



Two-Yearly report 2018

For the purposes of compliance with Regulation 11 (and Schedule 6) of The Alternative Dispute Resolution for Consumer Disputes (Competent Authorities and Information) Regulations 2015 (as amended)

ADR entity name: Consumer Dispute Resolution Ltd – t/a AviationADR

Date of publication on ADR entity’s website: 30th April 2018

Time period covered in this report: 1st May 2016 – 31st March 2018

Date submitted to the CAA: 30th April 2018

1. The number of disputes received by the ADR entity and the types of complaints to which the disputes related:

EU Regulation 261 / 2004	
Complaint type	Number of complaints
Cancellation – right to care	8
Cancellation - information	6
Cancellation - compensation	3646
Cancellation - refund	142
Cancellation – alternative flight	261
Cancellation - expenses	355
Delay – right to care	9
Delay – information	2
Delay - compensation	7266
Delay – refund	80

Delay – alternative flight	5
Delay – expenses	72
Denied Boarding – selection for	0
Denied Boarding – right to care	6
Denied Boarding – information	1
Denied Boarding – compensation	458
Denied Boarding – refund	141
Denied Boarding- Alternative flight	7
Denied Boarding - Expenses	36
Diverted	45
Downgraded	7
Article 9 (3) – Right to care for persons with reduced mobility/ unaccompanied children	10
Article 11 – Persons with reduced mobility or special needs	13
Other	262
Total	12,838

EU Regulation 1107 / 2006

Complaint type	Number of complaints
Refusal to accept a reservation	4
Refusal to embark a passenger with a reservation	5
Pre-notification not recorded / transmitted	2
Staff attitude and behaviour	21
Information concerning a flight	7
Transport of mobility equipment	1
Seating	1
Seating of accompanying persons in a seat next to the PRM	0
Assistance dogs	1
Moving to the onboard toilet	1
Damaged and lost mobility equipment	4
Other	4
Total	51

Other	
Complaint type	Number of complaints
Medical issues	63
Missed connections	35
Tickets & fares	135
In-flight facilities and services	80
Delayed / damaged / lost / stolen baggage	840
Cabin baggage	56
Safety	8
Booking problems	246
Complaint process	2
Schedule changes	41
Other	629
Total	2169

2. The percentage share of alternative dispute resolution procedures which were discontinued before an outcome was reached:

Reason for discontinuation (as applicable)	
Complainant out of contact	56.7
Complaint withdrawn by complainant	0.5
Consumer is believed by the ADR entity to have provided false or fraudulent information or documents (at any stage)	0.07
The trader has misled the ADR entity with regard to a ground that may or may not exist for refusing to accept or continue with the resolution of a dispute	0.3
The consumer has been abusive to an ADR official of the ADR entity	6.3

Both the consumer and the trader agree, including where a conflict of interest has been identified and it is not possible for the reasons referred to in this policy to transfer the ADR procedure to another ADR entity approved by the CAA	36.9
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3. The average time taken to resolve the disputes which the ADR entity has received:

63 days (from complete complaint file)

4. The rate of compliance, if known, with the outcomes of its alternative dispute resolution procedures:

Whilst airlines may escalate a dispute regarding a determination, there have only been a very small number of cases (no greater than 10) where the airline has attempted to avoid compliance.

5. 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:

- Airlines are relying on third parties (travel agents/booking agents) to inform the passenger of flight cancellations due to the fact that they do not have the passenger's contact details. Often the agent fails to do this;
- *Flight cancellation:* does re-routing in EC261 include re-routing via third party air carriers and other methods of travel such as Eurostar;
- *Flight cancellation:* what is considered reasonable proximity between the cancelled flight and the re-routing offered by the airline itself. Many consumers will find a new flight that is more suitable for their travel plans with another airline yet the original airline will refuse to cover the cost;
- *Flight delay:* disputes around what is and what is not an extraordinary circumstance;
- *EC261/2004:* Airlines use technical terminology and jargon in response to a claim under EC261/2004 which leave the consumer confused and not always satisfied they do not have a valid claim;

- *EC261/2004*: Airlines providing automatic refunds to the payment card used at the point of sale for cancelled flights (unused sectors) without notification to the consumer. On a high number of occasions the card belongs to a third party or that of a member of their party and leads to chasing payment between various parties;
- *Baggage complaints*: confusion regarding time limits for notification of baggage irregularities;
- A guidance note or equivalent from the CAA confirming that the carrier has ultimate responsibility for informing passengers of cancellations, not the third-party booker. Assistance for airlines so that it is a requirement of such booking agents to pass passenger details to the carrier;
- A guidance note or equivalent confirming the CAA's view on re-routing on third party aircraft or alternative travel means which could be supplied to airlines to assist them when making operational decisions. A similar document could be published for consumer guidance providing it explained that the guidance note is not a binding authority.
- A guidance note or equivalent confirming the CAA's view on reasonable proximity for re-routing could be supplied to airlines to assist them when making operational decisions. A similar document could be published for consumer guidance providing it explained that the guidance note is not a binding authority;
- Airlines should be urged to provide full explanations of the reason for delays, cancellations and denied boarding avoiding the use of terminology or jargon. If jargon or terminology is required the definition of that should be provided to the consumer;
- Airlines, when making refunds to payment cards, should fully explain to the consumer when the refund was made and where it was refunded to.

6. 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 network:

N/A

7. Where the ADR entity provides training to its ADR officials, details of the training it provides (covering the period since last two-yearly report):

- *EC261/2004* – in house training on the Regulation and application in working scenarios;
- *Montreal Convention 1999* – in house training specifically on baggage delay and damage and flight delay under the Convention;
- *EC1107/2006* – in house training on the Regulation with specific focus on who holds responsibility during the customer journey for provision of assistance;
- *Consumer Rights Act 2015* – in house training on Terms and Conditions and unfair contract terms;
- GDPR compliance training;
- Reading technical aviation documents such as METAR's, TAF's, operational returns, movement reports etc.

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

Based on the volume of claims received it is evident that there was a consumer need in the aviation sector for ADR as an alternative to the Court system. As AviationADR is a free to use service, it ensures that no consumer is restricted from escalating an unresolved dispute.

Since inception of AviationADR's scheme, the number of subscriber airlines has grown considerably with no subscriber retracting its membership. In a voluntary ADR sector, this provides a wider number of consumers with further rights of redress.

AviationADR's uphold rate in the favour of the consumer is in line with the other schemes within the sector showing a consistent approach to claims and complaints reinforcing the impartial nature of ADR.

AviationADR employs staff with a variety of skills gained previously in various employment sectors including the financial services industry, the aviation industry and retail. The combination of knowledge and skill set within the team ensures consumers and airlines are receiving a high level of service combined with the relevant knowledge to provide effective mediation.

In order to move forward, grow and improve it is AviationADR's aim to invest time in the following areas:

- *Technology* – development to the AviationADR website and Portal system improving process and trader/consumer interface;
- *Training* – recurrent training on process, systems, legislation, case management and active claim handling;
- *Resource* – ensuring staffing levels consistently match the volume of claims being presented to ensure an efficient and timely service.