in the way they propose.

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

Website: www.ombudsman-services.org

Phone: 0330 440 1624

Email: enquiry@ombudsman-services.org

Post: Ombudsman Services: Energy, P.O. Box 966, Warrington, WA4 9DF

Example of deadlock letter

RE: Unfortunately we're unable to resolve your complaint, but would recommend that you contact the Ombudsman

Complaint reference number: [XXXXXX]

Dear [Customer]

Thank you for making us aware of your complaint. We're sorry that we haven't been able to agree a way to resolve it directly.

We understand that your complaint was regarding [insert complaint info] and we've unfortunately been unable to address this, which has resulted in [insert effect info].

You're welcome to discuss this with us again, but it would seem that we're at the point where we can't agree on a resolution. In these situations we recommend contacting Ombudsman Services who provide a free, independent, impartial dispute resolution service to our customers.

They'll want to know that you've received this 'deadlock' letter and will ask you to provide all of the details of your complaint and any supporting information you can, before asking us for the same. They then consider all of the information to reach a conclusion on how to resolve your case.

Resolutions can include: an apology; an explanation of what went wrong; a practical action to be taken to correct the problem; and/or a financial award. You can choose to reject their resolution, but if you accept it, we have to act, and resolve the dispute in the way they propose.

Please make sure that you contact them within 12 months from the date of this letter. Their details are:

Website: www.ombudsman-services.org

Phone: 0330 440 1624

Email: enquiry@ombudsman-services.org

Post: Ombudsman Services: Energy, P.O. Box 966, Warrington, WA4 9DF

[Provide broker contact details and office hours under sign off and signature]