

Your response

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<p>Question 1: Do you agree with our provisional analysis of whether our rules which facilitate access to ADR are meeting our objective?</p>	<p>Confidential? – N</p> <p>The objectives for ADR processes: that they should be easy to use, transparent, non-discriminatory and effective, are appropriate. Ofcom's proposed change to the timeframes in these rules will also help to meet these objectives. There are other ways in which the processes can better meet these objectives that the review does not explore.</p> <p>For example, on the ease of use, Ofcom's Jigsaw research found that consumers were dependent on their own research to understand the ADR process (p.15). This leaves consumers open to confusion, potentially unrealistic expectations, and divergent levels of access to information, dependent on their capacity for independent research. In the energy sector, where Citizens Advice provides statutory advice for consumers, trained advisers can act as a trusted independent and accessible source of information on the ADR process, and advise consumers to set realistic expectations. No such scheme currently exists in the telecommunications sector.</p> <p>If an independent body were empowered to act as a trusted source on the options available to consumers, their details could be included in communications with consumers alongside the other information outlined in the existing rules.</p>
<p>Question 2: Do you agree with our proposal to modify the GCs to reduce the timeframe for access to ADR to 6 weeks?</p>	<p>Confidential? – N</p> <p>The evidence Ofcom has collected from industry - that only 19% of complaints not handled within 6 weeks were resolved in the following 2 weeks - suggest that Ofcom's proposal to reduce the requisite timeframe before ADR can be accessed from 8 to 6 weeks is likely to have a positive impact on the consumer experience and reduce unnecessary delays. This evidence suggests that, by the 6 week mark, the majority of cases that providers can resolve without ADR will have already been handled. Equally, as other stakeholders have noted in their</p>

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	<p>submissions, the 8 week timeframe is out of step in a world where instant communication is the norm.</p> <p>To supplement this suggestion, and to reduce further the timelines for complaint handling and the necessity of ADR procedures, we would recommend Ofcom looks into the referral and advice schemes administered by Citizens Advice in the energy sector, where Citizens Advice's consumer service can attempt to deal with consumer issues through advice, and referral to a specific specialist or escalated complaint handling team at the provider if necessary.</p> <p>Citizens Advice also piloted a referral service of this type with a major communications provider in 2021, which improved satisfaction with complaints handling and the majority of those referred did not have to be escalated to an ADR procedure - three times as many clients were able to resolve their issues without deadlock. Further pilots of this kind could be used to determine whether a referral and advice service could help to reduce the overall timescales for complaints handling and if there is any impact on the proportion of consumers who require ADR.</p>
<p>Question 3: Do you agree with the findings of our provisional impact assessment?</p>	<p>Confidential? – N</p> <p>Citizens Advice would agree with the findings of the provisional impact assessment as they relate to the experience of consumers. As Ofcom's figures show, by 6 weeks, over 80% of unresolved complaints can be considered effectively deadlocked, and therefore it is proportionate to treat all complaints not solved within 6 weeks in the same way as deadlocked complaints.</p> <p>Section 3.94 sets out the likely increased complaints handling costs for providers, which demonstrate the minor costs individual providers will incur in comparison to the total amount spent on complaints handling. The 2.2% increase in costs appears proportionate, given the percentages of consumers involved (using Ofcom's presentation of industry figures, 6% of complaints are not resolved within six weeks, and of those 81% will not be resolved within the further 2 weeks, implying that</p>

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	<p>close to 5% of consumers with complaints would be pointed towards the ADR process faster for a 2.2% increase in costs).</p> <p>It is worth noting that customer service and complaints handling in the telecoms industry is likely to change rapidly in the next few years with the introduction of generative AI, as demonstrated in NVIDIA's review of AI in telecommunications. Because of these changes - likely to alter the ways consumers receive information about telecommunications - and the proposed changes to the rules, it would be worth Ofcom conducting more general reviews of the consumer complaints handling experience in telecommunications, including ADR, over the next few years</p>
<p>Question 4: Do you agree with our proposed implementation period?</p>	<p>Confidential? – N</p> <p>We support the proposed implementation period. Although it would be worth ensuring during the 6 month implementation period there is a process overseen by Ofcom to ensure communications providers can be supported to meet the deadline.</p>
<p>Question 5: Do you agree with our provisional assessment and proposal to re-approve both schemes based on the approval criteria set out in the Act? Please provide your rea-soning.</p>	<p>Confidential? – N</p> <p>Citizens Advice does not have a view on whether these two particular schemes should be re-approved, although we believe strongly that given there are two schemes the two should be as consistent as possible. The information Ofcom has provided in the <i>Lucerna</i> report suggests there are inconsistencies between the schemes. These inconsistencies, and the impact they have on consumers, either need to be explained or tackled.</p> <p>For example, in the <i>Lucerna</i> report, the researchers found that CO was consistently providing significantly lower Distress and Inconvenience awards than CISAS. The change in guidelines outlined in points 4.94 to 4.99 may reduce this disparity, and progress will need to be monitored to determine whether it continues. Our view would be that the two schemes should deliver similar outcomes for consumers wherever possible, given that consumers do not have a choice on their ADR scheme.</p>

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	<p>We would suggest that additional KPIs and data collection for the two schemes would provide a more comprehensive evidence base on whether the two schemes are providing similar outcomes for consumers (see our response to question 7).</p>
<p>Question 6: Do you agree with our proposed changes to the decision-making principles? Please provide your reasoning.</p>	<p>Confidential? – N</p> <p>The removal of the principle of measured performance from the eleven principles would be concerning if it results in any reduction in the quantity or quality of performance data collected and published by the schemes. Given that Ofcom is also proposing a change to KPIs to require additional data publication, this seems unlikely, but should be monitored as explained in our answer to question 7.</p> <p>In general, Citizens Advice would echo the points made by providers and consumer groups in the initial calls for input that the data published by ADR schemes should be both a) consistent between schemes and b) improved so that the total number of complaints of each type are published rather than a simple percentage. Although these are not strictly performance metrics, it is worth stating our support for these changes.</p> <p>On the change to guidance on compensation (section A6.5) Citizens Advice is concerned that the removal of the guidelines that require ADR schemes to “clearly express” points i-iv may reduce the extent of information on their award received by the complainant. It is not clear why the two guidelines could not both be applied given that the proposed guideline is designed to improve consistency and the existing guideline transparency.</p>
<p>Question 7: Do you agree with our proposed changes to the KPIs including the proposed implementation period? Please provide reasons.</p>	<p>Confidential? – N</p> <p>Citizens Advice agrees with the proposed changes to KPIs, but would argue that more KPIs should be implemented to measure the consumer experience. Ofcom’s reasoning for not implementing consumer experience metrics - that the consumer satisfaction data</p>

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	<p>is affected by the outcome of a consumer's case - can be offset by grouping satisfaction scores by outcomes - as CISAS demonstrates in their reports.</p> <p>It may also be necessary to focus on dependent variables other than satisfaction with the overall process, such as fairness or trustworthiness, satisfaction with the timelines or communication, or understanding of the decision-making process.</p> <p>Although each of these may be affected by many factors, in aggregate they would at least demonstrate the extent to which there are divergences between the two schemes, and could be set at appropriate levels given the existing research referenced by Ofcom.</p> <p>On a separate point, data collection should include targeted attempts to measure the areas where the Lucerna report has identified inconsistencies, such as D&I awards, or where systematic monitoring of quantitative information can be used to inform the market of consumer issues, such as types of complaint.</p> <p>It is appropriate to focus on harmonising the data published by each scheme, but this should be an opportunity for a more wholesale reform of data collection to ensure consumer satisfaction and consistency across the schemes.</p>

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