

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

Tuesday 17 January 2006 1:30pm

Otelo Offices, Wilderspool Park, Greenalls Avenue, Warrington

Present:

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

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

1 Apologies for Absence:

There were no apologies.

2 Minutes of the Council Meeting, held on 13 December 2005

The Minutes with minor drafting amendments were approved for publication on the Otelo website.

3 Matters Arising

There were no matters arising.

4 Chairman's Report

The Chairman had visited Toucan with the Ombudsman and had a meeting with Joseph Blass, the Managing Director. Toucan continues to be very supportive of Otelo and is keen to be proactive with the Member Board.

As the fixed term appointment of a Council Member is due to expire, the process of appointing a successor was discussed. It was agreed that the new member's experience and depth of knowledge of consumer issues were key criteria but it was recognised that ensuring a geographic spread of Council Members was also an important factor. The selection process was agreed. The Chairman will pursue this task with the Executive and will give an interview timetable to those Council members who will sit on the interview panel as soon as possible.

The Chairman recorded his own and the Council's appreciation for the excellent presentation from BT, which had preceded the meeting.

5 Ombudsman's Report

Finance: December was a short working month and this meant that income was lower than recently. The results to date, however, showed no significant change in the expected out-turn for the year.

Operations: All performance indicators were encouraging, particularly the improvement in the handling time for written correspondence. Extra data was provided this month to give a more detailed picture of the calendar year, as background to consideration of the 2006/7 Business Plan.

Staffing: Two new part-time Enquiry Officers began to work for Otelo this month.

Communications: A tender process has begun for the design of the Ombudsman's Annual Report and other printed media. The Council's constructive comments on the 2005 Annual Report will be taken into account in creating the report for 2006. A refreshment of Otelo's website will be considered following this.

IT: A consultant has been appointed to conduct a review of the existing IT structure.

Discussions with the Energy Retail Association (ERA): The ERA had informed the Executive that, following its January Board, meeting it would take forward decisions on the ADR service. The Member Board asked Richard Brown to extend an invitation on their behalf to the Chief Executive of the ERA to their February meeting.

Meetings: The Chief Executive had joined the Chairman in meeting with 'Toucan'. She had also met with Malcolm Harbour MEP, who made an informal visit to Otelo as part of his role in reviewing the implementation of the application of the Universal Services Directive. Representatives from 'Powergen' visited Otelo and reported that they were impressed with the Service. The Director of Operations and Communications Manager had met with Ofcom to discuss its draft Consumer Policy Review which will be published for consultation in February. Council asked for this consultation to be included for discussion on the agenda for the February Council meeting. The Executive had also consulted the company's solicitors for advice on the handling of member companies in debt to the Service.

Plans and agendas for future meetings and events were reviewed.

6 Operations' Calendar Year/Third Quarter Report

The paper summarised the results from the principal areas of Operations' activities. It was noted that, for the first time, plateaux in the receipt of both enquiries and complaints, has apparently been reached.

The important function of Otelo's Enquiry Team to summarise complaints was stressed. In-house research showed that complainants had used Otelo's completed Complaint Form to return to the service provider and to re-articulate the complaint. In a significant proportion of cases, the complaint was then satisfactorily resolved without the need for an investigation by the Ombudsman. This is a benefit which may not be fully

appreciated by key stakeholders including the Regulator and Member Companies. It was agreed that this year's customer satisfaction research should look at this in greater depth.

The terminology used by Otelo will be reviewed to ensure that plain language is used, that acronyms are explained or removed.

7 Update on Remedies and Debt

Freecall UK Ltd had failed to supply a Total Relevant Retail Revenue to the TOSL Company Secretary. A minimum rate was invoiced but no fee had been received neither had outstanding case charges been met. The agreed escalation process had now been completed. It was unanimously agreed that Freecall UK Ltd, should be removed from membership of the service, once the Member Board had been notified.

A commentary of events relating to a debt owed by another company was also given. As this situation was ongoing the discussion was in confidence.

7 Member Board Report

There had been no Member Board meetings since the last Council meeting. It was, however, reported that of the three representatives whose first term had come to an end two: Rosaleen Hubbard and Phil Kirby, had been re-elected for a second term. Mike Lewis, who was moving from Onetel, did not stand again and his place would be open to election in February, once the revised list of member companies, showing their allocation to bands in the light of the most recent financial information, had been prepared. The agenda for the next Member Board meeting would include the draft Annual Business Plan, a presentation of the Draft Budget, discussion on remuneration for Council Members, discussion on charging mechanisms and consideration of issues relating to future corporate governance.

8 Member Update

The Ombudsman reported that a further two members had joined the Service. Three companies had left the service following mergers with or acquisitions by other members or following liquidation.

9 AOB

A brief explanation of BT's 'openreach' and BT's planned implementation of new technologies was given.

Otelo is to reduce its overdraft facility with the bank. The existing guarantee, in place since the start-up of the Service, would no longer be needed

An Audit committee will precede the Council meeting in March.

10 Ofcom Consumer Panel

Colette Bowe, Chairman of the Ofcom Consumer Panel joined the meeting. She was given an update on the current position of the Service and the Chairman shared his views on the recent Ofcom Review. She explained some of the work being done by the Panel, congratulated the Council and the Executive on creating a Service which was

recognised as a potential model for others, and told the Council that the Panel would be looking at what constituted appropriate ADR for consumers of communications services in its next programme of work.

11 Date of Next Meeting

21 February 2006 at Otelo's Offices in Warrington. The meeting will be preceded by a discussion with the Chief Executive of the Energy Retail Association, scheduled for 12:30.