Representing the Communication Services Industry



Review of Alternative Dispute Resolution Schemes Issued 29 May 2012

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Introduction

The <u>Federation of Communication Services</u> (FCS) represents over 300 businesses delivering products and services via wireless, copper and fibre technology. This response has been prepared on behalf of those FCS members who deliver Public Electronic Communications Services across a range of technologies to Domestic and Small Business Customers. The FCS membership includes CPs members from both schemes.

Overview

We welcome the opportunity of responding to this consultation on Ofcom's review of Alternative Dispute Resolution Schemes.

We agree with Ofcom's main conclusion that both schemes continue broadly to meet their objectives by providing services which are appropriately accessible, independent, fair, efficient, transparent and accountable. We also believe that the approval of multiple schemes which compete for the business of communications providers is effective in driving efficiency and value for money.

We agree that it is important that the scheme adjudicators are consistent in the way that they assess evidence and arrive at decisions. Ofcom's proposal to publish guidelines appears to be a sensible way to promote greater consistency in this area.

Consistency in determining appropriate levels of compensation is also vitally important, both for the reputation of the schemes and in fairness to their members. We agree with Ofcom's approach in developing a matrix based on and updated in line with current practice and we welcome Ofcom's direct involvement in this ongoing process.

Ofcom consultation questions

Q1: Do you agree Option 2 (Principles proposed by Ofcom) should be preferred? If not please explain your answer.

We agree that option 2 is likely to be the most effective and proportionate way to address the inconsistencies highlighted by Ofcom's research.

Q2: Are there other consequences following the introduction of the Principles that we have not included in our assessment? If so, please explain.

By being obliged not to take into account the normal routine behaviour of CPs (which is arguably a very reasonable approach as such behaviour would generally be based on written procedures or systems driven processes) adjudicators may be led to favour consumers in cases where there is a lack of compelling evidence. Ofcom should take steps following implementation of the Principles to monitor outcomes in this type of case to ensure that this does not happen.

Q3: For communications providers and the Schemes: Can you provide an estimate of any costs to your organisation from either of introducing the Principles or as a consequence of the Principles proposed in Annex 1?

Not applicable.

Q4: Do you have any comments on the scope and wording of the proposed Principles?

The current draft reflects a fairly high level set of principles (which is entirely reasonable at this stage). However, as with the compensation matrix, it would be helpful to develop more detailed guidance in the light of experience which will additionally help to promote good practice among CPs.

Q5: Do you have any views on methods to embed the Principles?

We agree with Ofcoms approach. We support publication of both the principles and the compensation matrix on the websites to provide an appropriate level of transparency for both CPs and Consumers.