

BOARD RESPONSE TO INDEPENDENT REVIEW REPORT

The EWON Board and Ombudsman welcome the comprehensive report of the Independent Review conducted by Dr Gavin McBurnie and Jane Williams from Queen Margaret University Consumer Dispute Resolution Centre in Scotland. The Review found that EWON is an effective and well-run consumer dispute resolution scheme and operates in a manner that meets the National Benchmarks. The Board was particularly pleased that a large number of the recommendations are to continue work EWON is already doing, including the outreach and community engagement program which the Review found to be best practice.

The report, dated October 2019, is on EWON's website.

The Review team looked at:

- Whether or not EWON complies with the Benchmarks for Industry Based Customer Dispute Resolution Schemes (the National Benchmarks) which are:
 - Accessibility
 - Independence
 - Fairness
 - Accountability
 - Efficiency
 - Effectiveness
- Member/stakeholder engagement
- Promotion of EWON's services to customers
- Complainant satisfaction
- The effectiveness of the Constitution, Charter, terms of reference or other documents establishing the office, its jurisdiction, functions, rules and procedures.

The Review team also entered into discussions with the scheme and stakeholders about future developments that would be of benefit and made 47 recommendations which seek to ensure the continued success and effectiveness of EWON. The recommendations align well with EWON's current 2018-2021 Strategic Tealprint, while providing opportunities for improvement into the future.

The Review's recommendations were the subject of detailed consideration at the Board's Strategic Planning day in February 2020, where they were incorporated into a program of work aligned with EWON's immediate and mid-term strategic priorities and EWON's 2021-2024 planning.

Tony Crawford
Chair
Energy & Water Ombudsman NSW

9 March 2020

Response to all 47 recommendations

A. Recommendations to continue work in 2019/2020 and in future years

The EWON and Ombudsman accept the following recommendations to continue initiatives that are already part of its 2019/2020 Business Plan. Some will also continue in future years as they are directly linked to EWON's strategic objectives:

Nos.	Recommendation
1	It is recommended that EWON continue its social media activities to at least at their present level.
2	It is recommended that EWON continues to liaise with media teams of other ombudsman schemes to identify good practice in the preparation of material for use in media and other promotional activities.
4	It is recommended that EWON continues the development of its community engagement strategy and works with members to ensure their continued participation in such events.
7	It is recommended that EWON reviews the formats and media used to provide information to ensure that all vulnerable groups are able to obtain necessary information.
8	It is recommended that EWON continues its work with community groups that work with vulnerable people to ensure that its staff are able to probe sensitively questions about vulnerability.
16	It is recommended that EWON continue the use of the Rapid Response Team.
17	It is recommended that EWON review its case handling manual to ensure that staff have increased guidance on when it is appropriate to gather supporting evidence and how that evidence may be obtained.
18	It is recommended that EWON review the process by which staff provide updates to parties involved in the complaint.
19	It is recommended that EWON strengthen staff training on EWON's approach to the use of the fair and reasonable test.
20	It is recommended that EWON add to their Quality Assurance processes a method to assess the quality of oral communications.
21	It is recommended that EWON consider publication of some or all of the outcomes of its quality assurance activities.
22	It is recommended that EWON contacts its research company and checks when making the comparison in results between 2017 and 2019, whether the company weighted the scores before making statistical comparisons.
23	It is recommended that EWON broaden the performance information provided in its Annual Report.
24	It is recommended that EWON reviews the languages and formats in which all its publications are available.
25	It is recommended that EWON revise its 'Complaints about EWON' Policy to clarify which team would be responsible for investigations concerning the operations of the office.

Nos.	Recommendation
26	It is recommended that EWON considers extending its casework meetings with members where the volume of complaints from a member indicates that such an approach would be helpful to ensure efficient complaint handling.
27	It is recommended that EWON continues discussion with water members on issues affecting the water industry and water complaints.
28	It is recommended that EWON continues working with members of the integrity network.
30	It is recommended that EWON consider delivering further training to casework staff on how to determine whether the issue is in or out of jurisdiction. Members should be encouraged to report potential disputes over jurisdiction when an investigation is begun.
34	It is recommended that EWON consider using investigation plans, as a minimum in complex cases.
35	It is recommended that EWON should consider introducing formal and early case assessment, as a minimum in complex cases.
36	It is recommended that EWON review its case handling manual to ensure that there is greater clarity on the closure procedures for investigated cases.
37	It is recommended that EWON continue its focus on the timeliness of allocation and on reducing the length of time taken to close cases.
38	To help understand whether there is an issue or not and, if so, the scale of the issue, it is recommended that as part of its quality assurance programme, the Quality Assurance team audit the timeliness and accuracy of times involved in casework.
41	It is recommended that EWON revises its approaches to systemic activities to adopt a broader range of approaches, ideally all four detailed in the body of the report, and include the publication of complaints data, the publication of themed reports, the conducting of systemic investigations by members as at present, and the conducting of systemic investigations by EWON, and EWON should work with operators on the development of these approaches.
42	It is recommended that EWON publishes more of the outputs of its systemic activities, including themed reports and promotes them in the media.
44 & 45	(44) It is recommended that EWON should work with regulators, colleague ombudsman bodies and industry to understand the future changes in energy technologies with an understanding that EWON is currently best placed to assume jurisdiction for all energy related complaints. (45) It is recommended that EWON consider the impact that any such change would have on its service and funding model and contribute this assessment to the above work.

B. Recommendations to commence work

The following recommendations to commence work will be included in EWON's 2020/2021 Business Plan and some will continue into the 2021-24 Tealprint. A number of the recommendations will involve consultation with EWON members and other stakeholders.

Nos.	Recommendation
3	It is recommended that EWON, in its role of overseeing members' complaints handling, should strengthen its work with its members on how the energy and water complaints system will be promoted and publicised by all parties.
5&6	(5) It is recommended that EWON collect socio-demographic data from all service users.

Nos.	Recommendation
	(6) It is recommended that EWON further monitors the socio-demographic and geographical location of users of its services and, if necessary, undertake additional awareness raising and engagement activities.
29, 31, 32 & 33	(29) It is recommended that EWON introduces a time limit for member organisations to resolve complaints using their internal dispute resolution systems, after which EWON can accept the complaint for consideration. (31) It is recommended that should EWON refer a complaint back to a member, the caseworker accurately describes to whom they plan to refer a complaint. (32) It is recommended that EWON conduct a formal cost-benefit analysis of the potential to remove the Refer to Higher Level stage in its casework process. (33) It is recommended that EWON review the appropriateness of the Refer to Higher Level step in its complaint process. Should it be decided to retain the Refer to Higher Level step then EWON should review the criteria by which it decides whether or not to treat a complaint as a Refer to Higher Level or as an investigation. Should a complaint be treated as a Refer to Higher Level, there should be more active follow up by EWON with the complainant of action taken by the operator.
39	It is recommended that EWON review its funding model to better reflect the activities that it undertakes.
47	It is recommended that EWON, discuss with members, community organisations and other stakeholders, including relevant regulators, its ability to ensure compliance with its policies and procedures.

C. Recommendations intended to encourage and ensure the continued success of EWON into the future

EWON's Board is focused on strong contemporary governance and work will commence to explore the following recommendations in 2021/2022. The recommendations to consider EWON's Board structure and Constitution and Charter review are grouped together because they require extensive consultation with members and other key stakeholders.

Nos.	Recommendation
10, 11 & 12	<p>Board composition</p> <p>(10) It is recommended that EWON reduces the size of its Board to nine members.</p> <p>(11) It is recommended that EWON amends the structure of its Board to have a mix of Industry Directors, Community Directors and Independent Directors with no one group being in a majority position.</p> <p>(12) It is recommended that EWON appoints Industry Directors via open competition rather than through an election of members. The focus should be on appointing Industry Directors that are reflective of the membership, are of the appropriate seniority within their host organisation and have the necessary skills to be an effective Board member.</p>
9, 13 & 14	<p>Constitutional amendments</p> <p>(9) It is recommended that the 'Objects' of EWON are amended to reflect its key role in ensuring a publicly supported effective energy and water market.</p>

Nos.	Recommendation
	<p>(13) It is recommended that EWON reviews its Board Committee structure and amend its Constitution to reflect the outcome of this review.</p> <p>(14) It is recommended that EWON amends Paragraph 16.2 of its Constitution to require the ombudsman to attend all board meetings unless there is a personal conflict which would undermine good governance.</p>
15 & 40	<p>Charter amendments</p> <p>(15) It is recommended that EWON conduct a review of its Charter, to include consideration of the issues made by the review team.</p> <p>(40) It is recommended that EWON amends its Charter to provide it with sufficient powers to enable it to enforce members to co-operate with systemic investigations.</p>
43	<p>Expansion of jurisdiction to LPG retailers</p> <p>It is recommended that EWON discuss with appropriate regulators and Government departments about extending its jurisdiction to LPG retailers.</p>
46	<p>Expansion of jurisdiction</p> <p>It is recommended that EWON discuss with regulators, the NSW Ombudsman, Local Government NSW and the responsible government department the potential for EWON to assume jurisdiction for all water complaints.</p>