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Dear Daniel

### **Citizens Advice Consumer Codes 2015 Review Consultation**

We welcome the opportunity to respond to Citizens Advice's Consumer Codes 2015 Review Consultation.

As the independent regulator and competition authority for the UK communications industries, Ofcom has powers to take action for the benefit of citizens and consumers. We can enforce consumer protection law, protect and manage the radio spectrum, and ensure viewers and listeners are protected from offensive and harmful material and treated fairly. This can also involve encouraging competition or resolving regulatory disputes between communications providers.

Our principal duty under Section 3(1) of the Communications Act 2003 is to further the interests of citizens in relation to communications matters and to further the interests of consumers in relevant markets, where appropriate promoting competition.

Ofcom receives and monitors complaints to our Consumer Contact Team<sup>1</sup> from consumers who are dissatisfied with their experiences in the communications sector; these are a key source of evidence. We use this data to identify and, where appropriate, take action against, companies that are found to be in breach of regulation, the General Conditions or consumer protection legislation and also to highlight problem areas where new rules may be needed to protect consumers.<sup>2</sup>

The contacts that Citizens Advice's Consumer Service receives have the potential to complement this key source of evidence for Ofcom. We were very pleased to have recently gained access to the data warehouse that holds this information. However, in order for Ofcom to make best use of this data, it needs to be captured in an appropriate and accessible way. Unfortunately, due to the way that complaint types and communications

<sup>1</sup> <http://stakeholders.ofcom.org.uk/enforcement/telecoms-complaints-bulletin/>

<sup>2</sup> [http://stakeholders.ofcom.org.uk/binaries/consultations/briefing/enforcement-guidelines/annexes/Enforcement\\_guidelines.pdf](http://stakeholders.ofcom.org.uk/binaries/consultations/briefing/enforcement-guidelines/annexes/Enforcement_guidelines.pdf)

services product service codes are currently organised, it is very difficult to use the data at even a high level to track overall patterns and trends, without re-coding each individual contact record.

We welcome the fact that BIS has asked, and funded, Citizens Advice to review the codes. We agree that changes are needed, not only to reflect the current consumer landscape, but to ensure that valuable data is captured and can be used effectively. Our responses to the consultation questions are at Annexes 1 and 2 to this letter. We have sought to focus our response on the issues and proposals that are more likely to affect the communications sector, although some points may also be relevant to other market sectors.

Yours sincerely

A handwritten signature in black ink, appearing to be 'Lynn Parker', written in a cursive style.

Lynn Parker

## **Annex 1: Ofcom response to consultation questions**

### **Introduction**

Before responding to the questions, we would make the following general comments.

We welcome the code review and agree changes are needed to ensure valuable data is collected and can be used effectively.

We fully support the proposal for multiple coding to be available for some code categories. It is essential that the seller and/or provider of the good/service, together with the main issues raised by the consumer, are recorded in a way that can be quickly and easily identified.

We also support the proposed integration of codes for post issues into general consumer codes, and the same for the data warehouse. We agree that reducing and clarifying the codes for postal issues would help prevent the current issue of double counting and improve agent efficiency and ensure accuracy in recording these contacts.

#### **Q1 Do you agree with the creation of a detriment field?**

#### **Q2 Do you have any other comments regarding the creation of a detriment field?**

We agree that it would be helpful to capture the financial (and other) detriment suffered by consumers who contact Citizens Advice Consumer Service ('CACS'). We recognise that this may not be the same as the contract price (for which there is already a code).

However, in order for a detriment field code to work, it would need to have a clear scope and there would need to be consistency in its application. For example, would it include loss of benefit, damage (to property), consequential loss etc?

#### **Q3 Do you agree with the recommendation to allow more than one code within a code family to be assigned to a case?**

#### **Q4 Do you have any other comments regarding the assignment of multiple codes to one case?**

We agree with the recommendation to allow more than one code to be assigned. As highlighted in our correspondence with you prior to the consultation, we think this can be particularly helpful for the 'complaint type' codes. This means both the underlying issue, and any related customer service/complaint handling issue (if different), can be captured in a systematic way.

We also suggest consideration be given to allowing the trader name category to be multi-coded. In practice more than one supplier can be involved e.g. credit provider and product or service provider; retailer and product or service provider. By way of example, due to the way that contacts about debt collection are recorded currently, it is not always possible to easily identify the supplier of the product/service to which the debt relates.

Unlike a single-code system, multi-coding will mean that instances of complaint types etc may not automatically equate to the number of contacts, meaning CACS may need to change how it presents contact data. Ofcom's contacts system already works in this way (please see our complaints bulletin for more information). We understand and would welcome the proposal the multi-coding approach to be reflected into search facilities on the data warehouse.

**Q5 Do you agree with our recommended purchase method codes and structure?**

**Q6 Do you have any other comments regarding the changes to purchase method codes?**

We agree that the purchase method codes need to be amended and re-structured. However, we consider the proposed codes are likely to be confusing in practice.

We would instead suggest that the following sub-codes be used:

- 'trader premises'
- 'other premises- not trader's or consumer's'
- 'internet'
- 'telephone call'
- 'mobile device'
- 'doorstep' and
- 'post'

Each of these codes could then have further sub categories/layer(s) of codes to capture most variations. For example:

- 'internet' could capture trader website, social media, online auction,
- 'mobile device' could capture purchases by SMS, in-app purchases, etc.

We do not support the proposal to add post-specific references in the purchase method. We think this is likely to confuse and duplicate other codes in place. The list we have suggested above would capture the main ways that consumers access postal services (the nature of the service offered, and the name of the postal services provider, should be captured under other codes categories).

However, if post specific references are to be retained in the purchase methods codes, then further options would need to be added to capture the ways a consumer can access postal services e.g. via websites and stores which sell postal services to consumers.

We think consideration should be given to whether there should be a separate code to capture whether a purchase is made by a consumer from a business/through a private sale (or indeed whether a sale is business-to-business). Given that different rules or legislation may apply to these types of transaction, we think this would be a practicable approach.

**Q7 Do you agree with the changes made to payment type codes?**

**Q8 Do you have any other comments regarding changes to the payment type codes?**

No comments.

**Q9 Do you agree with the complaint type codes and/or structure?**

**Q10 Do you have any other comment regarding changes to complaint type codes?**

We agree that the complaint type codes need re-structuring. However even with the proposed changes we would question whether there is scope to streamline the 17 codes, given the prospect of incorrect or missed codings of contacts. By way of example:

- Group 8 'Misleading Claims/Omissions' could be combined with group 12 'Business Practices'.
- Group 9 'complaint handling and offers of inadequate redress' could be combined with group 11 'problems pursuing a claim' (and could also include an option regarding an alleged failure to offer remedies available under goods/services law).

In respect of the individual proposed code groups we have the following comments:

**Group 2 Substandard Services:**

We welcome the proposal to add codes related to customer services (i.e. customer service 02D, queue times 02G, quality of advice 02H). However, we consider including them in the same group as those relating to failures to provide the service contracted for creates confusion between them. In our view they should be included with other similar codes such as those relating to complaints handling/redress. Similarly, 'failure/delay in promised repair' in our view would fit better in the redress group.

**Group 5 'post and delivery':**

We support the integration of codes for post issues into the general consumer codes and would also support the integration of data concerning post into the data warehouse. We agree that reducing and re-structuring the codes should help prevent the current issue of double counting, and improve agent efficiency and accuracy when recording post issues.

However, we think further changes are needed to this group and to related product/service description codes under Group J. At the moment, the proposed changes include complaint types within product or services codes. This appears inconsistent with the usual approach to capture the product/service the consumer contacts CACS about separately from any issue of concern. For example, the fact a consumer is contacting CACS about a first or second class letter, should be recorded separately (i.e. under the appropriate product/service code) from any potential issues such as late delivery (which should be recorded under 'complaint type'). The changes we propose, alongside capturing the 'trader/service provider' and/or 'purchase method' should make post cases (and the type of post case they are) easily identifiable

We consider that the Group 5 title should be changed to 'postal issues' to more accurately reflect its contents and it needs to be widened to capture a more accurate set of issues:

- Add 'damage'
- Add 'dumped mail'
- Add 'customer service issues/complaint handling issues'
- Add 'prices and charges'
- Change 'stolen' to 'alleged theft or tampering'

- Add codes to cover other delivery and collection issues such as ongoing problems, mis-delivery, delivery to neighbour etc.
- Add specific codes (currently included in Group J) to capture other issues such as post office issues, post box issues (e.g. removal), issues with postman/van, receiving unwanted mail etc

Our comments are also set out at Annex 2 in table form for ease of reference and include where potential duplication with other complaint codes may occur.

#### Group 6 'Cancellation Rights'

This group could be expanded to include, and clearly differentiate between, (i) problems with statutory cooling off periods (currently captured) and (ii) the problems consumers may experience trying to cancel their contract later on in their contract.

#### Group 10 'Terms and Conditions and Contracts'

It could be useful to include a code referring to a right to change the price or product/service contracted for, and one relating to price changes. In our experience, consumers can express concern about the act of increasing the price (which would be captured under Group 4 prices and charges), and/or they may refer to terms and conditions providing for such changes.

#### Group 16 'Access to Goods and Services'

Although page 118 suggests that HA broadcasting codes would be captured under new proposed codes 16E and 16F, these appear more related to poor mobile or internet coverage issues (for example, 16E 'poor or non-existent signal reception and coverage in area'). We would therefore recommend including a code 'content of broadcast viewing' and a code 'quality of reception of broadcast'.

We are not clear what proposed 16D, 16G or 16H are designed to capture. We suggest a code capturing 'poor mobile reception/poor home internet connection' and that consideration be given to a code capturing accessibility issues 'availability of communication services in area'.

#### **Q11 Do you agree with the creation of the scam code family and the scam types listed within it?**

#### **Q12 Do you have any other comments regarding the new scam type codes?**

We agree with the proposal to include a new code family for scams to enable early identification of scams. Scams or fraud against individuals take many forms and the opportunities for scams has expanded exponentially over recent years, particularly via online, mail and phone calls and texts. We are supportive of any initiatives aimed at improving reporting capabilities to help get an accurate picture of the prevalence of scams and fraud incidents.

We would make one comment- we note that there is a code for "mail" but not one for other forms of communications channels which are being used by criminals to target victims, including via the telephone (landline/mobile) and internet and would propose that a "telephone" and "online" code be added. While "phishing" and "vishing" are forms of scams

which use telephones and the internet, these are by no means the only scams carried out over these channels including, for example, premium rate and numbering-based fraud.

Along similar lines, we also note there is no specific code for “doorstep” scams. We note there is a “rogue traders” code – is the intention that this covers doorstep crime as well?

**Q13 Do you agree with our addition of a new tier 1 product service code for Communication and Technology?**

**Q14 Do you have any other comments regarding the product service codes or structure.**

We agree with the proposed addition of a new tier 1 product service code for Communication and Technology. However, we have the following comments/suggestions:

- We recommend adding a reference to purchase of a mobile/device purchase to group ID as there is no code for purchase of a second hand mobile/device, or for purchasing a new one without a Pay as You Go service or monthly contract.
- We would recommend that proposed code ID14 be widened to include products designed to boost broadband etc.
- We would recommend that Mifi be coded separately- we understand this could be separate to a consumer’s home broadband service.
- We disagree that HA Broadcasting should be replaced and consider there should be a code for ‘broadcast viewing’
- To ensure that ‘TV services’ is not confused with TV rental or repair services we would suggest this is amended to ‘TV services (satellite, cable etc)’

Group J: ‘ Mail, delivery and post offices’

As mentioned in our comments on Group 5 above, we are supportive of the integration of postal codes into the general consumer codes, but consider there should be clear delineation between product/service and complaint type codes. The changes we propose, alongside capturing the ‘trader/service provider’ and/or ‘purchase method’ should make post cases (and what type of post case they are) easily identifiable.

The proposed product/service codes for postal services include a number of complaint issues. For this reason, with regard to recording complaint type issues, we recommend the following (see also Group 5 comments) changes:

- Keeping and moving ‘receiving unwanted mail’ to Group 5 (current code DM01)
- Keeping and moving DS 01 – 05 to Group 5 to allow for all of these things such as collection and delivery issues, doorstepping, ongoing issues collection boxes etc.
- Combine existing code MC09 ‘condition of pillar boxes (incl. vandalism/tabs/plate missing)’, with proposed codes JA13 ‘post box (density and collection)’ and JB03 ‘post boxes’, and streamline into one code ‘pillar box issues’ as a Group 5 code.
- Keep code MD08 ‘Alleged theft/tampered mail’ instead of proposed ‘stolen’ 05D code and move to Group 5.
- Keep code MD10 ‘postage surcharge (incl. customs clearance/local collect fees)’ and move to Group 5.
- Consider including a general customer services code to capture PR05 ‘Staff attitude/behaviour’ to Group 5.

- Keep and merge RMGBU 'delivery of mail: unwanted mail' and RMHAU 'door to door', or as suggested in Group 5 above, widen proposed 05 code
- Deleting JA03 as will be covered by complaint type 05
- Deleting JB01 'delivery/picking up mail and parcels; as already covered by 05
- Deleting JB02 'sending mail and parcels' as already covered by 05
  - Deleting JB04 'post office counter services' as this information will be captured via 'trader/service provider', 'purchase method' or 'complaint type' codes.

For the same reasons, with regard to recording the product/service, we recommend:

- Merging code groups JA and JB and renaming them 'postal services/ products' to make the contents of the group clear and to avoid confusion with the complaint type 05 code group.
- Merge JA04 through to JA0 8 into one code titled 'international mail'
- Rename JA19 'other operator domestic letter' to 'domestic letter Not Royal Mail' so it is clearer for agents
- And adding:
  - Domestic Letters any other indicia prefix (not Royal Mail) to cover complaints about other postal operators
  - Domestic parcel (Not Royal Mail)
  - International parcel (Not Royal Mail)
  - International letter (Not Royal Mail)
  - [Other]

Our comments are also set out at Annex 2 in table form for ease of reference.

**Q15 Do you agree with the addition of new tier 2 code Smart Meters? / Q16 Do you have any other comments regarding the Energy codes or structure?**

No comments.

## Annex 2: Recommended codes for specific post issues

Our suggestions for the Group J code and 05 codes, alongside the 'purchase method', should make post cases (and the type of post case they are) easily identifiable.

<b>05 'Postal issues'</b>		
05A	Loss	
05B	Damage	Worth noting that there may be some overlap with 01
05C	Failure/delay in delivery	
05D	Mis-delivery	
05E	Other delivery issues (incl. exceptions, doorstepping, changes to delivery times, delivery to neighbour)	
05F	Failure/delay in collection	
05G	Other collection issues (incl. exceptions, changes to collection times)	
05H	Alleged theft/tampering	
05I	Dumped mail	
05J	Receiving unwanted mail	
05K	Pillar box issues (incl. condition of pillar boxes, removal, density)	
05L	Other issues incl. post office issues, issues with postman/van	
05M	Customer service issues/complaint handling issues	This could be deleted if agents use complaint type 02D or 09 instead and guidance was given to use that code for a post issue
05N	Prices and charges	Worth noting that there may be some overlap with complaint type 04
05O	Postage surcharge (incl. customs clearance/local collect fees)	This could be deleted if agents use 05N 'Prices and charges' above (if it was clarified that it covered these items).

<b>J Postal services/ products</b>		
JA01	Domestic Letters – First or second class (Royal Mail)	
JB02	Domestic Letters indicia prefix CL (Not Royal Mail)	
JB03	Domestic letters any other indicia prefix (Not Royal Mail)	
JA04	Domestic Small or medium parcels (Royal Mail)	
JB05	Domestic parcel (Not Royal Mail)	
JA06	International Mail (Royal Mail)	
JB07	International Parcel (Not Royal Mail)	
JB07	International Letter (Not Royal Mail)	
JA08	Articles for the Blind (Royal Mail only)	
JA09	Certificate of posting (Royal Mail only)	

JA10	Keepsafe (Royal Mail only)	
JA11	Legislative petitions (Royal Mail only)	
JA12	Post Restante	
JA13	Redirection	
JA14	Royal Mail Signed For	
JA15	Special Delivery by 1pm (Royal Mail)	
JA16	Return to sender (for regulated services)	
JA17	[Other]	If you consider this is needed to capture any new product or service etc