

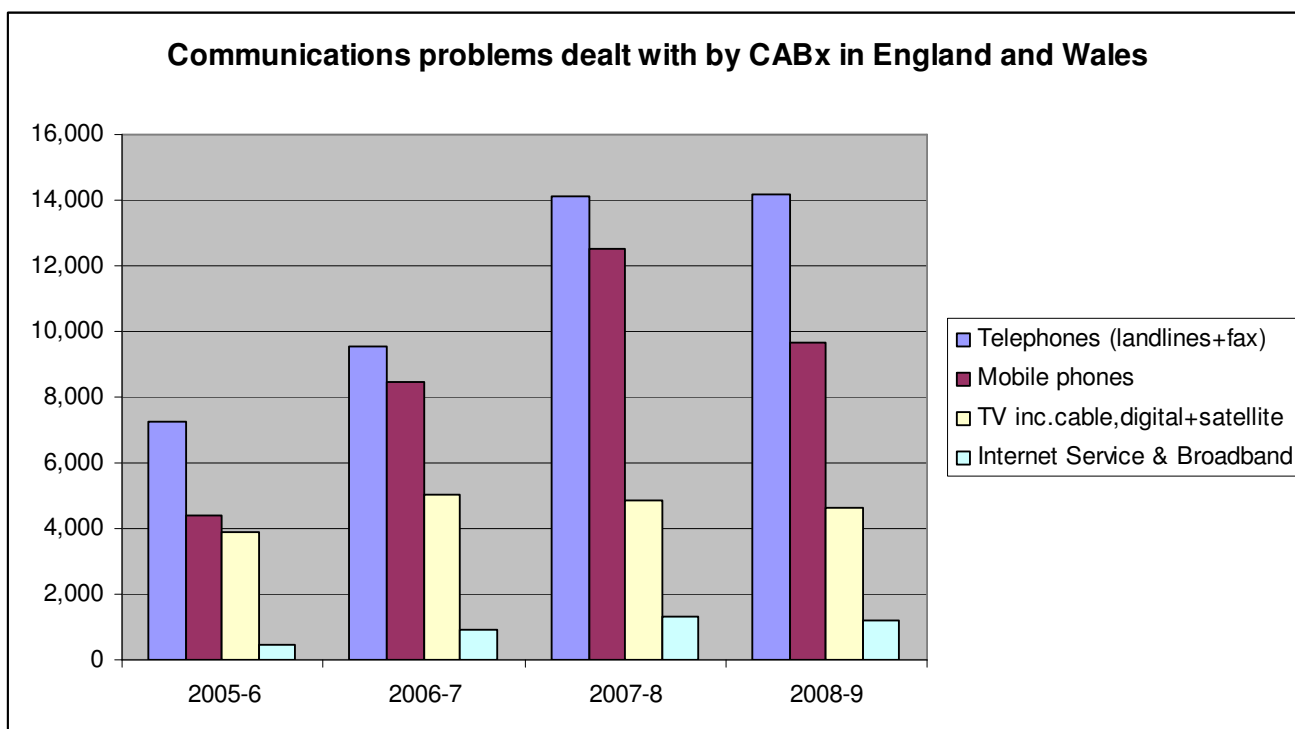
Citizens Advice's response to
Ofcom's consultation on
*'Quality of Customer Service
Review – Topcomm review:
second consultation'*

June 2009

Introduction

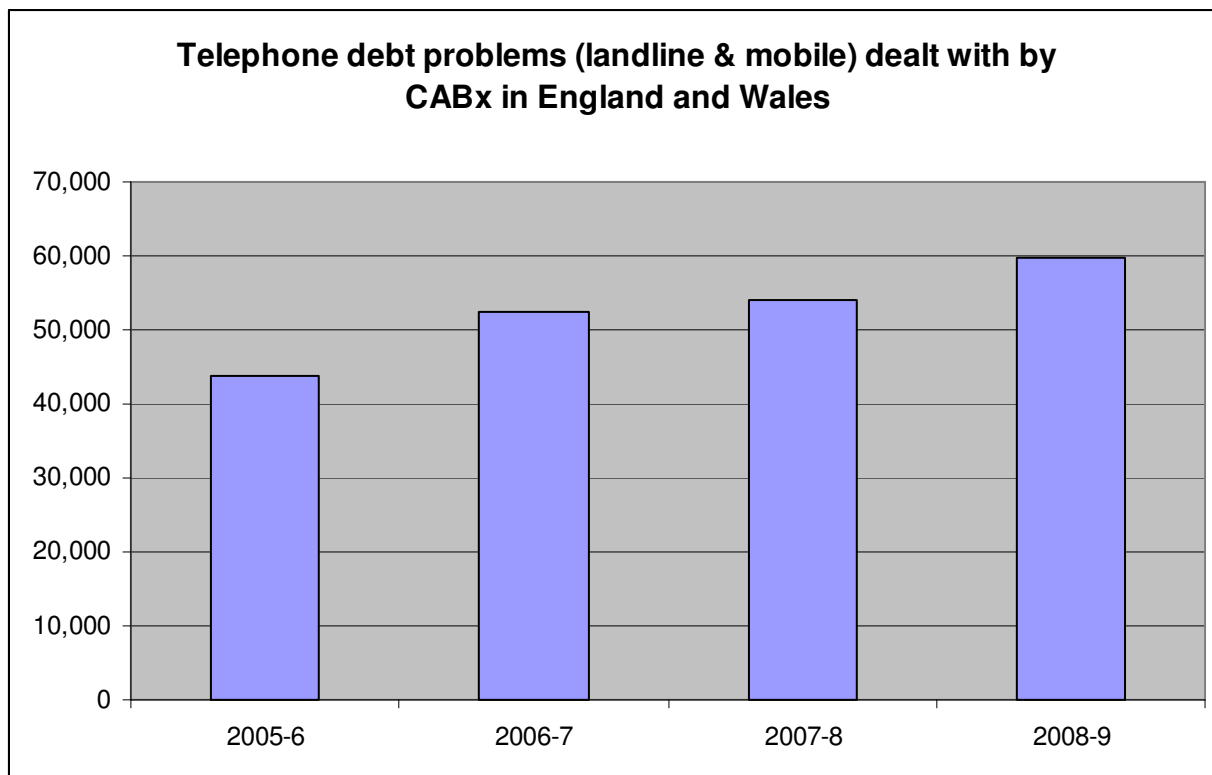
1. In 2008-9 the CAB service in England and Wales helped just fewer than two million clients with about six million problems. Debt and welfare benefits were the two largest topics on which advice was given, with 663,000 clients advised about 1.7 million benefit problems or entitlements and 575,000 clients helped with approximately 1.9 million debt problems.
2. The CAB service also dealt with over 98,000 utilities and communications problems in 2008-9, which represented a 3 per cent increase on 2007-8. Breaking this down further, bureaux dealt with:
 - over 14,000 problems about fixed-line phones;
 - just under 10,000 problems about mobile phones;
 - more than 4,500 problems about cable or satellite TV; and
 - 1,200 problems about internet service providers or broadband.
3. A summary of the communications problems dealt with over the last four years by bureaux in England and Wales is provided in Chart 1 below:

Chart 1:



4. In addition, bureaux dealt with just fewer than 60,000 problems relating to telecoms debts (which include all landline and mobile debts) in 2008-9. The rising trend in the number of telecoms debt problems dealt with by bureaux over the previous four years is shown in Chart 2 below.

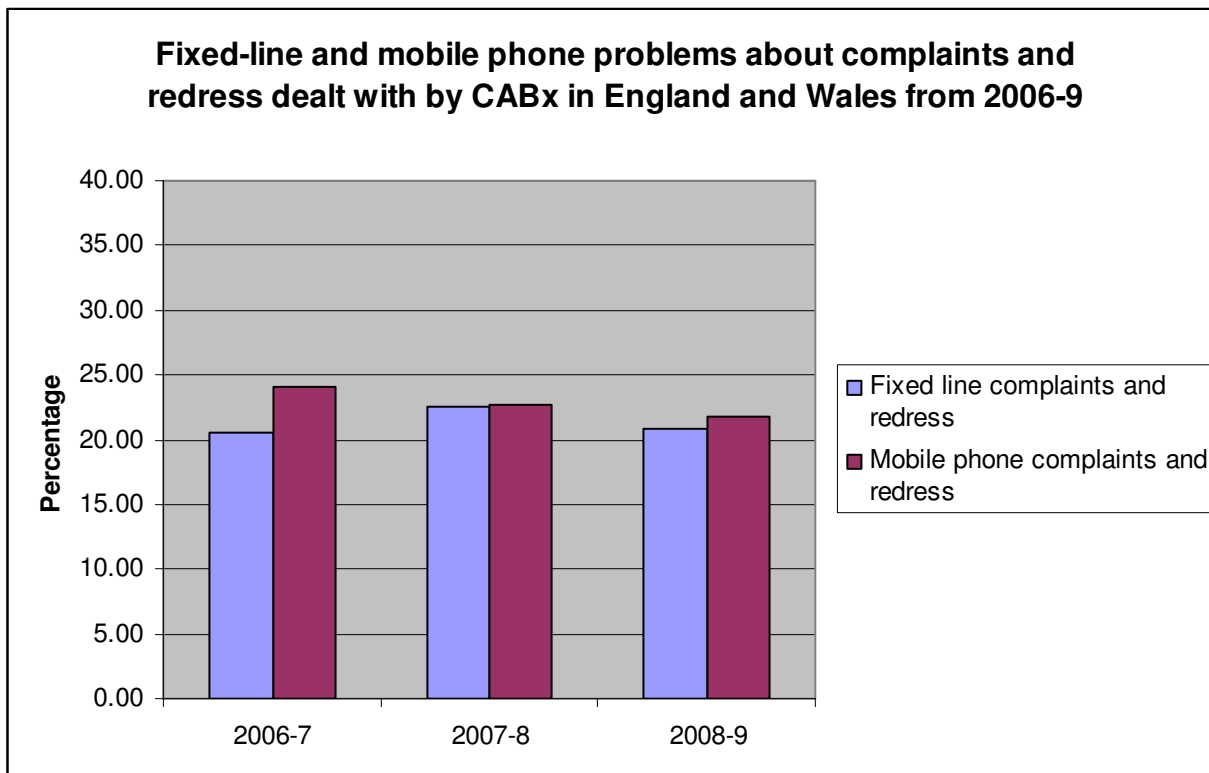
Chart 2



5. Breaking these high-level figures down reveals that complaints about communications providers account for a significant proportion of the problems dealt with by bureaux. Specifically in 2008-9:
 - 21% of the problems relating to landline phones were about complaints and redress. This equates to 2,945 problems and meant that this category was the second largest reported, trailing only those problems relating to costs and billing; and
 - 22% of the problems about mobile phones were about complaints and redress. This category contained 2,101 problems which made it the largest single category for mobile phones.
 - In addition, bureaux dealt with almost 60,000 problems concerned with telecoms debt. Of these over 1,000 problems related to complaints.

6. Comparing problems about complaints and redress over the last three years demonstrates that there has been little, if any, improvement in this area, as shown by Chart 3:

Chart 3



7. The high relative incidence of problems relating to complaints and redress in both the fixed-line and mobile phone markets dealt with by CABx leads us to believe that many of those who have experienced such problems would likely welcome information about quality of service, specifically communications providers who deliver better levels of customer service or, failing that, resolve issues speedily and efficiently. Currently, there would appear to be a dearth of such information, restricting consumers ability to make meaningful comparisons and informed choices.

General comments

8. We acknowledge that Topcomm appears to be failing to meet its original policy objective to provide timely, relevant, accessible and accurate information to citizen-consumers and enable them to make informed purchasing decisions. It is therefore correct that Ofcom is reviewing the current Direction.

The need for quality of service information

9. We continue to believe strongly that the provision of some quality of service yardstick is essential for consumers. The provision of transparent and easily accessible information would also be likely to engender positive effects on the level of service offered by communications providers who currently may currently perceive little benefit in attempting to differentiate themselves in terms of better customer service offerings.
10. As we detail in our introductory comments above, problems dealt with by Citizens Advice Bureaux about complaints and redress account for a significant percentage of all

the problems about fixed-line and mobile phones. Presumably, people who have been forced to make a complaint about some aspect of their relationship with their communications provider – and in many cases having to come to their local CAB to advance the complaint - would be interested to learn about comparative levels of customer service offered by alternative communications providers.

11. In our opinion, consumers' apparently low levels of interest in quality of service information is attributable to the fact that communications services work well for most people, and there is therefore no need to engage with their provider to rectify problems. This is clearly a good thing and one for which the industry should rightly be praised. However, for the minority of people who do experience problems, quality of service becomes immensely important since they may require urgent resolution to, for example, a problem with their internet or fixed-line connection.
12. Cases reported by bureaux about communications providers often reveal the level of service offered by communications providers to be grossly inadequate. The following represent only a small sample of recent cases. We would be very happy to share with Ofcom further cases if this would be helpful.

A CAB in Hertfordshire reported a case in which their client always paid for her phone calls made from her fixed-line telephone by bank giro. When her provider was taken over, the new company failed to send the client the new paperwork for her giro payment, although they had promised to do so when she had contacted them by phone. The client was unable to resolve the matter with the provider so came to the CAB, where the adviser found out the new company's bank details and the client paid immediately. Unfortunately her phone was still barred from making outgoing calls and, despite several complaints, continues to be barred. Since the client and her husband are both elderly and unwell, with the client's husband housebound, this has caused real difficulties and has left the client in tears due to frustration. Most recently, the inability to make phone calls has meant that the client could not check that transport was coming to take her husband to hospital, resulting in him missing his appointment.

A CAB in Essex reported that their client changed her phone supplier in June 2008 but she experienced problems with the service – for example, she could not rely on her phone to get through to people and it took her at least an hour to connect to broadband. The client suffers from severe panic attacks and is completely reliant on her phone particularly during the night. The client first complained to her provider in November 2008 but she was shuffled round from one department to another with promises of return phone calls - which never materialised. In total she made more than 15 phone calls (which on some occasions lasted for more than an hour, with considerable amounts of time left on hold). On 4 December 2008 she spoke to someone who finally agreed to waive the cancellation fee of £70 which would ordinarily be payable. Her service was disconnected on 22 December but, despite promises to the contrary, she was still charged another £51.85 on 21 January 2009. The client then received a legal notification mentioning attachment of earnings and seizure of assets in order to recover the alleged debt. The CAB adviser called the communications provider on behalf of the client and, after waiting for approximately one hour to get through to someone, managed to persuade them to cancel the outstanding debt immediately. The client has been left incredibly distressed by this experience.

A CAB in Lincolnshire helped a Polish client who experienced problems with her communications provider when she and her family moved house in January 2009. The clients asked their communications provider to supply them with a new phone number and contract at their new address. This was allocated on 12 January yet the provider did not connect this number and on 4 February the client contacted them to report the fault. To rectify the matter the provider arranged for an engineer to call but he failed to turn up. The provider issued another contract on 27 February for the same telephone number but, again, this was not connected and the client therefore cancelled the contract. The client has now started to receive telephone bills attributed to the cancelled number, all to numbers in England, even though it can be seen from her previous account that calls were made to Poland. The communications provider insisted that the client must be using the new number. When a CAB adviser tried to contact the provider she had to speak to four different people, being put on hold for a considerable length of time with each transfer. Eventually, the provider promised to send an engineer to investigate. Understandably, the client has become very frustrated about having to pay for a telephone service she has not had, and in the meantime has also been forced to use her mobile phone for calls, causing her to incur substantial extra costs.

13. Such difficulties are echoed by a member of the Consumer Communication Panel's recent experiences, proving that even those who are extremely knowledgeable about communications matters can experience great frustration at inadequate levels of customer service.¹ Providing information about comparative levels of service would presumably be of particular interest to such consumers.

Type of information that would be helpful to consumers

14. As we state above, we continue to believe strongly that the provision of some quality of service yardstick is essential for consumers. Simply because the present scheme is failing to meet its policy objective does not render such objectives themselves redundant. Rather, it means that a better means of achieving the objectives should be considered, in order to provide consumers with the range of information necessary to make informed choices about their communications purchases. To this end, the research currently being conducted by Ofcom should prove to be particularly helpful in identifying the type of information that consumers would find useful.
15. Asking people who may never have experienced problems with their communications services whether they would value information about quality of service information is unsatisfactory if it is used as the basis for whether there is a desire for quality of service information, since they will be answering on a hypothetical or theoretical level. For some people, quality of service is likely to be of such importance (e.g. those that rely on internet connection for working at home or those for whom telephony functions as a lifeline) that they would be willing to put issues relating to reliability and quality of service ahead of other considerations such as price. It is important to note that currently such customers are unable to make an informed choice about which provider would be most likely to meet their requirements. Yet such people are likely to be in a minority. For most people, quality of service will only become an important factor when things have gone wrong previously. It is therefore important for Ofcom to ensure that those who have first-hand experience of levels of service are asked about whether they would be

¹ http://www.rogerdarlington.me.uk/nighthawk/2009/05/ten_days_that_shook_my_world.html

interested in being able to easily access information about quality of service and, if so, what types of information they would find helpful.

16. Providing useful information to consumers will clearly be integral to ensuring usage of the information that is provided. It would also seem eminently sensible to seek to extend the information provided to include fixed, line, mobile and broadband services since this would help to ensure a degree of consistency and enable the service to be more easily promoted to consumers. Of course, we also reiterate the point that we made in our previous submission on this subject that it will be of paramount importance that Ofcom and/or communications providers actually promote the successor to Topcomm.

Withdrawal of the Topcomm Direction

17. We acknowledge that Topcomm appears to be failing to meet its original policy objective and it is therefore right that Ofcom is reviewing the current Direction. Furthermore, we recognize the costs associated with the ongoing upkeep of the Topcomm website detailed in Ofcom's consultation document. However, we are concerned that in proposing to withdraw the Topcomm Direction without putting forward specific proposals about what will replace it, Ofcom is denigrating the value of quality of service measures *per se*. Certainly, we think that abolishing the need to report quality of service statistics with only the prospect that something may appear in its place at some future date sends out an unhelpful message to communications providers about the merits of such information. In addition, we wonder about the efficacy, from both Ofcom's and communication providers' perspectives, of removing a requirement and then at a later date seeking to re-institute something with similar objectives.
18. We imagine that Ofcom may meet more resistance from communications providers in establishing a new service reporting on quality of service measures from scratch, rather than promoting the new scheme as an improvement on the underused and unloved existing Topcomm scheme.
19. In conclusion, we would support the withdrawal of the Topcomm Direction, provided that Ofcom gave firm assurances that:
 - it would be replaced as soon as is practically possible;
 - its replacement would include a set of quality of service metrics which consumers would find of use, based on research with consumers (including those that had previously experienced problems with their communications providers);
 - the Direction would be extended to include mobile phones and broadband; and
 - Ofcom and/or communications providers would be required to promote the new quality of service comparison site in a number of prescribed ways, with specific targets publicly set.