

**Minutes of the twenty-fourth meeting of the Council of the Telecommunications
Ombudsman Service Limited (TOSL)**

Tuesday 9 December 2003 at 11:30 hours

The Brewhouse, Wilderspool Park, Greenall's Avenue, Warrington

Present:

Council

Colette Bowe (Chairman)
Margaret Doyle
Chris Holland
Peter Holland
Rosaleen Hubbard
Roger Jefferies
Jeremy Mitchell

Secretariat

Chris McAlpine

In attendance

Elizabeth France (Ombudsman)
Richard Brown
Richard Sills

Preliminaries

The Chairman announced her appointment as Chairman of Ofcom's Consumer Panel, with effect from 1 January 2004. There would be a clear conflict of interest were she to hold both roles so, with regret, she had tendered her resignation with effect from the end of December 2003. The Council then held a short private session without the Chairman, Deputy Chairman and Executive to make a decision on a new Chairman. The meeting reconvened with Council offering the Chairman's role to Peter Holland, which he accepted. He also thanked the outgoing Chairman, warmly, on behalf of Council for her work in the role. The Chairman congratulated Peter Holland on his appointment and expressed her thanks to Council. A press release would be issued.

It was agreed that no immediate decision on filling the vacancy on Council was necessary as four independent and two industry members still met the requirements of the Company's constitution.

The Chairman informed Council that Macmillan had received a substantial donation in memory of Richard Brown's wife, Debi.

1. Apologies for Absence

There were no apologies for absence.

2. Minutes of the Council meeting held on 7 October 2003

The minutes were approved for publication on the Otelo website, with drafting amendments proposed by Chris Holland.

3. Matters arising from the Minutes

There were no matters arising from the minutes.

4. Chairman's Report

- 4.1 The Chairman had attended a number of meetings with the Ombudsman,. tThese would be covered under item 5.

5. Ombudsman's Report

- 5.1 The Ombudsman informed Council that target figures continued to be revised and looked promising.
- 5.2 Richard Brown, answering questions about the Finance report, confirmed that steady progress was being made by Otelo financially, the only large expenditure being ongoing TK work. Clarification was provided on the position of the Otelo overdraft and how any change in interest rates might affect it. The payment policy of a member company was discussed but not considered an issue at this stage as the case volumes concerned were low. The potential waiving of a rebate was also discussed. The finance report raised the question whether member companies would be rebated part of their subscriptions for 2003/04. Council noted this but agreed that it was an issue for the Member Board. The Member Board members of the Council would need details of the sums involved before consulting with the Member Board.
- 5.3 Richard Sills, answering questions on the Operations report, explained that Otelo had experienced some problems with telephone software which meant there was uncertainty about the level of dropped calls. The recent increase in calls was outlined. It was explained that this increase had allowed Otelo to check the capabilities of its systems successfully which was a credit to the Enquiries staff. It was also explained that there had been a substantial increase in cases completed in November and that there was a considerable number of complaint forms still to be returned. The procedure for chasing-up unreturned forms was explained. It was noted that the level of award had increased – this was due to a couple of large awards. It was agreed that it would be helpful if a median award figure could be produced in future. It was also confirmed that further statistics were to be produced quarterly showing such figures as productivity levels. The issue of premature calls was discussed. The Council accepted that there would always be calls made to Otelo before providers' complaints procedures had been exhausted, and the volume would vary for a range of reasons. One possible cause was difficulty in getting through to a member company's complaints service. If this happened repeatedly, or for a long period of time, in the case of any one Member, the Member Board might wish to consider this as a trigger for some additional charges. This was not, however, an immediate issue.
- 5.4 Richard Brown confirmed that ICT was progressing well. All staff were happy with the 'front end' of the TK system which had performed well under the recent increased volume of calls.

- 5.5 The Ombudsman and Chairman had visited Kip Meek at Ofcom. It was a useful meeting which allowed a clearer understanding of the regulator's position in relation to complaints handling. Otelo was now receiving callers directed from Ofcom. Since that meeting pcps had been told what information Ofcom wanted to see on the back of bills. This provided the basis for more detailed discussion on what Otelo and Ofcom staff should be saying to callers. A meeting at Operations level would be arranged.
- 5.6 On other matters, the Ombudsman had attended an OFT seminar on Super Complaints and provided a brief overview of this along with other talks and meeting she had attended which had all proved valuable. The visit to Otelo by Stephen Timms MP, Minister of State at the DTI, was very much appreciated by Otelo.

Action points:

- AP1 Otelo to produce a median award figure for future reports.
AP2 Otelo to contact Ofcom about scripting.

6. Member Board Report

- 6.1 Rosaleen Hubbard provided a brief overview of Member Board matters. The key issue was communication to member companies in the light of increasing membership. This would be tackled in two ways. First, a newsletter would be produced for all members and the website would be used to facilitate contact between members and the Member Board. Secondly, the Member Board would consider how to ensure fair representation on the Board for all members.

7. ICT Update

- 7.1 This was provided in section 5.4 of the Ombudsman's Report.

8. Update on Members

- 8.1 An updated membership list had been provided to Council with the meeting papers.

9. Preliminary Discussion on Corporate & Business Plan

- 9.1 The Chairman introduced the key issues that were to be discussed at a high level. More detailed submissions could be made via e-mail to Otelo Executive. After a discussion it was proposed that the opening section of the Strategy document say more about what Otelo does and what type of organisation it is. It should then concentrate on a small number of performance targets. It was considered appropriate to add a clear statement about the value of the Otelo service to consumers. The reworked document, including any written comments received from Council Members, would be circulated for further comments by the end of December. The Chairman made clear that comments sought by Industry Members from their colleagues would be welcome.

- 9.2 The proposed budget was discussed. While it was recognised that the business model was a simple one, and that, at this stage, the budget was largely determined by the number of cases accepted for investigation it was agreed that it would be useful for a provisional draft budget to be circulated with the reworked draft.
- 9.3 The Executive would also consider any detailed submissions on issues arising from the document or considered during the meeting. It was considered that the potential level of complaints about the internet might be an underestimate, but it was recognised that there was no sound basis for any upward revision of the figures.
- 9.4 The Chairman concluded that Council were content that the estimates were based on reasonable and conservative assumptions and requested that Richard Brown cost out the budget based on these assumptions.

Action point:

- AP3 Otelo to produce and distribute a draft budget to Council and Member board with reworked draft.
- AP4 Otelo to produce a reworked top level document by the end of December.
- AP5 Otelo to take into account any written comments from Council members.

10. Criteria for transferring function to co-regulatory bodies

- 10.1 A discussion took place regarding co and self regulation in the light of a consultative document issued by Ofcom. Chris Holland's amendments to the Otelo response were considered positively and it was agreed that it was important to emphasise Otelo's independent role within the regulatory framework. Otelo would re-circulate its response to members including Chris Holland's comments before sending it to Ofcom. The deadline for submission is 9 January.

Action point:

- AP6 Otelo to circulate an amended response to Council prior to submission.

11. Any other Business

- 11.1.1 Arrangements were in hand for the BT Consumer Panel meeting to be held on 30 January 2004. All members of the Council, except Peter Holland, expected to be there. [NB - Jeremy Mitchell has since said he cannot attend.]

12 Date of Next Meeting

Tuesday 24 February 2004 at 11:30 hours at Otelo's offices in Warrington.