

IDRS Ltd response to the Ofcom Review of Consumer Complaints Procedures

Question 1: Do you agree with our definition of a ‘complaint’? Complaint means ‘an expression of dissatisfaction made by a customer to a Communications Provider related to the Communications Provider’s provision of Public Electronic Communications Services to that customer, or to the complaint-handling process itself, where a response or resolution is explicitly or implicitly expected.’

Yes. This is a practical, common sense definition.

Question 2: Do you agree that the current approach to complaints handling in the telecommunications market is of sufficient concern to justify a degree of regulatory intervention (leaving aside any concern as to the nature of the intervention)?

Yes, we agree.

Question 3: Do you agree with the principle that CPs should be required to comply with a single Ofcom Approved Complaints Code of Practice?

We believe that a common core approach will provide consistency and facilitate the comparison of different potential providers by their customers. A single Code of Practice will aid fair competition whilst still leaving individual providers the opportunity to ‘go the extra mile’.

Question 4: Do you agree with each of our proposed obligations on CPs to ensure that their complaints handling procedures are transparent?

Yes, but the time frames must be constrained within the 8 week duration.

Question 5: Do you agree with each of our proposed obligations on CPs to ensure that their complaints handling procedures are accessible?

Yes. The complaints handling procedures should be easily accessible not only to the customer but also to front line staff advising the customer.

Question 6: Do you agree with each of our proposed obligations on CPs to ensure that their complaints handling procedures are effective?

Yes but with respect to ‘timely’ resolution of complaints, they should not in most circumstances exceed 8 weeks.

Question 7: Do you agree that (depending on the specific measure) Ofcom should take steps to improve awareness of ADR?

We understand the concerns of the CPs regarding the possible increase in the number of references to ADR resulting in significant additional cost which inevitably they would need to recover from the whole customer base. However, such additional cost burden calculated on a per customer basis is unlikely to be of great significance. Given the structure of the ADR schemes, significant increases in the volume of cases referred to such schemes should result in the reduction of the unit cost per case.

We agree that increased awareness would act as an encouragement to CPs to better ensure the effectiveness of their internal procedures for handling complaints. In another sector where ADR has been mandated by regulatory intervention, we have seen organisations of significant scale within that market place, modify their business processes and behaviours to not only reduce complaints but also mitigate the number of purely vexatious claims.

Question 8: Do you agree with our proposals to improve awareness of ADR by requiring:

- a) Relevant text about ADR to be included on bills (paper and electronic);**
- b) CPs to ensure consumers whose complaint has not been resolved within eight weeks of first being made to a front-line agent receive written notification about their right to go to ADR;**
- c) CPs to ensure front-line staff are fully informed of the right of consumers to use ADR, as well as the role of Ofcom in investigating compliance with General Conditions; and**
- d) On request from a complainant, CPs must issue a deadlock letter referring a matter to ADR unless the subject-matter of the complaint is outside the jurisdiction of the ADR scheme or the CP has genuine and reasonable grounds for considering the matter will be resolved in a timely manner, and subsequently takes active steps to attempt to resolve the complaint.**

a) CISAS has always considered that there is a significant risk that the inclusion of text about ADR on bills increases the risk of premature reference to ADR rather than encouraging engagement with the CP's own internal complaints process to resolve the problem.

Such premature references are inevitably turned back towards the CP's internal processes but frequently this can create confusion and frustration for the consumer. That said, CISAS supports the view that general levels of awareness about ADR within the sector clearly needs to be increased. We consider that this would be best accomplished by ensuring that all customers with a complaint (in compliance with the agreed definition) are made aware by their CP of their right to refer the complaint to ADR in the event that the CP is unable to satisfy the customer's concerns.

In summary, we support the principle of Option 2 with some reservation about bills and wholeheartedly support Option 4.

We agree with 8b) and 8c)

d) We are not convinced of the merits of this proposal. We consider that such an automatic obligation on the CP may be viewed by the CP as removing any reasonable opportunity to resolve the complaint within the 8 weeks. Experience shows that granting consumers an automatic right to a deadlock letter may dramatically increase the heat and frustration associated with the complaint handling process. Customers should be encouraged to properly engage with the CP's complaint handling process before seeking a deadlock letter.

It is not the role of the CP to decide whether or not the complaint is outside the jurisdiction of the ADR Scheme. Decisions on issues relating to jurisdiction most properly rest with the adjudicator/ombudsman

Question 9: Leaving aside concerns about the merits of the proposal, do you agree that CPs should include the following wording (or Ofcom-approved equivalent text) on paper and electronic bills?

If you are a residential consumer or part of a business with fewer than ten employees and we have been unable to resolve your complaint within eight weeks, you have the right to ask [Otelco or CISAS] (an alternative dispute resolution scheme) to investigate your complaint at no cost. Their website is [insert web address], you can call them on [insert phone number], or write to them [insert postal address].

The wording might be acceptable but only if preceded by a clear, succinct explanation of how the CP's own complaints process works. This may mitigate some of the risk of early referral (see 8 a)).

Question 10: Do you agree with our proposed record keeping requirement on CPs?

A CP must retain written records collected through the complaint handling process for a period of at least six months, including written correspondence and notes on its Customer Record Management systems. Where call recordings are available, these need to be retained for at least three months.

Yes.

Question 11: Do you have any views on the Ofcom Code and accompanying guidance (Annex 5)? Do you consider we have adequately captured the policy intentions we have outlined in the consultation document?

We have no specific views on the code but agree that the policy intentions have been captured.

Question 12: Do you agree that it is reasonable to require CPs to implement:

- **Clauses 1 – 3 of the Ofcom Code (transparency, accessibility and effectiveness of complaints procedures) six months after the publication of any Statement; and**
- **Clauses 4 – 5 of the Ofcom Code (facilitating access to ADR and record keeping obligations) 12 months after the publication of any Statement.**

We suggest that these clauses should read 'within six months' and 'within 12 months' to allow CPs who are ready and who wish to implement the clauses to proceed in advance of the six or 12 months.

Question 13: Do you have any views on whether (and how) Ofcom should look to improve the availability of comparative information on how effective providers are at handling complaints?

With reference to Section 9.3 (a), rather than the ADR schemes publishing this information, we consider that the public good would be better served by the schemes reporting this information to Ofcom. Ofcom should then consider publishing it alongside other market performance-related data to facilitate a broad picture of performance. This would better inform consumer choice when selecting a CP or its services.

In respect of Section 9.3 (c), in addition to consolidating data from the ADR schemes we consider that such an approach would be further enhanced by consolidating the data from the Ofcom contact centres and the data on complaints handling from the CPs. We visualise the creation by Ofcom of a coherent single source of relevant data to inform consumer choice. This would provide a better source of information for the public at large, accessible in one location. It is likely that the media would be attracted to such reliable, comparative data being published and would thus contribute to raising general awareness.