

**Minutes of the forty sixth meeting of the Council of the Telecommunications
Ombudsman Service Limited (TOSL)**

Tuesday 21 March 2006 at 1pm

Otelo Offices, Wilderspool Park, Greenalls Avenue, Warrington

Present:

Council: Peter Holland (Chairman)
Margaret Doyle
Chris Holland
Rosaleen Hubbard
Roger Jefferies
Julie Meadows

In Attendance: Elizabeth France (Ombudsman)
Richard Brown
Richard Sills
Andrew Bradley (Minutes)

1 Apologies for Absence

Jeremy Mitchell tendered his apologies.

2 Minutes of the Council Meeting, held on 21 February 2006

With minor amendments to drafting, the Minutes were approved for publication on the Otelo website.

3 Matters Arising

There were no matters arising.

4 Chairman's Report

With regard to the work being done to provide an Ombudsman Service for the members of the Energy Retail Association (ERA), Roger Jefferies had accepted a request from the Chairman to oversee the changes necessary to the Company's legal documentation so that legal costs could be minimised. He will work with the Chairman of the Member Board and the Chief Executive of the ERA to this end.

It was agreed that the papers and reports for the Council meeting scheduled for April would be prepared and circulated in the normal way. The Executive will be available to give comment on these but there will be no meeting.

5 Ombudsman's Performance Report

Finance

Invoiced cases were in line with expectations. Other spending was in accordance with the budget, though it was expected that there will be legal costs before the end of the financial year, which were unplanned.

Operations

The work load is steady and is being well handled. The fact that targets are being met has allowed the scheduling of some key meetings, notably this month, one between Otelo members of staff and those from the Information Commissioner's Office, to ensure a common understanding of the interface between respective roles. There were also meetings with several member companies.

It was agreed that a 12 month rolling period should be used for reporting purposes.

Staffing

Applications had been received in response to the advertisement of Council vacancies. Interviews are planned for early May. Candidate packs were distributed to those Independent Council Members who were to be on the selection panel and they were asked to send their comments to the HR Manager by 31 March 2006. The shortlist would be circulated to all Council members and an industry member would attend the interviews. The Chairman would discuss with Duncan Sedgwick how best to involve an energy industry representative in the process.

Discussions with the ERA

Following the Member Board meeting Richard Brown has had discussion with those working on the project from the energy industry and Otelo's Communications Manager has had a first meeting with the ERA Communications Manager. Progress on the project is a separate agenda point.

Key Meetings

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| 16 Feb | Otelo's Communications Manager gave a presentation on the role of Otelo to the Consumer Support Network for South West. This included representatives from: Trading Standards; Citizens Advice, Age Concern. Approximately 50 people attended. |
| 23 Feb | Presentations given to all staff at Consumer Direct, London on the role of Otelo |
| 1 March | Communications Manager attended the National Consumer Direct Stakeholder Meeting for an update on National roll out of the service. |
| 3 March | Ombudsman visited Scottish Consumer Council |
| 8 March | Representatives from Post Watch visited Otelo |
| 16 March | Communications Manager attended an Ofcom Numbering Review meeting. |

Future meetings

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| 20 March | George Kidd, Chief Executive of ICSTIS to visit Otelo |
| 24 March | Ofgem to visit Otelo |
| 31 March | Chairman and Ombudsman to visit Carphone Warehouse |

Communications

Work has begun on the Annual Report.

A web page for young people, with direct links to sites such as 'Connexions', is being prepared as the outcome on the work on what messages should be presented to this group.

A draft response will be prepared to the Ofcom consultation 'Safeguarding the future of numbers'. This will be circulated to Council for comments before its submission on 3 May.

6 Outstanding Debt and Remedies

An update was given by the Executive and the Council was invited to take note of the situation. The Council was also reminded of the position of certain member companies from other reports.

The proposal was noted to take advice from the Financial Ombudsman Service on both insurance in relation to litigation and appropriate Counsel, should that prove necessary.

7 Member Board Report

The Member Board had met once and had two conference calls since the last Council meeting. Duncan Sedgwick and Mark Watson from the ERA attended the meeting. At the meeting the Member Board raised concerns about the ERA proposal in principle to ask the Telecommunications Ombudsman Service Limited (TOSL) to be the provider for its own branded ADR service. A decision was taken to support the proposal, subject to certain conditions which require that the quality of service currently offered to Otelo's members is not diluted or degraded.

Following on, agreement was reached with the ERA as to the contribution ERA members should pay toward the original start-up costs of the service. The ERA made a commitment that it will assume sole responsibility for all associated start-up costs of the proposed new service.

The ERA confirmed that it will keep the Member Board informed as to the progress of the proposed new service, particularly if the viability of the planned start-date was in question.

The Member Board continues to operate without one mid sector industry representative. An election is planned and the process will be started when all Total Relevant Retail Revenue (TRRR) submissions have been received and processed by the Company Secretary.

The Chairman of the Member Board thanked the Independent Members of the TOSL Council for their valuable contributions in the previous year. A decision had been reached on council remuneration and the required changes will be effective from 1 April 2006.

8 Member Update

The Ombudsman reported that a further four members had joined the Service since the last meeting.

9 Report on Human Resource (HR) Business Plan

Otelo's HR Manager gave an overview on the activities that will take place in the coming year. The Council congratulated her for helping to build the very positive and constructive working culture in Otelo.

10 Update on progress with ERA

A project scope and plan to deliver a fully functional ADR service for energy consumers, was presented to Council. There was unanimous reiteration by the Council that there must not be any dilution or degradation of the existing service and that all plans for the new service must reflect this.

The Chairman confirmed that he will invite the Chief Executive of the ERA to attend future Council meetings.

11 Ofcom's Consumer Policy Consultation

A draft response was presented to Council. Final comments were requested to be emailed to the Council Secretary within one week.

12 DTI consultation on Consumer Redress and Representation

A draft response was presented to Council. Final comments were requested to be emailed to the Council Secretary within one week.

13 Draft Business Plan 2006/7

With minor amendments to drafting, the business plan for 2006/7 was approved by Council as suitable for recommendation to the Member Board for adoption.

14 AOB

The Audit committee met prior to the Council meeting and had approved the audit plan. Draft accounts and the draft management letter, would be considered prior to the AGM and these would then be presented at the company AGM in July.

The auditors were asked to work with Richard Brown to provide assurance to the Council in relation to the expansion of the business. They would also, in their end of year report, provide advice on whether, and if so how, an internal audit function might be introduced.

15 Date of Next Meeting

1pm, 16 May 2006 at Otelo Offices, Warrington. The Chairman would invite Duncan Sedgwick to attend.