



**PUBLIC TRANSPORT OMBUDSMAN RESPONSE
INDEPENDENT SCHEME REVIEW**

FEBRUARY 2015

In June 2014 the Public Transport Ombudsman (PTO) engaged CameronRalph Navigator to conduct an independent review of the PTO Scheme. This review was undertaken five years after the previous performance review, which is in-line with the Scheme's Constitution. The review mainly focuses on whether or not the Scheme complies with the Benchmarks for Industry-based Customer Dispute Resolution Schemes (the National Benchmarks) which are;

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

In December 2014 the PTO Board received the final report of the independent review, which found that the PTO operates in a manner that meets the National Benchmarks.

The Board is very pleased that this review found the PTO to be a well-managed organisation that is working co-operatively with Operators to provide a good practice complaints resolution service that enhances the public transport system effectiveness.

The Board welcomed the recommendations and the Board's preliminary responses to each recommendation are provided. The Board is especially pleased to note that the recommendations represent improvement opportunities that align well to the PTO's current strategic plan.

Richard Allsop
Chair
Public Transport Ombudsman Ltd

Responses to recommendations

Awareness and accessibility for consumers

Recommendation 1

The PTO should work with the PTV and other Operators with a view to establishing expectations that Operators display posters in trains, trams, buses, railway stations and depots that make customers aware of the availability of the complaints handling process including the PTO's role in that process.

This recommendation is partially accepted. The PTO will discuss with Operators and PTV a program of direct awareness on or at transport assets in-line with PTO's current Board approved *Member Awareness Policy*. Additionally, the PTO will investigate the engagement of a market research organisation to assist the PTO in developing a longer-term strategic awareness campaign which ensures greater awareness of the PTO function using a targeted approach. The PTO Board will then review the Member Awareness policy in-line with the strategic awareness campaign once developed.

Recommendation 2

The PTO should continue to encourage Operators to participate with the PTO in complaints handling awareness building presentations. For example, if the PTO is making a regional presentation, the PTO should invite V/Line to participate. This would help to ensure that internal dispute resolution is pursued by complainants before they access the PTO.

This recommendation is accepted and follows on from the initiatives of 2014 where a number of rural outreach events took place that were also attended by various Operators. A calendar of events for 2015 will be developed and where appropriate, the PTO will continue to look for opportunities to collaborate with Operators to raise awareness of both the PTO and the Operators own internal dispute resolution pathways.

Recommendation 3

In its next round of complainant surveying, the PTO should identify complainants whose complaint was previously considered by the PTV Customer Advocate and test whether that step was perceived as adversely affecting the ease of access to the PTO. In particular, it will be important to test whether these complainants were aware that they could have bypassed the PTV Customer Advocate step and whether they elected to go to the PTV Customer Advocate understanding the difference between it and the PTO. If surveying suggest grounds for concern, the PTO should work with the PTV and other Operators with a view to devising communication strategies to address the concerns.

This recommendation is accepted. The PTO will liaise with Operators so that when the strategies outlined to address recommendations 1 and 2 are employed, they are also executed in a manner which is sufficiently clear about the distinction between the internal processes employed by PTV and the impartial external dispute resolution function performed by The PTO.

Improved operational efficiency

Recommendation 4

The PTO should challenge itself to reduce the 'tail' of complaints by progressively introducing more stringent key efficiency measures for investigated complaints. The aim should be to achieve preferably by 2015/16 75% of investigated complaints finalised within 45 days and 85% of investigated complaints finalised within 60 days.

This recommendation is accepted in principle and these measures will be a key benchmark for complaints closed on a conciliated outcome. The PTO will always be mindful that fair and reasonable outcomes should not be compromised for the sake of meeting efficiency targets, however the PTO recognises the importance of expeditiousness in its processes and will improve case progression monitoring and complaint handling through training and development initiatives.

Strengthen stakeholder relationships

Recommendation 5

The PTO should consult with the Operators to see if they would like their periodic reporting to include trend analysis and if so the types of information that would be valued. If the feedback suggests this is appropriate, the PTO should be willing to tailor its reporting to meet Operators' needs. If necessary, a charge could be made for extra reporting to an Operator on a cost recovery basis.

This recommendation is accepted and the PTO will invite Operators to a workshop to collaboratively develop improved reports.

Recommendation 11

- a) *The PTO should ensure that the regularity of its operational-level one-on-one meetings with Operators is maintained and reported on to the Board.*
- b) *Where the PTO makes a change in process, it should develop a multi-faceted strategy (email, the On Track newsletter and face to face meetings) to communicate to Operators the change and the reason for the change.*

This recommendation is accepted. The PTO will generate a more formal stakeholder engagement plan to ensure regular meetings are maintained and all PTO communications are shared at appropriate and/or various points throughout Operator organisations.

Recommendation 12

The PTO should continue its current level of engagement with community organisations to build understanding of the PTO's role and to build PTO understanding of the issues involving the disadvantaged

When considering with recommendations in this report regarding PTO awareness, and the recommendations made in the Productivity Commission Inquiry Report 2014: Access to Justice Arrangements, which specifically suggests Ombudsman Schemes reach-out directly to disadvantaged groups, the PTO believes it should consider an increase its level of engagement with particular community organisations; however, the PTO will examine community awareness through research first as outlined in the response to recommendation 1

Systemic Issues

Recommendation 6

The PTO should work to increase Operator understanding of its revised Systemic Issues Policy, for example, emailing this to Operators with a short summary, referring to it in one-on-one meetings and explicitly referring to it when systemic issues are referred to Operators.

This recommendation is accepted in principle and The PTO will look for ways to engage Operators in the purpose of the PTO's role in identifying Systemic Issues. The PTO believes it can be more specific in defining and classifying systemic issues so that information published on systemic issues does not over, or under, represent the impact of the issue to consumers.

Recommendation 7

Where the PTO's complaints work highlights important general themes, the PTO should continue to contribute these to the public domain through a special purpose public report developed in consultation with all Operators. Given the PTV's role as transit authority with responsibility for systemic improvement, the PTO should also work closely with the PTV when framing PTO suggestions for future direction.

This recommendation is accepted in principle. The PTO will seek greater collaboration with Operators when publishing general findings resulting from the analysis of its data, particularly in relation to any recommendations the PTO makes regarding improvements to the system.

Governance

Recommendation 8

The PTO should discuss with the Minister's Office the issues we have raised concerning Consumer Director appointments, with a view to developing a framework for the appointment of future Consumer Directors that includes staggered appointment dates, longer terms and more Board diversity

This recommendation is accepted. The PTO will discuss a broad proposal for the appointment of Consumer Directors which mirrors the staggering of appointments that has been established for the appointments of Industry Directors with the Minister.

PTO Management

Recommendation 9

The PTO Board and new Ombudsman should monitor staff turnover and develop strategies to promote staff continuity.

This recommendation is accepted. The PTO will look at a number of positive workplace practices that lead to increased staff engagement. The PTO will also undertake a review to ensure the organisation is reasonably competitive within its field.

Recommendation 10

The PTO should develop and document a comprehensive office-wide training plan that includes initiatives to build industry specific knowledge (including by undertaking site visits to Operators), legal knowledge and general complaints handling skills (including to promote a constructive approach to both parties to the complaint). The plan should continue to include participation by the Ombudsman and Operations Manager in ombudsman conferences. Given the turnover in staff, the Board should be prepared to add to this year's Professional Development budget (if necessary by dipping slightly into reserves) to fund the training plan.

This recommendation is accepted. The 14/15 Budget allowance is sufficient for current activities however, a more planned approach will be taken for all staff development by the PTO for 15/16 and an increased investment will be recommended within the 15/16 budget.

Recommendation 13

The Board should ensure that the PTO's future funding is sufficient – and that stakeholders will see it as sufficient - to address the issues we have identified.

This recommendation is noted and the PTO will ensure that Operators are provided with appropriate information and rationale for the funding sought by PTO. In particular the PTO will ensure that the linkages between the organisation's strategic objectives and the annual budget are well articulated.