



27th September 2021

Online submission

UDL Submission on the Telecommunications Disputes Resolution Scheme (TDRS) draft report and recommendations

Utilities Disputes Limited: Tautohetohe Whaipainga (UDL) welcomes the opportunity to provide its views to the Commerce Commission: Te Komihana Tauhokohoko on the draft recommendations to the New Zealand Telecommunications Forum (TCF) for improving the TDRS following the Commission's first review carried out by Cameron. Ralph. Khoury (CRK).

Our background

UDL is an independent, not-for-profit company that provides fair and independent resolution of complaints and disputes between utilities companies and their customers when they are unable to be resolved between the parties. Our purpose is to facilitate a strong relationship of trust between consumers and utilities organisations. Our approach to complaints involves prevention, education, and resolution, as reflected in our manifesto: *Prevent, Educate, Resolve*.

UDL currently operates three separate dispute resolution schemes: The Government approved Energy Scheme, Broadband Shared Property Access Disputes Scheme, and a voluntary Water Complaints Scheme.

Each scheme has been tailored to the unique requirements of its sector. Our model promotes conciliation, which we facilitate. It also includes investigation and if needed, a decision by a central decision maker. We have continuously refined our processes over 20 years of operation since starting in 2001 as the Electricity Complaints Commission. UDL is governed by an independent Board. It has established Advisory Committees made up of industry and consumer representatives to provide feedback to the Board.

The CRK Report

As a starting comment UDL agrees with the findings of CRK. We believe these are comprehensive, fair, and reasonable. The report provides excellent indicators about best practice in the operation and structure of a contemporary dispute resolution organisation. In relation to the recommendations for improvement in the operation of the TDRS, it provides a clear pathway for implementation.

Consistency with Te Tiriti o Waitangi/Treaty of Waitangi

Neither the CRK report nor the Commission's Review appear to have placed weight on Standard 1 of The Government Centre of Dispute Resolution's capability model. This standard expects a dispute resolution scheme in Aotearoa New Zealand to demonstrate a commitment to Te Tiriti o Waitangi/Treaty of Waitangi and the Treaty principles (including partnership, active protection, and participation). This needs to be applied to a scheme's design which should deliver culturally responsive dispute resolution for all users. Standard 1 includes recognition of Te Ao Māori and use of tikanga and

te reo Māori in the design, resourcing, and delivery of dispute resolution processes. It may be that TDRS is fully competent in this regard. If not, this may be an area for consideration of inclusion in the Commission's implementation timeline.

Timeframe

We note the Commission has condensed the recommendations for improvement into governance and the customer complaints code suggesting the recommendations be phased in, in four groups, over a 2-year period.

We were pleased to read the Telecommunications Commissioner's comments *"We have phased our recommendations so that those changes that will make the biggest difference for consumers – such as increasing awareness of the scheme and removing barriers to accessing the scheme – are prioritised over other changes that are likely to take more time – such as governance-related changes to increase the independence of the scheme."*

While it is primarily for the telecommunications industry to decide on its time frame for implementation of the recommendations, we consider the 2-year time frame is generous particularly in relation to remedying some matters that are fundamental to the running of an effective dispute resolution scheme. We appreciate some of the matters identified such as governance and encouraging broader membership will take some time to implement. However other more important consumer issues may be able to be implemented within a faster timeframe and, in our view, many of the recommendations could be implemented within a 12-month period commencing from the Commission's review is finalised.

The outcomes of the recent Consumer NZ and Commerce Commission survey¹ show why there is a need to have an effective dispute resolution scheme in the telecommunications industry as soon as possible. The outcomes indicate telcos are struggling to deliver the quality-of-service consumers expect, with 56% of internet customers reporting problems in the past two years. Among internet customers who contacted their telco about a problem, 54% said it took "a lot of effort" to deal with the company. Consumer NZ Chief Executive Jon Duffy said the results show "the industry needs to up its game and get the basics of customer service right". In our view a mandatory scheme is likely to be more effective.

[REDACTED]

¹Consumer NZ survey <https://www.consumer.org.nz/articles/mobile-and-internet-satisfaction-survey-2021>

[Redacted content]

Next steps

We are available to present this submission in person or by video link. If we can be of further assistance at this stage, please contact Hamish Clareburt directly at h.clareburt@utilitiesdisputes.co.nz.

Nāku noa, nā



Mary Ollivier
Commissioner: Komihana
Utilities Disputes Limited
Tautohetohe Whaipanga