

The Alternative Dispute Resolution for Consumer Disputes (Competent Authorities and Information) Regulations 2015

Schedule 5 & 6 Annual Activity Report

Schedule 5: 01/01/18 - 31/12/18
Schedule 6: 01/01/19 - 31/12/19

CTSI Activity Reports Year Ending 2019

SCHEDULE 5 Regulation 11(2)

Information to be included in an ADR entity's annual activity report

a) the number of domestic disputes and cross-border disputes the ADR entity has received;

*ADR Applications received in 2019: **8602***

*ODR Applications received via ODR platform in 2019: **12***

b) the types of complaints to which the domestic disputes and cross-border disputes relate;

Furniture, Home Improvement, Retail, Removals, other consumer services and consumer services contracts delivered under Trader endorsement schemes.

c) a description of any systematic or significant problems that occur frequently and lead to disputes between consumers and traders of which the ADR entity has become aware due to its operations as an ADR entity;

DRO carried out no systemic reviews during 2019, however we work with our members on an ongoing basis through the provision of training and advice in order to raise standards, facilitate the exchange of information and promote best practice. Further, our Standard Board reviews our work and identified no reasonable need for us to carry out a formal systemic review in 2019.

d) any recommendations the ADR entity may have as to how the problems referred to in paragraph (c) could be avoided or resolved in future, in order to raise traders' standards and to facilitate the exchange of information and best practices;

Please see c) above in addition to which, where applicable, we provide feedback to Consumer Code Sponsors regarding potential breaches of their code of practice to enable the Code Sponsor to investigate these as it deems appropriate.

e) the number of disputes which the ADR entity has refused to deal with, and percentage share of the grounds set out in paragraph 13 of Schedule 3 on which the ADR entity has declined to consider such disputes (for definitions see <https://www.tradingstandards.uk/media/documents/commercial/adr/ctsi-adr-guidance-brochure-final-15-06-17.pdf#page=38>).

Total disputes: **74**

a) **3%**

b) **0%**

c) **53%**

d) **1%**

e) **40%**

f) **3%**

f) the percentage of alternative dispute resolution procedures which were discontinued for operational reasons and, if known, the reasons for the discontinuation;

During 2019, no cases were discontinued due to operational reasons

g) the average time taken to resolve domestic disputes and cross-border disputes;

*The average days to close disputes in 2019 was **38.7** days*

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

During 2019, there were no reported instances of non-compliance. However, 19 members exited the scheme during 2019 of which 8 ceased trading. Of those that chose to leave the scheme, as far as we are aware, all resolutions were performed, however the extent to which resolutions were performed for the members who ceased trading is not now verifiable.

i) the co-operation, if any, of the ADR entity within any network of ADR entities which facilitates the resolution of cross-border disputes.

There were 3 cross-border disputes received via the ODR platform but none of these involved any of our scheme members.

Of the other 9 disputes received via the ODR platform, none were cross-border and only one case related to a scheme member.

In addition to the ODR Platform, we have the following:

19 Cross-border disputes which arose within the meaning of the ADR Regulations, i.e. trader registered in UK and at the time the contract was entered into, the consumer resided in another EU Member State.

26 Cross-border disputes where the trader was registered in the UK and, at the time the contract was entered into, the consumer resided in outside of the EU - International removals cases.

SCHEDULE 6 Regulation 11(3)

Information which an ADR entity must communicate to the relevant competent authority every two years

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

*In 2018 we accepted **8268** complaints and in 2019 this figure was **8602**.*

The cases relate to furniture, Home Improvement, Retail, other general consumer services and consumer services contracts delivered under Trader endorsement schemes.

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

DROL categorises how the case is closed and in certain circumstances, matters are discontinued before an outcome is reached. These would be categorised in the following ways:

Consumer withdrew case; Settled prior to conciliation (where the consumer receives an outcome before the process commences); It was outside of the remit of the Ombudsman; We receive no response from a consumer following attempted contact.

In **2019** these represented **12.8%** of the cases we examined:

Reason for closure	Volume	% of cases
Consumer withdrew case	63	0.8%
Settled prior to conciliation	594	7.1%
Outside of remit	338	4.1%
No response from consumer	70	0.8%
Total cases closed	8336	

In **2018** these represented **12.5%** of the cases examined:

Reason for closure	Volume	% of cases
Consumer withdrew case	42	0.4%
Settled prior to conciliation	708	7.6%
Outside of remit	361	3.9%
No response from consumer	58	0.6%
Total cases closed	9346	

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

*In 2018 the average days to close was **35.9** days; in 2019 this was **38.7**.*

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

In both 2018 and 2019 there were no reported issues of non-compliance.

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;

DRO carried out no systemic reviews during 2018 and 2019, however we work with our members on an ongoing basis through the provision of training and advice in order to raise standards, facilitate the exchange of information and promote best practice. Further, our Standard Board reviews our work and identified no reasonable need for us to carry out a formal systemic review in 2018/19.

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 network;

In 2019 there were 3 cross-border disputes received via the ODR platform but none of these involved any of our scheme members.

Of the other 9 disputes received via the ODR platform, none were cross-border and only one case related to a scheme member.

In 2018 there was 1 cross-border dispute received via the ODR platform which was settled by the parties prior to conciliation.

Of the other 10 disputes received via the ODR platform, none were cross-border and all related to non-members so were therefore rejected on that basis.

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

All new Ombudsmen are subject to a rigorous induction programme with a minimum of two weeks validated training, including shadowing and supervised casework. All staff have undergone a two-day City & Guilds accredited training on the legalities of consumer disputes and managing complaints and one-day City & Guilds accreditation on GDPR and Data Protection Compliance and all staff have passed the validation to date.

DROL operates an ongoing know-how provision which is weighted and scored depending upon internal/external delivery and attendance. Subjects covered in 2018 and 2019 were:

Equality Act & Inclusive Policies;

Introduction to the Removals Industry and complaints;

Pricing & Advertising Compliance;

Various Ombudsman Clinics;

Health & Safety;

Producing Part 35 Compliant Reports;

GDPR – City & Guilds and Internal Refresher training;

Plain English – Introducing the Internal Standards and General Guidance;

One Day City & Guilds Consumer Law & Individual product Groups Training – Bed & Mattresses; Upholstery & Home Improvement;

Disability Awareness Training -external;

Advanced Consumer Law -external;

Information Security – external;

Corian Practical Training – External;

Managing Insurance Complaints and potential overlaps – external;

Introduction to the work of Citizens' Advice - external.

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.

DROL has regular tri-annual meetings with our Standards Board where decisions are reviewed for consistency and fairness.

We continue to use our Case Management System to effectively monitor and report on cases. Our Quality Monitoring Process has developed providing an automated means to robustly assess cases and provide feedback and learnings to the Ombudsman Team. Our Quality monitoring has also been extended to our frontline staff.

We work to embed the principles of the Ombudsman Association Service Standards Framework and have recently introduced a mechanism to enable our Standards Board to score the adjudications that it oversees. This data will be collated and used as a further feedback mechanism.

www.disputeresolutionombudsman.org