

TCO Review

1 October to 31 December 2021

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Tolling Customer Ombudsman

STAKEHOLDER ENGAGEMENT ACTIVITIES AND MEASURES

An important part of the role of the TCO in addition to resolving and mediating disputes is stakeholder management and liaison and through this quarter the TCO has had numerous interactions with various key stakeholders. These interactions included, amongst other matters, appearance at a parliamentary inquiry, meetings and preparation for and attendance at the TCOL (Tolling Customer Ombudsman Limited) Annual General Meeting (AGM) and liaising with community and consumer groups.

In particular, during this period the TCO appeared at the New South Wales Legislative Council Inquiry into Road Tolling Regimes. Whilst this was a wide-ranging discussion, the specific topics that the Committee discussed with the TCO were as follows

- (1) Network-wide tolling reform for pricing consistencies.
- (2) Decision-point signage to give consumers choice (a pilot program has been previously undertaken in Melbourne).
- (3) Consolidated toll notices to reduce consumer charges.

The questions from the Committee to the TCO were from the perspective that it was an opportune time to consider ways which would further enhance the value that Sydney's toll roads create for consumers. This was in the context of being an appropriate time for a pragmatic assessment of Sydney's tolling regimes which have evolved over the years and become a variety of tolling methods and subsidies. The Committee also asked about the nature of the TCO scheme, the general nature of the disputes under that scheme, the general quantum of the disputes and the number of disputes per year under the scheme in New South Wales.

At the date of this report the Committee's findings are yet to be reported. The TCO will be monitoring any outcomes or recommendations coming out of the Inquiry's findings.

During this period, the TCO organised and had meetings with each of the applicable State Ombudsmen, being New South Wales, Queensland and Victoria. Given the present circumstances, the meetings with the New South Wales and Queensland Ombudsmen were virtual meetings, but the TCO met the Victorian Ombudsman in person. The meetings were important to further existing relationships, but also to discuss certain crossover issues between the TCO and the State Ombudsmen in respect to road tolling, consumer concerns generally and dealing with consumer concerns under a COVID-19 environment. In all discussions, it was agreed that to the extent possible the TCO should work closely with the Ombudsmen and continue to have dialogue about these issues.

In this period, TCOL prepared its inaugural Annual Report for the year ended 30 June 2021 and presented it to its Member at the AGM. The Annual Report included a copy of the Financials for the company for the year ended 30 June 2021. The Annual Report was endorsed by the Member at the AGM as well as a couple of minor consequential amendments to the TCOL Constitution.

The TCO will continue to openly engage with stakeholders, as an important part of the TCOL Strategic Plan is that the TCO engages with the various consumer groups in New South Wales, Victoria and Queensland. During this quarter, the TCO continued to raise his profile with these various groups, confirming and reiterating the work of the TCO under the scheme. The TCO in subsequent quarters will continue this engagement strategy with stakeholders.

INTRODUCTION

Operationally, during this period COVID-19 was continuing to have a substantial impact on consumers and travel on toll roads in all jurisdictions of New South Wales, Queensland and Victoria with varying degrees. Fortunately, later during this quarter the series of long-term lockdowns in all the States were discontinued. Victoria and New South Wales during this period were affected more than Queensland. The total figure of 99 claims in this quarter is relatively low, a minor reduction on the number of 101 in the October to December period in 2020. In Victoria in particular, the figure of 18 claims is the lowest figure for 12 months. In Queensland, the figure of 24 claims is relatively stable in terms of that state's figures for the last 12 months. The figure of 57 claims in New South Wales is substantially similar to the last quarter but still a significant reduction on the historic claim numbers for quarters before the effects of COVID-19. The figure of 393 claims nationally for the 12-month period was a historic low in terms of numbers of claims.

COMPLAINT RESOLUTION

The TCO has a quarterly reporting regime. This was implemented to address stakeholder feedback that trend analysis would be useful. This report provides data on the last 12 months (building on data already presented), being report 10. The TCO will keep presenting the prior 12 months of statistics on a rolling basis.

Additional information will be presented as our systems development 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.

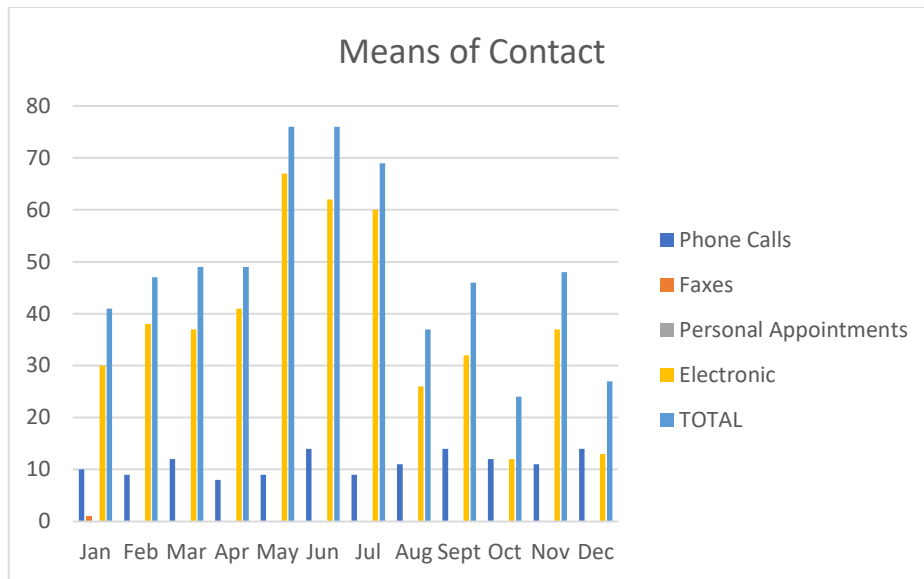
The TCO recognises that telephone contact is very important for some consumers and understands some consumers, when a dispute arises, would prefer and need to discuss or clarify issues over the telephone with the TCO. It continues to be important at this time to discuss matters over the telephone with consumers so as to assess what are the “hot button” issues for consumers and what consumers perceive to be systemic issues/problems in respect to their use of toll roads. Anecdotally, calls to the 1800 number remain steady and from all jurisdictions. However, the number of referrals required from the full-time office hours reception service (another response to recent constructive feedback) to the TCO has declined as customers are often able to receive a quick answer to their query from the service staff.

In recent interactions by consumers with the TCO, the TCO has been checking on whether the consumers found the making of the claim on the TCO website to be both easy and user-friendly. The feedback has been generally positive in this regard, but occasionally the TCO works through the process of lodging a claim over the telephone with consumers if that is what they require. In addition, to ensure the appropriate processes are followed, the TCO asks consumers whether they have sought to resolve the matter with the Linkt Customer Resolutions Team before they contacted the TCO to ensure that proper process is being followed.

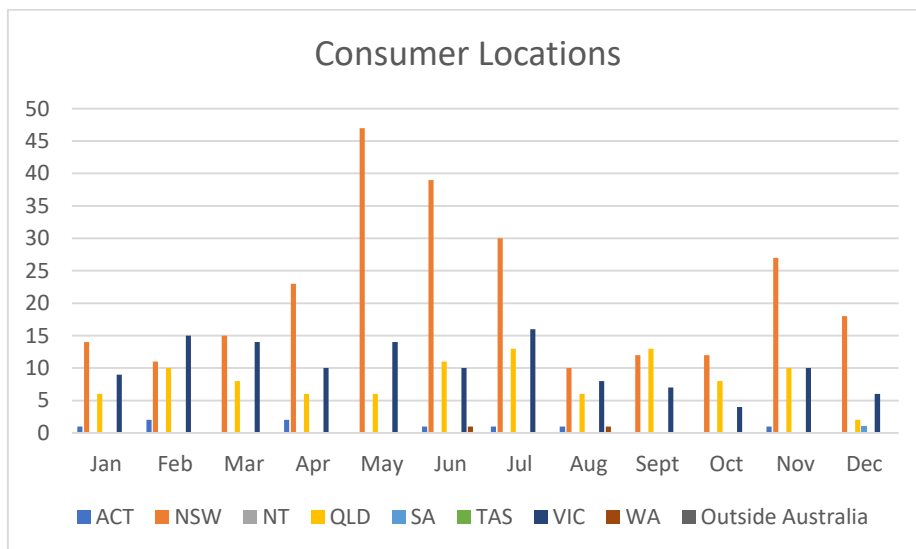
The TCO also made himself available to meet with consumers in person if required in Victoria, New South Wales and in Queensland where the TCO, subject to COVID-19 restrictions, is on the ground in Brisbane for two days per month. The TCO has also made himself available to meet with consumers by teleconference if that is more convenient for consumers.

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. Anecdotally, it would seem that COVID-19 has impacted on delivery times for Australia Post and particularly those that involve correspondence between states. This is a matter that has been raised with the TCO during telephone contact. These consumers tend to be elderly who either cannot use or do not have access to technology. There is also a small number of consumers who cannot afford the technology for email or internet. The TCO will continue to monitor this matter going forward.

The TCO meets with the Toll Operator every six months to discuss any “hot button” issues that, in the view of the TCO, are causing consumers concerns or any aspect of the Toll Operator’s processes or systems that have the potential to cause concerns for consumers. However, if systemic issues are identified and are causing concerns, the TCO will seek to meet with the Toll Operator as soon as possible and not wait for the six monthly meeting.

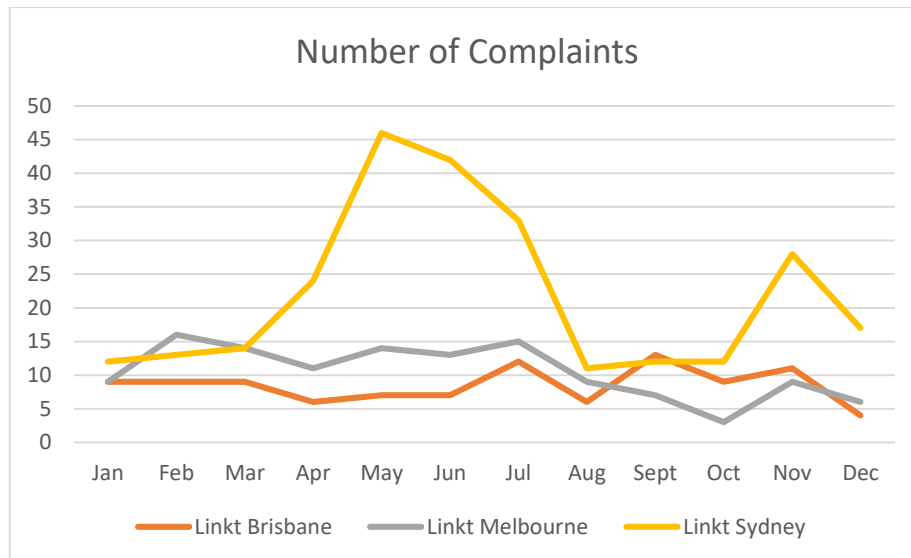


The TCO operates across three states in Australia – New South Wales, Queensland and Victoria.



Complaint information

In calendar year 2021 (ie 1 January to 31 December 2021 inclusive), 393 complaints were received. New South Wales consumers continue to represent approximately just over half of the TCO workload, with Victoria approximately 27% and Queensland consumers just over 20%. Last year Victoria was most impacted in terms of number of complaints, and therefore the percentage of Victorian complaints to total complaints was significantly down on previous years. However, in the first three quarters of this period, except for the present quarter, complaint numbers have been steadily increasing. The TCO anticipates, and the recent numbers seem to support this view, subject to any unusual COVID-19 impact, that in the next year the percentage of Victorian complaints to total complaints will go back to the historical percentage of about 30% of claims and the Queensland percentage will revert back to near 20% of total claims.



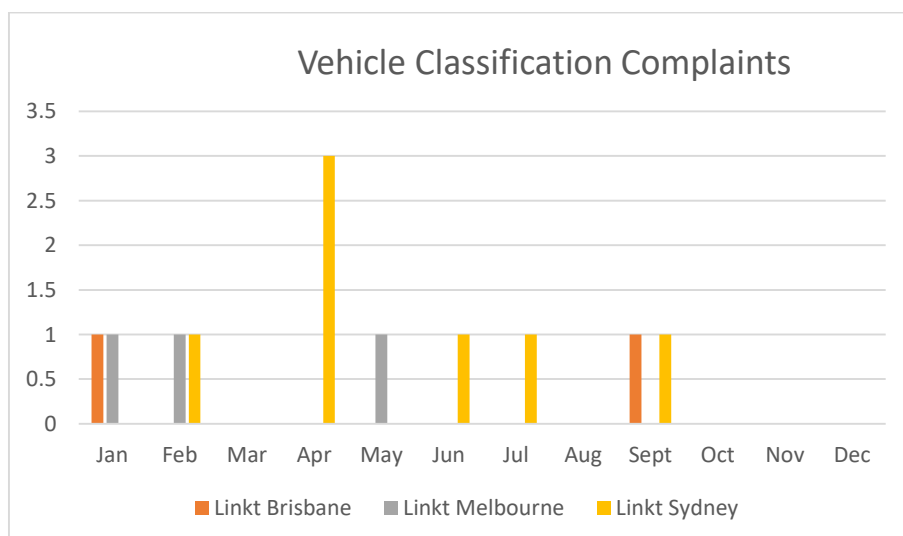
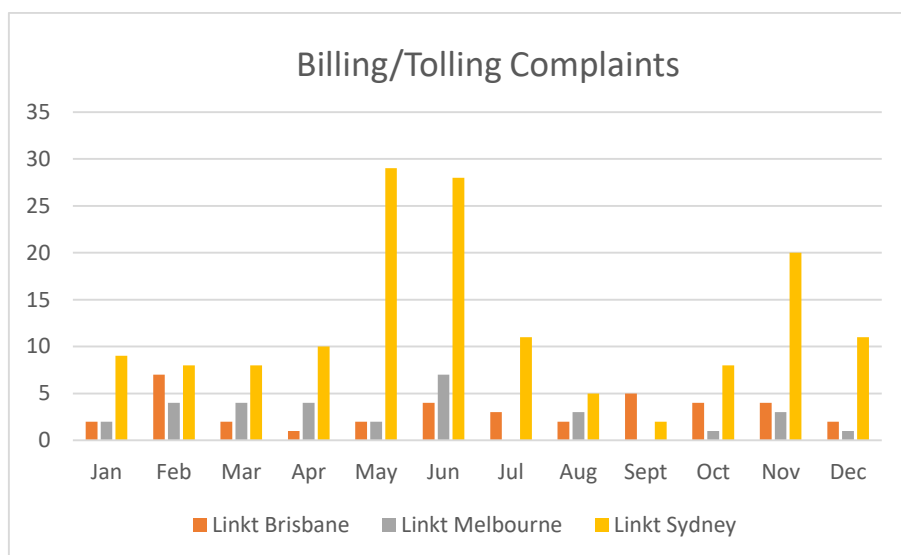
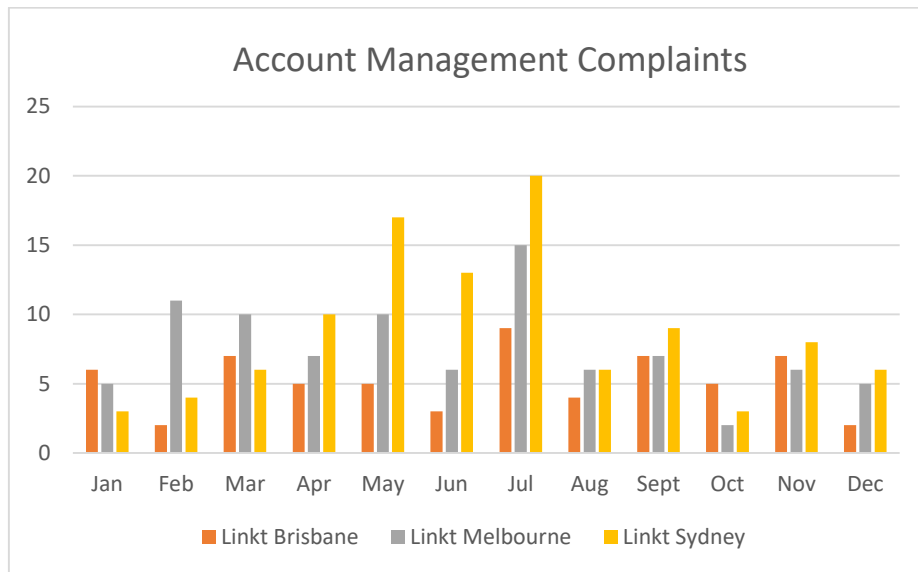
The time period for the purposes of this report is the last 24 months and so the view of the TCO is that some long-term projections can be drawn just from this information. However, it must be noted in that context that these conclusions must take into account significant parts of the period where the impact of COVID-19 will necessarily affect the numbers. No doubt this will improve over time and be easier to assess after the COVID-19 impact. Hopefully, report 11 (the next report) will be the first period in the last two years that is not significantly affected by COVID-19.

The total of 99 complaints made in the period 1 October to 31 December 2021 is a decrease on the number of complaints in the previous quarter. It is important to note, however, that this number of 99 complaints is well in excess of complaints for the April to June 2020 quarter being 74, which is a historic low and reflects the significant impact COVID-19 had on all three States during that period. However, what is not clear is the impact of COVID-19 on these numbers and, in particular, the matters contributing to a decrease in the New South Wales numbers (see discussion earlier on the reasons for this).

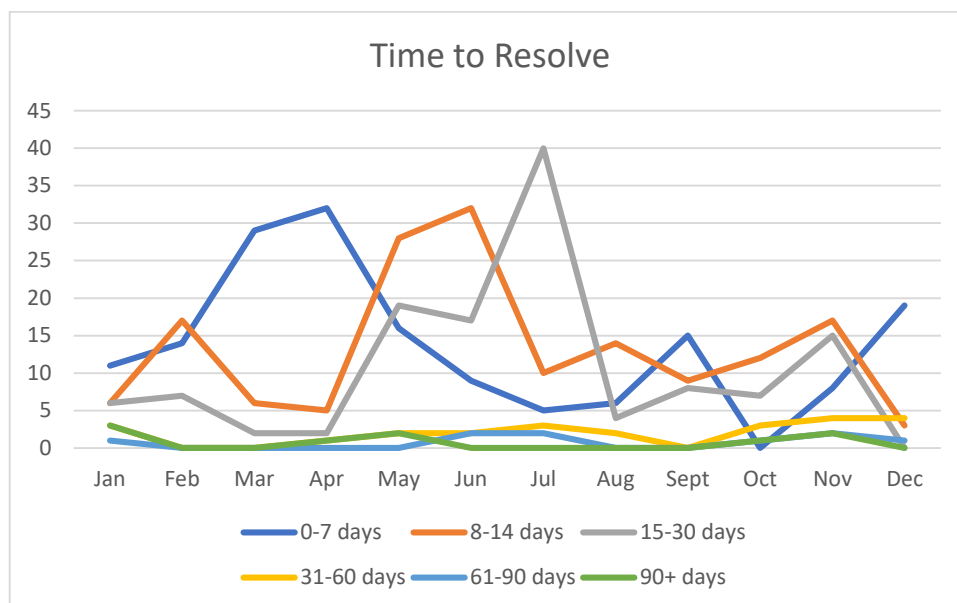
Obviously, COVID-19 still has had an impact in all jurisdictions, but has had a more significant impact in some jurisdictions. For example, the number of complaints in Victoria in the October to December 2021 quarter reduced significantly from the last two quarters. This figure is similar to the figures in Victoria during the stringent COVID-19 lockdown measures in some other quarters in 2020. To complete the comparison analysis, the Queensland complaints for October to December 2021 of 21 is substantially similar to the complaints in the previous quarters. This may be a reflection of the fact that Queensland was not subject to the same severe COVID-19 restrictions in this quarter as was the case in Melbourne and Sydney.

Generally, and historically, the TCO averages 1,000 complaints per year for the Toll Operator in the scheme and so would expect approximately 250 complaints per quarter. To receive 393 complaints in the last 12-month period is a significant reduction on the number expected. However, the TCO notes again in the last 12-month period the number of complaints has been impacted significantly by COVID-19. Nevertheless, the Toll Operator should be commended on the continual improvements being made to its 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.



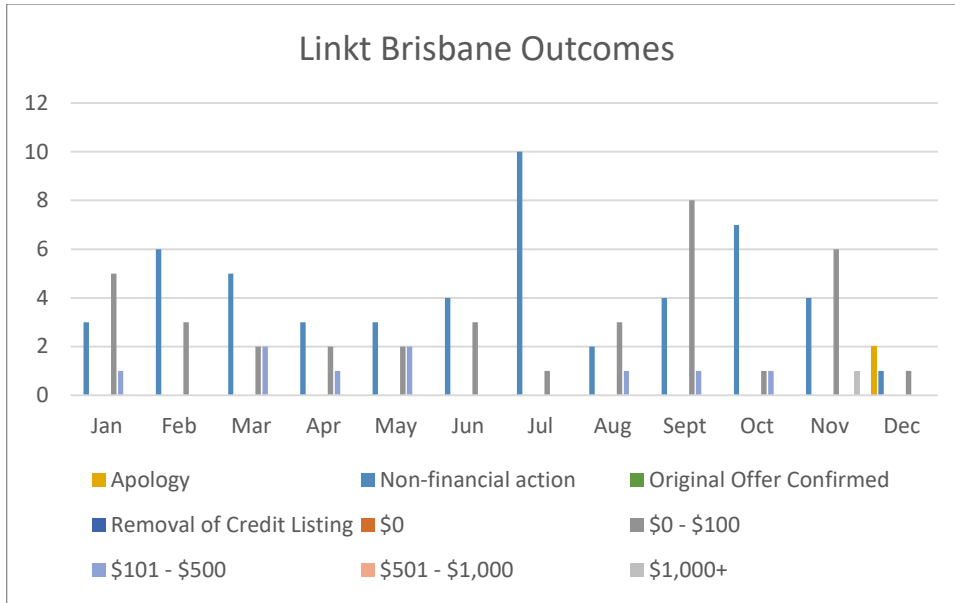
Often, once lodged, the complaints handled by the TCO are quickly resolved in discussions with the Toll Operator.



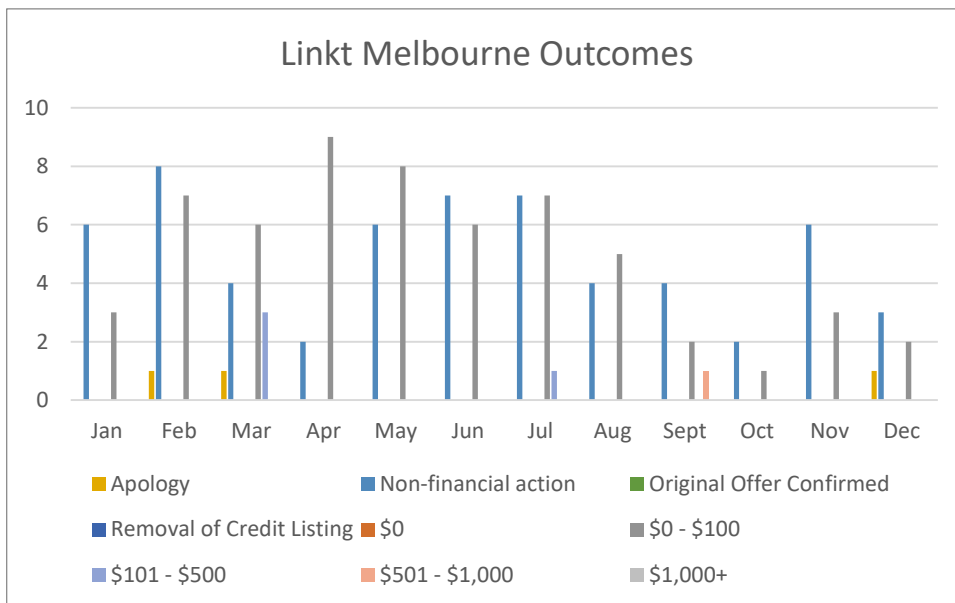
It is pleasing to note that the longer timeframes are generally coming down in comparison to late 2019 which tended to be more in the 30-60 day period, indicating a quicker time of resolution of complaints, particularly given the period includes various months where COVID-19 has had a detrimental impact on the psyche of consumers. In addition, pleasingly in this quarter the 31-60 days category has significantly been reduced and this is markedly 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 quarters there were a number of earlier disputes that took longer than usual to settle due to the anxiety of consumers because of COVID-19 and COVID-19 related financial issues. Overall, in this quarter the number of days to resolve disputes is reducing, but obviously 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.

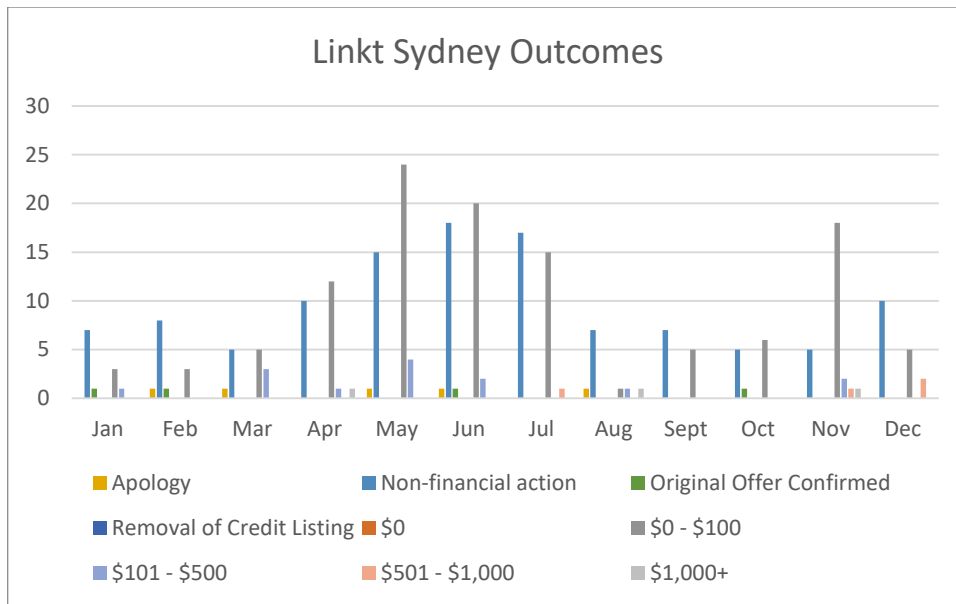
In some complaints, the financial benefit can be proportionally significant, but the instances of tens of thousands of dollars of debt are generally not able to be resolved through the TCO scheme as these levels of debt arise predominantly through the imposition of fines by State authorities, which are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



Given the data from Linkt Brisbane is now for more than 12 months, some conclusions can be drawn from the information. That is, the number of complaints is relatively steady and that the numbers in respect to disputes are at the relatively minor end of the scale.



Given the data from Linkt Melbourne is now for more than 12 months, some conclusions can be drawn from the information. That is, the number of complaints in 2020 was generally down for the most part of 2020 due to COVID-19 restrictions, but for 2021 the number of complaints is moving more towards historical levels, albeit slowly. This last quarter, the number of claims is, however, relatively low.



Given the data from Linkt Sydney is now for more than 12 months, some conclusions can be drawn from the information. That is, the number of complaints in 2020/2021 was generally down from the historical numbers, but less than for other jurisdictions. In the most recent quarter, complaints were substantially similar to the previous quarter, but a reduction on the usual numbers. However, the TCO considers the reason for that is the severity of the New South Wales lockdown, whereas in 2020 they had no long-term lockdowns. Once the impact of COVID-19 is reduced, it is likely the number of disputes will be near historic levels.

ISSUES

Efforts by the Toll Operator 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 over 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 being willing to settle complaints or settle complaints in a timely fashion.

As noted in the various reports over the last 24 months, 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 Toll Operator has not been able to for long periods of time is

something that the Toll Operator may wish to investigate in liaison with state authorities, who maintain the licencing information for drivers.

As a general observation, once a debt collection agency is involved in dealing with consumers the anxiety level of the consumer rises considerably.

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 report is the 10th version of the enhanced reporting approach and will become more sophisticated over time. Reporting is not merely focused at a particular quarter in a particular 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. As discussed earlier, hopefully the next reporting period, being report 11, will not be significantly impacted by COVID-19. However, if it is, it will hopefully be on a less significant basis than for the period from March 2020 to 31 December 2021.

APPENDIX 1: RAW DATA 2021

TCO Contact Types	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
Phone Calls	10	9	12	8	9	14	9	11	14	12	11	14
Faxes	1	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	30	38	37	41	67	62	60	26	32	12	37	13
TOTAL	41	47	49	49	76	76	69	37	46	24	48	27

TCO Consumer Locations	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	
ACT	1	2	0	2	0	1	1	1	0	0	1	0	8
NSW	14	11	15	23	47	39	30	10	12	12	27	18	201
NT	0	0	0	0	0	0	0	0	0	0	0	0	0
QLD	6	10	8	6	6	11	13	6	13	8	10	2	79
SA	0	0	0	0	0	0	0	0	0	0	0	1	0
TAS	0	0	0	0	0	0	0	0	0	0	0	0	0
VIC	9	15	14	10	14	10	16	8	7	4	10	6	103
WA	0	0	0	0	0	1	0	1	0	0	0	0	2
Outside Australia	0	0	0	0	0	0	0	0	0	0	0	0	0

Complaint Numbers	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	
Linkt Brisbane	9	9	9	6	7	7	12	6	13	9	11	4	78
Linkt Melbourne	9	16	14	11	14	13	15	9	7	3	9	6	108
Linkt Sydney	12	13	14	24	46	42	33	11	12	12	28	17	207
TOTAL	30	38	37	41	67	62	60	26	32	24	48	27	393

Time Taken to Resolve	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	
0-7 days	11	14	29	32	16	9	5	6	15	0	8	19	164
8-14 days	6	17	6	5	28	32	10	14	9	12	17	3	127
15-30 days	6	7	2	2	19	17	40	4	8	7	15	0	105
31-60 days	3	0	0	1	2	2	3	2	0	3	4	4	13
61-90 days	1	0	0	0	0	2	2	0	0	1	2	1	5
90+ days	3	0	0	1	2	0	0	0	0	1	2	0	6
TOTAL	30	38	37	41	67	62	60	26	32	24	48	27	

Linkt Brisbane Outcomes	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
Apology	0	0	0	0	0	0	0	0	0	0	0	2
Non-financial action	3	6	5	3	3	4	10	2	4	7	4	1
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	0	0	0	0	0	0	0	0	0	0	0	0
\$0 - \$100	5	3	2	2	2	3	1	3	8	1	6	1

\$101 - \$500	1	0	2	1	2	0	0	1	1	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	1	0
TOTAL	9	9	9	6	7	7	11	6	13	9	11	4

Linkt Melbourne Outcomes	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
Apology	0	1	1	0	0	0	0	0	0	0	0	1
Non-financial action	6	8	4	2	6	7	7	4	4	2	6	3
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	0	0	0	0	0	0	0	0	0	0	0	0
\$0 - \$100	3	7	6	9	8	6	7	5	2	1	3	2
\$101 - \$500	0	0	3	0	0	0	1	0	0	0	0	0
\$501 - \$1,000	0	0	0	0	0	0	0	0	1	0	0	0
\$1,000+	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL	9	16	14	11	14	13	15	9	7	3	9	6

Linkt Sydney Outcomes	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
Apology	0	1	1	0	1	1	0	1	0	0	0	0
Non-financial action	7	8	5	10	15	18	17	7	7	5	5	10
Original Offer Confirmed	1	1	0	0	0	1	0	0	0	1	0	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	3	3	5	12	24	20	15	1	5	6	18	5
\$101 - \$500	1	0	3	1	4	2	0	1	0	0	2	0
\$501 - \$1,000	0	0	0	0	0	0	1	0	0	0	1	2
\$1,000+	0	0	0	1	0	0	0	1	0	0	1	0
TOTAL	12	13	14	24	44	42	33	11	12	12	27	17

Account Management Complaints	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
Linkt Brisbane	6	2	7	5	5	3	9	4	7	5	7	2
Linkt Melbourne	5	11	10	7	10	6	15	6	7	2	6	5
Linkt Sydney	3	4	6	10	17	13	20	6	9	3	8	6
TOTAL	14	17	23	22	32	22	44	16	23	10	21	13

Billing / Tolling Complaints	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
Linkt Brisbane	2	7	2	1	2	4	3	2	5	4	4	2
Linkt Melbourne	2	4	4	4	2	7	0	3	0	1	3	1
Linkt Sydney	9	8	8	10	29	28	11	5	2	8	20	11
TOTAL	13	19	14	15	33	39	14	10	7	13	27	14

Vehicle Classification Complaints	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
Linkt Brisbane	1	0	0	0	0	0	0	0	1	0	0	0
Linkt Melbourne	1	1	0	0	1	0	0	0	0	0	0	0
Linkt Sydney	0	1	0	3	0	1	1	0	1	0	0	0
TOTAL	2	2	0	3	1	1	1	0	2	0	0	0