

Telecommunications Carriers' Forum

Project Scope: To Develop an Industry Code for Disconnection Practices

Date Submitted:
27 September 2007

Issue Identification

Members of the TCF and telecommunications providers more generally employ varying disconnection policies.

There is currently no agreed set of minimum requirements or standards to which telecommunications providers must adhere in the development and implementation of these policies and to which customers can have reference. Minimum standards do exist for telecommunications providers in overseas jurisdictions (eg. Australia) and in comparable industries in New Zealand (eg. Electricity).

Background

This proposal has not stemmed from any single incident or any suggestion of systemic issues with disconnection practices in the telecommunications industry. The recent public interest in disconnection practices by infrastructure providers in New Zealand has however, caused TCF to take stock of how disconnection policies are currently applied within each organisation and the industry more generally, and how those practices are communicated to our customers. We have concluded that the industry and customers would benefit from the development and publication of an industry code setting out minimum standards that will be applied in this area.

Given the existence of similar codes in Australia and in the Electricity industry, it seems likely that in the absence of TCF leadership on this issue, the Government will at some stage in the future regulate the provision of minimum standards.

Project Scope

The scope of this project is to prepare a code of practice for Disconnection, which would be multi-laterally adopted by members of the TCF and other interested parties. It is proposed that the code would:

- i. Set out certain principles that telecommunications providers should comply with in developing operating and applying disconnection policies for residential customers;
- ii. Provide guidelines for telecommunications providers to ensure compliance with their legal obligations and the obligations of the code. Consider monitoring of compliance and the relationship between this code and the Customer Complaints Code.
- iii. Achieve a balance between legitimate industry interests and viability, and end user interests.
- iv. Promote end user confidence in the industry's disconnection practices and ensure that all consumers are aware of the payment options and services offered by telecommunications providers.
- v. Provide guidelines for the on-going provision of information and education to end users and sales staff about disconnection policies.

Deliverables

The deliverable from this project is a non-regulated Disconnection Code.

Working Party Membership

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Project Leader:	Scott Burgess	Telecom	Scott.Burgess@telecom.co.nz
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Proposed Timeline

The table below shows a proposed project timeline.

Milestone	Date
TCF Board Approval of Project Scope	5 October 2007
First formal meeting on the Working party to discuss the content of the Code	10 October 2007
Draft Code completed and submitted to TCF Board for approval to issue for public consultation	21 December 2007
Public consultation commences	28 January 2008
Public consultation period closes	22 February 2008
Draft Code updated with public comments and submitted to TCF Board for endorsement	04 April 2008

Resources

The TCF budget includes an allowance of up to 80 hours of Forum Administrator resource for this workstream.

Recommendation

That the TCF Board:

- 1) **Approve** this project scope.