

Appendix Two

John Wood report - Review of the complaint handling process for the Electricity and Gas Complaints Commission

SUMMARY OF RECOMMENDATIONS

2.3 Efficiency

2.3.1 *Appropriate Process or Forum*

It is **recommended** that the Terms of Reference be amended to give the Commissioner specific power to identify, register, and investigate systemic issues, and to refer systemic issues to Scheme members and regulators, and to report on them as necessary. **[B5.1(i)(i)]**

2.3.2 *Tracking of Complaints*

Because there is usually little new information forthcoming toward the later part of the process, it is **recommended** that the period for the parties to accept or reject the Final Recommendation of the Commissioner be reduced from 20 working days to 15 working days, and that the period for the complainant to accept an award be also reduced to 15 working days. In both cases the Commissioner should be granted the power to extend the period in exceptional circumstances. **[B3.2(a), B3.6, B3.12(e)]**

It is **recommended** that a system of obtaining the complainant's consent to a confidentiality waiver by electronic means where possible be considered. **[B1.10(e), B2.3]**

2.3.3 *Monitoring*

Reports such as these can be extremely useful for companies, and can have the effect of assisting to improve timescales, and it is **recommended** that, resources willing, monthly complaint status reports are provided to all members. **[no change to scheme documents required]**

It is **recommended** that complainant satisfaction surveys should be undertaken on a regular basis – say every two years - and that a satisfaction questionnaire be sent on a random selection basis to complainants a short time after their file is closed. It is also **recommended** that a member survey should be undertaken at the time of external reviews. **[no change to scheme documents required]**

2.3.4 *Proportionality and Materiality*

I consider that it would be beneficial to the object of the Scheme, if the Commissioner was given the authority to informally run views past companies and complainants when an apparent outcome is clear, especially during the facilitation period, and **recommend** that the Terms of Reference are amended to allow this. **[no change to scheme documents required – will be a consequence]**

of funding changes]

2.3.5 Performance standards

Reporting on performance is important for developing and maintaining public confidence in a scheme, and it is **recommended** that the Commission in consultation with the Commissioner establish annual performance measures and report on achievement against these in the Annual Report. **[A2.2, A6.1]**

2.3.6 Effects of Scheme Funding

I **recommend** that in order to improve both the efficiency and effectiveness of the Scheme, the provisions of 4.1E(a), (b) and (c) be removed, and that a provision granting a discretion to the Commissioner to determine no charge or a refund be made in a case where the EGCC has made a demonstrable mistake, be included. The exercise of such a discretion should not be subject to challenge. **[to be dealt with in separate funding changes]**

I further **recommend** that in order to improve both the efficiency and effectiveness of the Scheme, and to ensure its independence, a new formula be designed for raising the levies set out in Clause 4.1D of the Constitution, and that the basis should include costs of closed cases over a full year rather than quarter. **[to be dealt with in separate funding changes]**

2.3.7 Other Work Practices

It is **recommended** that consideration be given to granting the Commissioner the power to delegate the making of draft recommendations. **[B5.4]**

2.4 Effectiveness

2.4.1 Coverage

Whilst outside the power of the Scheme, it is **recommended** nevertheless, that the Commission should discuss the absence of a sanction against a member resigning from a scheme with the Electricity Commission and Gas Industry Company. **[Commission view - this is matter for the regulators - no amendment necessary]**

2.4.2 Systemic Problems

It is **recommended** that the Commissioner should have the formal power to make a report to a member where, in the Commissioner's opinion, the general energy policy or commercial practices of a member:

- have contributed to a complaint; or
- have been identified as the source of a number of similar complaints; or
- have impeded the investigation or handling of a particular complaint

[B5.1(i)(i)]

2.4.3 Scheme Performance

It is **recommended** that the Commissioner be empowered to name members who breach a Code of Practice in the Annual Report. **[B5.1(m)]**

It is **recommended** that the EGCC is empowered to publish company complaint performance statistics in its Annual Report and on its website, such statistics being moderated by an appropriate indication of the members' share of business in the sector. **[Commission is not recommending a change at this time]**

2.4.4 Internal Complaints Mechanisms

It is, thus, **recommended** that in order to benefit members, consumers and the efficiency and effectiveness of the Scheme as a whole, the Scheme should adopt either the International Standard on Guidelines for Complaints Handling in Organizations (ISO:10002) or the Australian Standard version – AS ISO 10002-2006, as the minimum standard required for members' in-house consumer complaints handling service.

In order to ensure that this is the case, it is **recommended** that the Commissioner is given the power to write to a company to make observations about improving the company's complaint-handling processes. **[B5.1(i)(iv)]**

2.4.7 Promotion

It is **suggested** that if the recommendations in this Review were implemented, it would be appropriate to seek the Chief Ombudsman's approval to the use of the name in the scheme's title. **[amendment to scheme documents not necessary at this stage]**