

Dear Sirs,

We refer to your email dated 31st March 2017 in relation to the review of the “alternative dispute resolution” schemes, we currently use CISAS as our ADR process.

We do apologize for the delay in replying, it took a little longer on our side to check internally in order to provide our feedback on the CISAS procedure.

After carefully analysing the procedure, we would kindly bring to your attention the below points:

1. Confusion over the role of CISAS

We noticed that most of the times customers are misrepresenting the role of CISAS in the ADR: clients, in fact, think that CISAS is operating on their behalf.

In certain cases we have found that once our customer has escalated the matter to CISAS, that the customer then does not want to be approached by Vectone as they think that, submitting the complaint to CISAS, they will be represented by the latter.

On your side we would recommend that CISAS’ guidelines, at the beginning of the submission, could be drafted in a simpler and clearer way to make the customer understand the alternative dispute resolution process.

This would speed up the resolution process as we will be able to approach the customer directly and without any delay in order to settle the claims.

Lastly that CISAS should clearly state that if the customer refuses to allow us the opportunity to address the issue, then their escalation to CISAS will be considered as being suspended pending the customer discussing the issue – in this event the CISAS timelines should also be varied.

2. The maximum limit of compensation is too high

The current maximum compensation that customer has the right to claim in the complaint submission form is £10,000.00.

Unfortunately, there is no guidelines where a customer may get information in regards to the rightful amount that he/she may claim. In fact, this reflects on the high compensation amount that customers usually request that they think they should be entitled to receive.

We do believe that the customer claim amount should be proportional, i.e. we have seen customers that have an issue with us for say £5, and that once they complete the claim form they add “extra” claimed amount, i.e. see this limit for £10,000 and add an extra amount of £X for other non related matters.

3. Proportionate compensation between the operators & CISAS fees

Currently, as you may be aware, there is no difference in claim submitted to a small or large telecoms operator. The gap of the revenues generated by a large operator in comparison with a small one would suggest a different complaint amount range between large and small operators as we cannot be expected to give the same amount of compensation, especially when the figures are so high.

In our case the vast amount of our customers are on PAYG with us, and spend on average about £X per customer per month

The CISAS fees are fixed per claim, in that any referral to CISAS automatically attracts a charge from CISAS of £110 for processing it. If the claim is not resolved in the 14 days time line then it passes for adjudication (reference our point 1 above) and that this attracts further CISAS fees of £355. The amounts claimed by our customers can be, as already mentioned, £5 or £10 and in the case a matter goes to adjudication, then we get charged £455 from CISAS.

We consider that some customers are actually taking advantage of this CISAS process and repeat claiming, and know that in the case we do not settle the matter will go to adjudication and we end up paying more fees.

As part of your review of the ADR schemes we urgently request that OFCOM introduces a scheme to deal with claims in a more efficient manner as the current scheme is clearly not suited to deal with varying claimed amounts. Also in the event that the company can demonstrate that it was in the right and the customer has escalated the matter without just cause, then we should not be charged fees, or at least only to pay a small amount to cover administration costs. An example is a customer makes a claim for £50 and we offer £25, it goes to adjudication, and the result is that the adjudicator stands by our offer. We would then have a fee of £455 to settle, so maybe paying the customer the extra £20 would reduce our fees to CISAS by £355?

I am sure you will note that this is not a fair process, and impacts us.

We hope that our feedback is clear.

Should you have any queries please do not hesitate to contact us.

Kind Regards

Alkesh Dave | Contract Manager



(formerly known as Mundio)