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Minutes of the Thirty-Second Meeting of the Council of the Telecommunications Ombudsman Service Limited (TOSL)

Wednesday 15 December 2004 at 09:30

Otelo Offices, Wilderspool Park, Greenalls Avenue, Warrington

Present:

Council: Jeremy Mitchell (Acting Chairman)
Margaret Doyle
Chris Holland
Rosaleen Hubbard
Roger Jefferies

In Attendance: Elizabeth France (Ombudsman)
Richard Brown
Richard Sills

1 Apologies for Absence

The Chairman, Peter Holland, tendered his apologies, as he was recovering from an operation. The Council wished the Chairman a speedy recovery.

2 Minutes of the Council Meeting, held on 19 October 2004

The Minutes were approved for publication on the Otelo website.

3 Matters Arising

The Ombudsman reported that the Action to provide a more detailed breakdown of written contacts had been included in her report. She also mentioned that Craigforth had been asked to survey why complainants wrote to Otelo rather than making contact by telephone. Craigforth had drafted a Questionnaire which was being reviewed. It was pointed out, in discussion, that the Financial Ombudsman Service had experienced similar problems with large quantities of written material and had needed to separate the activities for management purposes. It was agreed that the monthly reports should regularly include separate statistics for phone, internet and written contacts.

Action Point 1:- monthly reports to contain separate statistics for phone, internet and written contacts.

On a related issue, the Chairman observed that he had found that it was not possible to use the website's Complaints Form unless the complainant had got Adobe 6.0 and, if the customer had narrowband, it could take up to 1¼ hours to download, although the download was free and there was a link on the Otelo website. It was pointed out that this software was used to access documents on most similar sites but it was agreed that enquiries would be made to see if there were alternatives which might be easier to use.

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He also reported that Ofcom had confirmed that its Consumer Panel would be involved in the review of ADR schemes. The Ombudsman said that nothing further had been heard from Ofcom since the meeting on 11 November.

Action point 2:- enquiries to be made into whether there were alternatives to Adobe.

4 Chairman's Report

The Chairman said that the two front-runner candidates for the Council vacancy would be seen by Peter Holland on the morning of the January Council meeting, 18 January 2005. The Council discussed what would be appropriate to include in the new member's induction and asked that a suitable pack and programme be prepared.

Action point 3: Induction pack to be produced for new Council members.

5 Ombudsman's Report

The Ombudsman reported that the principal issue was the progress on backlog reduction, which was proceeding according to the plan tabled in September. The number of cases older than 6 weeks had reached 106 (down from the high of 570 in mid-September) by 3 December, when the Council paper was assembled, but had now (a week later) declined to 94. There was reason to expect that the backlog would be very largely eliminated by the end of the calendar year.

The Ombudsman said that she had given several media interviews - three for the BBC and one for Meridian TV. Her policy was to accept all appropriate invitations to be interviewed or to speak about work related to her current role on the basis that these assisted the spread of information about the service to the widest possible audience of consumers.

In response to questions about the timing of the issue of the new booklet and additional information sheet the Ombudsman explained that they were at the Crystal Mark review stage and would be sent out as soon as possible. Recipients would include members, as well as consumer advice organisations.

She was also asked about the arrangements for the planned seminar for consumer advisors. It would be held in late January or February. The location had not been finalised, and note was taken of the concerns Council members voiced about cost and travel time limiting likely attendance at a seminar in Warrington. It was however agreed that an Open Day similar to that held for Operations staff of member companies would be valuable. If there were difficulties with funding travel for some organisations, then Otelo would look at whether some support could be provided. It was agreed that if the response was not as broadly based as was hoped an event in London later in the spring would be considered.

6 Member Board Report

Rosaleen Hubbard, as Chair of the Member Board, said that there had been no meetings or significant relevant activity amongst Member Board members. There was to be a meeting between her, Chris Holland and UKIF, the UK Internet Forum, after completion of the Council meeting. It was agreed that whatever was decided about the

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potential membership of UKIF members, it was imperative that each new member signed a Deed Poll.

Guidance was sought on the time-scale for the discussion of the Business Plan, in particular would the draft Plan be circulated informally to the member Board prior to the formal tabling of the final version after endorsement by the Council? It was agreed that the process should be open and iterative, giving every opportunity for feedback from all. The timings envisaged were for Council comments on the draft by 11 January, allowing any major issues to be raised at the 18 January meeting, submission of the second draft to Council in February and an informal view to the Member Board at its February meeting, followed by the formal endorsement at the March Council and formal submission and request for funding to the March Member Board.

Member Update

A further eight members had joined the Service since the last meeting – making 107 members. There had been some consolidation, for example Reach had now become Caudwell Communications and Telco Global had been taken over by Centrica. It had not been possible to contact Invicta and it had been removed from the list, as it had not formally been a member (it had not provided its TRRRs, nor had it been invoiced and or paid a subscription). The Chairman said that a formal statement ought to be issued to the effect that Invicta's membership of the Service had been voided.

8 **Draft Business Plan** (the HR and Communications managers joined the meeting for this item)

The Chairman asked the Ombudsman to provide an overview of the document and then the Council would review the sections in detail.

The Ombudsman said that the Plan was in two sections:–

- a strategic section that gave an overview of the plan and, when finally authorised, would be available to all and on the company's website, and
- detailed annexes which would not be given wide circulation.

It was agreed that members should ask any questions for clarification relating to each section and leave drafting and other queries for the comments due in by 11 January. It was noted that the Plan continued the line of the Strategy already agreed. A Strategic Review of the Service's activities, was planned to take place in September 2005.

It was noted that in the Operations section covering Investigation Officer staffing there was a shift from the previous working assumption of 400 cases per year per Investigator. Richard Sills confirmed that the figures included some improvements in productivity, which were expected.

In reply to the Chairman's question, Richard Brown said that the budget section was geared to basic assumptions of 4,000 cases in the fiscal year 2005/6. There followed some discussion about the appropriate split between subscription and case fee, and the possible level of the case fee. It was recognised that any split was, to an extent, arbitrary. There was a difference of view as to the best ratio, and the basis for it. It was, however, recognised that this was a matter for the Member Board who were likely to maintain their view that income to Otelo should be generated by a 20:80 split. Questions

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were also asked about the appropriate size of any contingency reserve. It was explained that the intention was that it should cover potential closure costs, relating to employment and the lease.

The ICT plan demonstrated the progressive development of the company's capabilities, as resources permitted.

The Human Resources Plan was building on the foundations laid during 2004. The plan focused on recruitment and a roll out of the training, reward and recognition systems. In addition, the feasibility of obtaining an ISO 9000 certification would be explored. Discussion in Council emphasised the importance of training in keeping staff up to date with developments in the telecommunications sector. The training of the panel members, to ensure consistency in decision taking was also key. It was explained that those recruited so far had been into the Otelo offices and, amongst other things, shown the detail of the processes; given a Manual containing examples of Provisional Conclusions, summarised cases and various other useful items; and, allocated to an experienced IO, who could act as mentor.

In considering the Communications Plan the proposal to repeat the annual survey of users and also to survey the opinions and experience of the members of the Service was noted. It is also important to understand why young people in particular were not using the Service; why increasing numbers of consumers are writing to Otelo, rather than using other contact methods; and, what we can do about the 2004 survey result that showed some problems of perception in relation to Otelo's independence. The established programme of meetings was planned to continue: an Operations Open Day in June, a senior meeting to announce the Annual Report, and a meeting focusing on the interests of advisors.

There followed a short discussion on the proposed KPIs, resulting in the Council provisionally agreeing to the inclusion of an indicator for correspondence processing.

8 Debt Escalation

There were now some payment laggards. This is unfair to companies that do pay their invoices on time. Hence, the company needs a formal procedure for reporting failures to pay. Following discussion, the Council accepted the paper put forward by Richard Brown, with two changes. First it was agreed that while there was no reason for it to be written into the escalation process, the Service should consider using the courts to secure payment of debt in appropriate cases. Second it was agreed that CISAS would be approached with a view to establishing a mutuality agreement, and that Ofcom would always be informed if a company were excluded from the Service.

Action point 4: Richard Brown to approach CISAS as agreed

9 Any Other Business

The Chairman said that Peter Holland was keen to agree the substance of the meetings planned for 2005 as soon as possible. 18 January was planned as an informal meeting. The usual monthly reports would be tabled by the Executive, but discussion would be brief. It was suggested that the opportunity be taken for the Executive to arrange a presentation on 'remedies'. 'Understanding 3G' was a possible topic for an invited speaker later in the year. Other ideas would be welcome.

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10 Date of Next Meeting

The next Council meeting will be held on at 11.30am on 18 January 2005 in the Otelo offices in Warrington.