

Communications

Sector report January - December 2016

For more information about what we do and examples of how we handle complaints, please visit our website www.ombudsman-services.org/communications

It is our role to consider complaints made by the customers of communications providers that participate in our scheme. In addition, as an ombudsman service, we have a responsibility to identify the factors that cause complaints and to use these insights to work with the industry to reduce detriment for all consumers. This is increasingly the case in a sector where services are increasingly seen as essential utilities.

To that end, in 2016 we have been more active than ever in working with participating companies help them identify and resolve the issues that are driving complaints to encourage better complaint handling.

Making better use of data

Our use of data is increasingly important to the way in which we help providers to improve. This year, we have developed our capability to produce meaningful, insightful data to identify where companies are going wrong and where they can improve.

We also think it is important for consumers to have access to information about complaints to help inform their choice of provider. We have been working with Ofcom to determine how data can be shared. Our data is due to be published alongside Ofcom's complaint figures for the first time in March 2017.

Working with providers

Some of our providers have experienced specific problems which have caused significant numbers of consumers to complain. In such cases, we have worked with providers to help them understand how they can resolve complaints without the need to bring their complaints to our service. One company was experiencing problems identifying and resolving complaints through its complaints process.

In consequence, we were receiving more complaints from the provider's customers than we had expected. We worked closely with the company to help it handle complaints more effectively, without the need for our involvement.

Another company experienced an increase in complaints involving the security of customers' accounts. We provided the company with a clear view as to how we were likely to consider the resulting complaints. This allowed the company to resolve complaints in line with our approach.

Collaborating to help consumers

We work with our participating companies to help them understand the issues that are driving complaints. This year, for example we identified that a mobile provider was overcharging customers for calling its customer relations line from abroad. We informed another company that it was not providing customers with enough information about their right to cancel following a price rise. With another company, we discussed ways in which we felt it could improve the way in which it responded to faults. We were pleased to find companies were willing to make changes to the way they offered services to the benefit of their customers.

As the largest multi-sector ombudsman in the UK, we are in a unique position to facilitate collaboration between companies from different industries. This year, we have partnered communications providers with energy suppliers to talk about areas where they have a common interest. For example, companies from the different sectors have discussed how to deploy new billing systems and how to respond to the needs of vulnerable customers.

Improving provider signposting

Communications providers are obligated to inform customers of their right to take their complaint to ADR if they are unhappy with the way in which the company has handled their complaint. In 2015 Ofcom issued a report entitled "Facilitating Access to Alternative Dispute Resolution" which concluded that communications providers were routinely failing to inform customers of their right to take their complaint to ADR. We are pleased to see that in 2016, most providers have been able to significantly increase the number of letters referring customers to ADR. We have been working with providers to help them to understand when they should be referring customers to our service. We have also helped some providers to ensure their referral letters are clear.

Complaint numbers

The increased awareness of ADR generated by the increase in referral letters has led to a significant increase in the number of complaints we have been asked to consider. In 2016, we resolved 30,643 cases. This compares 12,715 cases we investigated in 2015. Such a significant increase in demand has presented operational challenges, but we reach the end of 2016 in a good position. We have reviewed our Investigation Officer training programme, boosting the support new starters to receive to ensure they are confident in the handling of complaints.

Looking ahead

2017 looks set to be another busy year. Our Consumer Action Monitor research shows that while complaints about Communications providers has reduced, there were still 6.9 million complaints in the sector in 2016 – only a small proportion of which reach ADR. We are therefore supportive of the proposals set out in Ofcom's consultation on changes to the rules

surrounding complaint handling, which are focussed on ensuring accessibility to ADR. We are currently consulting on changes to the rules which govern how participating companies should handle complaints.

We are also supportive of Ofcom's proposal for consumers to receive automatic compensation when they experience a service outage – as long as they retain the right to claim for additional losses in cases where the automatic compensation does not fully cover the amount lost.

Communications at a glance (January – December 2016)

Total initial contacts

99,103



How these contacts got in touch

44,072



44% telephone

55,031



56% written

Of those written contacts

52%

28,498 were emails



Terms of reference

42%

Percentage of initial contacts inside terms of reference (ITOR)

58%

Percentage of initial contacts outside terms of reference (OTOR)



Awards and remedies



Financial
3%



Non-financial
13%



Both
79%



No action
5%

13%

7,108 were letters



35%

19,340 were web forms



<1%

9 were faxes



Contacts outside terms of reference

49% More information was required

33% Were premature complaints

4% Was over nine month old

14% Other

Of the complaints resolved

43% Upheld

13% Not upheld

23% Settled

21% Maintained

Key performance indicators (KPIs)

68% of calls answered in less than 2 minutes

87% of calls answered in less than 5 minutes

71% Of correspondence actioned within 10 days

34% Resolved in under 6 weeks

51% Resolved in under 8 weeks

Top three complaint types

1 Billing 30%

2 Contract issues 15%

3 Service 11%

The most common financial award was £50