

Vodafone's response to Ofcom's Review of ADR in the telecoms sector

Executive Summary

We welcome the opportunity to respond to this consultation on proposed changes to the ADR regime.

We aim to resolve complaints raised by our customers promptly and to their satisfaction, but we recognise that it will not always be possible to reach agreement. The impartial assessment provided by ADR gives a fair and final conclusion for operators and customers, avoiding prolonged disputes.

We are supportive of the incremental improvements proposed in this consultation. Moving the deadline from 8 weeks to 6 weeks strikes a fair balance between speeding up access for consumers and allowing operators appropriate time to fully investigate issues. Re-approving the two schemes maintains healthy competition between ADR schemes, and the proposed adjustments to the KPIs for these schemes enshrines existing good practice into the regulatory regime.

That said, we do not consider that the Impact Assessment included in this consultation is of sufficient depth to justify the intervention, especially in the context of the wider regulatory landscape where, in our view, there are higher priority areas on which action by Ofcom would have greater impact for consumers, the market and the wider economy¹.

We answer the questions posed in the consultation below.

Consultation questions

Question 1: Do you agree with our provisional analysis of whether our rules which facilitate access to ADR are meeting our objective?

We agree with the analysis that the vast majority of consumers have complaints resolved internally or deadlocked within 6 weeks of raising the complaint. We also recognise that proportionally very few complaints are resolved between 6 and 8 weeks.

However, we do not agree that it logically follows that the reason for this is that operators are not making sufficient use of the final 2 weeks of the current timeframe. Complaints which remain open beyond 6 weeks are likely complex and/or rely on third parties to be resolved. We remain committed to resolving complaints as soon as we can, regardless of how long they have been open.

¹ We outlined our suggested areas of focus in our response to Ofcom's Plan of Work for 2025/26.



Question 2: Do you agree with our proposal to modify the GCs to reduce the timeframe for access to ADR to 6 weeks?

Yes, we are supportive of a move to 6 weeks, in acknowledgement of the switch from postal to digital communication which allows for faster exchange of information. Our data shows us that 6 weeks will be adequate time for us to resolve the vast majority of complaints.

We agree with Ofcom's selection of 6 weeks in preference to 4 weeks. We believe this best meets the needs of customers (who have busy lives with many competing priorities) and operators (who may need to liaise with third parties to resolve issues beyond our direct control).

Question 3: Do you agree with the findings of our provisional impact assessment?

We do not believe the impact assessment is sufficiently robust, nor does it consider the proportionality or necessity of this intervention (as required by s3(3)(a) of the Communications Act).

A key impact of these proposals for operators will be the one-off costs to adjust to the new proposed timeframe. We will need to update our systems, processes and customer communications, and provide training to our staff. However, the impact assessment is unable to quantify these costs and therefore cannot compare the costs with the benefits of the proposed changes. This undermines the strength of the conclusion that these changes are justified.

Furthermore, impact assessments on individual policy proposals should not be done in a vacuum; rather they should consider all of Ofcom's objectives and duties as well as the wider policy portfolio. Ofcom's updated Impact Assessment Guidance added investment and innovation as key principles it would consider in its impact assessments². This was well aligned with the government's encouragement for sector regulators to focus on growth. However, we do not see this considered as part of this impact assessment,

With respect to the wider policy portfolio, we question whether the impact assessment demonstrates why it was necessary to make this particular intervention — which will have costs for operators and ultimately consumers — which will have diverted Ofcom resources away from other, likely higher impact interventions.

Question 4: Do you agree with our proposed implementation period?

Yes. We believe 6 months will be adequate time for us to make the necessary updates to systems, processes, communications and training.

² https://www.ofcom.org.uk/siteassets/resources/documents/consultations/category-1-10-weeks/255552-impact-assessment-guidance/associated-documents/impact-assessment-guidance.pdf?v=329975 para 4.32



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 reasoning.

Yes. We support there being a choice of approved ADR providers, as this creates competitive pressure which in turn drives better outcomes for operators and, ultimately, their customers.

Question 6: Do you agree with our proposed changes to the decision-making principles? Please provide your reasoning.

Yes. We support the rationalisation and clarification of the principles, which drive consistent outcomes from the Schemes.

Question 7: Do you agree with our proposed changes to the KPIs including the proposed implementation period? Please provide reasons.

We support the baking in of current high standards into the regulatory framework. This strengthens the accountability of both Schemes.

Confidentiality

This response is non-confidential.

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