

CWU Response to Ofcom Review of Consumer Complaints Procedures

The Communication Workers Union (CWU) has nearly 70,000 members working in the UK telecommunications sector. Around three quarters are employed in BT, with the remainder spread over 30 telecommunications companies. We welcome the opportunity to respond to Ofcom's Review of Consumer Complaints Procedures and we agree there is a need to improve the existing regulation of complaints handling in the telecommunications industry.

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 the CWU supports the regulator's approach and that faults should be considered a complaint. Customers are contacting Communications Providers to express their dissatisfaction with one element of the overall customer service relationship. Reliability and quality of service are key factors in why a customer moves or elects to be with a provider other than costs. However in collating such information aggregation of pure volumes is meaningless and should be related and benchmarked against the probability of loss of service per annum.

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)?

The CWU supports this and supports the reasons given against Ofcom's duties of consumer/citizen protection. Customer awareness can only facilitate customer empowerment. A perfect market cannot be reached where there is such an imbalance of information and power. So it is right to have regulatory intervention for these ends. The statements and disadvantages attributed in part to Communications Providers in paragraph 6.62 are barrier arguments put up by them to defend the status quo with regards to the lack of customer awareness and empowerment.

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

The CWU supports a single Ofcom Code of Practice. This is because there is an inconsistency of approach within Communications Providers and even within Alternative Dispute Resolution providers. A customer can experience differing

approaches and outcomes if they take their services for voice and data from different Communications Providers who in turn are registered with different Alternative Dispute Resolution providers. This is far from securing a consistent high quality approach when attempting to resolve the customers' experience with regards to customer complaints. The single Ofcom Approved Complaints Code of Practice ought to be the expected minimum standard levels across the industry.

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

The CWU supports the need for transparency in complaints handling procedures for consumers. The CWU also supports the need for a standalone document.

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

No the CWU opposes the approach outlined of not notifying before the 8 week period that a complaint remains unresolved. Reliance in the interim on a website or information on a bill is flawed. As the consultation it self points out, only 1% of respondents in the survey were aware of the Alternative Dispute Resolution process through reading the bill. Most consumers may well not keep a paper record stating the Communications Providers' penalties for having a paper bill or inducements to have a paperless e-bill.

For example, if one's broadband is down and has been for weeks, despite the Communication Provider's statements stating it is functional, it is not much use if the regulator is saying that Communication Providers can post the Alternative Dispute Resolution rights on the website. Additionally it is not much use for an elderly person who has no broadband or to a blind person.

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

The CWU supports the proposed obligation to ensure that Communications Providers do not ignore complaints or allow them to drag on unnecessarily. While Ofcom may consider its current proposals to be 'proportionate' and 'justifiable' the CWU would prefer a more rigorous procedure of a duty placed on Communications providers for acknowledging receipt of a complaint within five working days of the complaint being received.

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

Yes the CWU agrees that Ofcom should take steps to improve awareness of Alternative Dispute Resolution schemes as a very important mechanism for effective dispute resolution. The CWU supports Ofcom's concerns about the current lack of awareness of Alternative Dispute Resolution amongst the general public and especially amongst those that could potentially lodge an Alternative Dispute Resolution application. The Ofcom commissioned research clearly indicates that greater awareness of Alternative Dispute Resolution schemes produces improved outcomes, reduces emotional distress for customers and doesn't lead to over usage. Furthermore, greater awareness will both create an incentive to improve complaint handling and will reduce the overall time spent on dealing with complaints.

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.*

In general the CWU supports Ofcom's proposals above. However the CWU supports the inclusion, as specified in paragraph 6.41, of Option 3 the requirement for Communication Providers to send consumers a copy of their Customer Complaints Code ten days after their complaint is first made.

If Communication Providers' front line service employees are unaware of customer rights to go down the Alternative Dispute Resolution procedure as stated in paragraph 6.92, then it is unfair to assume that consumers are so aware. Therefore the CWU supports the requirement as in 6.111 to make staff aware.

However there is an imbalance as some Communication Providers' employees will know to do this, but for those that don't, the potential backstop for unsatisfied customers is 8 weeks. This imbalance the CWU believes is not addressing the issue of customer awareness and empowerment. There will potentially be

situations where employees can't or won't tell customers until the 8 weeks are up, and there will also be cases of customers stating that they should have been made aware of the escalation procedure prior to the 8 weeks concluding for internal resolution.

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 at [insert postal address].

Yes.

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?

Please refer to previous responses, especially to Question 6.

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.*

Yes.

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?

The CWU supports all options as outlined in paragraph 9.3 a) – d), however the CWU would wish to prioritise option d).

Contact

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