

## Code 15 Guidance note – Customer care Standard

This Standard aims to ensure that consumers have a good experience in their dealings with providers of phone-paid services. Providers should offer excellent customer care and when things go wrong, complaints should be resolved promptly and effectively. Consumers should have a positive experience of seeking and obtaining a refund.

This guidance note sets out the PSA's expectations and provides more detail on how phone-paid service providers (network operators, intermediary providers and merchant providers) can comply with the Customer care Standard and Requirements. This guidance provides more detail on:

- the roles and responsibilities of different parts of the value chain
- what the PSA's expectations are in relation to
  - resolving complaints promptly/easily/fairly
  - customer care facilities
  - using all reasonable efforts.
- developing complaint policies and procedures
- refunds
- what constitutes expending undue time, effort and money.

If you have any queries about the guidance set out in this note or want to discuss your approach to compliance with the Customer care Standard, please email us at [compliance@psauthority.org.uk](mailto:compliance@psauthority.org.uk).

### Roles and responsibilities

Different parties will have different roles and responsibilities based on where they sit in the value chain, the Code clearly highlights which Requirements relate to which providers.

Merchant providers have primary responsibility for customer care as they have the direct relationship in terms of providing their services to their customers. Where a consumer has a customer care query or complaint, we would expect the merchant provider to be their first port of call.

Merchant providers may choose to contract out their customer care facilities to another provider in the value chain. Where this is the case, the merchant retains the responsibility for meeting the Customer care Standard and Requirements. This is acceptable practice providing all the requirements of the Customer care Standard are followed and the appropriate

customer care details are clearly communicated to consumers (see Transparency Standard Requirement 3.2.2).

If consumers contact a provider in the phone-paid service value chain for a particular service that is not responsible for handling customer care for that service, (an intermediary or a network operator for example) those consumers should be dealt with courteously and be promptly sign-posted to the merchant or relevant provider (Code paragraph 3.4.9).

### **Resolving complaints promptly, easily and fairly**

This Requirement (Code paragraph 3.4.1) focuses on responding and resolving consumer enquiries and complaints promptly, easily and fairly, and at no more than basic rate cost to the consumer. This means consumers should have access to both information and a process by which issues can be identified, shared, and considered. For the avoidance of any doubt, “basic rate” means costing no more than the charge for calling a UK geographic number.

The PSA expects that:

- providers’ complaints handling processes should be easily accessible and should be clearly signposted to consumers on request
- consumers should have to make as few calls/contacts as possible in order to find and receive redress
- providers should be courteous and respectful to consumers at all times
- consumers should be kept informed as to the status of their complaint throughout the complaint handling process
- providers should make every reasonable effort to resolve a consumer’s complaint to the consumer’s satisfaction.

Whether or not a consumer contact is an enquiry or a complaint (defined in Code paragraph D.2.17) is determined by the consumer. If a consumer makes an expression of dissatisfaction, this should be considered as a complaint.

Complaint handling is not just about gathering information from a complainant, but being able to resolve matters fully and to provide a proper form of redress, where appropriate.

Providers should acknowledge the consumer’s contact as soon as possible. For example, if customer care is provided via email, an automatic acknowledgment which confirms receipt and advises how long the consumer can expect to wait to receive a response (whether initial or full) should be sent. The response (initial or full) should be sent within five working days (Code Requirement 3.4.4).

### **Customer care facilities**

Customer care facilities are the methods of contact in which customer care is provided and can be via a helpline phone number, email, web form or web chat. The provider’s chosen methods

of contact must be accessible to consumers between normal business hours of 9am-5pm Monday to Friday (Code Requirement 3.4.2).

If a phone line is used for customer care, then calls should be answered within the advertised availability hours as this is what consumers expect. If a voicemail facility is provided, then consumers calling should be advised what details to provide and how long they should expect to wait to receive a reply – again this should be no longer than five working days (Code Requirement 3.4.4).

If a web chat function is used, it would be appropriate to respond as soon as possible as consumers may naturally expect almost immediate replies from such chat facilities. If there is a wait time or queue, then consumers should be advised of this.

Where web forms are used, we would recommend advising consumers when they can expect to receive a reply either within the form or at the point of submitting a completed form, again this should be no longer than five working days.

Customer care should be provided via the methods advertised, and these contact methods/details should be easy to find and access within promotional and service material. We recommend that more than one method of contact is available in order to be accessible.

Consumers should have to make as few contacts as possible to get the help they need, and their issues resolved. Ultimately, consumers will contact the easiest person to find by the most convenient means available to them. This will be based on:

- their knowledge of the service
- information given to them during their previous use and engagement with it, and
- their ability to locate additional information where necessary.

It is vital that customer care contact details are easy to find to prevent consumers from contacting the wrong people and having to make multiple contacts (also see Transparency Requirement 3.2.2).

To manage consumer expectations, the PSA would expect a provider's initial response to a consumer to include:

- details of the customer care process the provider will follow to answer enquiries and investigate complaints
- the timeframes it will follow to answer enquiries and investigate complaints.

### **Using all reasonable efforts**

Providers should do all that can be done to resolve any issues raised by a consumer by continuing to promptly take, active steps to resolve the complaint to the consumer's satisfaction until the complaint has been resolved or otherwise closed. This should include being able to explain to a consumer what has happened in their particular case, which may

involve being able to provide data and information and also being prepared and able to refund the consumer promptly where agreed.

Resolution should be reached promptly and in any event within 30 working days of the consumer's initial contact to the merchant or provider with primary responsibility for handling customer care. This time frame begins at the point the consumer has contacted the merchant or other provider with primary responsibility for handling customer care. If a consumer is slow to respond to any requests made by the provider to assist in resolving enquiries or complaints or does not respond at all, the merchant is not likely to be accountable for missing the resolution timeframe providing they can demonstrate that reasonable efforts have been made.

Resolution can be reached in various ways, for example:

- the consumer understands and is satisfied with the explanation relating to their enquiry or complaint and no further redress or action is requested or required
- the consumer is offered redress and is satisfied so no further action is required
- the consumer is not satisfied with the explanation or redress but has been clearly signposted to the PSA and the PSA's role has been explained
- the consumer is not happy with the explanation or redress but has been offered Alternative Dispute Resolution (ADR) where the provider is signed up to an ADR provider.

### **Customer care, complaint and refunds policies**

When developing customer care, complaint and refunds policies (Code Requirement 3.4.10), intermediary and merchants should consider including:

- their (merchants) contact details - all available methods of contact
- what information is required from consumers for the merchant to be able to handle their enquiry
- associated timeframes for responses and expected timeframes for resolution
- how to escalate enquiries to complaints
- what information is needed to raise a complaint
- how refunds will be provided/methods of refund available
- in what circumstances consumers will be eligible for refunds, for example on a "no quibble" basis
- if the information needed to begin a claim for a refund is known, the process should be designed to gather such information at the first feasible opportunity
- details of ADR if the merchant provider is signed up to one
- how to complain to the PSA.

When developing processes, providers should consider:

- how the data is gathered and stored
- how issues are reviewed or assessed
- how the matter is escalated (where necessary)
- how the process can operate in such a way that gives the complainant confidence that their complaint is being properly considered and dealt with in a timely manner.

Customer care, complaint and refunds policies should be reviewed regularly and should evolve based on experience of how they work in practice. Merchants should update their policies where any issues are identified. Where any process has multiple steps, and some of those are unreasonable, it is likely to be considered an ineffective process which is not easy or fair.

## Refunds

We believe presenting consumers with choice in how they would like to be refunded will improve the consumer experience overall and is most likely to constitute an “easily accessible” method (Code Requirement 3.4.12) as the consumer will be able to pick the option that is preferred by, and most easily accessible to them.

The following methods of refunding consumers are regularly used in the market:

- back to bill or credit on account – requires providers to reverse or cancel a transaction or apply a credit to the consumer’s phone bill or account
- bank transfer – requires the consumer to provide their bank details to the provider
- PayPal payment – requires the consumer to provide their PayPal email address or other details to the provider
- SMS collection code – requires the consumer to present a refund collection code at a Post Office counter to receive a cash refund
- cheque – requires the consumer to cash the cheque with their bank or building society.

Merchant providers (or intermediary providers where they are providing refunds instead or on behalf of merchants) may offer their preferred method of refunding to consumers as the primary refund option. However, other methods should also be made available where the provider’s preferred choice is not accessible to a consumer. For example, if the provider’s preferred method of refund is to send the consumer a cheque, but the consumer does not have a bank account or is unable to cash a cheque with their bank easily, this would not be considered easily accessible to the consumer.

The amount of the refund due to the consumer can have an influence on their preferred method of receiving the payment.

For smaller amounts, in most cases we consider that refunding back to a consumer's phone bill or phone account would be the quickest and most easily accessible method. However, we recognise that for certain types of phone-paid transactions, this is not always the easiest or quickest method for the provider and in some cases not possible. In addition, some consumers would in any case prefer to receive a refund by some other method – for example to a bank account.

For larger amounts, consumers may be more likely to want to receive a refund in a way that allows them to access the funds for purposes other than the payment of phone bills. In this case, one of the other methods of making refund payments mentioned above is likely to be more appropriate and accessible.

In all cases, what is most important is that the consumer agrees to the method of payment and is given a clear understanding of how much is to be refunded and when they can expect to receive the refund.

### **Expending undue time, effort or money**

Merchant providers should ensure that consumers are able to have their issues resolved without having to spend time making multiple contacts (Code Requirement 3.4.16). Being clear on what information is needed to raise a complaint and request a refund from the outset and providing consumers with updates on the status of their complaint and refund request should prevent undue time and effort being spent by consumers.

Consumers should not incur any additional charges in pursuing a complaint and/or refund. Customer care facilities should be free of charge (no more than basic rate if a phonenumber is used) and consumers should not be expected to pay any fees to seek and obtain a refund.