



BI-ANNUAL ACTIVITY REPORT TO Ofcom FOR THE PERIOD 1st Nov 2017 - 31st Oct 2019

**Pursuant to The Alternative Dispute Resolution for Consumer Disputes
(Competent Authorities and Information) Regulations 2015 (As amended).**

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1. Introduction

1.1 Consumer Dispute Resolution Limited (“CDRL”), operates six approved ADR schemes:

- 1.1.1 RetailADR;
- 1.1.2 AviationADR;
- 1.1.3 UtilitiesADR; and
- 1.1.4 CommsADR;
- 1.1.5 Consumer Arbitration
- 1.1.6 Data Arbitration

1.2 In November 2017, CommsADR was approved by Ofcom under the ADR Regulations to handle matters considered 'out of scope' for the purposes of section 52 of the Communications Act 2003 or section 52 of the Postal Services Act 2011 and of the relevant regulatory conditions that apply to businesses providing telecommunications and postal services. CommsADR was launched to plug an ‘ADR gap’ within the sector, affording the prospect of free redress where it had not been previously available.

1.3 CommsADR provides ADR in respect of unresolved disputes between consumers or businesses and their service providers in respect to the following:

- Couriers and postal services
- Video on demand services
- Mobile handsets
- Broadband routers
- Premium rate services
- Phone Pay Services
- Mobile Phone Apps
- Cable and satellite television services
- The location of telegraph poles
- The location of mobile phone masts
- Cable and wiring inside your property
- Non-micro business billing disputes
- Commercial decisions made by communications companies about whether to provide a product or service, and the terms under which they may be provided.

2. Complaints dealt with/Membership

- 2.1 CDRL deals with complaints in relation to subscribing and non-subscribing companies.
- 2.2 In relation to complaints received about non-subscribing companies, CommsADR deals with such complaints where the non-subscriber agrees to engage with CommsADR and abide by its scheme rules in relation to the particular complaint.
- 2.3 Since the launch of CommsADR in November 2017, 137 companies have subscribed to the scheme. Many of these have been afforded subscription via their membership to the association body 'ISPA' and a further 109 brands are regulated by the Phone-paid Services Authority.

3. Statistics

- 3.1 CommsADR has set its systems to record the following data:

3.1.1 Complaint types:

- Couriers and postal services
- Video on demand services
- Mobile handsets
- Broadband routers
- Premium rate services
- Phone Pay Services
- Mobile Phone Apps
- Cable and satellite television services
- The location of telegraph poles
- The location of mobile phone masts
- Cable and wiring inside your property
- Non-micro business billing disputes
- Commercial decisions made by communications companies about whether to provide a product or service, and the terms under which they may be provided.
- Service issues- this includes customer service issues, issues with staff (being rude etc..), issues with the provision of services (including trade and energy provider home services complaints).
- Other

3.2 Stats Overview:

Stats overview (complaints 'accepted'): CommsADR received 330 disputes during the reporting period. A dispute is defined as a request by a claimant wishing to seek redress due to an impasse with a communications company. Of these 62 fell within scope of CommsADR remit under its approval by Ofcom and the extension of the work it carries out in the phone-paid service industry.

Please note that CommsADR only began to operate in the phone paid services industry as of 1 August 2018, due to the recognition by the industry that ADR is beneficial, offering an effective solution to an area of industry that has never provided redress outside of any regulatory issues that are handled by the PSA. CommsADR believes this will assist the industry and the PSA in reducing consumer detriment.

a)the number of disputes received by the ADR entity and the types of complaints to which the disputes related;

Complaints							
Year	Disputes Submitted	Number of complaints accepted	How many accepted complaints were subsequently withdrawn by	How many accepted complaints were subsequently withdrawn by traders?	In how many cases was an outcome produced?	Average number of days taken to issue a final decision	
2017 - 2018	237	29	0	0	26	44	
2018 - 2019	77	33	4	0	16	89	
Refusal							
Year	Total Complaints refused by ADR Body to handle	No prior attempt was made to contact trader	Complaint was frivolous/vexatious	Dispute was previously considered by ADR body or court	The value of the claim fell below an applicable threshold	The complaint was not submitted on time	Dealing with the Complaint would impair the effective operation of the ADR body
2017 - 2018	208	47	2	0	0	17	0
2018 - 2019	44	5	1	0	0	2	0

b)the percentage share of alternative dispute resolution procedures which were discontinued before an outcome was reached;

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c)the average time taken to resolve the disputes which the ADR entity has received;

65 days

d) the rate of compliance, if known, with the outcomes of its alternative dispute resolution procedures;

- Member compliance - 98%
- Non-member compliance - (n/a as we have no non-member case engagement by companies)
- Complainant compliance (where they accepted determination) - 95 %

e) any recommendations the ADR entity may have as to how any systematic or significant problems that occur frequently and lead to disputes between consumers and traders could be avoided or resolved in future;

The top areas of complaint types include poor customer service, disputes about acceptance or subscription to the premium rate service
Low level or poor standards of customer service remain a repeat reason for disputes between consumers and traders, and this is seen across all areas the scheme covers. Delays, poor communication and/or improper behaviour by staff fall within this area. It is evident that consumers expectations as to what is acceptable, or a reasonable level of service is increasing, and this demand is placing difficulties on the traders to meet this expectation.
The other area is a considerable number of disputes within the phone paid services industry where a consumer states they have not subscribed or consented to subscribe to the premium service. It is evident that many traders in this area do demonstrate a very robust opt in or sign in process to ensure that the consumer must follow before they are charged.

f) where the ADR entity is a member of any network of ADR entities which facilitates the resolution of cross-border disputes, an assessment of the effectiveness of its co-operation in that

CDRL does not co-operate or with other ADR entities in the way described here.

g) where the ADR entity provides training to its ADR officials, details of the training it provides;

CDRL have a clear onboarding training programme for new starters to ensure they understand as an adjudicator the legislative and regulatory issues they maybe assessing in a consumer dispute. In 2018 and 2019, our internal training programme has been developed and adapted to ensure the adjudicators are provided not only with the necessary legal training, but analysis skills to guarantee successful investigations during the process of their adjudications enabling them to come not only fair and reasonable but justifiable conclusions based on evidence supplied by both parties as well as utilising the balance of probability where necessary.

Training is provided both in a classroom and working environment with continuous support via our training and quality assurance teams who are responsible for the checking and certifying of adjudicators work to be of a relevant standard before sign off by the Chief Adjudicator as competent.

Not only do new starters receive training but there is continuous refresher training for existing staff to demonstrate as an ADR body we maintain regular investment in our people and they are of the right level with knowledge and expertise that are relevant in the day to day handling of a case.

Our training programme consists of the Consumer Rights Act 2015, Conflict Call Handling Skills, Mediation, PSA Code of Conduct, Consumer Contract Regulations, the principles of investigatory skills, application of investigatory skills, data analysis, data forensics principles and ADR Regulations.

h) an assessment of the effectiveness of an alternative dispute resolution procedure offered by the ADR entity and of possible ways of improving its performance.

Although CDRL can demonstrate an increase in membership or engagement with traders and the schemes we still consider there to be a low conversion rate as the result of trader's not engaging with ADR. Engagement with an ADR body is not mandatory when a complaint fails to be resolved using a company's internal complaint handling process. The result is many disputes remain unresolved with consumers left with no redress unless seeking it via court. Most consumer are unable to afford litigation and their hope is for us as a scheme to assist. Whilst our performance to date demonstrates as an ADR entity working within many non-mandatory areas, we have been successful, it is still considered that engagement would be

considerably higher if traders awareness was increased by Trading Standards and other public bodies, as to the purpose of ADR and its requirements under Civil Procedure Rules to mitigate costs. Many consumers who are unable to gain redress through the scheme due to non-engagement of the trader, who pursue the matter to Court are faced with the necessity for compliance of the CPR to use the court mediation service, which has a failure to

thoroughly enough, as mediation is more about diplomacy rather than each party's facts being considered to weigh up what is correct or fair and reasonable. CDRL would urge PSA to look at ways it can improve traders awareness of the benefits of engagement.