

## **Consumer Panel members comments on the 1st draft of Ofcom's ADR consultation, July 2005**

### **Roger Darlington's Comments**

Since this is the first report of its kind and it shows a low level of knowledge of ADR schemes and in order to make the report a useful stand-alone document, could one list the Otelo and CISAS members in an annex? I know that there are about 300 companies involved in all, but it is only a 'copy and paste' job from the two ADR web sites and an extra couple of pages to the report.

Should Ofcom take a view on whether the level of penalties imposed is appropriate? Most penalties are less than £500. Arguably, higher average penalties would give greater satisfaction to complainants and - more importantly - act as an economic incentive to companies to settle more complaints internally.

I would like some explanation and expansion of paragraph 6.18. It seems to suggest that half of the users of ADR schemes are broadly happy with them and half are not. However, Figure 8 of the Continental Research study appears to suggest a satisfaction rating of 68%.

Finally I wonder if Ofcom is content with what the report tells us about Ofcom itself, specifically the level of satisfaction with the Contact Centre. Figure 8 of the Continental Research study appears to suggest a satisfaction rating of 55% - lower than for the ADR schemes.

### **Kate O'Rourke's Comments**

Also late, but could I reinforce Colette's comments on recommendation 1.14 - this does not seem to go nearly far enough in saying what the companies should do to make customers aware of the system, as well as not giving us much comfort as to what Ofcom will do if the companies do not comply.

Overall I was struck by how the Assessment report gave a much more negative picture of the current situation than is reflected in the review paper. I appreciate that the sample size of the research study was very small, but I hope Ofcom colleagues are not trying to be too nice.

Just one other general point - many of the complaints are made prematurely. Is 12 weeks too long, or is it just that the companies need to be acting more quickly?

### **Colette Bowe's Comments**

1. This is a well researched piece of work which I think will give a good platform for a discussion of the ADR schemes. I can't comment on its factual accuracy but it seems to me to raise the right questions.
2. The two schemes reviewed have very different governance structures, membership and volumes of throughput. It would be helpful to see more, in the consultation document, about their different memberships. From a consumer perspective, I think we would also want to see some comment from Ofcom about why it believes such differently-constituted schemes can deliver comparable levels of consumer protection

3. Recommendations 1.14, 1.15 and 1.19: The key findings of the report seem to me to be about the extent to which providers do, or don't, adequately inform customers about the existence of ADR, and handle complaints up to the point where they go to ADR. This is the first line of defence for consumer protection and I think I would be looking for stronger statements about enforcement action by Ofcom in this area. Ofcom may well feel that this consultation document on ADR is not the place for this – but what shines through this document is that this is where problems for customers arise.
4. Recommendation 1.16: the key performance indicators are surely of much less, if any, interest to the public at large than they are to Ofcom. It is to Ofcom that the ADR schemes should make these reports in order to demonstrate continuing compliance with the statutory requirements. Regular reports: I thought that Otelo, at any rate – not sure about CISAS – already publishes information on complaints breakdowns?
5. Recommendation 1.17: monitor socio-demographics. Doing this does not provide evidence of accessibility! As the report says somewhere, the majority of the people who pursue complaints to ADR are of certain types who as evidence from other schemes shows are simply the kind of people who are tenacious complainers. This doesn't mean that the schemes are inaccessible to others. So I think a lot of effort could be wasted on this. More important to continue to ensure that the schemes are easily useable by people with disabilities and by people who do not have English as a first language.
6. Recommendation 1.18: independent 3<sup>rd</sup> party: a good idea.