

TCO Review

1 July to 30 September 2020

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Tolling Customer Ombudsman

INTRODUCTION

Since the last report, there has been a continuing and considerable impact of COVID-19 on the TCO Scheme.

During the period of this report the significant impact of the COVID-19 pandemic was being felt in Victoria, New South Wales and Queensland, and correspondingly has had considerable bearing on the number of complaints in each of these States, subject to my observations below about NSW. In particular, the impact of COVID-19 was felt especially during July-September 2020 in Victoria, where the community was effectively “locked down” in their homes and travel was limited to essential travel and travel by essential services workers. Obviously, the impact of COVID-19 may continue beyond September 2020. The more difficult issue to determine is how long the impact of COVID-19 will be felt in each State and to what extent.

Anecdotally, COVID-19 has continued to have an impact on the complaints made by consumers. That is, the nature of the calls made to the TCO through our telephone service were different from prior to COVID-19. Whilst the number of complaints overall have been somewhat reduced because of the reduced traffic on the toll roads, the level of anxiety of the callers had increased. The length of time on calls increased and there were deeper discussions on those calls. In general, the callers obviously were anxious because of COVID-19, but also were concerned about the impact of the pandemic on their personal financial circumstances. This heightened level of anxiety, once again in my view, added to the overall reluctance of consumers to settle claims. It seemed to mean that generally consumers adopted a harder line in respect to settlement of a complaint. This led commonly to more correspondence between the parties and more active engagement by the TCO in these matters.

However, in my objective view, the response of the Tolling Operators in regard to COVID-19 and the heightened anxiety of consumers has been very professional and with an understanding that this is a trying time for consumers. This is particularly the case in respect to those consumers who have lost their jobs or have limited means. To help customers

directly impacted during COVID-19, Transurban implemented a number of different initiatives including toll credits, more time to pay, fee waivers, payment plans and the pausing of account suspensions.

I note additionally that the Toll Operators also instituted special toll measures for those essential health workers during the height of the pandemic.

During this period there was an increase in the number of complaints out of NSW. In my view, the reasons for the increase were due to:

- On 21 August 2020, E-way became part of the Transurban Group and E-way customers transitioned across to Transurban's retail brand. Any unresolved E-way customer complaints were re-logged to Linkt NSW.
- Post transition there was some delay in the Cashback system operated by TfNSW, resulting in multiple complaints.
- New toll applied to the M5 East (aka M5 tunnel) from 4/5 July 2020, which was previously not tolled, which prompted numerous complaints.
- M8 is a newly completed roadway.

My view in respect to the reason for the increase of complaints in NSW was confirmed in our informal discussions with the Tolling Operators. In addition, I consider that many of these issues will not have an ongoing impact on the complaint numbers but of course M5 East and M8 will result in more customers on more tolling roads. I will continue to monitor closely these factors and the impact they have on complaint numbers going forward. I understand, however, there was a media campaign, considerable information provided to consumers and new signage installed by the Toll Operator for both M5 East and the M8 in respect to the changed tolling of those roads.

COMPLAINT RESOLUTION

The TCO has moved to a quarterly reporting regime. To address the stakeholder feedback that trend analysis would be useful, this report provides data on the last nine months (building on data already presented) being report 5. After report 4, the TCO will keep presenting the prior 12 months of statistics on a rolling basis.

Additional information will also be presented as our systems developments allow.

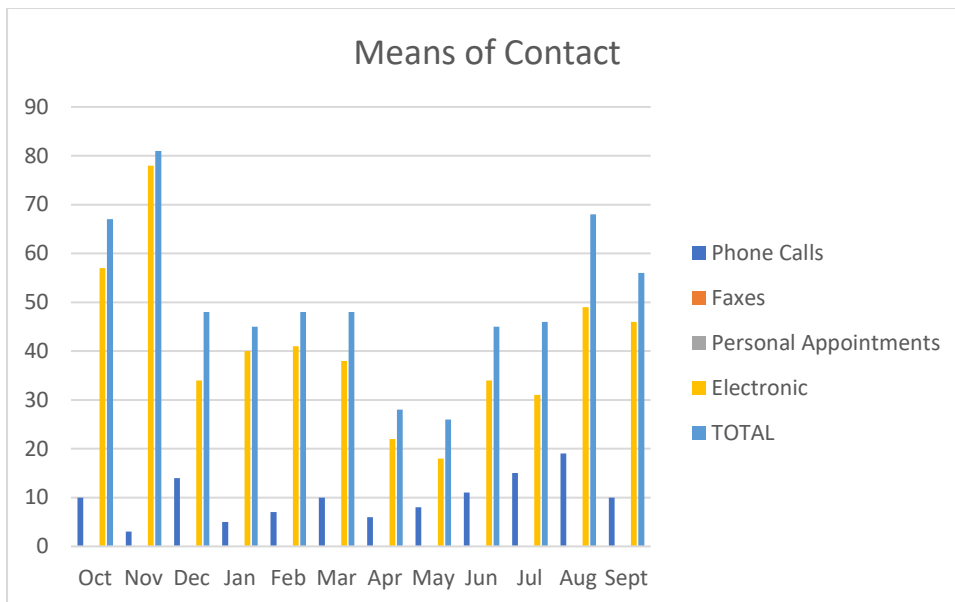
Consumer demographics: Overall, the predominant means of contacting the TCO with a complaint continues to be electronically, either through the online dispute form or via emailing the complaint form after downloading it from the TCO website:

www.tollingombudsman.com.au.

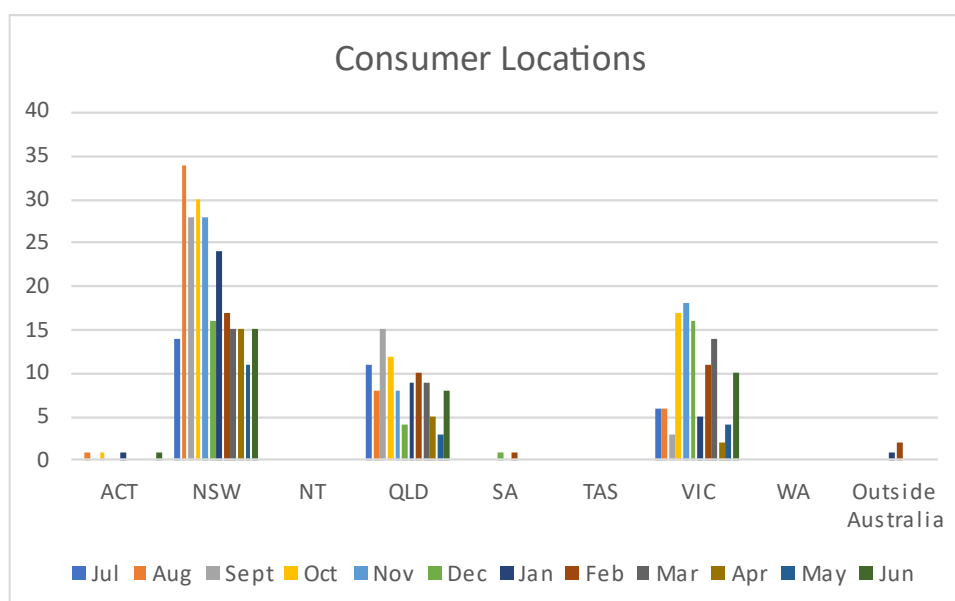
However, the TCO recognises that telephone contact is very important for some consumers and understands that some consumers, when a dispute arises, would prefer and need to discuss or clarify issues over the telephone with the Ombudsman. As mentioned above, as COVID-19 has added to the anxiety of consumers, it has been even more important at this time to discuss matters over the telephone with consumers and be aware that consumers may seek more wide-ranging discussions than simply discussing the dispute in hand. Anecdotally, calls to the 1800 number remain steady. However, the number of referrals required from the full-time office hours reception service (another response to recent

constructive feedback) to the Ombudsman has generally declined as customers are often able to receive a quick answer to their query from the service staff. For the reasons set out above, we received more telephone calls from customers in NSW with a particular reference to M5 East where tolls were imposed for the first time.

As a general observation, those consumers who solely rely on Australia Post for their communication seem to be more concerned about the amount of time taken to receive communication/correspondence in the mail. This is a matter that has been raised with the TCO during telephone contact. We will continue to monitor this matter going forward. These consumers tend to anecdotally be elderly who either cannot use or do not have access to technology. There is also a small number of consumers that cannot afford the technology.

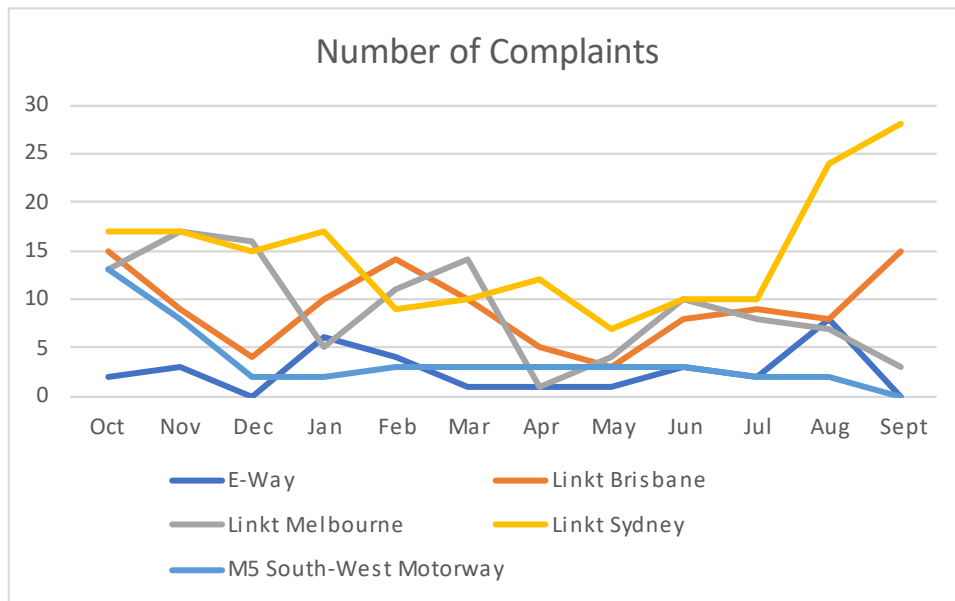


The TCO operates across three states in Australia – New South Wales, Queensland and Victoria. It is intuitive that Interlink Roads, which operated the E-way system and the M5 South-West Motorway in New South Wales, would have predominantly New South Wales based consumers, however, the geographic location of Transurban consumers who bring complaints to the TCO is more diverse.



Complaint information

Over the past twelve months (ie covered by this report), 344 complaints were received. New South Wales consumers continue to represent approximately half of the TCO workload, with Victoria approximately 30% and Queensland consumers just over 20%.



The time period for the purposes of this report is limited to the last fifteen months and so ordinarily some long-term projections could be drawn just from this information. However, we would caution against this in the present circumstances where for significant parts of the period the impact of COVID-19 will necessarily affect the numbers. Also as stated, there are a number of unique and one-off factors in this quarter that added to the increased number of complaints in NSW. This will improve over time and be easier to assess after the COVID-19 impact, albeit that report 6 (the next report) it would seem should be affected by COVID-19 but hopefully to a much lesser extent.

However, in this short period of time, after a spike for the majority of providers in October 2019, the numbers for all toll road operators have started to decrease, with Linkt Brisbane and M5 South-West Motorway making the most rapid decline in numbers. It is not entirely clear on the data why in particular there was a spike in October 2019.

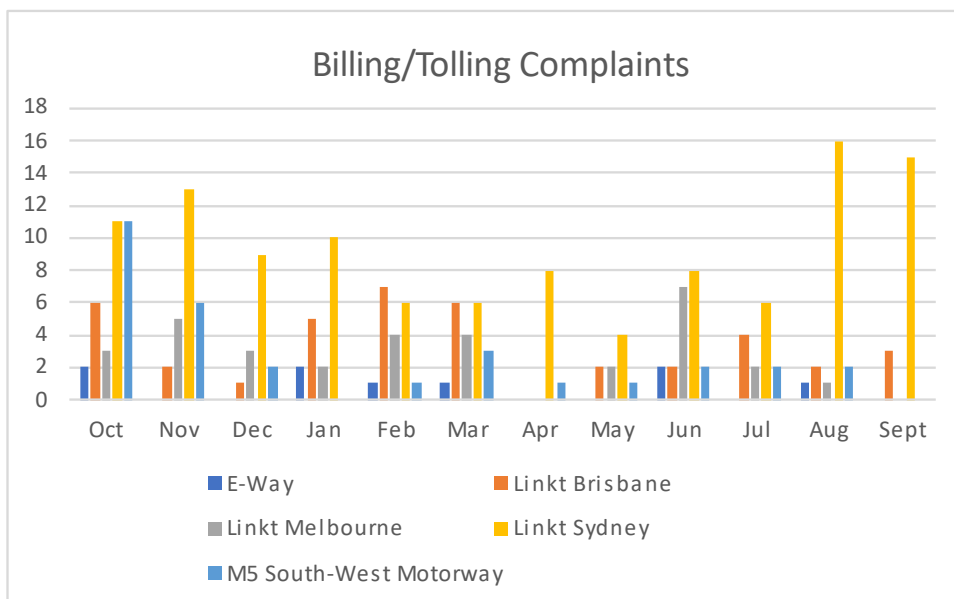
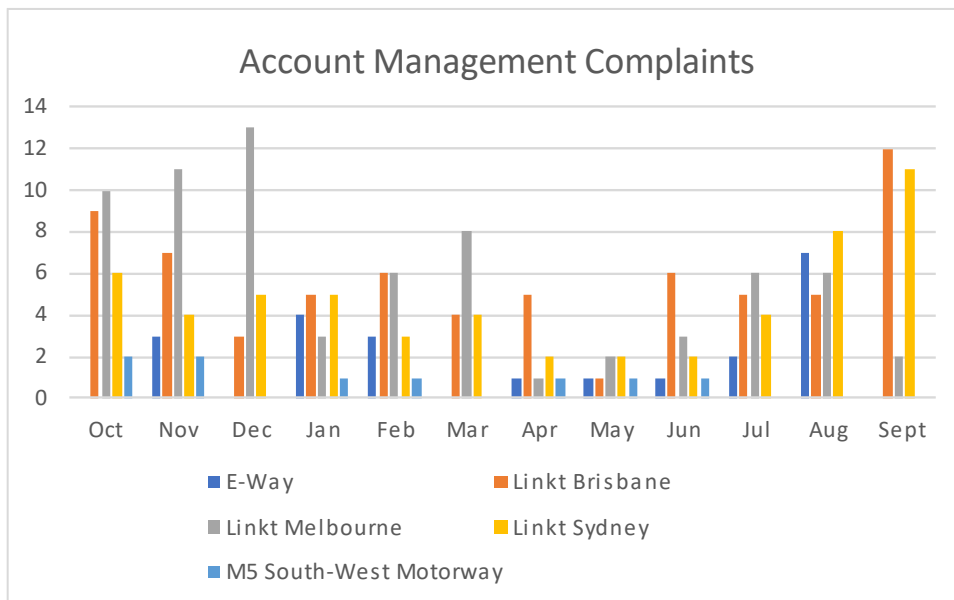
The total complaints of 126 made in the period July to September 2020 is an increase on the number of complaints in the previous quarter of 74, and more in accordance with the complaint numbers for the January to March 2020 of 120. It is important to note that the number of 74 complaints for the previous quarter is a historic low and reflects the significant impact COVID-19 had on all three States during that period. However, what is not entirely clear is the impact of COVID-19 on these numbers and in particular the matters contributing to a spike in the NSW numbers (see discussion earlier on the reasons for this). The spike in complaints in NSW, being 76, is somewhat significant as it represents a little over 60% of all complaints for the quarter, being 126. Although I do note for the period July to September 2019 the number of complaints from NSW was 69 out of a total of 126. Obviously, COVID-19 has had an impact in all jurisdictions, but has had a more significant impact in some jurisdictions. For example, the number of complaints in Victoria in July to September 2020 was similar to the number of complaints in Victoria during the period April to June 2020. In both these quarters, this was about half of the complaints in Victoria in the period January to March 2020. To complete the comparison analysis, the Queensland complaints for the July to September 2020 quarter are substantially similar to the Queensland complaints for the

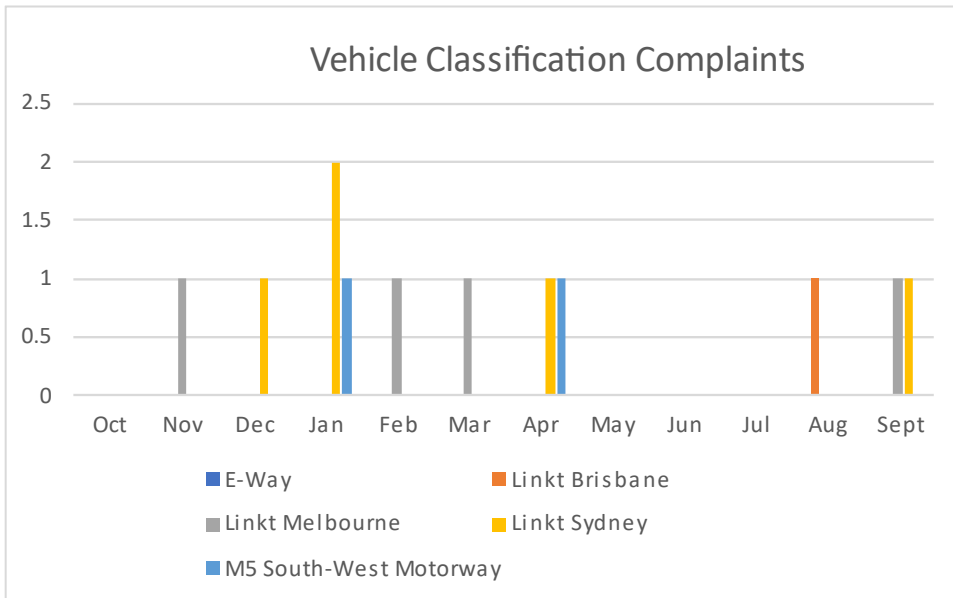
period January to March 2020. The numbers for these quarters were essentially double the figure for complaints in Queensland in the April to June 2020 quarter.

Given the small set of numbers for each, the graph makes things appear more volatile than they actually are. A longer-term data set is required.

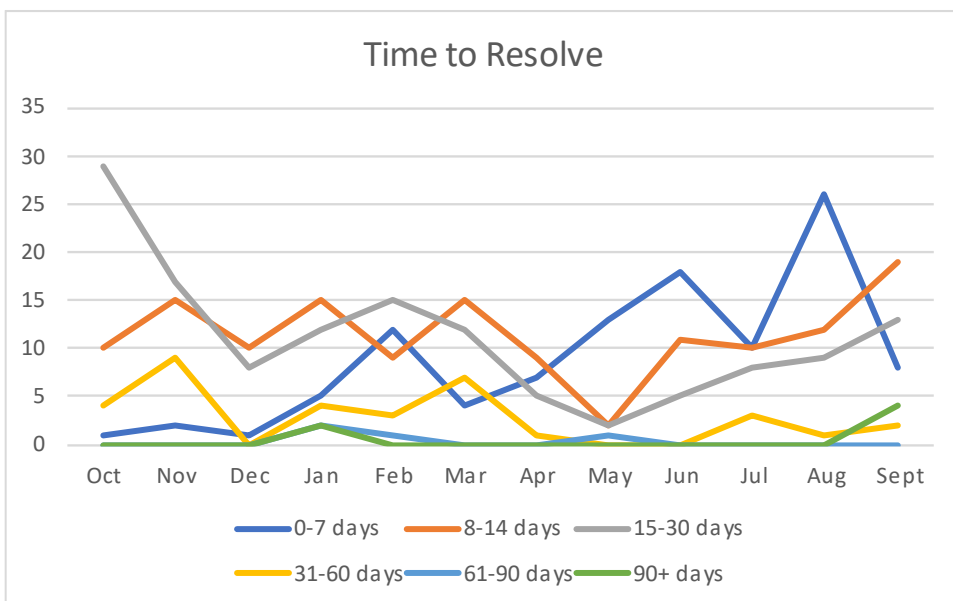
Generally, and historically, the TCO normally averages 1,000 complaints per year for the Toll Operators in the scheme and so would expect approximately 250 complaints per quarter. To receive 344 complaints in the last twelve-month period is a significant reduction on the number expected. However, I note again in the last nine months of this 12-month period the number of complaints has been impacted significantly by COVID-19. Nevertheless, all Tolling Operators should be commended on the continual improvements being made to their internal complaint resolution services.

Irrespective of location, the nature of the complaints remains essentially the same. The main issues relate to billing/tolling. This is most often the application of administrative fees or infringement fines, and whether these have been properly incurred.





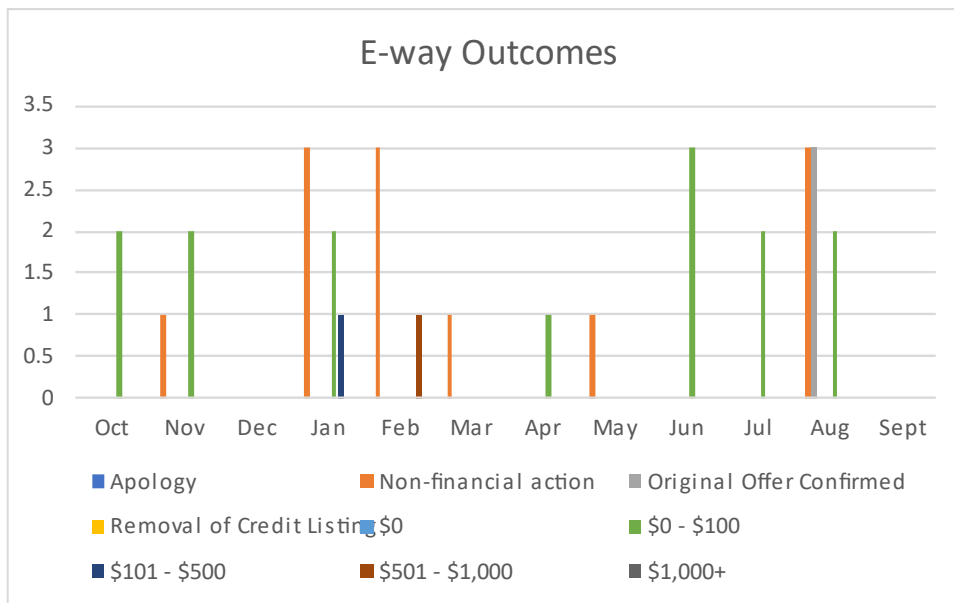
Often, once lodged, the complaints handled by the TCO are quickly resolved in discussions with the Tolling Operator.



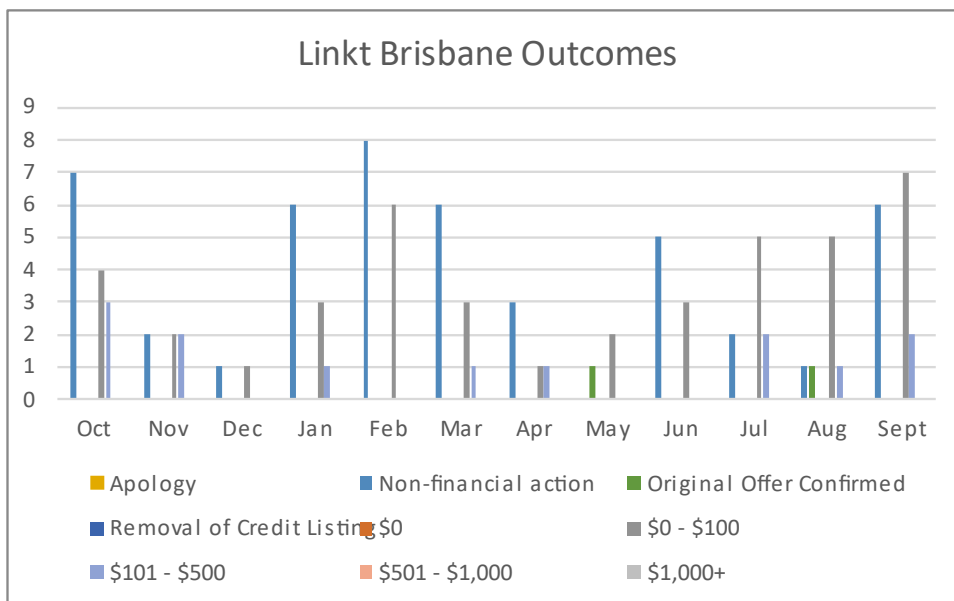
It is pleasing to note that the longer timeframes are generally coming down in comparison to September and October 2019, indicating a quicker time of resolution of complaints, particularly given the period includes various months where COVID-19 has had a detrimental impact on the psyche of consumers. In addition, pleasingly in this quarter the 31-60 days category has significantly been reduced and this is significantly better than the industry standard for internal dispute resolution, being allowed to take up to 45 days. This obviously needs to be monitored carefully. In the previous quarter of this report, there were a number of disputes that, in my view, took longer than usual to settle due to the anxiety of consumers because of COVID-19 and COVID-19 related financial issues. As discussed earlier, there was some angst from consumers about the tolling of M5 East and given that these matters took a little longer to resolve than usual. However, overall, in this quarter the number of days to resolve disputes is reducing, but obviously the hard work needs to continue to ensure this is a continuing trend.

Where a resolution is achieved, the outcome can range from non-financial actions (explanations, release of information, assistance with referrals, etc.) to an acceptance of an original offer to resolve, to updating a credit listing as paid or a removal of a credit listing due to extenuating circumstances, to a financial benefit from waiver of an amount of debt or a payment.

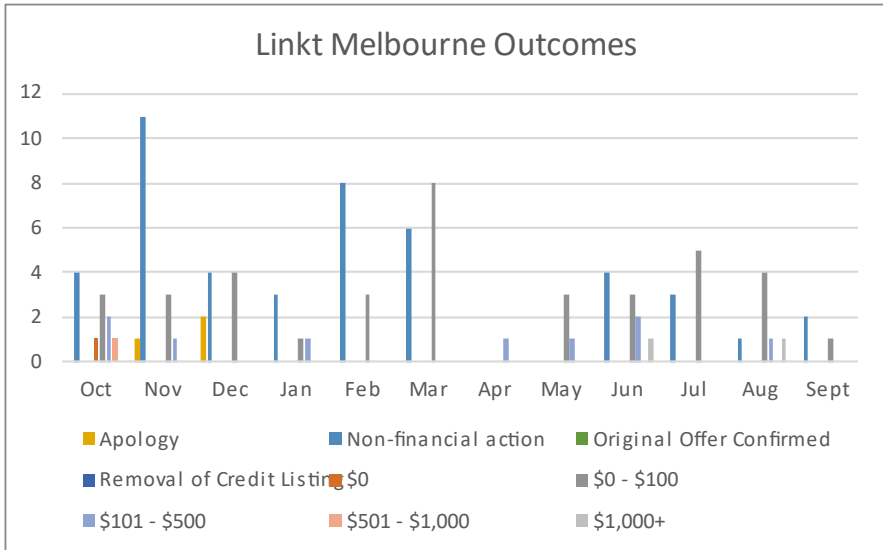
In some complaints, the financial benefit can be proportionally significant, but the instances of tens of thousands of dollars of debt are generally not able to be resolved through the TCO scheme as these levels of debt arise predominantly through the imposition of fines by State authorities, which are outside of the TCO jurisdiction.



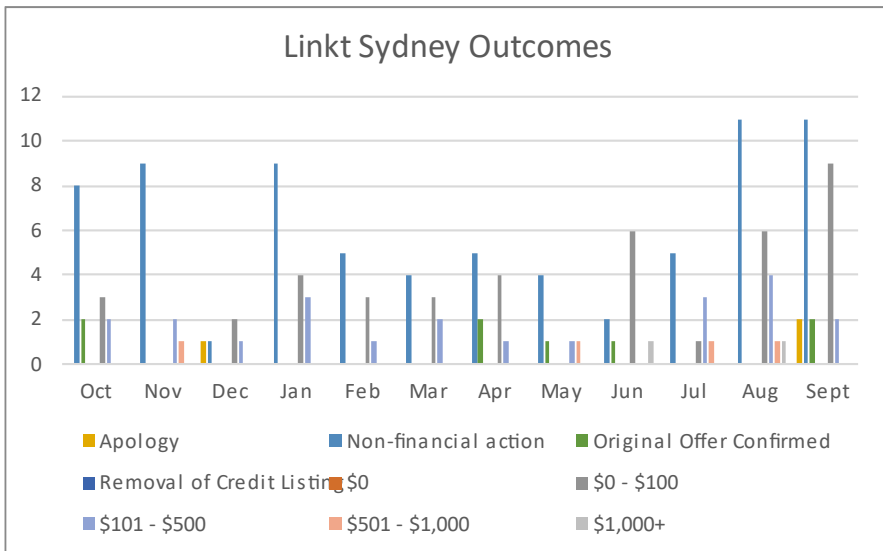
Due to the low numbers of complaints, data from E-way cannot be used to draw any conclusions at this stage.



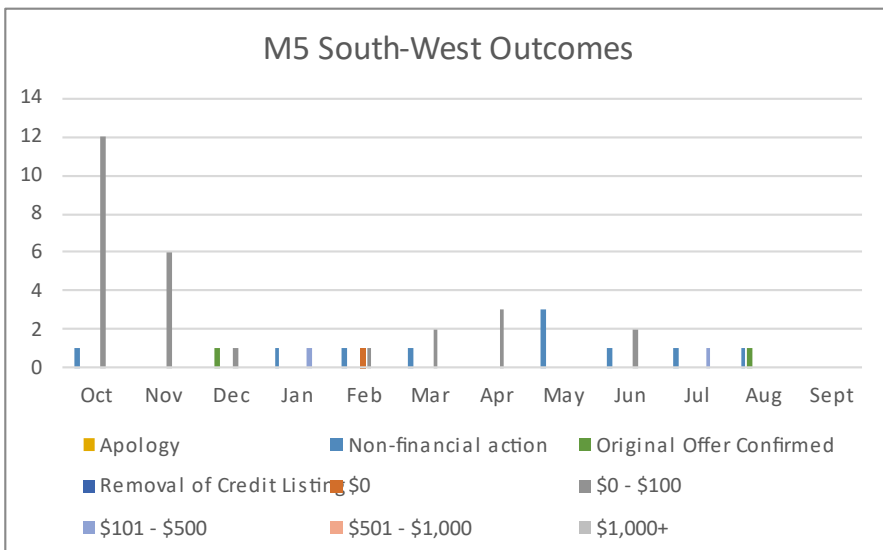
Due to the low numbers of complaints, data from Linkt Brisbane cannot be used to draw any conclusions at this stage.



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Due to the low numbers of complaints, data from M5 South-West Motorway cannot be used to draw any conclusions at this stage.

ISSUES

Efforts to contact consumers is a continuing common theme in the complaints. The consequence of this is that tolls and default notices are issued for debts which have been incurred a significant period of time before the complaint is raised. This, obviously, is a real source of frustration for consumers and anecdotally seems to be one particular factor that derogates against consumers wanting or to be willing to settle complaints or settle complaints in a timely fashion.

As noted in the last report, the consumer claims not to have received any correspondence about any non-payment and no contact is made with them. Where there are multiple letters sent, given the overall success rates for delivery by Australia Post, albeit their service delivery times for postage has increased over the period, the likelihood is that the correspondence reaches the location to which it is addressed.

The explanation is frequently that multiple attempts were made through a variety of media (email, post, telephone, SMS) but were unsuccessful. This is often attributed to a failure to update contact details with the relevant licencing authorities.

Outdated contact information could explain the lack of success in reaching relevant consumers. However, it appears that once debt collectors are engaged, the collection agency is quickly able to locate the consumer and make contact. This implies that the consumer can be reached through the application of different approaches.

The underlying cause of why collection agencies are able to quickly locate, and make contact with, consumers when the Tolling Operators have not been able to for long periods of time is something that Tolling Operators may wish to investigate in liaison with State authorities, who maintain the licencing information for drivers.

In my view, earlier follow up and negotiation on the debt incurred will result in a greater recovery rate, a more timely recovery rate and enhanced consumer satisfaction.

FUTURE REPORTING

This interim report is the fifth version of the enhanced reporting approach and will become more sophisticated over time. Reporting will also not merely look at a particular quarter for the reporting period (although the commentary will focus on the most recent trends), but will build on the data above to provide trend analysis over the longer term. It is important to note, however, that the next reporting period, being report 6, will still be impacted by COVID-19 and possibly on a less significant basis than for the present reporting period from July to September 2020, and certainly for the previous period from April to June 2020.

APPENDIX 1: RAW DATA

TCO Contact Types	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	
Phone Calls	10	3	14	5	7	10	6	8	11	15	19	10	
Faxes	0	0	0	0	0	0	0	0	0	0	0	0	
Personal Appointments	0	0	0	0	0	0	0	0	0	0	0	0	
Electronic	57	78	34	40	41	38	22	18	34	31	49	46	
TOTAL	67	81	48	45	48	48	28	26	45	46	68	56	
TCO Consumer Locations	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	
ACT	1	0	0	1	0	0	0	0	1	0	1	0	3
NSW	30	28	16	24	17	15	15	11	15	14	34	28	171
NT	0	0	0	0	0	0	0	0	0	0	0	0	0
QLD	12	8	4	9	10	9	5	3	8	11	8	15	68
SA	0	0	1	0	1	0	0	0	0	0	0	0	2
TAS	0	0	0	0	0	0	0	0	0	0	0	0	0
VIC	17	18	16	5	11	14	2	4	10	6	6	3	97
WA	0	0	0	0	0	0	0	0	0	0	0	0	0
Outside Australia	0	0	0	1	2	0	0	0	0	0	0	0	3
Complaint Numbers	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	
E-Way	2	3	0	6	4	1	1	1	3	2	8	0	21
Linkt Brisbane	15	9	4	10	14	10	5	3	8	9	8	15	78
Linkt Melbourne	13	17	16	5	11	14	1	4	10	8	7	3	91
Linkt Sydney	17	17	15	17	9	10	12	7	10	10	24	28	114
M5 South-West Motorway	13	8	2	2	3	3	3	3	3	2	2	0	40
TOTAL	60	54	37	40	41	38	22	18	34	31	49	46	344
Time Taken to Resolve	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	
0-7 days	1	2	1	5	12	4	7	13	18	10	26	8	
8-14 days	10	15	10	15	9	15	9	2	11	10	12	19	
15-30 days	29	17	8	12	15	12	5	2	5	8	9	13	
31-60 days	4	9	0	4	3	7	1	0	0	3	1	2	
61-90 days	0	0	0	2	1	0	0	1	0	0	0	0	
90+ days	0	0	0	2	0	0	0	0	0	0	0	4	
TOTAL	44	43	19	40	40	38	22	18	34	31	48	46	
E-way Outcomes	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	
Apology	0	0	0	0	0	0	0	0	0	0	0	0	
Non-financial action	0	1	0	3	3	1	0	1	0	0	3	0	
Original Offer Confirmed	0	0	0	0	0	0	0	0	0	0	3	0	
Removal of Credit Listing	0	0	0	0	0	0	0	0	0	0	0	0	

\$0	0	0	0	0	0	0	0	0	0	0	0	0
\$0 - \$100	2	2	0	2	0	0	1	0	3	2	2	0
\$101 - \$500	0	0	0	1	0	0	0	0	0	0	0	0
\$501 - \$1,000	0	0	0	0	1	0	0	0	0	0	0	0
\$1,000+	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL	2	3	0	6	4	1	1	0	3	2	8	0

Linkt Brisbane Outcomes	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept
Apology	0	0	0	0	0	0	0	0	0	0	0	0
Non-financial action	7	2	1	6	8	6	3	0	5	2	1	6
Original Offer Confirmed	0	0	0	0	0	0	0	1	0	0	1	0
Removal of Credit Listing	0	0	0	0	0	0	0	0	0	0	0	0
\$0	0	0	0	0	0	0	0	0	0	0	0	0
\$0 - \$100	4	2	1	3	6	3	1	2	3	5	5	7
\$101 - \$500	3	2	0	1	0	1	1	0	0	2	1	2
\$501 - \$1,000	0	0	0	0	0	0	0	0	0	0	0	0
\$1,000+	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL	14	6	2	10	14	10	5	0	8	9	8	15

Linkt Melbourne Outcomes	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept
Apology	0	1	2	0	0	0	0	0	0	0	0	0
Non-financial action	4	11	4	3	8	6	0	0	4	3	1	2
Original Offer Confirmed	0	0	0	0	0	0	0	0	0	0	0	0
Removal of Credit Listing	0	0	0	0	0	0	0	0	0	0	0	0
\$0	1	0	0	0	0	0	0	0	0	0	0	0
\$0 - \$100	3	3	4	1	3	8	0	3	3	5	4	1
\$101 - \$500	2	1	0	1	0	0	1	1	2	0	1	0
\$501 - \$1,000	1	0	0	0	0	0	0	0	0	0	0	0
\$1,000+	0	0	0	0	0	0	0	0	1	0	1	0
TOTAL	11	16	10	5	11	14	1	4	10	8	7	3

Linkt Sydney Outcomes	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept
Apology	0	0	1	0	0	0	0	0	0	0	0	2
Non-financial action	8	9	1	9	5	4	5	4	2	5	11	11
Original Offer Confirmed	2	0	0	0	0	0	2	1	1	0	0	2
Removal of Credit Listing	0	0	0	0	0	0	0	0	0	0	0	0
\$0	0	0	0	0	0	0	0	0	0	0	0	0
\$0 - \$100	3	0	2	4	3	3	4	0	6	1	6	9
\$101 - \$500	2	2	1	3	1	2	1	1	0	3	4	2
\$501 - \$1,000	0	1	0	0	0	0	0	1	0	1	1	0

\$1,000+	0	0	0	0	0	0	0	0	1	0	1	0
TOTAL	15	12	5	16	9	9	12	7	10	10	23	26

M5 Outcomes	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept
Apology	0	0	0	0	0	0	0	0	0	0	0	0
Non-financial action	1	0	0	1	1	1	0	3	1	1	1	0
Original Offer Confirmed	0	0	1	0	0	0	0	0	0	0	1	0
Removal of Credit Listing	0	0	0	0	0	0	0	0	0	0	0	0
\$0	0	0	0	0	1	0	0	0	0	0	0	0
\$0 - \$100	12	6	1	0	1	2	3	0	2	0	0	0
\$101 - \$500	0	0	0	1	0	0	0	0	0	1	0	0
\$501 - \$1,000	0	0	0	0	0	0	0	0	0	0	0	0
\$1,000+	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL	13	6	2	2	3	3	3	3	3	2	2	0

Account Management Complaints	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept
E-Way	0	3	0	4	3	0	1	1	1	2	7	0
Linkt Brisbane	9	7	3	5	6	4	5	1	6	5	5	12
Linkt Melbourne	10	11	13	3	6	8	1	2	3	6	6	2
Linkt Sydney	6	4	5	5	3	4	2	2	2	4	8	11
M5 South-West Motorway	2	2	0	1	1	0	1	1	1	0	0	0
TOTAL	27	27	21	18	19	16	10	7	13	17	26	25

Billing / Tolling Complaints	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept
E-Way	2	0	0	2	1	1	0	0	2	0	1	0
Linkt Brisbane	6	2	1	5	7	6	0	2	2	4	2	3
Linkt Melbourne	3	5	3	2	4	4	0	2	7	2	1	0
Linkt Sydney	11	13	9	10	6	6	8	4	8	6	16	15
M5 South-West Motorway	11	6	2	0	1	3	1	1	2	2	2	0
TOTAL	33	26	15	19	19	20	9	9	21	14	22	18

Vehicle Classification Complaints	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept
E-Way	0	0	0	0	0	0	0	0	0	0	0	0
Linkt Brisbane	0	0	0	0	0	0	0	0	0	0	1	0
Linkt Melbourne	0	1	0	0	1	1	0	0	0	0	0	1
Linkt Sydney	0	0	1	2	0	0	1	0	0	0	0	1
M5 South-West Motorway	0	0	0	1	0	0	1	0	0	0	0	0
TOTAL	0	1	1	3	1	1	2	0	0	0	1	2