



Telecommunications
Industry
Ombudsman

TIO Good Industry Practice Guide for Compensation

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About this guide

This guide sets out our expectations of providers and consumers where there are claims for compensation. This guide outlines what we think is good industry practice for how providers approach claims for compensation.

Good industry practice is different to minimum legal obligations for providers. These obligations are set out in:

- [Telecommunications \(Consumer Complaints Handling\) Industry Standard 2018](#)
- [TIO Terms of Reference 2025](#)
- [Telecommunications Act 1997](#)

We expect consumers to work with providers in finding ways to resolve their complaints.

The examples in this guide are not exhaustive. We always consider the individual circumstances of each complaint when deciding on fair and reasonable resolutions.

View our [Fairness Framework](#) to learn more.

Examples of Good Industry Practice for Compensation

Good industry practice is providers responding to consumers in a fair way. This may include:

1. Taking steps to minimise and avoid disruption

1.1 We expect providers to minimise and avoid disruption to consumers' services by:

- Regularly maintaining the reliability of their networks
- Providing timely communication for planned network upgrades or outages
- Promptly addressing technical faults
 - loss and/or damage by:
 - ensuring their equipment is correctly installed
 - protecting consumer data
 - having measures in place and acting on them to minimise financial or physical harm
 - inconvenience by:
 - giving timely updates
 - fixing service issues promptly
- Offering alternative solutions to prevent and/or limit loss to consumers
- Ensuring they actively avoid disruptions
- Preventing disruptions from negatively impacting consumers' ability to work, communicate or access essential services.

2. Following policies and industry rules

2.1 We expect providers to follow and apply their own policies with due care by:

- Ensuring they use internal processes appropriately
- Preventing unfair disadvantage to individuals
- Understanding of consumers' circumstances by tailoring help for people who have accessibility needs or vulnerabilities
- Following industry rules, such as laws and codes of practice, relevant to the circumstances of individual complaints.

3. Customer service

3.1 We expect providers' customer service to support:

- Accessibility by ensuring consumer claims for compensation are easy to make through all channels
- Responsiveness by:
 - promptly acknowledging claims for compensation
 - keeping consumers informed
 - providing clear information on how a consumer can claim compensation
 - setting realistic timeframes
- Good management of complaints by:
 - assessing claims for compensation on clear, consistent and shared criteria
 - ensuring decisions are in line with industry standards and consumer rights
- Referral of consumers to the TIO when they are dissatisfied.

3.2 We expect providers to restore consumers to their original position by:

- Correcting any errors promptly and not charging consumers for the correction
- Removing or adding actions by, for example, waiving late fees, reversing incorrect charges, or making goodwill gestures.
- Repairing or replacing goods by, for example, offering free replacement equipment or repair that does not leave the consumer with additional financial burden
- Compensating consumers where fault lies with the actions or inactions of providers
- Providing services where applicable.

4. Non-financial loss caused by breaches of privacy

4.1 We expect providers to investigate appropriately:

- Thoroughly and quickly investigate alleged breaches of privacy
- Tell consumers about:
 - the investigation process and provide timelines for completion
 - delays in investigations before they happen and update timelines for completion
 - the findings of investigations, with all information supporting the findings

4.2 Where investigations show breaches of privacy, we expect providers to:

- Offer consumers compensation based on the impact breaches of privacy have had on them
- Apologise to consumers for breaching their privacy
- Correct any errors in personal information providers hold about consumers
- Immediately act to prevent further breaches
- Tell consumers about how they will prevent further breaches.

5. Non-financial loss not caused by breaches of privacy

5.1 Where investigations do not show breaches of privacy, we expect providers to:

- Offer consumers proportionate compensation based on the impact events have had on them
- Share the findings of their investigations and all information supporting them
- Explain how the events happened
- Immediately act to prevent further similar events
- Explore options for resolving complaints with consumers, such as apologising or waiving service charges.

6. Financial loss for individuals

6.1 We expect providers to listen to individual consumers:

- Listen to how consumers use services
- Understand the impact of the events they complained about had on them
- Check what consumers asked for when they signed up
- Check what they were supplied.

6.2 We expect providers to appropriately assess financial loss for individuals:

- Thoroughly and quickly assess financial loss
- Tell consumers about:
 - the assessment process and give timelines for completion
 - delays in assessments before they happen and update timelines for completion
 - how they may need to substantiate claims for compensation. This may include specific information for:

- claims for loss of income
 - claims for reasonable costs they incurred due to the event, such as buying mobile data or redirecting land lines to mobiles
- Allow reasonable time for consumers to get information to substantiate claims for compensation
- Share the findings of assessments and all supporting information
- Offer consumers compensation or explore options to resolve complaints
- If necessary, help consumers choose plans that better suit their needs.

7. Financial loss for businesses

7.1 We expect providers to listen to business consumers:

- Listen to how business consumers use services
- Understand the impact of the events they complained about had on them
- Check what business consumers asked for when they signed up
- Check what they were supplied

7.2 We expect providers to appropriately assess financial loss for businesses:

- Thoroughly and quickly assess financial loss
- Tell business consumers about:
 - the assessment process and provide timelines for completion
 - delays in investigations before they happen and update timelines for completion
- how they may need to substantiate claims for compensation. This may include specific information for:
 - claims for reasonable costs they incurred due to the event, such as buying mobile data or redirecting business lines to mobiles
 - profit and loss statements for the period surrounding the event
 - profit and loss statements for comparable periods in previous years
- Allow reasonable time for business consumers to get information to substantiate claims for compensation
- Share the findings of assessments, with all information supporting them
- Offer business consumers compensation or explore options to resolve complaints
- Ensure any compensation is paid to business accounts, rather than those of representatives

- If necessary, help business consumers choose plans that better suit their needs.

8. Mass disruptions and outages

8.1 Where providers experience mass disruptions in their networks, we expect them to:

- Set up clear categories for compensation for financial and non-financial compensation that align with impacts on consumers, such as:
 - loss of income
 - costs of alternative services
 - inconvenience
- Ensure compensation is proportionate to any harm suffered, based on what is fair and reasonable in the circumstances
- Develop standard thresholds and examples for compensation amounts to streamline the resolution process
- Implement clear communication protocols to notify affected consumers about disruptions and outages, expected resolution timelines, and available compensation options.
- Proactively offer compensation, rather than requiring consumers to lodge individual complaints
- Enhance internal dispute resolution processes so they align with industry-wide principles for fairness.

See Appendix B, below, for how we respond to mass service disruptions.

References

For more information, please see our:

- [Good Industry Practice Guides](#)
- [Guidance Documents](#)
- [Terms of Reference](#)

Appendices

Appendix A: Terms of Reference

Our rules, or [Terms of Reference](#), say we can tell providers to compensate consumers up to:

- \$100,000 for complaints involving a privacy breach
- \$1,500 for complaints not involving a privacy breach.

For complaints not involving a privacy breach, we evaluate each claim for compensation in the context of the individual circumstances of each complaint.

Appendix B: Our response to mass service disruptions

In handling complaints about compensation for mass service disruptions (MSDs), the key questions we ask are:

1. Has there been a breach of relevant laws or codes, including the Telecommunications (Consumer Complaints Handling) Industry Standard?
2. What is the scale of the event?
3. What is the impact of the event?
4. Did the provider follow its own processes and procedures?
5. Did the provider offer appropriate and practical support to their consumers?
6. Does the proposed approach reflect community expectations of an appropriate response?
7. Has any complaint been handled in line with the requirements of the Telecommunications (Consumer Complaints Handling) Industry Standard?

The answers to these questions help us decide what is fair and reasonable in the individual circumstances of each complaint.

We can help consumers with compensation from providers in the context of MSDs for both financial and non-financial loss. These include:

- Lost business profit due to connection delays or network faults
- The costs of having to pay for alternative services when providers do not supply agreed services
- Where an unusual amount of physical inconvenience, time taken to resolve a situation, or interference with an individual's peace of mind has happened because of providers' action or inaction.

We do not deal with claims for compensation:

- For the costs of making a complaint to the TIO
- For loss of business reputation
- Made to penalise providers.