

Telecommunications Industry Dispute Resolution Scheme

2degrees Submission, 17 December 2020





1 Introduction

Thank you for the opportunity to provide initial comments to the Commission regarding the review of the Telecommunications Dispute Resolution Scheme (TDRS) prior to the formal statutory review, expected to commence in February 2021.

2degrees recognises the importance of an effective dispute resolution scheme for issues that arise for telecommunications consumers when these cannot be resolved directly with providers.

Overall, 2degrees considers the TDRS works very well, with very positive feedback from consumers using the service, as well as from our team that works with the TDRS.

However, we do support a review of the TDRS to ensure it is kept up to date and to make further improvements for the benefit of consumers.

While we provide initial comments on potential improvements here, we note a more detailed review of governance mechanisms is being undertaken by the TCF and will be provided to the Commerce Commission early next year. The information gathered and results of this review will be an important input to the Commission's statutory TDRS Review.

The remainder of this submission responds to each of the Commerce Commission's questions in turn.

2 What aspects of the TDRS do you think work well?

2degrees considers that overall, the TDRS works very well.

Fairway is a capable, professional and independent dispute resolution service provider, which provides services across a range of services and for a range of government bodies.

Consumers are very satisfied with the TDRS service, consistently giving it a very high Net Promoter Score (NPS) rating, including +73 for the Financial Year to June 2020. 89% of complainants indicated they were satisfied or very satisfied with their experience of the scheme.

As a service provider, we find that the TDRS can be a useful intermediary in providing clearer information from customers that we have been unable to resolve concerns with.

We also find the TDRS staff to be very responsive, fair and provide useful feedback on potential trends in consumer issues that we can further look into.



The TDRS Council provides informed, expert practical advice to the dispute resolution provider, drawing from important knowledge of both consumer and industry representatives (chaired by a consumer representative).

While compulsory for TCF members, we note non-TCF members have also joined the scheme, which indicates that the TDRS is perceived to provide an effective, quality service.

The TDRS is promoted by Fairway and retailers – retailers must provide consumers with information about the TDRS on their websites and bills.

The TDRS encourages efficient resolution of complaints and enquiries with relevant service providers, resulting in satisfied telecommunications consumers and an efficient scheme that minimises unnecessary, more costly and resource-intensive formal interventions.

3 What aspects of the TDRS do you think could be improved and how?

While overall we consider the TDRS works very well, we have identified several further improvements that we consider should be part of the review, including:

- **Retail service providers:**

2degrees consider all telecommunications consumers should be able to use the TDRS. Currently some consumers of smaller telecommunications providers are unable to access the TDRS.

- **Wholesale service providers:**

The current focus of the TDRS is on Retail Service Providers (**RSPs**), however many of the consumer complaints relate to services provided to RSPs by wholesale-only suppliers, in particular Local Fibre Companies, who do not contribute to the scheme's fixed costs. This is also not reflected in complaint reporting. We support the current TCF review of this aspect, which will be reported back to the Commission in early 2021.

- **Accurate Reporting for Industry Stakeholders:**

We consider the current TDRS reporting can be misleading for consumers and other industry stakeholders, including the Commerce Commission.

To ensure consumers and industry stakeholders are appropriately informed, the reporting must:

- Accurately reflect and differentiate between complaints and enquiries.



- Accurately reflect and differentiate between complaints received, complaints partially upheld and complaints upheld;
 - Accurately reflect and differentiate between retail service provider complaints and wholesale-related complaints (where the customer’s retail service provider is not at fault).
 - Ensure that invalid complaints and complaints that are withdrawn are not counted as complaints. Currently, withdrawn complaints are still included as complaints, and counted against an operator. At a minimum, this should be a separate category.
 - Ensure reporting of complaints data uses up to date information.
- **Governance:**

2degrees is aware the review is likely to canvas governance issues. As previously mentioned, the TCF is reviewing these issues and will provide input to the Commission early next year.

4 Are there any other ways you think the TDRS could be improved for the benefit of consumers?

We have identified a number of more minor improvements that could be made to the TDRS service, however we consider these can be addressed within the current scheme. For example, a review of the exclusion list to ensure it is clear and up-to-date, a more structured consumer application form (which would help guide consumers in providing the necessary information upfront, reduce out-of-scope contacts and associated consumer frustration, and assist in reporting), and development of further case studies.