



Systemic Issues Policy and Process

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Our Policy

Throughout this policy a reference to a systemic issue may relate to an actual or potential systemic issue. For the avoidance of doubt, a reference to a systemic investigation within this policy refers to the process of inquiring or investigating a potential or actual systemic issue and not to the case classification title used by the PTO in its case management system.

What is a systemic issue?

The PTO defines an actual systemic issues as an issue 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; or
- the conduct of an operator's employee, agent or contractor.

This is not an exhaustive list.

Background

The Public Transport Ombudsman Limited (PTO) plays an important role in the identification, investigation, referral and reporting of systemic issues in the Victorian public transport industry.

The Ombudsman has powers to handle, refer and report on systemic issues under clauses 3.7, 7.1 and 7.2 of the PTO Charter¹.

The PTO also complies with the *National Benchmarks for Industry-Based Customer Dispute Resolution Schemes 1997* (DIST Benchmarks). DIST Benchmarks 4, 5 and 6 (Accountability, Efficiency and Effectiveness) require the PTO to highlight any systemic industry problems and to have appropriate procedures in place for the referral and reporting of systemic issues².

Where a systemic issue relates in part or in whole to an issue outlined under paragraph 4 of the Charter, the Ombudsman's does not have jurisdiction to investigate it. Accordingly, the Ombudsman may formally refer systemic issues that are out of jurisdiction to another body, as and when the Ombudsman considers appropriate.

The benefits of resolving systemic issues

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

- ensuring systemic issues are identified and resolved quickly, thereby limiting the potential impact of the issue on the travelling public;
- assisting operators to improve their practices and processes, which will lead to a better customer experience and will reduce further complaints;

¹ A copy of the PTO Charter is available on our website <http://www.ptovic.com.au/about-us/corporate-governance>

² A copy of the DIST Benchmarks can be obtained from <http://www.anzoa.com.au/National%20Benchmarks.pdf>

- 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 a knowledge base about the issues and the appropriate steps to address them; and
- assisting to create an industry culture of complaint analysis, through the collaborative approach taken to the investigation and resolution of issues, so systemic issues are proactively identified and resolved internally.

How we have developed our policy and process

We have developed a transparent and robust policy, process and procedure for the timely and consistent handling of systemic issues.

Development included benchmarking the policy and process against other industry based Ombudsman schemes and obtaining feedback from operators and consumers through the PTO's Stakeholder Consultative Committee.

The policy outlines the PTO's approach to the investigation, resolution and reporting of systemic issues.

The process and procedure provide operational information about how the PTO handles systemic issues, including who is responsible for managing systemic issues and how and when systemic issues will be referred and reported by the PTO.

Our approach

The PTO takes its responsibilities to identify, investigate, resolve, refer and report systemic issues in a consistent and timely manner seriously.

PTO staff are well trained and supported to enable them to critically assess whether an enquiry or complaint has the potential to have broader implications to consumers or the industry.

Systemic investigations are handled by a senior officer at the PTO as stand-alone investigations, managed outside of associated individual consumer complaints.

The Ombudsman may refer potential or actual systemic issues that are outside jurisdiction under clause 4.2 of the PTO Charter to the relevant regulator³, Public Transport Victoria (PTV), in its role administering the public transport industry, the Secretary of the Department of Transport, Planning and Local Infrastructure (the Secretary) or the Minister for Public Transport (the Minister).

When an issue is identified as potentially systemic and is within our jurisdiction, we will review all relevant information we have on hand and undertake an initial investigation which may include making preliminary enquiries, to assess whether further investigation is warranted.

³ Regulators may include:

- Australian Competition and Consumer Commission (ACCC)
- Authorised Officers Recruitment, Training and Accreditation Unit (AORTA) at the Department of Transport
- Consumer Affairs Victoria (CAV)
- Environment Protection Authority (EPA)
- Transport Safety Victoria (TSV)
- The Office of the Australian Information Commissioner and the Office of the Victorian Privacy Commissioner

Other bodies such as:

- Australian Human Rights Commission (AHRC)
- The Victorian Ombudsman (VO),
- Victorian Equal Opportunity and Human Rights Commission (VEOHRC).

This is not an exhaustive list.

Reasonable opportunity to respond and resolve

When undertaking an investigation, we provide an operator with a reasonable opportunity to understand why we consider the issue potentially systemic, to review it and to provide a response outlining its assessment and any steps it will implement to address the issue.

The PTO will provide the operator with reasonable timeframes for response, generally 7 or 14 days, and will ensure that systemic issues are managed in a timely way internally with substantive action taken every 7 to 14 days, where appropriate.

If, after 60 days of formal referral of the issue to the operator and the formal investigation of a systemic issue by the PTO, we are not satisfied with an operator's response, the Ombudsman will provide the operator's Chief Executive Officer (CEO) or other nominated senior executive with a further opportunity to review the issue and provide an appropriate response.

Timely referral of unresolved issues

We aim to resolve or refer all systemic issues within 90 days of formal referral to the operator.

If a systemic issue remains unresolved, the Ombudsman will refer it to the relevant regulator, PTV, the Secretary or the Minister for their attention, review and/or follow up.

Referral will occur when an operator advises they will not implement steps to rectify the issue or implement processes to provide redress for affected consumers, or where after 90 days the issue is not resolved to the satisfaction of the Ombudsman.

Recording systemic issues

We register and maintain accurate records of the potential and actual systemic issues we receive and the steps taken by the PTO, the operator and other stakeholders to investigate, resolve, refer or finalise the issue.

We also record systemic issues that are out of jurisdiction and that are formally referred to other bodies by the Ombudsman.

These records form the basis of PTO systemic reports.

Reporting of systemic issues

The PTO will provide systemic issue reports to the PTO Board, operators, relevant regulators, PTV, the Secretary or the Minister, as deemed appropriate by the Ombudsman.

A quarterly report on the systemic issues identified, investigated, resolved, finalised or referred during that quarter will be provided to PTV in its role as system administrator.

We will publicly report on actual and potential systemic issues investigated, resolved, finalised or referred in our Annual Report, on our website and in public reports.

Operators will be provided with the opportunity to comment on summary information of finalised systemic issues prior to inclusion on the PTO website or our Annual Report. If an operator disagrees with the PTO's assessment that an issue is systemic, the summary of the finalised issue will include a brief statement about the reasons for the operator's view.

Providing operators with this opportunity is consistent with our current process for case studies in our public reports.

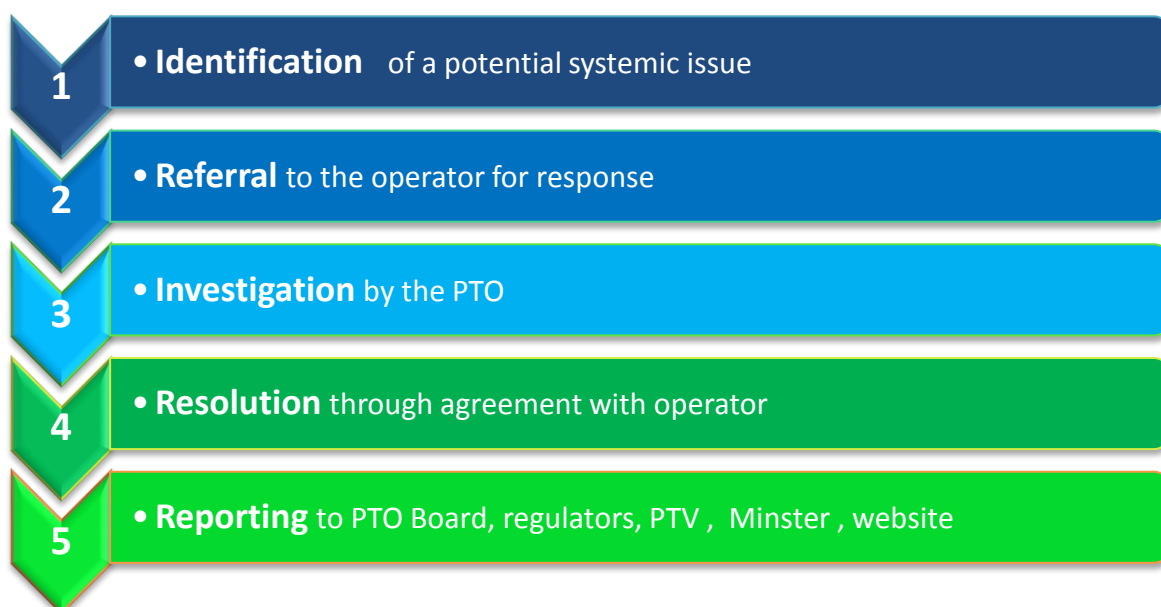
Regular review

We will regularly review our policy and processes to ensure systemic issues are being handled efficiently and effectively by our office and are being responded to appropriately by operators.

Amendments may be made from time to time and a full review of the policy, process and procedure will be undertaken every 2 years.

The next review will be conducted in July 2015.

Our Process



1. Identification

The PTO may identify a potential systemic issue through the lodgment or investigation of one or more enquiries and complaints to our service, or through the referral of a systemic issue by an operator or stakeholder. The identification of a systemic issue may occur at any stage of the PTO's case handling process. The PTO will review all information it has to hand and may undertake initial investigation or make preliminary enquiries into the issue to establish whether it warrants further investigation under our process.

2. Referral

Once a potential issue has been identified, we will refer it to the operator for a response. We will outline the issue, seek further information and request a formal response from the operator.

3. Investigation

The PTO will review the operator's response and determine whether or not the issue is definitely systemic. If the PTO is of the view that the issue is systemic, further investigation will be carried out to determine how the issue should be addressed. If after our investigation, the PTO determines the issue does not meet our definition of a systemic issue, no further investigation will be undertaken and the issue will be finalised. The issue may still form part of our public reporting.

4. Resolution

The PTO will work with the operator to resolve the systemic issue. Systemic issues will be considered resolved where the operator takes the following steps (where appropriate):

- identifies all affected consumers, or the number or type of consumers affected;
- implements processes to provide affected consumers (including those who may be affected in future) with access to fair and reasonable redress; and

- implements remedial measures that address the cause of the systemic issue to prevent the issue arising in the future.

If, after 60 days of the formal referral of the issue to the operator, the issue remains unresolved, the Ombudsman will refer it to the operator's CEO or nominated senior executive for consideration and resolution.

Where the PTO is not satisfied with the operator's approach to the resolution of a systemic issue or it is unresolved after 90 days of formal referral, the issue will be reported to the PTO Board and referred to PTV in its role as system administrator, the relevant regulator, the Secretary or the Minister for attention, review and/or further action.

The PTO will then finalise its investigation.

5. Reporting

The PTO will report the status of systemic issues to the PTO Board for its information.

The Ombudsman will provide quarterly systemic issue reports to PTV in its role administering the industry. The Ombudsman may also provide systemic issue reports to relevant regulators, the Secretary or the Minister.

Where the Ombudsman formally refers systemic issues that are out of the PTO's jurisdiction to investigate, these may be reported on the PTO website and where appropriate in other publications.

The outcome of systemic investigations will be reported in summary on the PTO website at least 6 monthly and quarterly where PTO resources are available to do so, and in Annual Reports and other publications.