

Preliminary View – 24 November 2020

(De-identified for publication)

My Preliminary View is that the Telco is not required to take any action to resolve this complaint.

The Preliminary View is what I believe to be a fair and reasonable outcome, having regard to:

- relevant laws (based on my view of what a Court would be likely to find in all the circumstances), and
 - good practice, including industry guidelines.
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1 Background

The Consumer had a post-paid mobile plan with the Telco, bundled with a mobile handset.

The mobile service number was 04XX XXX XXX.

On 18 December 2019, the Telco disconnected the Consumer's service because they stopped paying for the service. The outstanding balance on the account is \$1,183.46.

2 The complaint and the Telco's response

The Consumer's complaint is about disputed service charges and financial hardship.

The Consumer said at the point of sale, the Telco confirmed they would not be charged additional fees, but later charged them more than the plan fees.

The Consumer says they are not employed and have no income to pay the outstanding balance.

The Telco said it did not mislead the Consumer about the charges but offered to waive \$110 to cover the additional charges the Consumer disputed. The Telco asked the Consumer to complete their financial hardship forms and said once they had done this, it could offer a payment arrangement of up to 36 months.

3 Recommended outcome and the parties' responses

The TIO issued a recommended outcome confirming that the Telco's offer to waive \$110 is fair and reasonable because:

- the Telco did not mislead the Consumer about its charges,
- the Telco's offer waives the excess charges,
- the Telco was entitled to disconnect the Consumer's service, the consumer can ask another Telco to transfer their number from the Telco
- the Telco is unable to set up a payment arrangement for the Consumer

The Telco accepted the recommended outcome.

On 18 October, the Consumer responded with what appears to be a rejection.

The Consumer said they felt harassed by the Telco because of its collection activities. The Consumer reiterated their ongoing financial hardship and difficulty in making payment without an income. The Consumer suggested that a flexible repayment option would be a payment of \$5 per month.

As the Consumer's response relates to the Telco's financial hardship obligations and debt collection, I will only deal with these issues below. I am satisfied the TIO case officer's conclusions in relation to the remaining issues were correct.

4 Reasons

I am satisfied the Telco is not required to take further action to resolve this complaint. This is because:

- The Telco has complied with its obligations to offer a financial hardship assessment, and
- The Consumer has not provided sufficient information allowing the Telco to set up a reasonable payment arrangement.

I acknowledge the Consumer's response about their ongoing financial circumstances. The Consumer suggested that a flexible repayment option in their circumstances would be to allow them to pay \$5 per month. The current outstanding balance is \$1,183.46. This means it would take over 19 years for the Consumer to pay the full debt. I am not satisfied that such an arrangement would be reasonable.

The Telco is not required to agree to any amount a consumer proposes. It is required to ensure a consumer has access to financial hardship assistance which usually involves an assessment of the circumstances.

The Telco has acted reasonably by offering to assess the Consumer's circumstances and invited them to complete the relevant forms. I have no information to show the Consumer has completed the financial hardship forms or provided information that would enable the Telco to offer a suitable payment arrangement.

Given the debt is valid, the Telco is entitled to seek payment from the Consumer. While I acknowledge the Consumer's concerns, there is no information to suggest the Telco acted inappropriately in seeking payment or taking credit management action.

Fulden Boyraz

Adjudicator

Telecommunications Industry Ombudsman
