

Centre for Effective Dispute Resolution (CEDR)
Independent Complaint Reviewer Interim Report:
January – June 2019.

Introduction

This is my fifth report for CEDR. It covers all schemes and services operated by CEDR other than those that I review in stand alone reports - namely the Communications and Internet Services Adjudication Scheme (CISAS); the Postal Redress Scheme (POSTRS); and the Aviation Adjudication Scheme. This is my interim report for the period 1 January to 30 June 2019.

My Role

I am an independent consultant and am not based at CEDR, nor am I part of that organisation. There are two aspects to my role.

Firstly, I can consider individual complaints about certain aspects of the standard of customer service provided by the schemes or services run by CEDR. Under my terms of reference¹ I can consider matters relating to quality of service in respect of alleged administrative errors, delays, staff rudeness or other such service matters. Other than referring to them where appropriate, I cannot comment on the content or validity of the rules covering CEDR's schemes or services.

I can review cases where a user of a scheme or service has complained and, having been through CEDR's complaints process, remains dissatisfied with the outcome of that complaint. I cannot consider the merits or otherwise of decisions made by adjudicators; nor can I investigate or comment on the substance or outcomes of applications made by claimants. Where appropriate, I may make recommendations based on my findings.

The second aspect of my role is to conduct reviews of service complaints and produce reports accordingly. These are based on findings from my reviews of individual complaints; and by examining and analysing all or some of the service complaints handled by CEDR as I see fit.

¹ https://www.cedr.com/docslib/Independent_Reviewer_Terms_of_Ref_NOV.pdf

CEDR's Complaints Procedure

The complaints procedure² explains its scope along with the two internal stages of review that take place before, if necessary, a complaint is referred to me.

The procedure is articulated clearly with timescales and information about what can be expected. In brief, if after the first stage response to a complaint customers remain dissatisfied they can ask for escalation to stage two of the process, where a senior staff member (usually a Director) will review the complaint. Where this does not resolve the matter, the complaint can be referred to me for independent review.

This Report

I did not review any complaints during this reporting period. For this report I examined all complaints received by CEDR (except those covered in separate reports) between 1 January and 30 June 2019. Excluded are those schemes or services about which no complaints were received.

My Findings

Quantitative

Table 1 overleaf shows a breakdown of the volumes of cases that went to adjudication and the outcomes³.

² [https://www.cedr.com/docslib/CEDR_Complaints_procedure_\(1\).pdf](https://www.cedr.com/docslib/CEDR_Complaints_procedure_(1).pdf)

³ Some cases logged in the first half of 2019 carried over to the second half, and some cases logged in 2018 were concluded in 2019, so the figures will not necessarily balance.

Table 1

Scheme	Claims Received	Claims Adjudicated	Found For Claimant	Partly Found for Claimant	Found For Respondent
Cavity Insulation Guarantee Agency (CIGA)	18	14	0	11	3
Royal Institution of Chartered Surveyors (RICS)	236	161	96	19	46
Solicitors Regulatory Authority ⁴ (SRA)	56	n/a	n/a	n/a	n/a
Water & Sewerage Services ⁵ (WATRS)	288	230	3	77	150
Totals	598	405	99	107	199

This provides a useful overview of CEDR's work; and it gives the context within which complaints about the organisation should be viewed.

Information about each of CEDR's schemes or services is readily available on the website: <https://www.cedr.com/consumer/>

Table 2 overleaf shows the total claims for each scheme or service; the number and percentage of service complaints made against CEDR; the number of those complaints in scope, partly in scope and out of scope; and the outcomes of the in scope and partly in scope complaints.

⁴ The SRA is a complaints review service, so does not have adjudication outcomes. Claims received include enquiries about use of the service.

⁵ WATRS outcomes are categorised as "action required" or "not required". However, for ease of presentation this table groups them under the same headings as other schemes and services.

Table 2

Scheme	Total Claims	Service Complaints	%age	In Scope	Partly in scope	Out of scope	Upheld in full	Part upheld	Not upheld
CIGA	18	1	5.5	0	0	1	n/a	n/a	n/a
RICS	236	7	2.9	2	3	2	1	4	0
SRA	56	2	3.6	1	1	0	0	1	1
WATRS	288	4	1.4	2	1	1	0	2	1
Totals	598	14	2.3	5	5	4	1	7	2

Allowance should be made for those schemes or services where volumes are low, thus making a single complaint appear as a relatively high percentage.

The CIGA case was misclassified as partly in scope on CEDR's system. It has been amended and is shown correctly as out of scope in table 3. Also, one RICS case that was classified as in scope should have been partly in scope. Again, the correct position is shown in table 3.

CEDR continues to receive a very low number of complaints about its service. There were no complaints at all for thirteen of its schemes or services; and of the 598 claims it handled in the first half of 2019 in respect of those schemes or services covered by this report, there were 14 complaints about CEDR's own service performance. This represents 2.3%, compared to 1.4% for the year ended December 2018. (It should be noted that in June 2018 CEDR stopped operating the ABTA scheme – which generated a relatively high number of claims but a low number of complaints. This means that the comparison with 2018 is not on a like for like basis.)

Of the total claims handled, 68% (405) received a final decision from an adjudicator. The remaining 32% were either outside the scope for investigation by CEDR, or were settled without the need to progress to an adjudicator.

On cases where an adjudication outcome was reached CEDR found wholly for the claimant in 99 cases (25%); partly for the claimant in 107 cases (26%); and wholly for the respondent in 199 cases (49%).

This provides a useful context in which to view complaints made about CEDR's service levels – and in that context the fact that only 14 complaints were made is evidence of a well functioning operation.

As with my previous reviews, any quantitative analysis is rendered meaningless due to the very low complaint numbers and there are no identifiable themes or trends.

Qualitative

CEDR responded to all 14 complaints within its 30 working day target, with an average of 19.6 and a range of five to 27 working days.

11 cases were acknowledged within one working day; two within three working days; and one within four working days.

Apart from the misclassification of one CIGA case and one RICS case (which affected record keeping only and had no effect on the handling of the complaints), I found no issues with CEDR's performance.

Below I comment on the complaints about each scheme or service.

CIGA: one complaint

The customer complained about insufficient detail in a decision. The claim itself was technical in nature and I am satisfied that the Stage 1 response rightly ruled the complaint as out of scope.

RICS: seven complaints

Two complaints were within scope. The first concerned various administrative errors – including non-receipt of application paperwork; delayed responses to queries; and the erroneous closing of the claim on the on-line portal. CEDR's Stage 1 response was thorough, giving a point by point answer to each issue and offering £30.00 compensation. The customer initially responded positively save for a couple of minor queries, but then responded again negatively a couple of days later; a few days after this, confirmation of payment of the compensation was sought and nothing more was heard. In my opinion CEDR handled this complaint well, and the compensation was proportionate.

The second in scope complaint involved an accusation of bias towards the company against which the claim was made and a number of administration problems that had a serious impact on the processing of the claim. The claim had also been re-run in error – an exceptional and unique occurrence. Without going into detail, it was apparent that the company was also upset with certain aspects of the case. This was a complex complaint, and the Stage 1 response was in my view very good – among other things it explained various technical problems with the on-line portal at the time and that there had been a clerical error in entering a company name at one point.

Although compensation of over £325 was offered, the complaint was escalated to Stage 2 where after a further forensic review £1,400.00 compensation was offered and accepted. This is a large amount, but it was in my opinion warranted given that the various errors resulted in a material impact on the customer. The Stage 2 letter was within the prescribed 30 working day timescale and was excellent, giving a comprehensive and honest account of what had happened.

Three complaints were partly in scope. The first was from a company that was the subject of a claim, rather than from the customer. The crux of the complaint was that the original claim was outwith CEDR's bailiwick, which proved to be the case (although there were some elements of the complaint that were in fact within scope of the complaint process). The Stage 1 response was comprehensive, and the complaint was upheld in part and an apology given.

The second complaint concerned a claim being rejected after initially being accepted, and an allegation that CEDR had given poor advice to the customer about what course of action to take. This was partly upheld and £20.00 compensation was paid.

The third complaint progressed to Stage 3, where I reviewed it in July – so I will cover that in my next report.

Of the two out of scope complaints, one was wholly about the actual adjudication so was rightly rejected at Stage 1. The second was from a company, who wanted an adjudication “corrected” and an award withdrawn. Again, the issues raised were wholly about the adjudication so this one was clearly outside the scope of the complaints process.

All seven RICS complaints were well handled in my view, with correct outcomes and proportionate compensation where appropriate.

SRA: two complaints

The SRA is a complaint review service rather than an adjudication or alternative dispute scheme, so it examines complaints made in relation to the SRA rather than issuing decisions per se.

Both complaints were within the scope of the service. The first was very complex and it is inappropriate to rehearse the detail here. Ultimately it went to Stage 2 and certain failings were identified. The reply to the customer was detailed, and £100.00 compensation was offered and accepted. I am satisfied that this was a reasonable outcome.

The second complaint (which the customer conflated with a POSTRS complaint) progressed to Stage 3, where I reviewed it in July. I will therefore include it in my next report.

WATRS: four complaints

All four cases were classified correctly in my view: two were in scope; one was partly in scope; and one was out of scope.

The first in scope case involved a request from the company concerned to have the adjudication decision set aside on the basis that WATRS had acted beyond its powers. I need not go into detail here – the matter rested on whether or not the company had failed to provide a service (to do with customer notification), which it didn't believe it was obliged to provide. Quite rightly in my view this was immaterial in the context of the nature of the claim that the customer had taken to WATRS. The Stage 1 reply held that the decision stood, but I was pleased to see that it gave the company a very thorough and balanced response explaining the rationale behind the outcome.

The second in scope complaint concerned a number of issues and a great deal of correspondence from the customer. As far as I could tell there wasn't much substance to the matters raised; however, CEDR offered a £20.00 goodwill payment, as there had been some confusion about a request to extend a timescale. At the time of my visit to CEDR, the complaint was in the pipeline for a Stage 2 review.

I did notice on this case that a couple of letters to the customer appeared to have gone out unsigned. This is to be avoided. I did not notice it on any other WATRS cases, so I am not minded to make a recommendation this time – but it is something I shall check carefully at my next review.

The partly in scope complaint was about dissatisfaction with the decision and some minor administration errors regarding the processing of documents. The latter were within scope; the former was not. The Stage 1 reply acknowledged the errors, apologised and offered £20.00 compensation – which in my opinion was a reasonable outcome. The customer sought escalation to Stage 2 some two months later, which is well outside the time limit for doing so and the request was rightly rejected. The customer turned down the goodwill offer.

The out of scope complaint was entirely to do with the customer's unhappiness with the adjudication decision.

Conclusion

Given the volume of claims, the frequency of complaints about CEDR's service levels remains low at 2.3%. The absolute number is also low at 14. So, based on this review, I am pleased to report a sustained strong performance.

There are no schemes or services that stand out, either in terms of complaint numbers or the nature of those complaints. All cases were handled within timescale and the responses at Stages 1 and 2 were of a generally high standard.

The two errors I found in terms of recording and classifying cases were of no significance in terms of complaint handling or outcomes, and they have been corrected.

My one minor observation, admittedly based on just one WATRS case, is that CEDR should take care to ensure that all letters to customers are signed. However, this does not warrant a recommendation at this stage.

Finally, whilst outwith my remit, I would nonetheless highlight that there is an element of the WATRS process that in my view represents potential consumer harm. It came up in a couple of the cases I looked at, where the complainant had only two days in which to comment on a company's defence. I regard this as an unreasonable expectation of consumers, and would argue that it places them at a disadvantage in terms of having access to a fair independent redress scheme.

CEDR does provide extensions to the two days where possible on a case by case basis – which is helpful for consumers who find the prescribed two days challenging. However, on balance I think it would be preferable to have a longer standard timescale.

As I understand it, responsibility for the timescales rests not with CEDR but with Resolving Water Disputes (RWD) and part of the reasoning is to ensure a quick end to end process. That is commendable but an unintended consequence is a strong possibility that complainants won't have sufficient time to comment properly on a company's defence, which in my opinion is unfair and could potentially affect the outcomes of claims. I would therefore urge CEDR to do all it can to bring about a change to this part of the process

Recommendations

I have no recommendations.

Acknowledgements

I have been given full and unrestricted access to CEDR's systems and records along with carte blanche in respect of conducting my review as I saw fit. I am very grateful for the patience and assistance given to me in terms of accessing and navigating systems, and in dealing with my various questions. I am grateful, too, for the thorough responses to the various points that I raised as I examined the casework; and for CEDR's actions in correcting the small number of errors that I found.

Chris Holland

A handwritten signature in black ink, appearing to read 'CA Holland'.

Independent Complaint Reviewer

3 September 2019