



UTILITIES  
DISPUTES  
TAUTOHETOHE WHAIPAINGA



# Annual Report 18/19

## CHAIR'S MESSAGE



I'm pleased to report on another positive year for Utilities Disputes. 2018–19 marks our 18<sup>th</sup> year resolving electricity and gas complaints, and our 2<sup>nd</sup> year resolving disputes about fibre installation on shared property, and water. We were delighted to welcome new members across all three schemes.

*Strengthening the consumer voice* is a welcome focus of the Government's Electricity Price Review. Consumer complaints, and the industry response, create change and progress. We work with both consumers and providers to ensure the best possible outcomes are achieved.

Utilities Disputes provides a quality service for all consumers that is free, independent and fair. We are also moving beyond complaint resolution to our more holistic focus: *Prevent, Educate, Resolve*.

While access to justice is the heart of our service, low visibility is a barrier. We are planning an awareness campaign and look forward to reaching more New Zealanders.

As of October 2018, Utilities Disputes has a fully independent Board. New Board members, Mark Gatland and Kyle Christensen, bring extensive experience to help steer future growth, together with Major Campbell Roberts and Dr Brian McCulloch.

I sincerely thank outgoing Board members, Nicky Darlow and Greg Skelton, for their valuable contribution during a period of significant change. Thank you to Commissioner Nanette Moreau for your leadership, and thank you to the dedicated team at Utilities Disputes.

**Hon Heather Roy**

UTILITIES DISPUTES BOARD CHAIR

## COMMISSIONER'S MESSAGE



As we celebrated our second anniversary as Utilities Disputes, we had a complaint increase of almost 10%. In 2018–19 we received a total of 7,227 complaints and enquiries; in 2017–18 we received 5,528.

While it is early days for our Water Complaints Scheme, and complaints remain low, the number of Broadband Shared Property Access Disputes (BSPAD) rose to 348 in 2018–19.

I'm proud of our team for their agility and professionalism. We are working hard to address a slight backlog in cases, greatly assisted by our new early resolution team.

Reducing hardship, supporting vulnerable households, and strengthening the consumer voice are key values in the sectors we work across. Adequate access to utilities is vital to everyday life, and access to a free and independent complaints service is also vital. Low awareness hinders access, and awareness of Utilities Disputes remains low.

I'm looking forward to changing this story and sharing ours.

18 years' experience in complaint resolution has given us in-depth knowledge. The ultimate reward is to transfer that knowledge into prevention and education, and the best way to do this is alongside industry.

Well-managed complaints make a difference – relationships can improve, communication can improve. Consumers can make more informed choices; businesses can improve their customer service and outcomes.

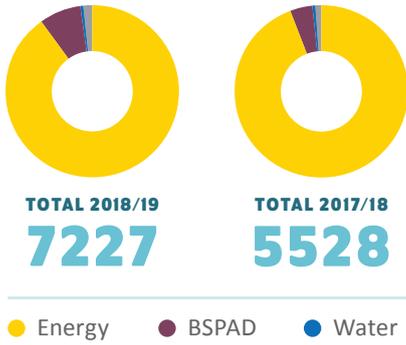
With that, I thank our members and their customers. Thank you to our Board Chair, Hon Heather Roy, and Board members for their guidance, and thank you, especially, to our hardworking Utilities Disputes team.

**Nanette Moreau**

UTILITIES DISPUTES COMMISSIONER

# THE YEAR IN NUMBERS

## Total cases (all schemes)



**4775**  
**ENQUIRIES**

2017/18: 3294

**2452**  
**COMPLAINTS**

2017/18: 2233

**313** **CASES**  
**ACCEPTED FOR**  
**CONSIDERATION**

2017/18: 147

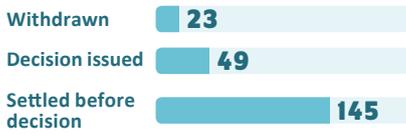
**255** **CASES**  
**CLOSED**

2017/18: 136

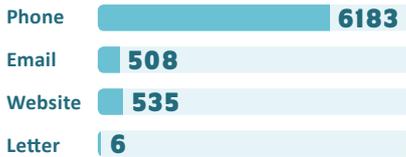
**44** **AVERAGE WORKING**  
**DAYS TO CLOSE**

2017/18: 51 days

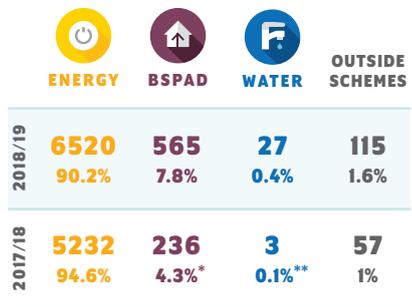
## Outcomes of accepted cases



## How people contact us



## Total cases by scheme



\* From 1 Oct 2017. \*\* From 15 Jan 2018.

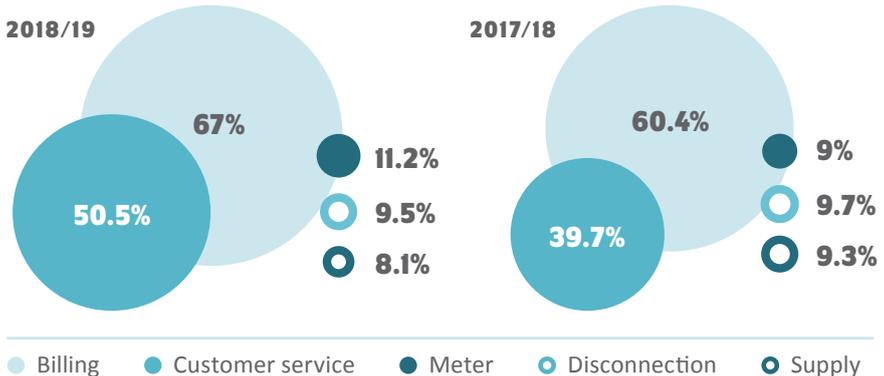
# COMPLAINTS



27 complaints received outside schemes.

# ENERGY ISSUES

Complaints about electricity and gas made up 84% of total complaints. The most common energy complaint issues were about billing, customer service, meters, disconnections and supply.



Cases can have more than one issue.

The **Energy Complaints Scheme** deadlocked complaints report is available on our website.

# REACHING OUT

## Hearing and sharing the consumer voice

Access to a free and independent complaints service is essential for consumers. We share information to help empower consumers with knowledge and to *Prevent, Educate, Resolve*.

### Spreading the word

More consumers need to know about us. The membership group play their part in recognising and responding to complaints, and informing customers about Utilities Disputes. We look forward to doing more to raise awareness.



**Fact sheets** available on our website, contain tips on common issues such as understanding your bill, high bills, back bills, disconnections, tenancy tips, broadband installation and water complaints.



Keeping in touch with **community organisations** is a great way to spread the word and encourage referrals. We visited Citizens Advice Bureaux, Rotary clubs and retirement villages.



**Sharing stories** and tips helps to educate consumers and prevent future issues.

Our active **Facebook** page has a substantial following, and Utilities Disputes featured in media articles about customer service, smart meters, tenancy tips, switching and bills.



We work hard to offer an **accessible** service and continue our drive for **Plain English** information. We provide access to language translation services and NZ Relay services.



Our quarterly consumer newsletter **Switched On** features interviews, cases, cartoons and more – check these out on our website.



Our **new brochure** is available on our website in 12 languages.



**Case notes** on our website provide real, anonymised examples of complaints.

See [utilitiesdisputes.co.nz](http://utilitiesdisputes.co.nz)



Utilities Disputes provided submissions for the **Electricity Price Review**. We welcome the focus on strengthening the consumer voice, establishing a consumer advisory council, supporting vulnerable and medically dependent consumers, and promoting access to Utilities Disputes.



“More of the NZ population should know about your service and what you are able to provide in the way of an honest and fair result. Thank you.”

# MEMBERSHIP GROUP

**345**  
**MEMBERS**



**341**  
**ENERGY**



**2**  
**BSPAD**



**2**  
**WATER**

Our full membership list is available on our website.



**Webinar topics**

Managing difficult behaviours

Restorative justice

The Electricity Registry

Broadband fibre installation

Conciliation conferences

Utilities Disputes – all about us

“It was a great webinar and helped us realise the importance of practicing and reflecting on our use of open questions.”

“Great job on the ‘Managing difficult behaviours’ webinar. Challenging work that makes a difference.”

“The webinars are really helpful. We sit together as a team and watch on the big screen with popcorn!”



**Annual Forum 2018 feedback**

“Great speakers this year and nice to see different aspects of the industry.”

“...we need to stop being defensive about Consumer NZ’s surveys and start really listening to what they tell us.”



**Commissioner’s visits**

**33**

**MEMBERSHIP VISITS**

**48**

**STAKEHOLDER VISITS**

“I really enjoy the contacts made during forum and a chance to talk to others about their similar experiences.”

## ENERGY CASE NOTE

### 75102 – Meters and miscommunication

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When Mrs Z switched energy companies, her former company sent her a \$300 bill. Mrs Z disputed the amount and asked the company to read her meter, as the bill was an estimate. They initially ignored her request and referred the amount owing to a debt collection agency. When the meter reader did arrive, Mrs Z was not notified as she had requested.

The meter reader couldn't access the meter and left a card. The company denied sending the meter reader, but they did send two generic apology letters.

**OUTCOME |** The Commissioner found the account should not have been sent to a debt collection agency during a dispute. The records showed the company did send the meter reader, who ignored instructions. The Commissioner recommended a \$250 customer service payment.

## BSPAD CASE NOTE

### 77460 – A surprise installation

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A tenant at a property asked for a fibre installation. After a year, the tenant cancelled the request. Three months later, the company sent notification and a detailed plan to the owners of the property. It did not inform the body corporate. A month later, it installed fibre.

The body corporate manager, Mr P, complained he was not notified, and that the company put screws in the exterior plaster and cement cladding in a way that could cause water to leak.

The company and Mr P met and agreed for the fibre to be removed and the property to be reinstated. The work was not done.

**OUTCOME |** The Deputy Commissioner found the company had no right to access the property in the first place. It was fair and reasonable to remove the installation and reinstate the property.

## WATER CASE NOTE

### 76404 – A bad smelling biofilter

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Mr T complained to his water company about a sewage smell from a biofilter opposite his home. The company attempted to fix a number of issues. Mr T asked for the biofilter to be replaced with a new system. The company replaced parts in the biofilter, and said it would take weeks for the smell to reduce. Mr T asked for his family to be moved into a rental property in the interim. The company offered to pay for a motel. Mr T complained to Utilities Disputes and asked for \$20,000 in compensation for the impact on his life.

**OUTCOME |** In a conciliation conference, the parties agreed the company would: install an air conditioner in Mr T 's home so the windows could remain closed; put up a sign at the filter so others could contact the company about the smell; look into a backup system for when the filter is being replaced, and update Mr T on the replacement. The parties could not agree on the other matters.

The Commissioner found the customer service was reasonable, including the offer of a motel. The company did not have to replace the biofilter with a new system.

# ANNUAL REVIEW

## Utilities Disputes performance standards for 2018–19 (all schemes)

Scheme requirement	Performance standard	Performance
<b>Time to close</b>	<p>&gt;45% DL* cases closed in 30 working days</p> <p>&gt;75% DL cases closed in 90 working days</p> <p>Scheme complaints closed in 60 working days</p>	<p><b>Met:</b> 49.8%</p> <p><b>Met:</b> 86.2%</p> <p><b>Met:</b> 100% closed</p> <p>5 complaints, 4 not substantiated, 1 comment on one aspect of complaint</p>
<b>Complainant satisfaction (new measure)</b>	Provisional goal reaching an average over 4	<p><b>Met</b> (319 respondents)</p> <p>Average across questions</p> <p>4.30 (out of 5)</p>
<b>Membership satisfaction (new measure)</b>	Provisional goal reaching an average over 4	<p><b>Met</b> (27 respondents)</p> <p>Average across questions</p> <p>4.16 (out of 5)</p>
<b>Awareness and accessibility</b>	20% unprompted recognition in general awareness survey	<p><b>Not met</b></p> <p>UMR survey results March 2019: 2% unprompted awareness for Utilities Disputes and 8% prompted awareness</p>
<b>Compliance reporting: complete, accurate and on time</b>	Compliance reporting complete, accurate and on time	<b>Met</b>
<b>External review of cases</b>	Assess complaint handling as meeting requirements of natural justice and good complaint handling	Not conducted during this reporting period

\* DL = Deadlock: where parties are unable to resolve the dispute themselves. Full definition available on our website.

## BSPAD SCHEME

### Two members:

Chorus NZ Ltd and Enable Networks Ltd.\*\*

- 217 enquiries
- 44.3 average working days to close for accepted cases
- 348 disputes: 349 closed, 15 open
- 87 disputes accepted for consideration: 81 closed, 9 open
- Outcomes of accepted disputes:

**6 withdrawn**

**23 determinations**

**1 preliminary determination**

**34 settled before decision**

**6 right withdrawn (by company)**

**8 no further investigation**

**3 not in jurisdiction**

The purpose of the BSPAD Scheme is to resolve disputes about access to shared property for broadband installation. Any party to an installation may refer a dispute to our free and independent scheme. BSPAD disputes must be a result of exercising statutory rights of access under the Telecommunications Act 2001 for broadband fibre-to-the-premises installations, or the installation of any prescribed technology, to help achieve the desired outcomes of the legislation. A review of the scheme is due in 2019.

### Target service levels

Decisions about jurisdiction = 5 working days from date the dispute is referred to us

**77 out of 102 cases met the target**

- Facilitating resolution = 10 working days from date the dispute is accepted

**1 out of 34 cases met the target**

- Issuing determination = 32 working days from the date the dispute becomes an accepted dispute

**7 out of 23 cases met the target**

\*\* Joined late March 2019.

# FINANCIAL SUMMARY



For the year ended 31 March

2018–19

2017–18

2016–17

ALL SCHEMES			
Annual levy	3,905,607	3,821,773	3,640,801
Other income	50,934	49,152	54,330
<b>Total income</b>	<b>3,956,541</b>	<b>3,870,925</b>	<b>3,695,131</b>
Staff related costs	2,502,964	2,421,434	2,620,933
Other costs	1,168,992	1,003,109	965,169
Depreciation	107,847	118,281	107,766
<b>Total expenditure</b>	<b>3,779,803</b>	<b>3,542,824</b>	<b>3,693,868</b>
<b>Operating surplus before tax</b>	<b>176,738</b>	<b>328,101</b>	<b>1,263</b>
<b>Total cases</b>	<b>7,227</b>	<b>5,471</b>	<b>5,534</b>
<b>Budget</b>	<b>3,730,897</b>	<b>3,838,357</b>	<b>3,722,389</b>

ENERGY 			
Annual levy	3,703,889	3,674,503	3,640,801
Other income	48,282	49,152	54,330
<b>Total income</b>	<b>3,752,171</b>	<b>3,723,655</b>	<b>3,695,131</b>
Staff related costs	2,372,632	2,330,151	2,620,933
Other costs	1,112,384	965,293	965,169
Depreciation	102,232	113,823	107,766
<b>Total expenditure</b>	<b>3,587,248</b>	<b>3,409,267</b>	<b>3,693,868</b>
<b>Operating surplus before tax</b>	<b>164,923</b>	<b>314,388</b>	<b>1,263</b>
<b>Total cases</b>	<b>6520</b>	<b>5,232</b>	<b>5,534</b>
<b>Budget</b>	<b>3,534,451</b>	<b>3,838,357</b>	<b>3,722,389</b>

BSPAD 			
Annual levy	171,000	142,065	
Other income	2,254		
<b>Total income</b>	<b>173,254</b>	<b>142,065</b>	<b>0</b>
Staff related costs	110,781	88,057	
Other costs	47,856	36,479	
Depreciation	4,773	4,301	
<b>Total expenditure</b>	<b>163,410</b>	<b>128,837</b>	<b>0</b>
<b>Operating surplus before tax</b>	<b>9,844</b>	<b>13,228</b>	<b>0</b>
<b>Total cases</b>	<b>565</b>	<b>236</b>	
<b>Budget</b>	<b>166,989</b>		

WATER 			
Annual levy	30,718	5,205	
Other income	398		
<b>Total income</b>	<b>31,116</b>	<b>5,205</b>	<b>0</b>
Staff related costs	19,551	3,226	
Other costs	8,752	1,337	
Depreciation	842	157	
<b>Total expenditure</b>	<b>29,145</b>	<b>4,720</b>	<b>0</b>
<b>Operating surplus before tax</b>	<b>1,971</b>	<b>485</b>	<b>0</b>
<b>Total cases</b>	<b>27</b>	<b>3</b>	
<b>Budget</b>	<b>29,457</b>		

Our full financial report is available on our website.

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