

# REVIEW OF EDF ENERGY'S COMPLAINT RESOLUTION PROCESS



## Background

Further to the recent publication by Ofgem of the results of its latest research into customer satisfaction with complaint handling, EDF Energy appointed Ernst & Young LLP (EY) to carry out an independent review of EDF Energy's processes for resolving and closing complaints.

As part of this review, EY were asked to examine EDF Energy's documented procedures against the requirements of the Gas and Electricity (Consumer Complaints Handling Standards) Regulations 2008 (the Regulations), to understand and walkthrough the specific processes undertaken by EDF Energy to resolve a complaint, and to sample complaints in order to test that the handling of them was consistent with EDF Energy's documented procedures.

EDF Energy was also keen to use the review as an opportunity to identify further improvements to the way we resolve complaints for our customers. We therefore agreed with EY that they would also review the sample of complaints from this perspective, with a particular focus on those complaints that had been closed within 24 hours or had needed to be reopened. This subset of complaints was selected as it was felt they are more likely to highlight areas where things may have gone wrong and therefore provide greater insight into possible process improvements.

## Key Findings

### Documented procedures

In EY's opinion, EDF Energy's documented policies and procedures met the requirements of the Regulations with the exception of two specific requirements which were not documented:

- the requirement under the Regulations to direct consumers with reopened complaints to EDF Energy's published complaints handling procedures
- the requirement to not treat reopened complaints as resolved complaints until the complaint has been demonstrably resolved (micro-business only)

Although EDF Energy is complying with these requirements in its day to day operations, we have accepted EY's findings and have already updated our policies and procedures accordingly.

### Issues affecting the resolving and closing of complaints

EY's review identified examples of good practice in the way EDF Energy resolves and closes complaints. As requested their review also identified areas of potential improvement. EY's key findings in this respect are summarised below. These are grouped by the main drivers of customer dissatisfaction identified in Ofgem's consumer research report:

### Speed of resolving complaints

EY noted that EDF Energy operates performance targets relating to the speed with which complaints are dealt with and closed. Whilst EY agreed that performance targets can be good practice from the point of view of addressing customer concerns quickly, they also noted they can have unintended consequences if they result in adverse behaviour or practices.

Whilst EDF Energy already has some quality targets in place for its advisors, we recognise the need to balance efficiency targets with quality targets and will consider whether further quality based measures are required to ensure that the speed with which we deal with complaints is not at the expense of complaint handling quality. As part of this we will consider more use of customer feedback mechanisms, including inviting customers to interact with us regarding the complaint service they have received.

### Timing of closure (complaint closed too soon)

The Regulations define a closed complaint as one where there are no outstanding actions to be taken by a supplier and which has been resolved to the customer's satisfaction. EY's review found that although EDF Energy's training material is clear that complaints should remain open until all issues had been resolved, advisors could sometimes adopt different approaches in determining whether or not an issue was resolved based on the action which had been promised (for example sending a bill, or booking an appointment etc).

As recommended by EY, EDF Energy will provide clearer guidelines to all advisors on the circumstances when an advisor can close a complaint on the basis of an action agreed with a customer.

### Taking ownership of complaints and being pro active

EDF Energy recognises the importance of taking ownership of complaints and proactively resolving them. We have empowered our advisors to take ownership of complaints and to resolve them without the need to pass customers between different departments, and require our advisors to adopt "a doing the right thing" and "right first time" approach. However, in the light of EY's findings that our agents sometimes fail to take a promised action (or only partially complete a promised action), we will identify further measures to ensure that all actions are completed within agreed timeframes and are communicated to the customer.

### Communication of next steps

EY noted instances where EDF Energy had opened a complaint but this had not been communicated to the customer. Similarly, EY found examples of complaints being closed without the customer being informed of the closure or being asked if the complaint had been resolved to their satisfaction as part of the closure process. As recommended by EY, EDF Energy will identify and implement appropriate further measures, including the use of standard prompts, to ensure that advisors notify customers when a complaint is being opened or reopened, and to ensure that confirmation is obtained prior to closing a complaint that the customer is both satisfied with the resolution and happy for their complaint to be closed.

With regard to EDF Energy's processes for directing a customer who has reopened a complaint to our published complaints handling procedure, EY noted that the Regulations require this to take place "as soon as reasonably practicable". Whilst EDF Energy has automated its processes ensuring signposting takes place within 24 hours, EY recommended that EDF Energy review its processes to ensure this approach is fully consistent with this requirement, particularly across those channels where there is direct contact with the customer at the point the complaint is reopened. EDF Energy has agreed to review its processes in this respect and to update them as necessary.

### Conclusion

EDF Energy has already applied a strong focus to provide improvements to its complaints resolution processes. In our response to Ofgem's open letter of 26 September 2014 on customer satisfaction with suppliers' complaints handling, we highlighted the recent improvements we have made and the additional steps we would be taking to improve customer satisfaction. EY's report provides further valuable insight on the areas we should focus on.

We will use EY's findings to understand the full range of improvements we need to make and the programme of work to deliver them, so that if our customers have cause to complain, they can be confident their complaint will be dealt with fairly, appropriately and in a timely and professional manner, with clear communications throughout.