



PUBLIC  
TRANSPORT  
OMBUDSMAN  
LIMITED  
**ANNUAL  
REPORT**

2013



# About the PTO

The Public Transport Ombudsman Limited (PTO) is a not for profit, independent dispute resolution body, providing a free, fair, informal and accessible service for the resolution of complaints about Victorian public transport operators, who are members of the PTO scheme.

We can handle most public transport related issues, including service delivery, ticketing, infrastructure and rolling stock, land, Authorised Officers, operator staff and contractors.

Before we can investigate a complaint, the consumer must have raised it with the operator. We will provide impartial advice, information and referral in response to enquiries and complaints that haven't been raised with the operator.

Our aim is to investigate and resolve cases quickly and informally. When helping consumers and operators to negotiate a resolution, we take into account what is fair and reasonable, good industry practice and the law.

The PTO has an important role in identifying and resolving systemic issues arising from enquiries and complaints. Where appropriate, we may refer systemic issues to the relevant transport operator, industry regulator, government department or the Minister for Public Transport.

We work with operators, regulators and consumer groups to drive customer service improvements and help prevent the cause of complaints. Public reporting on public transport complaints, issues and trends is a key part of our role and can be a catalyst for process and system improvements.

Our policies, processes and corporate governance comply with the Benchmarks for Industry-Based Customer Dispute Resolution Schemes (DIST Benchmarks). The DIST Benchmarks are currently being reviewed by the Commonwealth Consumer Affairs Advisory Council.

## PTO Members

- Public Transport Victoria (PTV)
- BusVic
- Metro Trains Melbourne (Metro)
- Southern Cross Station
- Transdev Melbourne
- V/Line
- VicTrack
- Yarra Trams

## Membership changes

- The Transport Ticketing Authority ceased to be a Member on 31 December 2012 when it was wound up and PTV became responsible for myki.
- From 4 August 2013, Transdev Melbourne, took over the delivery of 30% of Melbourne bus services and became a Member of the PTO scheme.

## Our mission

The mission of the Public Transport Ombudsman (PTO) is to receive, investigate and facilitate the resolution of complaints and disputes between users of public passenger transport services in Victoria and Members of the PTO scheme, where the public transport operators have been unable to resolve the complaint in the first instance.

Our mission is founded on principles of independence, natural justice, access, equity, effectiveness, accountability and community awareness.

## Our values

### Excellence

**Quality focused, Accountable, Responsive, Accurate**

We strive for excellence because we value what we do.

### Integrity

**Open, Confident, Strong, Committed**

We are transparent, honest and consistent.

### Leadership

**Inspired, Creative, Courageous, Effective**

We lead through encouragement, guidance and innovation.

### Respect

**Empathic, Considerate, Honest, Fair**

We treat ourselves and others with dignity.

### Independence

**Equitable, Reasonable, Consistent, Transparent**

We are impartial and objective.



**4,377**

Cases received

**6,485**

Issues registered

Cases finalised

**90%** within 31 days

Complaints investigated  
and finalised

**708** complaint investigations

**1,381** complaint issues

**88%** resolved by agreement

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# Chair's Report



This year has been a particularly busy one for the PTO, with an increasing caseload and the need to respond to changes in the administrative structure of public transport in Victoria.

The PTO's case volumes increased from 3,555 in 2011/2012 to 4,377 in 2012/2013. This was partly due to the ongoing roll-out of myki, as well as rising case volumes of transport operators.

Despite the increased work load, the PTO did not increase staff numbers, which was a credit to Ombudsman, Janine Young, and the dedicated and hardworking staff of the PTO. They deserve much credit for their ability to maintain very high quality standards in the face of rising caseloads.

The establishment of Public Transport Victoria (PTV) in April 2012 necessitated a thorough re-evaluation of procedures in order to set up new protocols and reporting mechanisms across the entire scheme. On 2 April 2013 PTV was confirmed as a member of the PTO scheme. Its expanded responsibility includes myki, since the winding-up of the Transport Ticketing Authority on 31 December 2012.

The 2012/2013 PTO budget was formulated in the knowledge that the PTO's cash reserves would need to be utilised, as the agreed member levies would not cover expenses. Prudent use of resources by the Ombudsman meant that the amount required from these reserves was smaller than budgeted. Pleasingly, members accepted that the 2013/2014 budget would need to be fully-funded to avoid further use of cash reserves. It has been one of the Board's priorities in the past year to improve dialogue between PTO and members and the improved budget approval process signals that this work has paid dividends.

The only change to the composition of the Board in the past 12 months has been the resignation of Industry Director Rob Barnett. Rob made a very valuable contribution to the Board in the two and a half years he was a member. It was a pleasure to welcome Chris Lowe back to the Board as Rob's replacement.

Board members attended a number of events designed to further their effectiveness, including an Institute of Company Directors' workshop and a forum with other industry scheme directors.

The PTO's case volumes increased from 3,555 in 2011/2012 to 4,377 in 2012/2013.

In recognition of Janine Young's excellent work as Ombudsman in the three years since her initial appointment, she has been reappointed for a further term of five years.

The year ahead will undoubtedly be another challenging one. The Board and Ombudsman will continue to work with all PTO scheme members to adapt to our changing public transport environment, while ensuring that the PTO continues to meet its obligations to Victorian commuters by dealing fairly and efficiently with all cases. This includes welcoming a new member, Transdev Melbourne, which from 4 August 2013 took on the operation of around 30 per cent of Melbourne's bus services, including smart bus routes.

On behalf of the Board, I am pleased to present this Annual Report for the year ended 30 June 2013 and would like to thank all those who provided support to the PTO scheme during the past year.

**Richard Allsop**

*Chair  
Public Transport Ombudsman Limited*

# Ombudsman's Report



This has been a pivotal year in the PTO's history. We commenced 2012/2013 facing critical funding issues. My office was receiving a record number of complaints, which required additional resources to ensure they could be handled effectively and efficiently.

## **Budget, case number monitoring and review**

From the beginning of 2012 case volumes were trending upwards and we forecast case receipt of 6,000 in 2012/2013. We identified that without a significant improvement in operator internal dispute resolution processes, it was unlikely that we would experience a decrease in case volume.

So we focused on working with PTO Members to draw their attention to the systemic issues and drivers of complaints. Positively, they took on our advice and directed resources towards improving their complaint handling and fixing the root causes of their complaints. We also reviewed our web content to make it easy for consumers to understand the primary role of Member's complaint processes.

As a result of our work, a number of the key causes of complaints were resolved. By October 2012 we saw case numbers begin to trend downwards and as a result, we received 4,377 cases in 2012/2013 rather than the forecast 6,000.

At times, the relationship between the PTO and the Transport Ticketing Authority (TTA) was challenged by systemic issues which we considered raised potential non-compliance with the Australian Consumer Law and contract law. We provided TTA with clear advice about how the cause of those complaints could be resolved, however it took TTA some time to accept our views and begin to implement changes to policies, processes and information provision. Our work with the TTA meant that it resolved a number of serious systemic issues during that period and fewer consumers required the PTO's services.

Importantly, we completed the year within the budget that was set – a significant achievement.

We agreed with Members to review the budget at the November 2012 Annual General Meeting (AGM) so adjustments could be made based on actual cases received between July and September 2012.

During this period, we spent considerable time carefully reviewing resourcing, case volumes and adjusting staffing levels. We were assisted by the Energy and Water Ombudsman (Victoria) who was able to second well trained complaint handling staff to the PTO to manage the increased case load. This meant my office did not have to expend valuable time and resources on training additional staff for roles without long term funding.

At the AGM, a conservative budget was secured but with minimal provision for the vital community engagement and policy work my office also undertakes. I emphasised to PTO Members whose complaint numbers were highest, that we were reliant on their ongoing efforts to effectively manage their complaints for this budget to succeed.

At the request of PTO Members we completed an independent funding model review. The review was aimed at ensuring the PTO had the most appropriate and equitable means of charging Members for the cost of complaints lodged with my office. The review resulted in Members obtaining a better understanding of the PTO's funding and budget processes. Following the review, PTO Members re-endorsed the funding model that was already in place.

We worked through the budgeting and resourcing issues with all PTO Members throughout the year and I am of the view that our effective management of these challenges resulted in strengthening the role and profile of my office.

And, we began a review of our Constitution and Charter to ensure currency and reflection of the roles of PTV and the Department of Transport, Planning and Local Infrastructure. This review is currently being finalised - importantly, the PTO's jurisdiction remains unchanged.

In 2012/2013, we again managed a significant case load, handling a record 4,377 cases, up 23% from 2011/2012. We resolved 708 investigations – up from 437 in 2011/2012.

### Complaint Management

The PTO's core role is to investigate and resolve consumer complaints where a resolution has not been achieved through the operator's internal dispute resolution process. In 2012/2013, we again managed a significant case load, handling a record 4,377 cases, up 23% from 2011/2012. We resolved 708 investigations – up from 437 in 2011/2012. Proactive changes in case handling policies and some creative staffing solutions ensured that a case backlog was avoided and on average, investigations were finalised in 49 days. We also reduced open investigations from 193 on 1 July 2012 to 101 on 30 June 2013.

One of the drivers of these achievements is the effectiveness of our case handling policies and processes. To ensure we obtain a broad, balanced and best practice view when making changes to existing policies or developing new policies, we introduced a Stakeholder Consultative Committee (SCC) in late 2012. Comprising two consumer representatives, two industry representatives and two PTO representatives, we now meet twice yearly. The SCC has already proved its benefit, providing invaluable input into a major review of our systemic issue policy and process.

### Effective PTO Member relationships

Our relationships with all PTO Members are generally very positive. At times it can be a delicate balance, as it is my role to impartially and fairly oversee operator complaint handling and if necessary make decisions that operators may not agree with. We achieved this through independent and robust discussions about a range of issues including individual complaints, our case handling policies and issues such as legal professional privilege and procedural fairness. We continue to work hard to ensure that Members fully understand our independent role, the principles of alternative dispute resolution and how they differ from court or tribunal processes.

We have established a very constructive working relationship with PTV at both an operational and executive level. Working closely with PTV as it has established its role, specifically relating to its 'one stop shop' complaint handling process, has been of particular focus. This work is continuing and will be finalised in 2013/2014.

We also engaged with many other stakeholders, including community agencies, government departments and the members of the Australian and New Zealand Ombudsman Association (ANZOA). These relationships contribute to the ongoing development of our knowledge of public transport complaints and expertise in dispute resolution.

I extend special thanks to Gerard Brody, CEO Consumer Action Law Centre and Jodie Willmer, CEO Travellers Aid, who represent consumer interests on our Stakeholder Consultative Committee. Special thanks also to Ombudsman, Cynthia Gebert, EWOV, for staffing assistance.

### Board and Staff

The PTO team members have all worked very hard this year. Like all organisations we said farewell to some staff and welcomed new team members. Their commitment to the work of the PTO is second to none and I am inspired often by their tenacity and approach which ensures that fair and reasonable outcomes are achieved for both consumers and Members. Complaint handling is not easy work and takes well trained and engaged staff to do it effectively. We would not have achieved the significant outcomes of 2012/2013 without the dedication of our staff.

Underpinning the hard work of the PTO team was of course, the Board. I extend my sincere thanks to Richard, each Director and Company Secretary for their solid contribution.

### The future...

Having recently completed my initial three year term as the Public Transport Ombudsman, I am delighted to have been reappointed for a further five years. We have seen significant improvements in customer service and complaint handling over recent years. It is a great time to be involved in this industry.



**Janine Young**

*Ombudsman  
Public Transport Ombudsman Limited*



# The PTO Ltd Board



## Corporate Governance

The PTO is a private, not-for-profit company, limited by guarantee. The PTO Constitution and Charter determine our structure and how we operate, including the composition of the PTO Board.

## Board Responsibilities

The Board is responsible for the business affairs and property of the PTO - including corporate governance, risk management, the setting of budgets, strategic planning, the appointment of the Ombudsman and ensuring the Ombudsman's independence.

The Ombudsman has responsibility for complaint handling and the day-to-day operations of the PTO.

## Board Representation

The equal representation of industry and consumers ensures the independence of the Board and the PTO itself. The PTO Ltd Board comprises:

- three Industry Directors, appointed by passenger carrying Members of the PTO scheme to represent the views of the industry;
- three Consumer Directors, appointed by the Minister for Public Transport, who represent consumers and the community; and
- an independent Chairperson appointed by the Minister for Public Transport.

## The PTO Ltd Board

*From left to right:*

Richard Allsop, Chair  
 Caroline Elliott, Consumer Director  
 Chris Lowe, Industry Director  
 Greg McGann, Industry Director  
 Lawrence Seyers, Consumer Director  
 Wendy Smith, Consumer Director  
 Leah Waymark, Industry Director  
 Bernard Stute, Company Secretary  
 Janine Young, Ombudsman

# Closing the accessibility gap



In 2013 the PTO conducted a thorough review of the broad range of issues affecting the accessibility of public transport services in Victoria.

The PTO believes that there is a shared obligation to work towards creating a truly accessible public transport system, where customer service and practical immediate solutions are valued as highly as long-term plans for changes to infrastructure and compliance with relevant standards.

We know that the accessibility of public transport is a key issue for people with disabilities, the elderly, young people, and parents with young children, people living in regional or rural areas and for people from non-English backgrounds.

Over the past twelve months, the PTO has seen a positive change in attitude and an increased focus on accessibility by operators. Improvements have included:

- a greater number of low floored buses and trams;
- construction of accessible railway stations and tram and bus stops;
- the use of new technology to provide service information;
- the retrofitting of footplates to Combino trams to reduce the gap;
- website references to information about myki in languages other than English; and
- information for passengers about the prohibition of boarding bicycles at the first door of the first carriage of metropolitan trains is under development.

## How customer service improvements can have an impact

It is clear that compliance with legislation, regulations and standards is vitally important. However, if it is the only means used for measuring the accessibility of services, the enormous potential for improvements through innovations in customer service and communication can be missed.

The PTO's accessibility review found that poor customer service and inadequate or ineffective information provision are often as great a barrier to accessibility as outdated infrastructure. Inconsistencies in operator training, policies and approaches, add to what can already be a complex and confusing system.

Our report made 14 key recommendations about how public transport could be made more accessible through industry-wide improvements to customer service and information provision.

You can obtain a copy of the report on our website at: [www.ptovic.com.au](http://www.ptovic.com.au) or by contacting us.

We will continue to work with all PTO Members in 2013/2014 to monitor the implementation of our recommendations and overall accessibility improvements.



# Building community awareness and contributing to public policy development



The PTO can only achieve its mission by ensuring that all public transport users are aware of our office, our procedures and scope. We go to great lengths to ensure that we are available and accessible to all Victorians.

We are particularly concerned with providing appropriate facilities and assistance for disadvantaged consumers. These are the people who are most likely to experience difficulties accessing public transport and least likely to be aware of their right to complain, first to the operator and then to the PTO if their complaint can't be resolved.

Over the past three years we have developed a regular program of community outreach activities, working with community groups, government agencies, PTO Members and universities.

In 2012/2013 we completed 24 engagement activities with a wide range of organisations, mainly from across metropolitan Melbourne. We shared information about operator complaint handling processes, general public transport information, ticketing, accessibility and the PTO's complaint handling processes. Events included disability support group meetings, forums and AGMs of Vision Australia, Disability Justice Advocacy, Disability Services Commission, Council of the Aged and many more. In 2013/2014 we have an increased budget to allow us to undertake metropolitan, regional and rural outreach activities.

We contributed to the development of public policy, making five submissions. They were:

- Response to the Taxi Inquiry Draft Outcome – Customers First: Service, Safety and Choice;
- Draft Victorian State Disability Plan 2013;
- Commonwealth Disability Standards for Accessible Public Transport Review;
- Draft Passenger Rail Infrastructure Noise Policy; and
- Commonwealth Consumer Affairs Advisory Council of the Benchmarks for Industry-Based Customer Dispute Resolution Schemes.

# Consumers – the people who contact the PTO



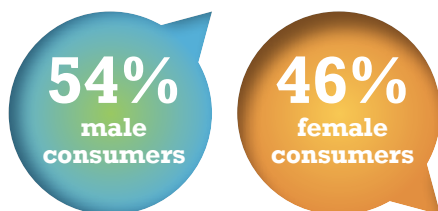
Understanding who contacts us, where they come from and how they heard about us allows us to tailor our services and plan our community outreach to ensure that when people need our help, they know how to find us.

## Where people came from

Melbourne metropolitan area 94%  
Regional/rural Victoria 6%

Note: 95% of travel occurs in the metropolitan area

## By Gender



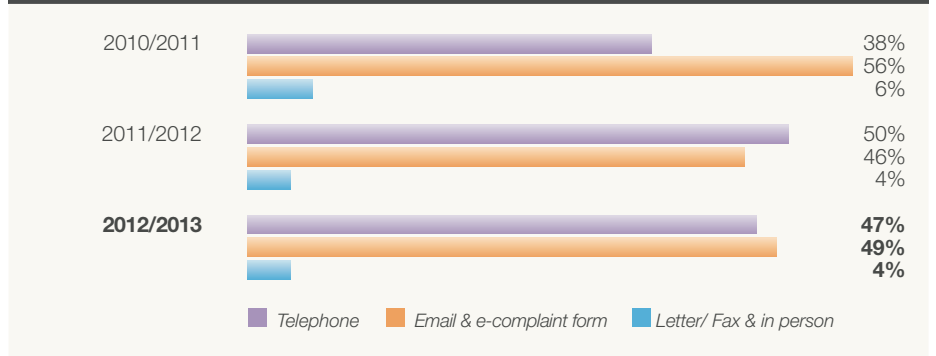
## How people contacted us

While the most common method of lodging an enquiry or complaint with the PTO is electronic, we ensure that traditional contact methods are available, as not all Victorians have access to email or online information.

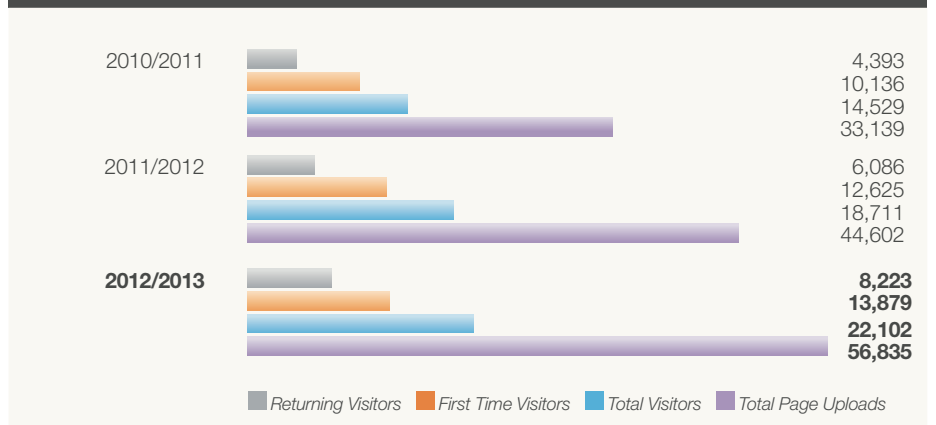
## PTO website visitors

Our web traffic increased by 18% this year, with 3,391 more people visiting our site and 27% more page loads than the previous year. We launched our mobile site in June 2013 and our ongoing website development includes making information even more accessible for our visitors.

### How consumers contacted us (total 4,377)

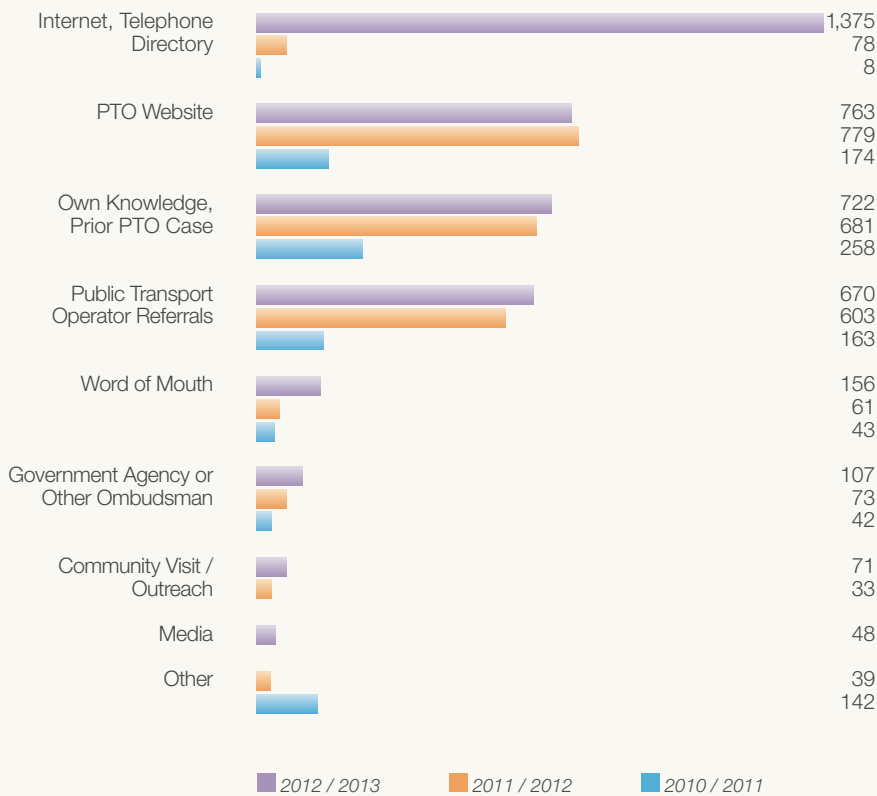


### PTO Website Traffic





### Where consumers heard about us - collected from 4,377 consumers



### Where people heard about us

Over the past three years, we have improved data collection in this area, with 89% of people who contact the PTO telling us how they heard about us, up from 66% in 2011/2012. People who contact us via our online complaint form are now automatically asked for this information, leading to a large increase in those advising they found out about us through the internet. The number of referrals from transport operators has increased and levelled out over the past two years as operators more consistently used the same approach to provide information about the PTO in their responses to complaints as well as on their websites.



Thanks again for your time. I consider myself lucky to have access to such a service.  
*Peter\** (P2013/0836)

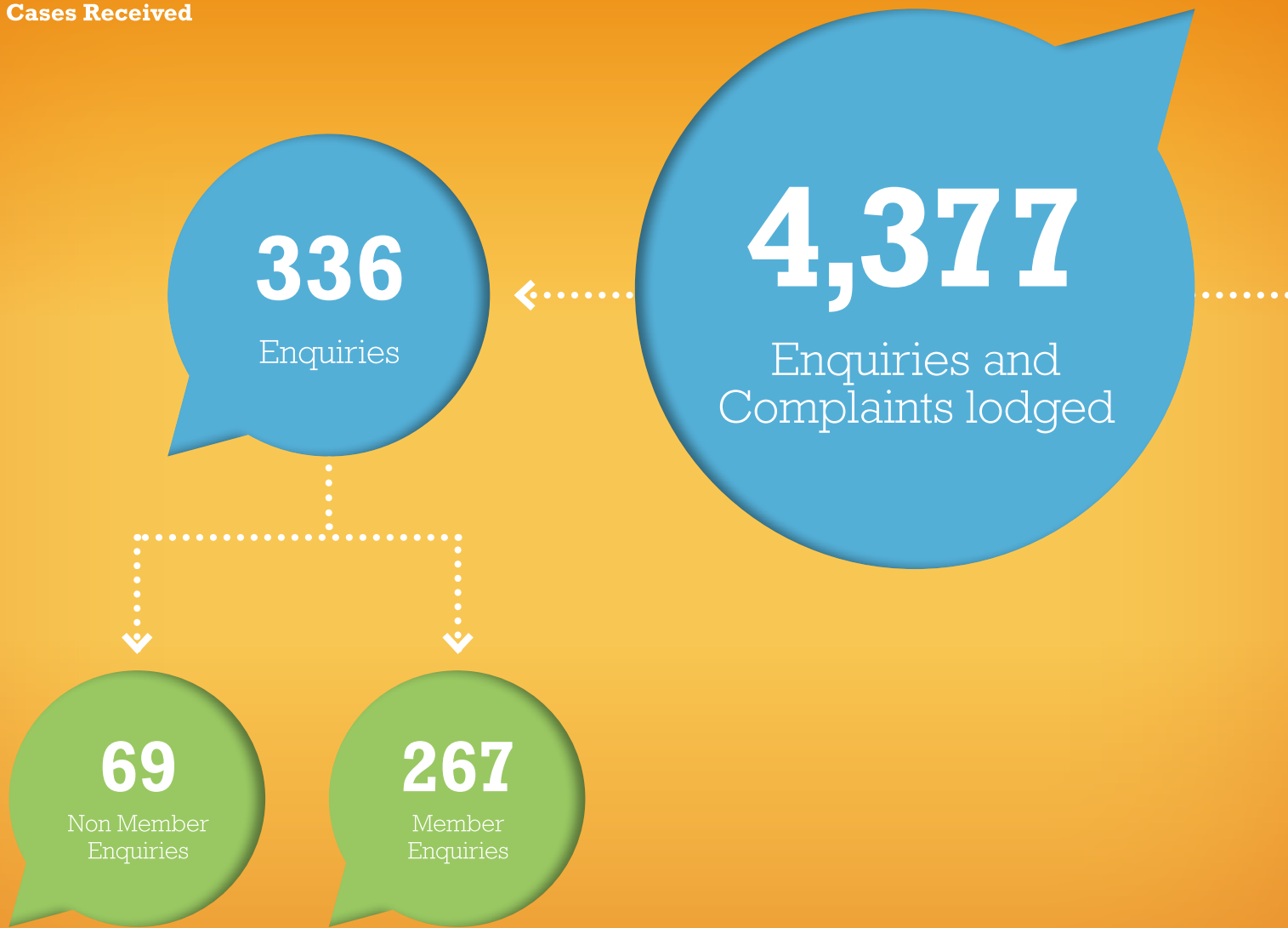
\*Names have been changed throughout this report to protect the privacy of consumers

Unknown or not disclosed totals were: 1,008 in 2010/2011, 1,208 in 2011/2012 and 465 in 2012/2013



# Cases received and how we handled them

2012/2013  
Cases Received



## Overall cases received

The PTO received 4,377 cases this year, 23% more than last year's 3,555.

## Types of cases received

All enquiries and complaints are recorded and categorised into six case types. This enables us to provide detailed data to operators, stakeholders and consumers, through public reports, about how we have handled and responded to the enquiries and complaints raised with us.

Cases received by case type	2012/2013
Non Member Enquiries (including DoT, PTV and other bodies)	69
Non Member Complaints (including DoT, PTV and other bodies)	829
Member Enquiries	267
Member Complaints	1,741
Refer for Internal Escalation (RFIE)	848
PTO Investigation	623
<b>Increase in cases from 2011/2012</b>	<b>23%</b>

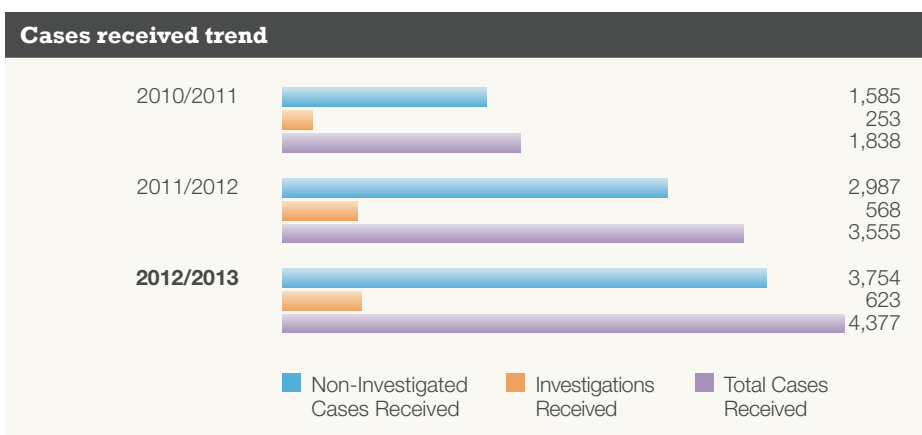
**23%**  
Increase  
in cases from  
2011/2012



**Non-Investigations and Investigations**

For public reporting purposes, we further sub-categorise our cases as Investigations and Non-Investigations (which are made up of Non-Member Cases, Member Enquiries and Complaints and RFIE cases). Investigations are more resource intensive than other case types.

PTO investigations have continued to increase year on year. In 2012/13 we investigated 10% more complaints than in 2011/12.



# Case Issues

Many people contacting the PTO raise complaints that involve more than one issue. We record all of the issues raised to ensure we provide an accurate picture of the cause of complaints.



## Issue categories

Complaint issues fall into eight major categories:

**Authorised Officer:** behaviour and conduct, communication, the exercise of discretion and safety and security

**Infrastructure and rolling stock:** vehicles, stations, tracks, toilets, announcements, overcrowding and maintenance works and noise

**Infringement notices:** these are out of the PTO's jurisdiction and are referred to the appropriate body for review

**Land:** car parks, rail and tram corridors, fencing and maintenance work

**General Enquiry:** requests for general public transport information and other services

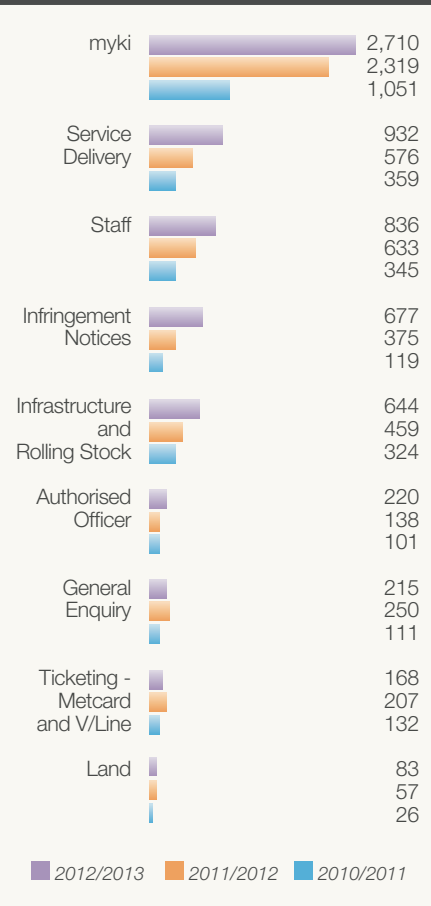
**Service delivery:** punctuality, cancellations, disruptions, timetabling (including changes to timetables) failure to pick up/set down commuters and website information

**Staff:** customer service, information provision, behaviour/demeanour, safety/security and complaint handling

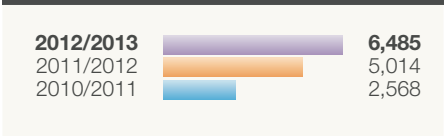
**Ticketing – Metcard and V/Line:** faulty tickets and machines, refunds, replacements, compensation, information and conditions

**Ticketing - myki:** faulty cards and machines, refunds, replacements, compensation, information and conditions

## Issues by major category



## Total Case Issues Received



## Issues raised by case type

Case Type	2012/2013
Non Member Enquiries (including Dot, PTV and other bodies)	72
Non Member Complaints (including Dot, PTV and other bodies)	932
Member Enquiries	284
Member Complaints	2,545
Refer for Internal Escalation	1,396
PTO Investigation	1,256
<b>Total</b>	<b>6,485</b>

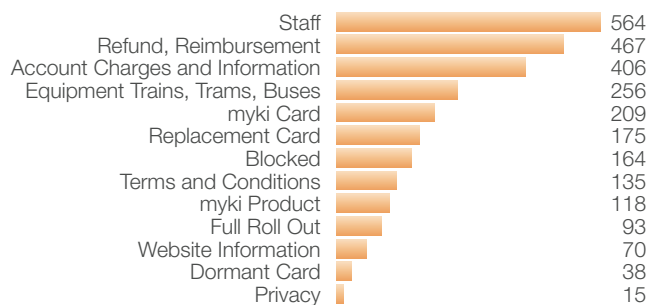
6,485

issues - up 29%

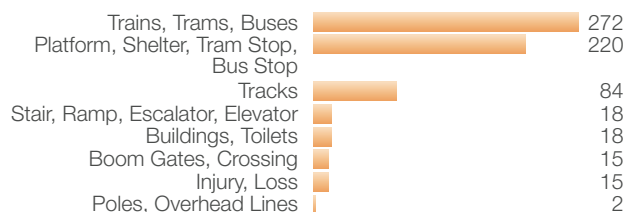


# Detailed Issues by Category

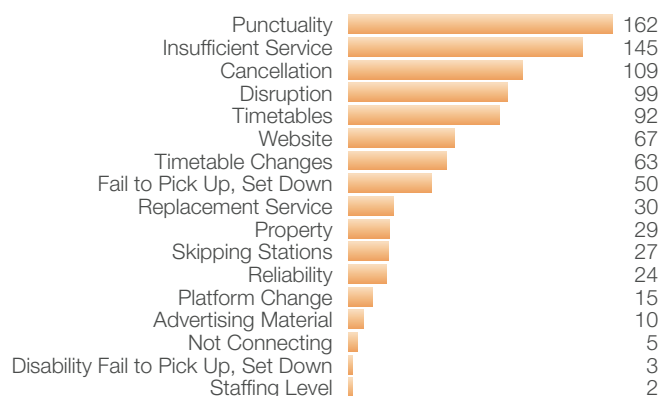
## myki - 2,710 issues



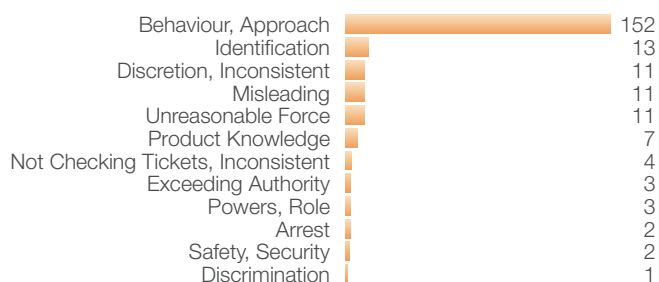
## Infrastructure and Rolling Stock - 644 issues



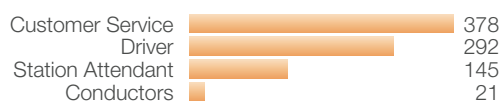
## Service Delivery - 932 issues



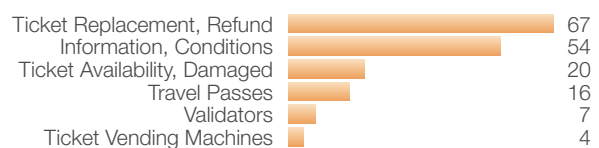
## Authorised Officer - 220 issues



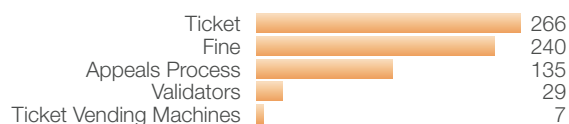
## Staff - 836 issues



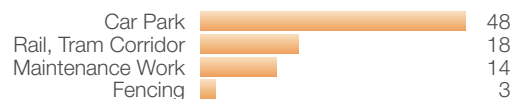
## Ticketing (non-myki) - 168 issues



## Infringement Notice - 677 issues



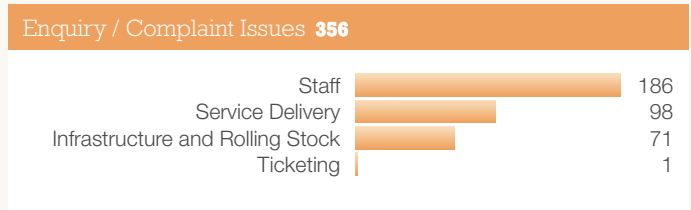
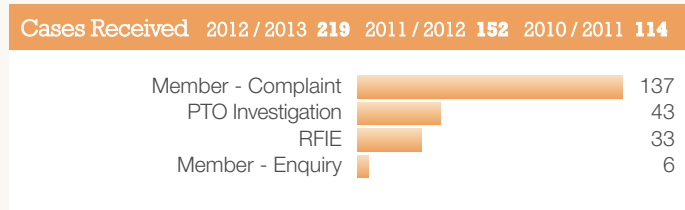
## Land - 83 issues



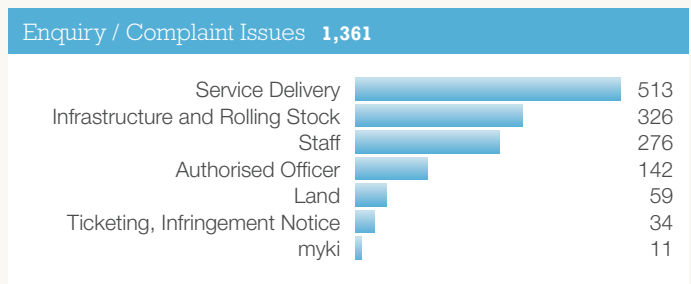
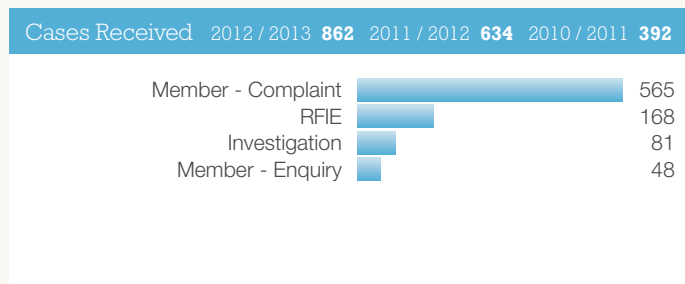
The PTO also registered 215 non-member general issues including taxi, road and airline complaints.

# Cases by PTO Member

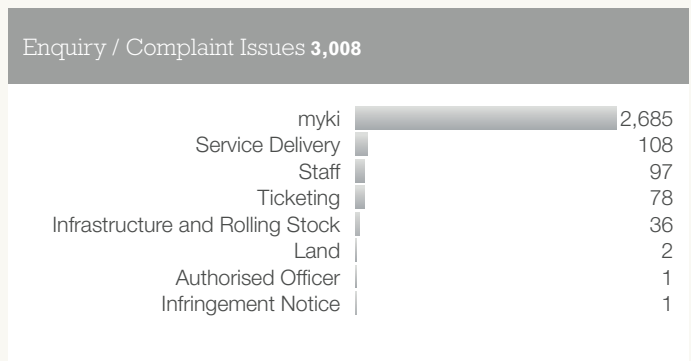
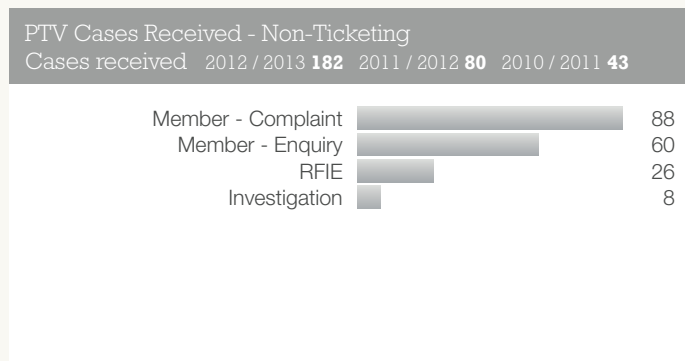
**Bus Association Victoria Inc** is the industry representative body for Victoria's accredited bus operators including the 470 bus operators across Victoria that fall within the PTO's jurisdiction.



**Metro Trains** transports around 415,000 customers each day, has a workforce of 4,200, and operates 203 six-carriage trains across Melbourne's metropolitan train network of 15 lines and 215 stations.

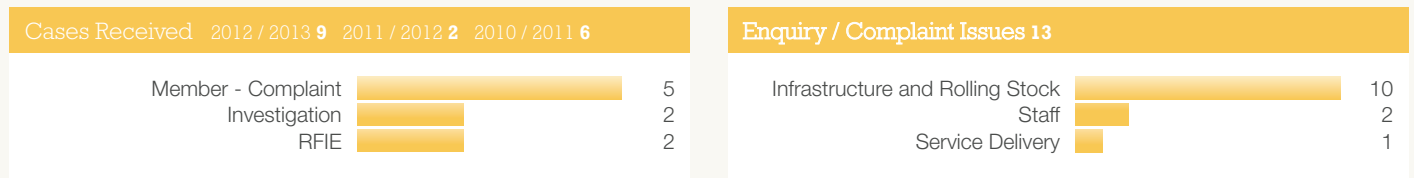


**Public Transport Victoria (PTV)** is the statutory authority that administers Victoria's train, tram and bus services. From 1 January 2013, PTV took over responsibility for the ongoing implementation and administration of myki from TTA. It is also responsible for ticketing and fares policy. PTV provides a single contact point for customers wanting information about public transport services, fares and ticketing. PTV cases include TTA cases to 31 December 2012 and are split into two tables - non-myki cases and myki cases. Case issues are presented in one table.

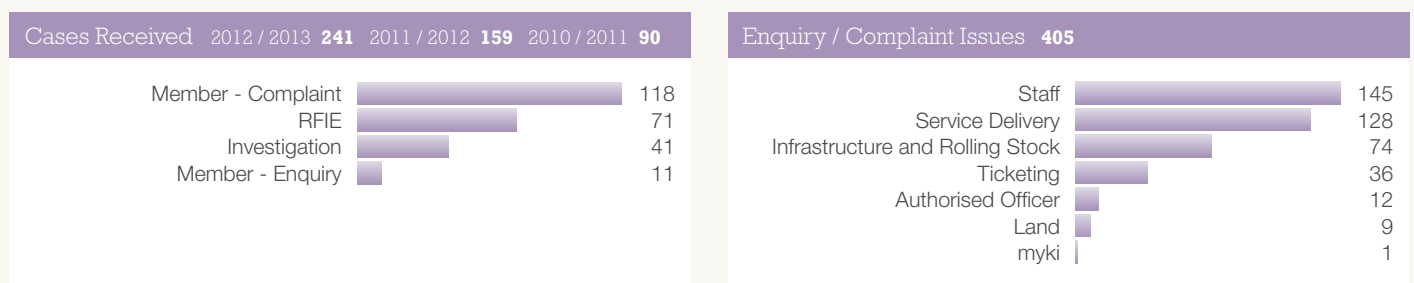


1,720 PTV Ticketing cases includes 1,679 myki cases and 41 other ticketing-related cases.

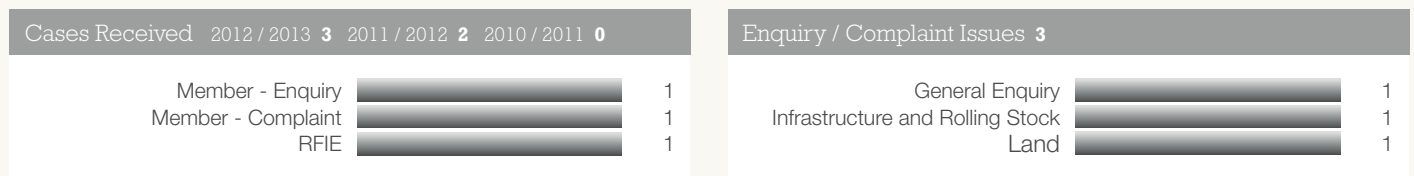
**Southern Cross Station** is the major railway station and transport hub of Melbourne and is managed by Southern Cross Station Pty Ltd. Around 40 million people use the facility annually.



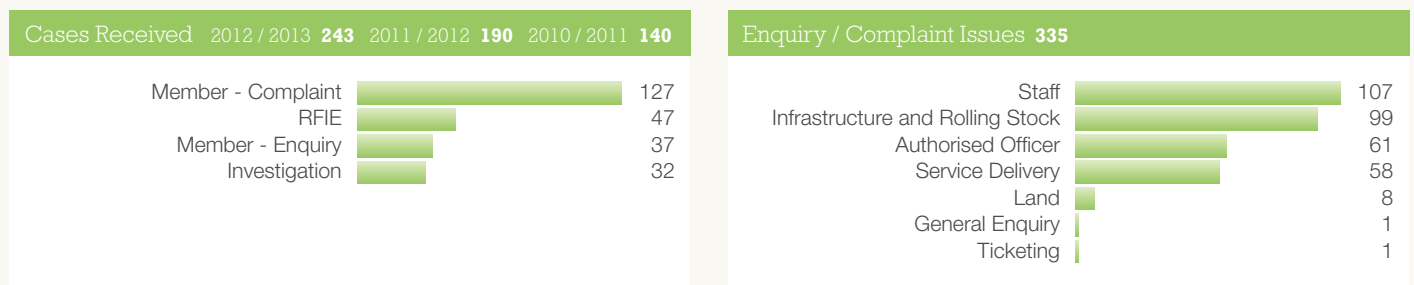
**V/Line** is Australia's largest regional public transport operator, running more than 1,400 train services and 600 coach services throughout regional Victoria (and into Melbourne) each week.



**VicTrack** is a state authority and provides essential telecommunications and other services to support a safe and efficient public transport system. It is the legal owner of Victoria's railway land and infrastructure but leases those assets to Victoria's rail and tram operators.



**Yarra Trams'** operator, Keolis Downer EDI Rail (KDR), manages Melbourne's tram network, the biggest operating tram network in the world. It has 250 kilometres of double track, 1,763 trams stops and 29 tram routes with 31,500 weekly services and around 182 million boardings per year.



Cases, especially complaints, often raise more than one issue. The PTO also received 898 Non Member cases: 69 enquiries and 829 complaints.



## The implementation of myki across Melbourne was finalised on 29 December 2012 when Metcard was switched off.

On 1 January 2013 PTV took over responsibility for myki, the myki Contact Centre and myki implementation across regional Victoria from the TTA.

The full implementation of myki resulted in a significant increase in PTO cases from 775 in 2010/2011 to 1,705 in 2012/2013, including investigations. 74% of myki investigations in 2012/13 involved people who had been using myki for six months or more, meaning that they were not new user issues.

Most of the issues people raised were associated with account charges, refunds and reimbursements and many had associated customer service issues. Many of these issues were systemic (see page 20 for full details of myki systemic issues resolved in 2012/2013) and involved consumer and contract law issues.

### Systemic myki issues

The PTO discussed the systemic and legal issues arising from individual complaints with TTA throughout 2012, but the underlying causes were not addressed. As a result, the Ombudsman was considering making Binding Decisions in a small number of individual complaints. We sought independent legal advice on a number of issues including:

1. Point of sale information available to help consumers make informed decisions about their myki purchase.
2. The myki refund/reimbursement process and the information available to consumers to make informed decisions about seeking refunds.
3. Auto top up verifications, myki card blocking and access to cleared consumer funds when direct debit payments fail.
4. The rounding up of fares to the nearest 10 cents when paid by eftpos/credit card via card vending machines.
5. Metcard refund cessation.

### myki Cases Received 1,705, myki Case Issues 2,710

Staff Contact Centre - Customer Service, Information Provision	418
Account - Charges, Delayed Transactions	214
Refund / Reimbursement - Declined	213
Refund / Reimbursement - Delay, Lost	180
Equipment - Vending Machine, Other Equipment	144
myki Card, Faulty	139
Equipment - Card Readers	112
Account - Top Up, Auto Top Up	111
Card Blocked - Unblocking Process	88
myki Product - myki Pass	87
Replacement - Delayed, Not Received	83
Resolution Team - Customer Service, Information Provision	75
Card Blocked - Auto Top Up Failure	62
Refund, Reimbursement - Calculation, Interim Travel	53
myki Retailer, Agent - Customer Service, Information Provision	47
Replacement - Interim Travel	47
Replacement - Lost, Incorrect Card, Concession, Commuter Club	45
Full Roll Out - Information Provision, Knowledge	44
Terms and Conditions - Travel Entitlements	43
Website - Information Provision	42
Terms & Conditions - Fares, Default Fares	40
myki Card - Availability, Retail Outlet	38
Account - Access, Set Up	37
Terms and Conditions - Cost of myki card	36
myki Product - myki Money	31
Website - Access, Error	28
Account - Balance Transfer	27
Full Roll Out - Metcard Withdrawal	25
Dormant - Reactivation	25
Discovery Centre - Customer Service, Information Provision	24
Full Roll Out - General Opposition	24
Terms and Conditions - Concessions	21
Refund/Reimbursement Change of Concession, Zone, Commuter Club	21
Account - Travel History Report, Other	17
Privacy - Policy, Compliance	15
myki Card - Expiry	15
Card Blocked - Incorrect Card, Lost, Stolen	14
Dormant - Information Provision	13
Terms and Condition - Expiry, Commuter Club, Top Up	12
<b>Total myki issues</b>	<b>2,710</b>

Refer to page 16 for full details of PTV cases.

Note: 1,705 myki cases received, 1,679 PTV Ticketing cases, 16 PTO Member cases and 10 Non-Member cases.

**1,705**

cases received,  
up 7% on 2011/12

# 18

systemic myki issues were identified and resolved in 2012/13.



Our concerns about non-compliance with the Australian Consumer Law and contract law were supported by the legal advice we received. For example, the method of calculating refunds potentially breached the contractual terms which exist between consumers and the TTA as outlined in the terms and conditions of travel in the Victorian Fares and Ticketing Manual (VFTM) at that time, as the VFTM did not contain details for how refunds were calculated. Further, the lack of information available to consumers about the method used to calculate refund amounts raised compliance issues with section 18(1) of the Australian Consumer Law.

We formally raised these concerns with TTA in June 2012. Positively, by September 2012 TTA took action to address some of the issues, particularly those relating to refunds and reimbursement. This resulted in a reduction in the proportion of myki investigations that related to refunds and reimbursements. Down from 42% of all myki investigations throughout the first three quarters of 2012, to 26% of myki investigation in the last quarter of 2012.

Changes were also made to the VFTM in December 2012 to ensure that terms and conditions of travel contained information about refund calculations.

PTV continued to address the systemic issues raised by the PTO and by June 2013 all of the auto top up/card unblocking issues were addressed, some of which had first been raised with TTA in February 2011.

The regional roll out of myki will benefit from PTV's improved information provision and from the lessons learned during the metropolitan roll out.

### myki card vending machine – misleading pass information John's experience

John was an irregular train user, heading to the football. When he arrived at the station he discovered he could no longer purchase a 2-hour Metcard. Unfamiliar with the myki Card Vending Machine (CVM) and feeling pressured from the queue behind him, he paid \$6.00 for his myki card and a further \$32.00 for a 7-day pass.

When John activated the pass a short time later, the myki reader did not provide expiry date information. When he touched off, using a hybrid Metcard/myki reader, no expiry date information was provided either. He used the pass for one further trip six days later.

The following week the card did not work, so he contacted myki (TTA). He was advised the pass had expired as it was only valid for seven consecutive days of travel and not seven separate days. John explained that he was a first time user who had made a genuine mistake and wasn't given any notification of the expiry times when he touched on and off. He requested a refund for the five unused days. TTA advised that as the pass had expired he was not entitled to a refund.

When John contacted the PTO we advised him of the refund rules used by TTA which state that consumers can only seek a refund of a myki pass for unused days before a pass expires. Considering his lack of knowledge and the fact that the two initial myki readers did not provide expiry information, we undertook an investigation.

Our investigation highlighted confusing and misleading information at the point of sale. The CVM did not state passes would expire after seven consecutive days. We considered that for new users it was understandable that they may think the pass provided seven separate days of travel – as the 5 x Daily Metcards or 10 x 2 hour Metcards did. This was compounded by the myki readers not providing an expiry date when a pass is first activated. We believed that the Australian Consumer Law should have been considered by TTA and we sought independent legal advice, specifically regarding whether the terms and conditions relating to consecutive travel days were described clearly enough at the point of sale. Legal advice supported our view that given John's circumstances, a refund should be offered.

TTA acknowledged that the CVM did not explicitly state that travel was for consecutive days and provided an apology and the \$19.68 reimbursement, an offer that John accepted.

We provided this legal advice to TTA and PTV. TTA acknowledged the issue and undertook to include the terminology 'consecutive days' at CVMs and to refund eligible customers until the CVM information had been updated, enabling a number of similar complaints to be resolved.

P2012/1170

# Systemic Issue Investigations - a major part of the PTO's work

When people lodge complaints with the PTO, they are helping to identify underlying problems in the public transport system.

The PTO plays an important role in the identification, investigation, referral and reporting of systemic issues in the Victorian public transport industry.

Under our Charter we are required to highlight any systemic industry problems and to have appropriate procedures in place for the referral and reporting of systemic issues.

Where a systemic issue is identified, but falls outside our jurisdiction the Ombudsman may formally refer that issue to the appropriate body.

## What is a systemic issue?

Systemic issues are identified through consideration of a single or series of individual complaints, where the effect of the issue may extend beyond the parties involved.

Systemic issues may be a result of:

- a process/system change;
- a lack of, or inadequate policies or procedures;
- a new product or service;
- non-compliance with industry codes, regulations or legislation; and
- the conduct of an operator's employee, agent or contractor.



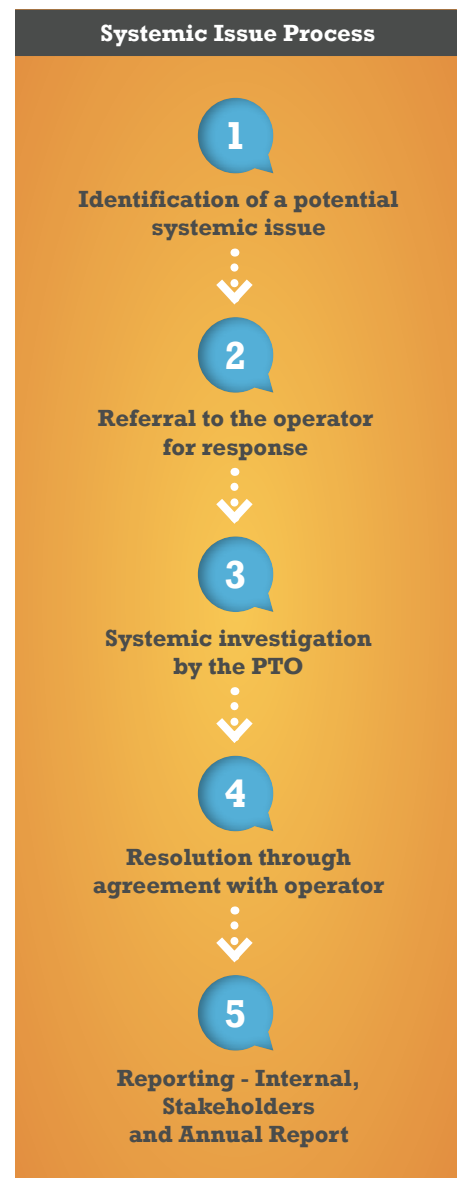
## The benefits of resolving systemic issues

The investigation, resolution and reporting of systemic issues creates many important benefits for consumers, operators and the PTO, including:

- limiting the potential impact of the issue on the travelling public;
- assisting operators to improve their practices and processes, reducing further complaints;
- alerting relevant regulators and the Government to issues impacting consumers;
- assisting the effective and efficient resolution of individual complaints lodged with the PTO by establishing the appropriate steps to address issues; and
- creating an industry culture of complaint analysis to identify and fix the cause of complaints early.

## Our Systemic Issue Process

In 2012/2013 we undertook a major review of our systemic issues policies and processes to ensure issues are investigated and resolved or referred as quickly as possible. We will be increasing our regular reporting on systemic issues in 2013/14. Our five step process is outlined on the right:





# Systemic issues finalised in 2012/2013

In total, 21 systemic issues were investigated and resolved by the PTO. Most related to myki processes identified during the metropolitan roll out, which were the root cause of a significant number of complaints to TTA and the PTO.

The myki refund and reimbursement process is a key example. Systemic issues relating to the myki auto top up process were also identified by the PTO and were acknowledged and addressed by PTV in June 2013.

A major systemic issue involving a V/Line ticket overcharge affecting a number of ticket purchases, dating back to 2004 and continuing until December 2011, was identified by the PTO through the investigation of a single complaint. The investigation of this issue took over eight months, and V/Line worked collaboratively with the PTO throughout each stage. See page 22 for a detailed case study.



## PTV ticketing (myki/Metcard)

- myki yearly pass value converted to myki money and used for individual trips resulting in loss of travel value to cardholder.
- myki Travel History Report – format and data confusing to consumers.
- myki overcharging for same day travel for some consumers due to daily fare capping errors.
- Delays in processing replacement myki cards.
- myki Contact Centre refund calculation advice errors.
- myki Auto Top Up requests processing delay.
- Delays in processing requests to change of account holder details in registered myki accounts.
- Delays in processing and issuing myki refund and reimbursements.
- Delays in processing of refunds.
- Consumers inadvertently purchasing additional myki cards rather than having top ups applied to current cards due to design of information on CVM screen.
- 24 hour delay in activation of online myki pass purchases resulted in myki money and myki pass charges for same day travel.
- myki billing error due to failure of credit card transactions.
- Some Metcard/myki readers not working at Flinders Street Station Southbank exits, resulting in early morning commuters not being able to touch off and being charged for travel when entitled to free Early Bird travel.

- Retail outlets not able to add myki passes to myki cards with 2013 expiry date.
- Delay in forms submitted by consumers for myki replacement, refund or reimbursements being sent to myki processing centre.
- Rounding down of Metcard refund amounts at Ticket Office Terminals.
- Retail outlets selling out of date myki cards.
- Backlog in issuing myki cards.

## Metro

- Laverton Station inaccessible when elevators are out of service.
- Siding Train Idling and Cleaning Noise.

## V/Line

- V/Line date-to-date ticket overcharge – see case study.

# Systemic issue investigation - a case in point



## Ticket overcharge as fares increase

Date to date (DTD) tickets are a periodical ticket for V/Line travel between two designated locations (e.g. Melbourne to Geelong) with unlimited travel from 10 to 52 weeks.

Consumers are forewarned of fare increase amounts and dates with an announcement by the Minister for Public Transport and placement in the Government Gazette. Consumers may then save money by purchasing a periodical ticket at the current price for the period after the fare increase takes effect.

V/Line advised that when a fare increase was announced, the new fares were loaded into V/Net (V/Line's ticketing system) so that the new fare would be charged from the effective date regardless of the date of purchase, rather than being loaded from the date the fare increase came into effect. All DTD tickets sold after the announcement were subject to a pro rata fare increase or decrease from the effective date.

For example, on 6 December 2011, the Minister for Public Transport announced that from 1 January 2012 an 8% fare increase would come into effect. V/Line loaded the new fares into V/Net on 6 December 2011, with the result that the new fare would be applied on the portion of the ticket being used from 1 January 2012. This meant that consumers purchasing a DTD ticket between 6 December and 31 December, for travel in December 2011 and into the New Year, would be charged the current fare for the period 6 December to 31 December 2011 and would then be charged the increased fare for the remainder of the DTD ticket.

Given the new fare became effective for tickets purchased from 1 January 2012, we considered that the current fare should have been applied to the entire ticket and not just the period prior to the date of the fare increases coming into effect. In our opinion, the fare calculation had resulted in consumers being overcharged.

As a result of our systemic investigation, V/Line agreed that in the future it would not load new fares into the system until the date they came into effect.

V/Line undertook a detailed analysis of all DTD ticket sales from 2004 to 2011 and identified that 1,551 tickets were affected with a total overcharge value of \$27,092.00 – the average overcharge being \$17.45 per ticket.

V/Line considered that best practice redress for a systemic ticket overcharge would be to reimburse each affected consumer. However consumer details were not routinely collected or recorded when tickets were sold and V/Line estimated the cost of identifying, contacting and refunding all impacted consumers would be \$75,000.

V/line also considered an advertising campaign in major regional newspapers and/or at V/Line stations to alert affected consumers to refund entitlements.

V/Line's view was that redressing the issue in either of the above ways would place a higher cost on Victorians than the actual overcharge and was therefore not practical or reasonable. At the same time, V/Line recognised it was not appropriate that they retain the overcharged amount.

V/Line sought advice from us about alternative ways of redressing the issue. We suggested that it explore opportunities for these funds to be used to provide services/assistance to regional commuters who experienced challenges with public transport accessibility. We also emphasised that consumers who approached V/line at any time in the future about being overcharged as a result of this issue should be reimbursed, where proof of purchase information is provided.

V/Line informed PTV about the overcharge and also sought its views about redress.

As a means of addressing the systemic overcharge, V/Line:

1. Made a donation equivalent to the full amount of the identified overcharged to Travellers Aid, an organisation which provides services to regional commuters, specifically those with accessibility challenges.
2. Changed its process for loading fare increases into V/Net to prevent future overcharges.
3. Undertook to reimburse any consumer who raises a complaint about past overcharges as a result of this issue when proof of purchase is provided.
4. Notified the Secretary to the Department of Transport and PTV about the systemic issue and how it was addressed.
5. Arranged for PTV to brief the Minister for Public Transport about the issue and how it had been addressed.

# Enquiries and complaints – out of jurisdiction



Sometimes people contact us about issues that are outside of our jurisdiction, such as infringement notices.

Despite this, we are often able to provide general advice about the enquiry or complaint and we always aim to refer people to the most appropriate body that can handle their issue. Taking this approach has two benefits; it assists people to resolve their own enquiries and complaints and importantly, aids their understanding of the difference between the role of the PTO and the body we refer them to.

We liaise with many of the referral organisations about these issues and in some cases have established referral protocols. Referral bodies include the Department of Transport, Planning and Local Infrastructure (DoT), PTV in its role as system administrator, the Taxi Services Commission and the Victorian Ombudsman.

In 2012/2013 we referred 55 enquiries, finalised 14 enquiries with PTO advice and referred 829 complaints to non-Member organisations. These cases involved 1,004 issues.

Non-Member Enquiries (most common issues)	
General Enquiry	32
Infringement Notice Fine	24
Infringement Notice Ticket	9
Infringement Notice Appeals Process	6

### How can I travel from the airport? Ronald's enquiry

Ronald was travelling to Australia and emailed the PTO enquiring about the availability of free, or cheap, public transport from Avalon or Tullamarine Airport into Melbourne.

We provided Ronald with contact details for SkyBus, bus operators with route services from the airports and taxi companies. We also provided additional website details for both Avalon and Melbourne airports so that he could access airport specific information.

P2013/1901

### Non-Member Complaints - Referred to DoT, PTV and Other Bodies (most common issues)

Infringement Notice Ticket	257
Infringement Notice Fine	215
Infringement Notice Appeals Process	129
Non Public Transport Information	176
Infringement Notice Validators	28
Staff Customer Service	19
Trains, Trams, Buses	14

### Upset by Protective Services Officers – Don's complaint

Don was at a Frankston Line train station, when two Protective Services Officers (PSO) approached him. Don contacted the PTO complaining that he felt harassed and threatened by their approach.

We outlined the PSO role and explained that we did not have jurisdiction to investigate their actions as they are employees of Victoria Police - Victoria Police is not a member of the PTO scheme. We gave Don the contact details for the Victoria Police Conduct Unit so that he could pursue his complaint.

Prior to the introduction of PSO's we realised that we were likely to receive cases about PSO activities, even though these enquiries and complaints are outside PTO jurisdiction. We researched the new PSO role, reviewing the Justice Legislation Amendment (PSO) Act and developed a detailed practice note and staff training covering the PSO role, powers, training and most importantly, information about where consumers can make complaints about PSOs.

P2012/3021



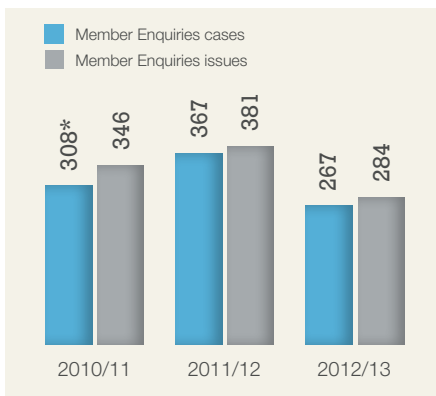
# Enquiries and complaints referred to PTO Members

If a consumer contacts us and hasn't contacted the operator first, we will, in most cases, refer them back to the operator.

This ensures the operator has a reasonable opportunity to resolve the enquiry or complaint directly with the consumer.

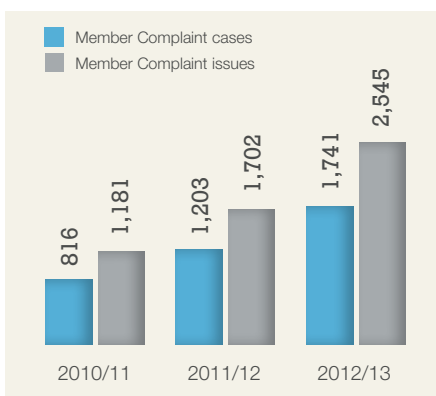
## Member Enquiries – most common issues\*

This year the PTO referred 267 enquiries to operators, involving 284 issues.



## Member Complaints – most common issues

The PTO referred 1,741 complaints to operators in 2011/2012, involving 2,545 different issues. The number of complaints rose 45% from the 1,203 complaints referred last year.



Member Enquiries (most common issues)	
Service Delivery, Timetables	45
myki Terms and Conditions	27
myki Account	20
myki Full Roll Out	18
Service Delivery, Property	17
myki Card	16
Customer Service	16
Ticketing Information/ Conditions	15
Trains, Trams and Buses	11
Driver	11

Member Complaints (most common issues)	
Staff Driver	183
Trains, Trams, Buses	168
myki Account	154
myki Equipment, Trains, Trams, Buses	146
Platform, Shelters, Tram, Bus Stops	135
myki Staff Customer Service	133
Service Delivery, Punctuality	124
Service Delivery, Insufficient Service	114
Staff Customer Service	109
myki Refund, Reimbursement	100
myki Card	98
Station Attendant Customer Service	89
Service Delivery, Cancellation	78
myki Terms and Conditions	70
myki Replacement	66
myki Blocked	63
Service Delivery, Disruption	60
myki Full Roll Out	58
Authorised Officer Behaviour, Approach	53
Tracks	53
Service Delivery Website Information	50
Service Delivery Timetable Changes	43
myki Product	39
Service Delivery Fail to Pick Up, Set Down	32

## Pam's concern for night-time safety

Pam contacted the PTO, her local council and local Member of Parliament enquiring about the limited parking facilities at her local Park and Ride car park, which was full from around 8.15am each morning. She was concerned by reports of recent assaults on single women walking to and from bus stops in that area. Pam sometimes travelled alone and was concerned about her safety. She was seeking removal of parking restrictions in surrounding streets or expansion of car parking facilities, both of which were not the responsibility of the PTO Member. We confirmed that the local council was the right body to raise her concerns with, we also referred her to the local bus company, Ventura Bus Lines for advice about alternative bus routes or parking options.

P2012/3418

\*These were previously recorded as Information Requests



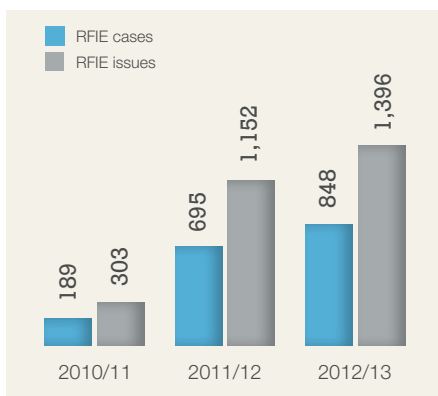
# Complaints referred for internal escalation

Complaints are referred to the operator's Customer Service Team for response and resolution, where the consumer has raised the complaint with the operator once and it is not resolved.

We offer this process where the consumer is willing to keep dealing directly with the operator, rather than have the PTO investigate. We may also refer complaints using this process where the consumer has not contacted the operator, but the complaint involves complex issues, Authorised Officers or where special circumstances exist.

The operator must contact the consumer within 24 hours to acknowledge receipt of the referral. They must openly and fairly investigate the complaint and provide the consumer with a full and thorough response within seven business days.

In 2012/2013 the PTO referred 848 complaints back to the operator for internal escalation (RFIE), up from the 695 referrals in 2011/2012. The majority of referrals related to myki issues which consumers had not been able to resolve directly with myki in the first instance.



## Refer for Internal Escalation (most common complaint issues)

myki Staff Customer Service	179
myki Refund, Reimbursement	174
myki Account	126
Staff Customer Service	109
Authorised Officer Behaviour / Approach	77
myki Card	63
myki Equipment Trains, Trams, Buses	56
myki Blocked	55
myki Replacement	50
Platforms, Shelters, Tram Stops, Bus Stops	39
Trains, Trams, Buses	39
myki Product	39
Staff Station Attendant	38
Staff Driver	36
Ticketing Replacement, Refund	25
myki Terms and Conditions	24
Service Delivery, Disruption	23
Service Delivery, Insufficient Service	23
myki Website	22
Service Delivery, Cancellation	20

## Too much dust for Alice

Alice's house could only be accessed via a paved laneway, intended for local traffic only.

Next to Alice's house was a vacant paddock owned by VicTrack and leased to a rail operator. The rail operator allowed commuters accessing its rail services to park in the paddock and permitted buses to use the paddock to turn around in. The result of these activities was dust blowing on to Alice's property to such an extent she was unable to open windows or hang clothes out to dry. Alice also relied on water tanks and claimed the dust made the water undrinkable.

Prior to contacting the PTO, Alice had unsuccessfully attempted to resolve the issue with the rail operator. We referred the matter to a senior staff member at VicTrack, which is responsible for management of the land in question.

VicTrack contacted Alice and then met with her at her property to discuss the dust issue and a number of potential solutions, including planting trees along the VicTrack land boundary, sealing the access road and sampling the water in her tank.

VicTrack continues to work with Alice to ensure her concerns were addressed.

P2013/1138



In most cases, a detailed explanation and/or an apology will satisfactorily resolve a complaint. Complaints are also resolved through the provision of refunds and goodwill gestures.

Redress for RFIE Complaints	
Detailed Explanation	703
Apology	466
Refund	196
Goodwill Gesture	124
Ticket Compensation	34
Recommendation for Change in Policy / Procedure	8
Operator Staff Training	8
Operator Staff Disciplined / Counselling	6
Monetary Compensation	1

#### Redress value

In 2012/2013, we began to record the value of goodwill gestures, refunds and compensation provided to consumers directly by operators as part of the resolution of their complaint. In summary these are:

#### No way home – Steven’s experience

Steven had travelled from Traralgon to Melbourne for a concert and was due to return on a special V/Line train service that had been advertised to run following the concert.

Steven and his friends arrived at Southern Cross Station approximately 15 minutes before the advertised departure time for the special service and waited on the platform advised by V/Line staff. Shortly afterwards, a change in scheduling resulted in the service departing from a different platform. Steven and his friends were not notified of the change and missed the train. The group had to make alternative travel plans, which included travelling to Pakenham by train and relying on a family member to pick them up and drop them all home – a 40 minute trip.

Steven lodged a complaint with the PTV call centre following the incident and was provided with a reference number. He made multiple follow up calls and each time was advised to wait for V/Line to respond. Tired of waiting for the V/Line response and dissatisfied with the PTV call centre’s advice, Steven approached the PTO.

V/Line advised the PTO that it was unaware of the complaint and provided information to show that Steven’s complaint had not been correctly referred from the PTV call centre to V/Line for response. We raised this issue with PTV, resulting in a review of the contact centre complaint referral process, which ensured that future referrals would be made correctly and within agreed timeframes.

Given V/Line had not received the initial complaint we referred it back to V/Line for internal escalation.

As a result, V/Line contacted Steven and apologised, offering to refund the cost of the train tickets (\$30.60). After further discussion with Steven, V/Line also agreed to reimburse the petrol costs his family member had incurred when picking them up from Pakenham. V/Line made this offer to acknowledge the lack of response due to the complaint not being referred to V/Line by the PTV call centre.

P2013/0710

Redress Value	Average	Range
Goodwill gestures	\$18.00	\$2.00 - \$124.00
Refunds	\$66.00	\$1.00 - \$1,395.00
Ticket Compensation	\$10.00	\$3.00 - \$180.00
Compensation	\$10.00	\$10.00



# PTO Investigations



In 2012/2013 the PTO received 623 complaints for investigation, up from 568 in 2011/2012.

## Investigation process

PTO investigations are undertaken when a consumer has tried to resolve their complaint directly with the operator and it remains unresolved.

The primary purpose of our investigations is to resolve complaints to the satisfaction of both parties and achieve fair and reasonable outcomes. When investigating, our Conciliators collect and analyse information from both parties, and where appropriate seek advice from regulators and expert advisers. They also consider relevant laws and codes and good industry practice. Where an agreement can't be reached the Ombudsman may make a binding decision or may dismiss the complaint.

As well as resolving individual complaints, we work hard to prevent complaints recurring, by encouraging public transport operators to address the root cause of complaints.

Investigations (most common complaint issues)	
myki Staff Customer Service	247
myki Refund, Reimbursement	187
Staff Customer Service	125
myki Account	106
Staff Driver	60
myki Equipment Trains, Trams, Buses	50
myki Replacement	50
myki Blocked	46
myki Product	40
Trains, Trams, Buses	39
myki Card	32
Platforms, Shelters, Tram Stops, Bus Stops	25
Service Delivery Punctuality	21
Authorised Officer Behaviour, Approach	19
Staff Station Attendant	16
Ticketing Replacement, Refund	15
myki Website	15
Service Delivery Disruption	12
Tracks	12
Service Delivery Cancellation	10

## Non-Complex Investigation process – a backlog avoided

By May 2012, the volume of myki investigations being undertaken by the PTO was causing further customer dissatisfaction, as there were delays in resolution timeframes.

In order to prevent the 2012/2013 year beginning with a backlog of complaints we undertook some process reviews to identify how we could streamline our investigations.

As a result, the Non-Complex Investigation process was introduced for some myki investigations. Now, when a consumer contacts the PTO about an unresolved myki ticketing issue, the complaint is assessed to determine if it is likely to be resolved quickly (within 14 to 21 days) through immediate discussions and negotiations, avoiding the need for a formal written investigation. We resolved 180 complaints using this streamlined process, which were resolved in an average of 17 days.

In May 2013 we reviewed the process and made further improvements. Our long term goal is that non-complex complaints do not make their way to the PTO as they can be easily and quickly resolved through the PTV's internal dispute resolution process.

Thank you for your email – it explains the investigation and reasoning more clearly than it has been explained to me to date.

*Tom (P2012/1708)*



### Incorrect myki advice for Keysha

In December 2012 Keysha moved house. She visited the PTV Hub to ask about changing her Zone 1 & 2 Yearly Commuter Club pass to a Zone 1 pass. Her Commuter Club pass had 42 travel days remaining on it.

PTV Hub staff told her that she could not transfer the pass, but could apply for a refund of the Zone 1 & 2 pass. She was advised to purchase 7-day passes until her new Commuter Club pass was issued in February 2013. She later received an email confirming this advice.

Keysha sent her Commuter Club myki in for a refund and purchased two new myki cards, topping them up with a number of 7-day Zone 1 passes at a cost of \$222.00. A month later myki informed her that as the Commuter Club pass had been used for more than 290 days she was not owed a refund.

Keysha was dissatisfied that she was not advised either time she spoke with PTV staff that she had too few pass days remaining to be eligible for a refund. If she had been told, she would have continued using her current pass at no additional cost.

Keysha attempted to resolve her complaint directly with myki over several months, and was offered a \$30.00 goodwill gesture. She wasn't satisfied, as the offer did not address the unnecessary out of pocket expenses she had incurred. She asked the PTO to investigate.

The PTO confirmed that PTV's Business Rules state that if more than 290 days are used on a Commuter Club pass, the pass is not eligible for refund. This is because the entitlement to 40 days free travel associated with a yearly pass only becomes available through holding the pass for an entire year. Further, refunds are calculated on the basis of what a consumer would have paid had they purchased that number of days initially. The Rules also state where no refund is owing that the myki should be returned to the consumer as soon as possible so any remaining pass days can continue to be used.

We expect that front line staff would understand the refund process, or refer consumers to the contact centre if unsure. This did not occur. The PTO was of the view, and PTV agreed, that had better information been provided to Keysha when she first enquired about refunding her pass she would have retained her Zone 1 & 2 pass until it expired in February 2013 and would not have incurred the additional cost of six 7-day passes.

PTV apologised for providing incorrect information and poor customer service, offering to reimburse her \$222.00 for the cost of the 7-day passes and the two myki cards she purchased. PTV also offered a further \$50.00 goodwill gesture. Keysha accepted the offer and donated the \$50.00 to her favourite charity – as she wanted to be reimbursed for out of pocket expenses and to ensure that customer service and information provision improvements were implemented rather than receiving financial compensation.

P2013/1637



# Finalised PTO Investigations



In 2012/2013 88% of PTO investigations were resolved by agreement.

708 investigated complaints were finalised, up from 437 - a 62% increase on 2011/2012.

As a result of our effective investigation processes, we investigated and resolved 85 more complaints than we received during the period. We finished the year with 101 open cases, down from 193 at the same time last year.



Finalised Investigations	
PTO Resolution	622
Discontinued - No Further Consumer Contact	67
Discontinued - Withdrawn by Consumer	14
No Further Investigation - Fair Resolution Offer	5
<b>Total</b>	<b>708</b>

### Binding decisions

When an agreed outcome cannot be reached, the Ombudsman may make a binding decision. If the consumer agrees to the decision, the operator must abide by it. If the consumer rejects the decision, the complaint is dismissed and the consumer may pursue the complaint through another forum. The Ombudsman did not make any binding decisions in 2012/2013.

### Discretion not to further investigate

If the Ombudsman (or her delegate) decides a case has insufficient merit to warrant further investigation, she may finalise the investigation. This usually occurs when a consumer has had the full opportunity to present their views and rejects a fair and reasonable resolution offered made by an operator. In 2012/2013, 5 cases were finalised with a no further investigation outcome.





### Agreed Outcomes - Redress

In most cases investigations are resolved by the provision of detailed explanations and apologies for service deficiencies. Goodwill gestures can also be an effective way of addressing the impact of complaints and repairing the relationship between the consumer and the operator. Goodwill gestures are sometimes offered to address the inconvenience or frustration caused, in recognition of poor service provided by an operator or as a commercial decision by the operator to resolve the complaint.

Redress for Investigations	
Detailed Explanation Provided	565
Apology	406
Goodwill Gesture	251
Refund	237
Operator Staff Training	34
Recommendation for Change of Policy/Procedure	28
Operator Staff Disciplined/Counselled	19
Ticket Compensation	9
Monetary Compensation	3

### Redress value

In 2012/2013, we began to record the value of goodwill gestures, refunds and compensation provided to consumers via PTO Investigations by operators as part of the resolution of their complaint. In summary these are:

### Wedding traffic jam – Anna’s complaint

Rosa and Filippo were holding their wedding at a reception centre which was to be impacted by some major upgrade work on a nearby tram stop. Yarra Trams had discussed the traffic management plan, including access arrangements with Rosa and Filippo. Yarra Trams offered to email information and a map regarding the detours and entry points to assist guest access but Rosa and Filippo declined.

Following the reception, Anna, the mother of the bride, lodged a complaint with Yarra Trams that there was inadequate signage, traffic management and notice provided. She stated that as guests and the bridal party could not drive directly into the centre many were late.

Yarra Trams advised Anna that it had implemented an extensive traffic management plan and provided appropriate notice to local residents and the reception centre. It confirmed it had met with the centre owners in order to minimise any impact on guests. Despite this, Yarra Trams offered four complimentary tickets to its tramcar restaurant, as a gesture of goodwill and to resolve Anna’s complaint.

Anna contacted the PTO, as she did not believe Yarra Trams had fully addressed the issues and that there were inconsistencies in the advice provided regarding notification of the works to the reception centre. Anna said that had sufficient notification been provided, she would have considered an alternate reception venue. She was claiming \$5,000 compensation from Yarra Trams.

We advised Anna that our investigation would identify if Yarra Trams had met its obligations and we asked Anna to provide substantiation of her actual monetary loss.

As part of our investigation we reviewed the timing and content of information issued by Yarra Trams to the reception centre, which provided dates, times and the extent of the works as well as vehicle access arrangements. It confirmed that Yarra Trams had met the reception centre owner and had in place an appropriate traffic management plan, including over 200 signs and traffic management staff positioned to guide reception guests.

Anna acknowledged in further discussions with us that no financial loss had been incurred, that 90% of guests had arrived at the centre without any issue and that Rosa and Filippo had a memorable evening.

Our investigation found that Yarra Trams acted appropriately, taking additional steps above those required by the Department of Transport, the road rules and industry practice in undertaking the works. As a result of our independent review, Anna accepted that Yarra Trams had acted appropriately and accepted its original goodwill offer of four tramcar restaurant tickets. She gave the tickets to Rosa and Filippo.

P2012/2516

Redress Value	Average	Range
Goodwill gestures	\$37.00	\$1.00 - \$1,261.00
Refunds	\$89.00	\$1.00 - \$1,144.00
Compensation	\$475.00	\$59.00 - \$1,117.00





Thank you for all your hard work in investigating and managing my case. I know it wasn't easy, so I appreciate everything you've done for me.

*Claudia (P2012/2896)*

### Refund dissatisfaction – Bill's complaint

Bill contacted the PTO stating that he had purchased two Zone 1, 7-day passes which did not activate when he touched on, due to his myki card being faulty. He sought a refund from myki and believed he was advised to travel on Metcards while the issue was reviewed. Nine months later he again contacted myki as he had not received a refund and was informed that his case was closed. Bill was concerned that myki had closed his case without contacting him or providing a refund. He was seeking a refund of both passes and a full reimbursement for the Metcards purchased while waiting for his refund.

We asked Bill to provide either the Metcards or receipts so we could consider his claim. During our investigation TTA advised it had unsuccessfully attempted to contact Bill by phone five days after his initial contact to offer to refund both myki passes. It had then emailed Bill with instructions on the steps needed to obtain the refund. Bill made no further contact until nine months later when he called to check on the status of his refund. He was advised he would need to apply for a refund via a refund form. TTA advised that there was no record of any offer to reimburse any Metcard costs and that it did not believe the offer was made. It again offered to refund the myki pass value and provide a free myki if the faulty myki and a refund form was returned by Bill.

We reviewed call transcripts, contact notes and email correspondence. We found that Bill was advised when he re-contacted myki that the difference between daily myki pass rates and Metcard costs would be considered for reimbursement from the date of this call to the time the refund request was processed – a period of some weeks, not months. We calculated the difference to be \$4.00.

We outlined the issues and the resolution offers made by TTA in a letter to Bill:

1. TTA arranged a refund outside of its standard refund process and had processed a refund of \$60.40 for the two passes;
2. a new myki card had been provided free of charge;
3. any customer service and complaint handling issues were addressed by a goodwill gesture of \$40.00 and an apology for any inconvenience caused by the provision of incorrect information about refunds; and
4. TTA had offered reimbursement of the difference between daily myki pass rates and Metcard costs as calculated by the PTO (\$4.00).

Bill was advised to consider the offers made and if dissatisfied to provide additional supporting information to the PTO to assist the investigation process. Bill remained dissatisfied but did not provide any new information. We reviewed the merits of the complaint and the offers made and finalised it on the basis that no further investigation was warranted.

In line with his rights under the our Internal Complaint Policy, Bill sought an Ombudsman's Review of the decision to finalise his case. Reviews by the Ombudsman focus on three main areas; bias, errors or omissions during the investigation and/or if new information has been provided that would materially affect the outcome of the investigation.

The Ombudsman completed the review and found no grounds for re-opening the investigation.

P2012/1708

# Complex investigations: a key to identifying business improvement opportunities

In 2012/2013, we finalised 708 investigations and thirteen (2% of finalised investigations) took over six months to resolve. Complaints that require long-term, in-depth investigations present opportunities for wider consultation, innovative outcomes, public education and public transport operator business improvement.

Complex investigations take a significant amount of time to investigate and resolve and Jesse's experience provides a key example. This investigation was open for around nine months, because as well as working with Jesse and Metro Trains, we also consulted the Department of Transport's Authorised Officer Regulation, Training and Accreditation Unit and Public Transport Victoria so that the issue could be holistically and effectively resolved. The outcome will result in systemic improvements to the accessibility of Metro services – not only for Jesse but for many other commuters including those who combine cycling with their train travel. The PTO is advised that PTV's introduction of train signage will occur later in 2013.



## Cyclists in the way – Jesse's experience

Jesse uses a mobility aid and can only board his train at the first door of the first carriage as the train driver uses a manual ramp to help him board. Jesse was concerned that cyclists boarded at this door and put their bicycles in the space allocated for people using mobility aids. This meant that sometimes Jesse couldn't get on the train as there wasn't enough space for him.

The VFTM prohibits cyclists from boarding at this door or placing their bicycles in the allocated space. Jesse was dissatisfied that Metro did not proactively advise cyclists they were prohibited from doing so through signage or when their staff observed it occurring.

He'd contacted Metro to complain but was dissatisfied with its response.

We investigated. Metro considered that there was already sufficient information about travelling with bicycles, available from a number of sources, including on websites and in brochures. While the PTO agreed that this information was available, we were concerned at its effectiveness, as bicycles were still being boarded inappropriately, making it difficult for people with disabilities to access train services. We suggested that drivers could simply ask cyclists to move when assisting commuters with mobility aids to board. Metro advised that its drivers did not have powers to compel other commuters to move from an allocated space and its Authorised Officers were only empowered to make a report of non-compliance if the bicycle was causing an obstruction. We also suggested that Metro could place some signage on its trains or at stations to alert cyclists not to use the front carriage as the space is allocated for people with disabilities. Metro advised it wasn't able to do this, as signage of this type was a PTV responsibility.

We consulted the Authorised Officer Regulation Training and Accreditation Unit (AORTA), within the Department of Transport, Planning and Local Infrastructure, about who was responsible for enforcing the prohibition on cyclists boarding at the first door of the first carriage, as outlined in the VFTM. AORTA confirmed that the Regulations differed from the VFTM and a fine could only be issued if the bicycle was causing an obstruction to someone wanting to access the allocated space. AORTA advised that it expected that Authorised Officers would explain to any passenger with a bicycle in the allocated front carriage area that the area should be kept clear and ask that they move.

We then approached PTV who advised that it was introducing an education programme including placement of stickers on all Metro trains clearly stating that bicycles are not permitted on the front carriage. This should help reduce the incidence of cyclists using the front carriage and should increase the accessibility of Metro's services. We asked that Jesse be kept informed of the progress of this initiative, PTV happily agreed to do so.

P2012/3396



# Internal Dispute Resolution (IDR) Process

The appointment of franchised public transport operators in Victoria resulted in the introduction of a system-wide internal dispute resolution process.

In addition, the PTO was established so that consumers had an independent external dispute resolution option if required.

The IDR process provides a centralised contact centre, now managed by PTV, which responds to thousands of enquiries about public transport every week, on behalf of the individual operators. Where consumers complain to PTV about public transport operators, PTV records the complaint and then forwards it to the operator for acknowledgement and a substantive response within seven business days.

Some consumers lodge complaints directly with operators – via their website, to frontline staff, by email or letter. Ensuring that operator IDR processes capture and resolve these complaints, is a key measure of the effectiveness of a complaint system.

In order to provide insights to operators about possible improvements to IDR, we ask people who contact us about their experience with operator IDR processes and why they remain dissatisfied (see the table on the right for details).

In short, a good IDR process provides consumers with:

- timely and complete responses, addressing all of the issues raised;
- regular progress reports on the investigation and resolution of the complaint;
- appropriate options for resolution; and
- agreed actions being carried out in a timely way. A good IDR process should also focus on identifying and addressing systemic issues.



## Consumer Concerns with Operator Complaint Handling

Dissatisfied with Policy Decisions, Procedure Application	584
Complaint Lost, Not Followed Up	495
Inadequate, Incomplete Response	254
Conflicting Advice Given, Incorrect Procedure Advised	247
Meaningless Response, Form Letter	223
Failure to Escalate Complaint	165
Impractical Outcome	123
System and Processes Onerous, Difficult to Follow	115
Inadequate Investigation	113
Procedures Unclear, Not Explained	66
Unhelpful Advice	63
Failed PTO Referral Outcome	57
Inappropriate Manner, Attitude	55
Complaints Process Difficult to Follow	27
Refusal to Investigate, Re-consider	25
Outcome Conflict with Law, Good Practice	24

## PTV IDR Review

PTV is currently reviewing the public transport industry IDR process. The PTO has worked with PTV and other operators to ensure this review results in a process that complies with best practice complaint handling standards, improved access to operator internal dispute resolution processes and no reduction in access to our services.

The review has coincided with the Standards Australia review of the Australian Standard for Customer Satisfaction – Guidelines for complaints handling in organizations (AS ISO 10002:2006). The Ombudsman is a member of the Standards Australia Committee responsible for the review and encouraged all PTO Members to provide feedback on the new Draft Standard.

# Our case handling performance



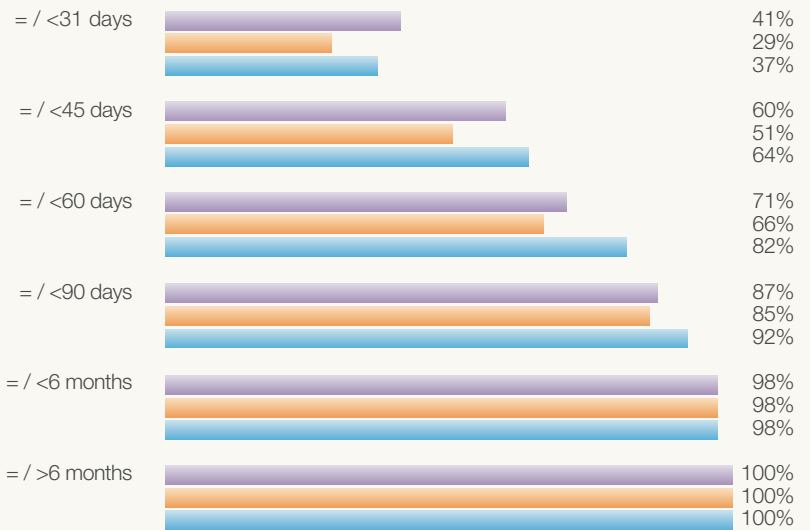
## Cases Finalised Within 31 days

**91%**  
2010 / 2011

**91%**  
2011 / 2012

**90%**  
2012 / 2013

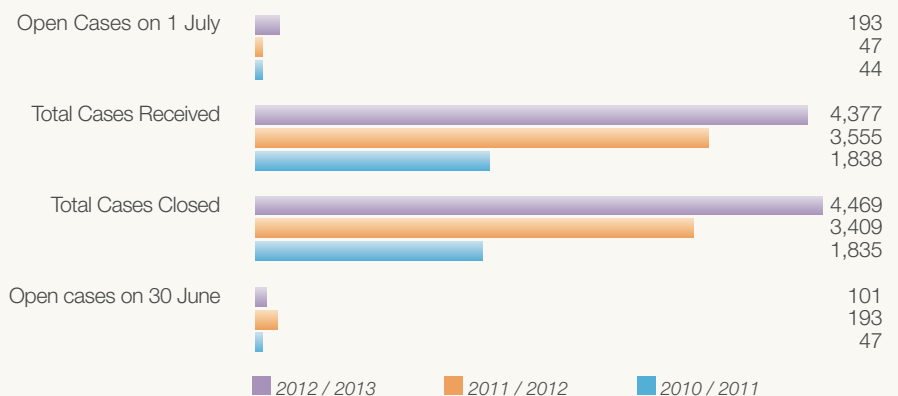
## Days to Finalise Investigations



In 2012/2013, twelve complex complaints took more than six months to resolve - with one taking 315 days

■ 2012 / 2013   ■ 2011 / 2012   ■ 2010 / 2011

## Cases Managed Annually



# Summary Financial Statements

The following is a concise version of the Financial Report for the Public Transport Ombudsman Ltd. for the year ending 30 June 2013. The financial statements and specific disclosures contained in this concise financial report have been derived from the full financial report and the concise financial report cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the entity as the financial report.

Audited Financial Statements and Directors' Report for the Public Transport Ombudsman Ltd. have been lodged with the Australian Securities and Investment Commission in accordance with the *Corporations Act 2001 (Cth)* requirements.

	2013	2012
	\$	\$
<b>Comprehensive Income Statement</b>		
<b>Continuing operations</b>		
Revenue from annual levies	1,606,900	1,606,900
<b>Non-operating activities</b>		
Interest income	26,956	35,502
Other income	15,554	3,700
<b>Total income</b>	<b>1,649,410</b>	<b>1,646,102</b>
<b>Expenses from ordinary activities</b>		
Depreciation and amortisation expense	50,582	39,777
Employee benefits expense	1,325,199	1,112,127
Occupancy Costs	89,653	85,653
Telephone and IT expenses	96,284	69,119
Consultancy expenses	80,384	87,967
Other expenses from ordinary activities	149,451	140,793
<b>Surplus (Deficit) from ordinary activities before income tax expense</b>	<b>(142,143)</b>	<b>110,666</b>
Income tax expense relating to ordinary activities	-	-
<b>Surplus (Deficit) for the period from continuing operations</b>	<b>(142,143)</b>	<b>110,666</b>
Other comprehensive income for the year	-	-
<b>Total comprehensive income for the year</b>	<b>(142,143)</b>	<b>110,666</b>
<b>Changes in Equity</b>		
<b>Total Equity at the beginning of the financial year</b>	508,069	397,403
Total comprehensive income for the year	(142,143)	110,666
<b>Total Equity at the end of the financial year</b>	<b>365,926</b>	<b>508,069</b>

The Australian Taxation Office has issued a private tax ruling declaring that the company is deemed exempt from income tax for the financial years ending 30 June 2012 to 30 June 2015.

	2013	2012
	\$	\$
<b>Statement of Financial Position</b>		
<b>As at 30 June 2013</b>		
<b>Current assets</b>		
Cash and cash equivalents	809,054	790,563
Trade and other receivables	596,432	626,468
<b>Total current assets</b>	<b>1,405,486</b>	<b>1,417,031</b>
<b>Non-current assets</b>		
Office equipment	114,319	113,671
<b>Total non-current assets</b>	<b>114,319</b>	<b>113,671</b>
<b>TOTAL ASSETS</b>	<b>1,519,805</b>	<b>1,530,702</b>
<b>Current liabilities</b>		
Trade and Other Payables	1,090,733	968,051
Provisions	53,752	38,633
<b>Total current liabilities</b>	<b>1,144,485</b>	<b>1,006,684</b>
<b>Non-current liabilities</b>		
Provisions	9,394	15,949
<b>Total non-current liabilities</b>	<b>9,394</b>	<b>15,949</b>
<b>TOTAL LIABILITIES</b>	<b>1,153,879</b>	<b>1,022,633</b>
<b>Net assets</b>	<b>365,926</b>	<b>508,069</b>
<b>Equity</b>		
Retained surplus	365,926	508,069
<b>TOTAL EQUITY</b>	<b>365,926</b>	<b>508,069</b>

## Statement of Cash Flow

For the year ended 30 June 2013

<b>Cash flows from operating activities</b>		
Receipts from Members	1,744,165	1,427,667
Payments to suppliers and employees	(1,701,700)	(1,474,759)
Interest received	26,956	35,502
<b>Net cash inflow from operating activities</b>	<b>69,421</b>	<b>(11,590)</b>
<b>Cash flows from investing activities</b>		
Payments office equipment	(51,230)	(44,569)
Proceeds from office equipment	300	-
<b>Net cash (outflow) from investing activities</b>	<b>(50,930)</b>	<b>(44,569)</b>
<b>Net increase in cash and cash equivalents</b>	<b>18,491</b>	<b>(56,159)</b>
Cash and cash equivalents at the beginning of financial year	790,563	846,722
<b>Cash and cash equivalents at the end of financial year</b>	<b>809,054</b>	<b>790,563</b>

### Contacting the Public Transport Ombudsman

The Public Transport Ombudsman provides a fair and independent way to resolve complaints about trains, trams, buses, ticketing and other public transport services.

The Public Transport Ombudsman can help if you cannot solve your complaint with the public transport operator. Our services are free and available to anyone who travels on, or is affected by, public transport in Victoria.

**Free Call:** 1800 466 865

**National Relay Service:** **TTY users** phone 1800 555 677 then ask for **1800 466 865**

**Speak & Listen** (speech-to-speech) users phone 1800 555 727 then ask for **1800 466 865**

**Interpreter Service:** 131 450

**Fax:** 03 8623 2100

**Email:** [enquiries@ptovic.com.au](mailto:enquiries@ptovic.com.au)

**Website:** [www.ptovic.com.au](http://www.ptovic.com.au)

**Mail:** PO Box 538  
Collins Street West  
Melbourne VIC 8007

### Glossary of terms

ANZOA	Australian & New Zealand Ombudsman Association
AO	Authorised Officer
AORTA	Authorised Officer Regulation, Training and Accreditation unit
CVM	Card Vending Machine
DoT	Department of Transport, Planning and Local Infrastructure
IDR	Internal dispute resolution
PTO	Public Transport Ombudsman
PTV	Public Transport Victoria
RFIE	Refer for Internal Escalation
TTA	Transport Ticketing Authority
VFTM	Victorian Fares and Ticketing Manual