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1. The Ombudsman speaks about the connect.resolve campaign



On Friday 21 November 2008, the Honourable Stephen Conroy, Federal Minister for the Department of Broadband Communications and the Digital Economy, launched the TIO's connect.resolve campaign.

The TIO is uniquely placed to provide the telecommunications industry with an independent perspective on consumer experience. Through the thousands of calls we receive every week, we are able to identify trends and provide feedback to our members.

During the past year we received a consistently high number of complaints about customer service – related issues. Both the nature of these complaints – about very simple process and service issues, and their continued volume – around 30% of all TIO complaints, are the catalyst for the connect.resolve campaign.

By highlighting the TIO's concerns through this campaign, and working with stakeholders to address these concerns, we are looking for the industry to respond with a better experience for consumers.

Overall we want to see increased public confidence that the telecommunications industry cares about its customers. This will be evidenced by members having mechanisms in place that allow their customers to easily connect with their service provider and have their complaints fairly and efficiently resolved.

Through the course of the connect.resolve campaign we look forward to working closely with our largest members and the wider industry to achieve long term and sustainable outcomes for consumers.

All TIO members are important in achieving industry wide change. If you would like to know more about the connect.resolve campaign, whether it be to understand more about the TIO or your customers' experience, please contact Member Communications at members@tio.com.au or visit our connect.resolve page at <http://www.tio.com.au/members/MemberPublications/Mnews/connect-resolve.htm>.

Please note that some media articles have said that throughout connect.resolve the TIO will produce monthly reports for each member. This is not correct. We will provide monthly trend analysis to our largest members. We will publish a report at the end of the connect.resolve campaign, measuring the outcomes against its objectives. Quarterly and annual complaint statistics for members that receive more than 25 complaints will continue to be published on our website.

2. Complaint Handling Tips

The previous MNews edition discussed the importance of an organisation being actively committed to effective and efficient complaint handling. We now focus on the embodiment of this commitment – the company's complaint handling systems.

Does your organisation have clear processes in place for your customers to lodge complaints and to be well informed about the process involved for the handling of their complaint? Too often, companies have complaint handling procedures that their customers are unaware of. Complaint handling processes should be visible and accessible to your customers. If there is a clear pathway a customer can follow to escalate a complaint, it decreases the likelihood that the TIO will receive a call from your customer.

Does your company advise customers of their right of review both internally and externally? If a customer remains dissatisfied after speaking with you, you should tell them about any remaining escalation process within your company and you are required to advise them of the existence of the TIO.

The ultimate test of a company's complaint handling process is customer's confidence that it is the most efficient way to broker a fair resolution to their concerns. The customer may look to external dispute resolution (the TIO) if they:

- cannot reach you to discuss their concerns;
- lose confidence in the process due to delays or failures to action requests or undertakings; or
- are not convinced, after your communication with them, that your proposed resolution is fair in the circumstances.

Customers should know when they can expect to hear back from a company, and undertakings connected to resolutions should be acted on as a priority. Ask yourself how you would want the next step in the process to unfold if you were the complainant/customer?

Have you ever asked yourself: “Why does the TIO record a complaint when the complainant has not followed our company’s complaint handling process?”

If a complainant feels the need to come to an external body like the TIO before they have navigated the entire complaint handling process, you may want to think about how to strengthen your process and make each step clearer to your customer.

When the TIO receives a complaint, it asks the complainant whether they have tried to sort the matter out with their provider. If the complainant claims they have, at this point the TIO has no evidence to refute this and must act via the TIO’s Level 1 referral process. The TIO does not have access to members’ systems. It is impractical for the TIO to check with the Member in every instance to assess whether the complainant has followed a certain process.

It may be unreasonable to expect that someone would be aware of the process. The process may not be promoted by the company, or there may not be a record of the complainant’s attempts to follow the process because the company has failed to record the customer contact (in breach of the Telecommunications Consumer Protection Code).

At Level 1, the TIO takes the complainant’s claims that they have expressed their dissatisfaction or grievance to the company in good faith. Whether a complainant has followed a certain process specified by the member, is not in the TIO’s view grounds for a member to expect the TIO not to involve itself.

Some other complaint handling process related questions worth asking are:

- Do the types of complaints received identify systemic problems?
- Can we reduce complaints down the track by examining root causes?
- Is the company fully utilising the feedback of its complaint handlers and customer service professionals?

3. Charging Customers Complaint Handling Fees

The TIO Scheme was established to provide consumer protection after competition was introduced in the industry. It is a consumer’s right to take their complaint to the TIO. As such, it is inappropriate for a company to pass on the TIO complaint handling charges to their customers. This is also prohibited in the Telecommunications Consumer Protections Code, Clause 9.3.

Recently the Australian Communications and Media Authority (ACMA) initiated Federal Court proceedings against a TIO member for non compliance with the TIO Scheme. This happened after the TIO issued two legally binding Determinations where complaint handling charges were passed on to customers. The Federal Court ruled against WE.NET.AU Pty Ltd for having charged its customers for referring complaints to the TIO between 2005 and 2007, dismissing WE.NET.AU Pty Ltd’s argument that its terms and conditions permitted this charge.

The Federal Court issued a penalty to WE.NET.AU Pty Ltd for \$6000.00. The Director was penalised \$2000.00. ACMA won the right to recover the cost of the court charges and several court orders were issued which must be complied with if WE.NET.AU Pty Ltd is to continue as an Internet Service Provider.

Chairman of the Australian Communications and Media Authority, Chris Chapman, advised that this sent a clear message to all telecommunications providers that it must comply with the TIO Scheme after the TIO had issued two legally binding decisions.

“The TIO Scheme plays a vital role in consumer protection because it provides a free dispute resolution service for consumer complaints. It is essential that providers do not try to inhibit their customers from using the TIO, that they abide by the TIO’s decisions and that they assist the TIO to resolve complaints in a timely fashion. ACMA expects industry participants to take their responsibilities in these areas very seriously”,

Chapman said.

4. Using Interpreter Services

Recently, Member Communications received a query from a member about its responsibility to use an interpreter service to discuss a complaint with a customer. TIO members should be aware that they must arrange an interpreter to discuss a complaint with a consumer, upon a consumer’s request.

This is stated in the Telecommunications Consumer Protections Code, Clause 9.1.1 (b) which states that:

Suppliers must demonstrate a commitment at all levels of their organisation to efficient, fair and courteous resolution of Complaints. This must include having a Complaint handling process (b) servicing the needs of people with disabilities and from non – english speaking backgrounds.

Also, Clause 9.2.1 states that:

Suppliers must reasonably assist Customers to formulate and lodge Complaints if they request.

As such, all members should be aware that they have the responsibility to arrange an interpreter service and if this does not occur for an existing Level 1 TIO complaint, the complainant is likely to return to the TIO where the complaint will be escalated to Level 2 - a more costly expense for a TIO member than an interpreter service would have been alone.

5. TIO members with complaints against their providers

The TIO reviews its Position Statements to ensure they remain accurate and relevant to the current environment. It may be of interest to members that the TIO has removed its Position Statement on Industry Disputes. TIO Position Statements were originally implemented to provide extra guidance to members and consumers on the TIO’s approach to certain types of complaints. The TIO’s view is that the Constitution provides sufficient guidance in this area of complaint, that is, where one TIO member may have a complaint against another.

Can TIO members complain to the TIO?

The TIO may investigate complaints from a TIO member against another TIO member, where the provider making the complaint is a small business, and the complaint relates to services for which the provider is the end user, for example the administration lines. If a complaint relates to services

for which a provider is not the end user, for example lines used to provide carriage services to customers, the TIO can not investigate - see 3.2 (b) of the TIO's Constitution at www.tio.com.au.

If you would like to ask us any questions about complaints by TIO members, please contact members@tio.com.au or call us on 03 8600 8700.

6. TIO Christmas hours

The TIO will be closed on 25 and 26 December 2008 and 1 January 2009.

The TIO's call centre queue will close at 3pm on 24 December 2008 and 31 December 2008.