

# **Independent review against benchmarks for Industry-based customer dispute resolution**

November 2020

The Advisory Council to the Energy and Water Ombudsman Queensland (EWOQ) and the Ombudsman welcome the report of the independent review conducted by cameron.ralph.khoury in early 2020.

The purpose of this review was to determine whether EWOQ complies with the Benchmarks for Industry-based Customer Dispute Resolution, which are:

- Accessibility
- Independence
- Fairness
- Accountability
- Efficiency
- Effectiveness.

The review, which was undertaken during COVID-19 restrictions, involved broad stakeholder consultation, in-depth analysis of EWOQ's processes, procedures, data and management oversight mechanisms and review of a representative sample of recent disputes. Submissions were invited via an issues paper and interviews were held with a selection of community representatives, scheme participants, and government bodies.

The review concluded that EWOQ meets all six benchmarks for Industry-based customer dispute resolution.

The Advisory Council was pleased that the majority of the 26 recommendations align with initiatives EWOQ has already undertaken or plans to do soon. Some recommendations have legislative implications in terms of the *Energy and Water Ombudsman Act 2006* (the EWO Act).

The review also found that "EWOQ operates with independence, fairly and impartially. It provides an accessible service that is accountable and transparent. EWOQ is, in our view, an effective ombudsman scheme."

The independent review's findings and recommendations provide valuable insights and advice for EWOQ and will be incorporated into its 2020-2024 strategic plan and annual business plan.

The Advisory Council and Ombudsman response to the recommendations is attached.



**Anna Moynihan**  
**Chair**  
**Advisory Council to the Energy and Water Ombudsman Queensland**

## Recommendations by theme

1. Extending and clarifying jurisdiction and powers	
Recommendation 1	EWOQ response
EWOQ's jurisdiction should be expanded to encompass complaints referred by all water small customers in Queensland (not just South East Queensland small customers).	<p>We support this recommendation. Our service should be available to all small water customers across Queensland.</p> <p>We will continue discussions with the Department in the ongoing review of the EWO Act and our jurisdiction.</p>
Recommendation 2	EWOQ response
EWOQ's jurisdiction should be expanded to encompass new energy technology complaints as recommended in the ANZEWON commissioned research paper of October 2019.	We support this recommendation. As the industry continues to grow and expand our service needs to be able to support these changes expediently and have a jurisdiction and process that enables us to provide an ombudsman service to consumers easily and appropriately.
Recommendation 3	EWOQ response
EWOQ's jurisdictional exclusions should be compared with those in other States with a view to removing EWOQ jurisdictional exclusions, unless there is a strong imperative for them to be retained.	We support this recommendation. We will action when we undertake the EWOQ jurisdictional review. Consideration will also be given to the exclusions and the purpose for the exclusion in Queensland.

Recommendation 4	EWOQ response
<p>The EWOQ Act should be amended to oblige scheme participants to tell customers about EWOQ at the time of responding to their complaints.</p>	<p>We support this recommendation and will action within the legislation review.</p> <p>We strongly believe that this action will improve the internal dispute resolution process of our scheme participants, improve their compliance with AS/NZ 10002 Complaint handling standard and provide an improved customer experience for their customers.</p>
Recommendation 5	EWOQ response
<p>The EWOQ Act should be amended to expressly permit EWOQ to provide customer feedback to a scheme participant where this is consistent with EWOQ's functions and purposes including promoting better complaint management.</p>	<p>We support this recommendation. We recognise providing feedback to the scheme participants about the complaint may improve the process and potentially expedite an early resolution.</p> <p>We will look to improve our current process where we can and review the legislation and other requirements to make further improvements for the scheme participants.</p>
Recommendation 6	EWOQ response
<p>a) The EWOQ Act should be amended to give EWOQ clear powers to investigate scheme participant systemic issues and determine the adequacy of the scheme participant's response to a systemic issue. EWOQ should be able to levy a charge to defray the costs of these investigations.</p> <p>b) EWOQ should be exempt from normal privacy or confidentiality restraints when reporting systemic issues to regulators.</p>	<p>a) We support this section of the recommendation. We believe increased powers to investigate systemic issues will impact and improve performance of the industry and improve consumer trust in the process.</p> <p>b) We also support this section. We will obtain further advice on our obligations and application of these obligations, to ensure we are proving the information required and only the personal information required.</p>

2. Quality and fairness of process	
Recommendation 13	EWOQ response
EWOQ quality assurance reviews of investigated complaints should strengthen focus on the framing of information requests. The aim should be to ensure that requests are no broader than needed to resolve the complaint.	We support this recommendation. We recognise that our role is to obtain the relevant information to resolve the dispute and align this with the specifics to the dispute at hand. This will also assist the scheme participants to streamline their responses.
Recommendation 14	EWOQ response
For cases that go to investigation, EWOQ should inform the complainant that on their request EWOQ can send them a copy of the scheme participant's information.	We support this recommendation. We understand the information provided to a complainant needs to be relevant and easy to understand for their circumstances and have a process in place to provide the more technical detailed information.
Recommendation 15	EWOQ response
EWOQ should explore ways to enhance its access to specialist skills to assist its resolution of highly technical complaints.	We support this recommendation. We understand confidence of all the parties in the dispute is increased, with technical expertise being applied where appropriate.
Recommendation 16	EWOQ response
EWOQ should delegate the power to ICOs to issue a section 22 letter informing a complainant that their complaint will not be further investigated. Where a complaint is closed on the basis that it does not warrant investigation, the ICO's letter should be framed as an exercise of the section 22 power and should inform the complainant about the possibility of an internal review.	<p>We do not support this recommendation. We recognise the importance of this decision being made by another EWOQ team member who has been independent of the complaint process to date and the authority needs to remain at this level.</p> <p>We will ensure a review of the process is undertaken and these matters are actioned expediently as to not delay the response to the parties.</p>

Recommendation 17	EWOQ response
<p>For investigated complaints, EWOQ should set an expectation that the ICO will try to call the complainant before sending out any significant piece of communication, in particular, before moving to close the investigation. More use of text messages should also be explored.</p>	<p>We support this recommendation. We believe communication with all parties is a key component of effective dispute resolution. We will provide specific and ongoing training to our team members, review and improve the process from a customer experience and efficiency perspective, and ensure it is an area of focus in the QA process.</p>
<b>3. Measurement, analysis and reporting</b>	
Recommendation 7	EWOQ response
<p>EWOQ should continue its efforts to develop ways of measuring the impact of its consumer awareness-raising and outreach activity, both through its own surveying and complaints data capture and from external sources.</p>	<p>We support this recommendation. Understanding and measuring our impact in awareness raising and outreach activity will enable us to improve the process, manage resources and deliver appropriately to the various Queensland consumers.</p>
Recommendation 8	EWOQ response
<p>EWOQ should enhance its case categorisation system so that it can monitor the extent to which the 12 month timeframe to refer a complaint to EWOQ is operating as a restriction on access. Data collected should include:</p> <ul style="list-style-type: none"> <li>c) the number of complaints ruled outside of jurisdiction on the basis of the 12 month rule;</li> <li>d) the number of complaints where the complainant requests EWOQ to handle a complaint that is more than 12 months old; and</li> <li>e) the number of instances in which such a request is granted.</li> </ul> <p>This information should be reported in EWOQ's Annual Reports.</p>	<p>We support this recommendation. Improved data capture and review of cases where the 12-month restriction applies is important. This will assist us in ensuring that the Ombudsman scheme is available to consumers and we can track and monitor the information for consideration of our timeframes and processes, and any possible improvement to the internal dispute resolution processes of our scheme participants.</p>

Recommendation 9	EWOQ response
<p>The EWOQ's next stage of awareness building should focus on the demographic groups that currently under-utilise the EWOQ. To measure the success of its efforts, the EWOQ should undertake targeted awareness testing and monitor complainant demographic trends.</p>	<p>We support this recommendation. We recognise the value of this data and the application in many aspects of the work we undertake. EWOQ is currently undertaking a review of the complaints data captured and will apply changes and improvements.</p>
Recommendation 18	EWOQ response
<p>EWOQ should separately categorise complaints that are closed on the basis of the complainant's failure to respond to EWOQ. Reporting as to the number and trend in relation to closures of this type should be included in EWOQ's Annual Report.</p>	<p>We support this recommendation. The understanding of the failure to respond will enable us to review and identify possible reasons and improvements which could be made to our process.</p>
Recommendation 19	EWOQ response
<p>a) EWOQ should collect data that permits it to provide meaningful information in its Annual Reports about investigated complaints outcomes, for example, the number of complaints where the complainant obtained redress, the number where EWOQ refused to further investigate, the number where the complainant withdrew and the number where the complainant failed to respond.</p> <p>b) As a longer term initiative, EWOQ should use the ANZEWON forum to endeavour to develop investigation outcome classifications that are uniformly applied by all energy and water ombudsman schemes in Australia and so permit comparison of schemes.</p>	<p>a) We support this recommendation. Improved reporting and other relevant case closure information will enable us to provide data on outcomes of our decision making and provide information for our scheme participants performance in their decision making.</p> <p>b) We support this recommendation. EWOQ regularly engages with ANZEWON members and we have already commenced reviewing this information to implement in EWOQ.</p>

<b>Recommendation 20</b>	<b>EWOQ response</b>
<p>EWOQ should ensure that its upgraded case management system enables it to capture and report more extensive data than at present. This should include:</p> <ul style="list-style-type: none"> <li>a) complaints that have been excluded on the basis that they fall outside of EWOQ’s jurisdiction (number per category of exclusion); and</li> <li>b) better facilitation of data analytics, for example, to assist in identifying demographic groups that are under-utilising EWOQ and identifying potentially systemic issues.</li> </ul>	<p>We support this recommendation. We acknowledge the importance of data capture and reporting for us internally and for all of our stakeholders. The improvement of this process will assist in building further confidence in EWOQ.</p>
<b>Recommendation 24</b>	<b>EWOQ response</b>
<p>EWOQ should regularly survey scheme participants and complainants to test their satisfaction with the scheme. Trend information should be reported in EWOQ’s Annual Reports.</p>	<p>We support this recommendation. We have already commenced a review of our current survey program and annual reporting needs. The provision of this information in the Annual Report will improve the understanding of all stakeholders on our performance and the satisfaction of their customers with our service.</p>
<b>Recommendation 25</b>	<b>EWOQ response</b>
<p>EWOQ should alter its complainant survey so that respondents are given a rating range for the question as to whether the respondent would recommend EWOQ. This would then permit EWOQ to calculate a net promoter score. The trend in this score should be tracked over time.</p>	<p>We support this recommendation to survey for a rating on recommending our service. We recognise that there are many options of questions to understand this information in relation to recommending our service, without being a specific net promoter score.</p> <p>We are currently reviewing and will apply this from January 2021.</p>
<b>Recommendation 26</b>	<b>EWOQ response</b>
<p>EWOQ should provide a regular report to its Advisory Council about complaints about EWOQ. This should encompass the issues raised in complaints, root causes, responses and timeframes to close complaints and reviews requested and undertaken. Trend information should be provided.</p>	<p>We support this recommendation. We understand the value of this information on our performance and the learnings we can apply from it.</p> <p>We commenced this reporting in November 2020.</p>



4. Strengthen approach to systemic issues	
Recommendation 22	EWOQ response
If, as proposed in the Department's Option Paper, EWOQ's systemic issues mandate is made more explicit, EWOQ should develop a more in-depth approach to systemic issues. Additional resourcing will be necessary. In developing its approach, EWOQ should seek to build upon best practices in other States.	We support this recommendation. Systemic issues are a key component of an Ombudsman scheme and we have commenced improvements to the process and will action further when the legislation changes occur in the future.
Recommendation 23	EWOQ response
EWOQ should provide more detailed and meaningful information about systemic issues in its Annual Reports. Themes should be identified and discussed. Outcomes should be reported.	We support this recommendation. Some information is already provided in the Annual Report and this section of the Annual Report will be expanded as we improve our process and data capture.
5. Cost-efficiency	
Recommendation 12	EWOQ response
EWOQ should undertake detailed analysis to test whether the increase this financial year in the proportion of investigated complaints is warranted –or whether other responses to the perceived increased complexity are available that would enable the complaints to be resolved more efficiently but without compromise to fairness	<p>We support this recommendation. We acknowledge there has been an increase in investigated complaints and note there has also been an increase in the complexity of disputes.</p> <p>This can be due to a number of factors and we are currently performing further analysis to improve our understanding of reasons and reporting to the Advisory Council and to scheme participants.</p>

Recommendation 21	EWOQ response
<p>EWOQ should identify cost-efficiency as a priority for the coming three years including:</p> <ul style="list-style-type: none"> <li>a) Completing efficiency capability-building currently underway</li> <li>b) Improving understanding of the use of time within EWOQ</li> <li>c) Developing a deeper knowledge of the detail of practices in comparable schemes</li> <li>d) Developing cost-efficiency targets and priorities as part of business planning for 2021/22</li> <li>e) At the next fees review, move to reduce the proportion of costs recovered from case fees – we suggest to 70%</li> </ul>	<p>We support this recommendation. We acknowledge the importance of being as cost effective and efficient as possible while balancing this with providing a service that meets the benchmarks, as required.</p> <p>We have recently updated our technological platforms and are reviewing our dispute resolution practices. As a result, we believe we are now in a better position to action the points noted as a priority, with ongoing focus over the coming years.</p> <p>We note the percentage advised and confirm this aspect will need to be carefully considered in consultation with a number of stakeholders.</p>
<b>6. Governance</b>	
Recommendation 10	EWOQ response
<p>EWOQ's Advisory Council and Ombudsman should take what steps they can to expedite filling the 2 vacant customer representative positions on the Advisory Council in order to achieve the balance specified in the EWOQ Act.</p>	<p>We support this recommendation. We recognise the importance of having all Advisory Council positions filled and the advantages of having the breadth of experience and positions of members brings to EWOQ.</p> <p>Both the Advisory Council Chair and EWOQ actively work with the Department in this process.</p>
Recommendation 11	EWOQ response
<p>EWOQ and the Advisory Council should regularly review and update the Advisory Council Handbook.</p>	<p>We support this recommendation. EWOQ has already updated and published the handbook and it has been placed in the review program.</p>