

Recommendations for Good Practice & Case Studies

Adjudicators recommendations for good practice:

- 1. If T¹ does not comply with the decision of an Adjudicator then this can have very serious consequences for T. CISAS via IDRS Ltd (which administers the scheme) and Ofcom (which approves and supervises the scheme) has significant powers. IDRS Ltd may take action against T which can lead to expulsion from CISAS and action from Ofcom, including, amongst other sanctions, a fine of up to 10% of T's turnover.**
- 2. Complicated tariffs and charges are becoming more prevalent as providers merge with each other and services are bundled. It should be a priority of T for tariffs and charges to be clearly and simply set out in bills so that they can be easily understood by C.**
- 3. Bills can become very large very quickly because, for example, of roaming, of unusually large amounts of time being spent on calls, calls being made abroad, unauthorised use of a mobile or high Mb downloading. Barring calls as soon as a credit limit agreed between T and C has been reached may help in avoiding potentially high charges being incurred which C finds difficulty in paying or T finds difficulty in recovering.**

¹ The customer is referred to as, **C**, and the communication and internet service provider as, **T**.

Case 01

CISAS Rule 1(b): Applications by small companies

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The CISAS Rules rule 1(b) states:

The scheme can be used by individual customers and by companies with no more than 10 employees.

C complained that T had continuously blocked the 24 business lines of C. T believed that C had more than 10 employees, as such C was not a small business and the matter did not fall within the scope of CISAS. When the account was connected C had advised T that C had 31 employees, the business package was for 19-29 users. T's records showed 24 phones were connected to the account and were in regular use usually at the same time, the line rental for the leader phone was more than £1,750.00, the phones shared more than 1,500 hours of calls in a month and the bill ran to more than 650 pages of itemisation. C maintained the matter was suitable for CISAS as C had less than 10 employees some of whom had three mobile phone lines also C had been a sole trader for 16 years.

The Adjudicator decided that the information given by C was inconsistent. The application was out of scope of CISAS because it related to a package described by T and not disputed by C as a business package for 15 to 29 users, in which there were 24 business lines in regular use usually at the same time with a high monthly call time. On the balance of probabilities there were likely to be more than 10 employees. Therefore, the dispute was not a valid dispute for CISAS.

Case 02

Loss of business

Loss of business

C, who ran a cab firm, complained that T told him he could transfer his existing numbers from his old supplier to its service when he moved premises. C could not do so causing him loss of business. C claimed £5,000. T made no submissions.

The Adjudicator found that there was doubt whether a contract existed. Even if it did, C had not provided any evidence of his loss of profit. Therefore, the claim failed.

Case 03

Unauthorised account changes by third party

Unauthorised account changes by third party

On a number of occasions third parties telephoned T's customer services department and upon providing the security details of C they arranged for C's account to be changed. On one occasion the third party informed T that the handset of C had been stolen when it had not. The changes to C's account caused him inconvenience and increased his bills because he did not know that changes had been made to his price plan. T, having reminded C that he should not give his security details to anyone, readjusted C's bills to reflect the charges he would have incurred had his price plan not been changed. C sought a further recalculation of his account together with the telephone numbers of the third parties who had telephoned T. C also requested that T be ordered to provide an explanation and an apology.

The Adjudicator in dismissing C's claim found that T had accurately recalculated C's bills and if a further recalculation was ordered it would simply confirm the same outstanding balance currently showing on C's account. T was unable to provide the telephone numbers of the third parties because T did not record those numbers. The Adjudicator also found (given the details contained in T's Defence and its conduct) a further explanation by T and an apology was unnecessary.

Case 04

Overpayments by small company

Overpayments by small company

C, a small IT company, complained of being overcharged for many months by T who provided broadband and phone services. C could not stop payments being taken by T from C's bank account; C did not want to change bank as this would have affected its business. C could not afford the down time which would occur if C switched to a new provider and C would also lose valuable web and e-mail addresses. C sought repayment of £640.00 and £4,360.00 towards its total loss of about £30,000.00. T accepted C had been overcharged but for a smaller amount than C claimed and maintained the overpayments could be recompensed by a goodwill payment of £100.00.

The Adjudicator decided that C had been overcharged and observed that a strain was placed on any small company if suppliers overcharge as cash flow is affected within the small company. C had provided detailed calculations together with copies of tariff and cap agreements but T did not provide any business contract terms excluding liability for any element of losses arising from overcharging. T had not tried to resolve the dispute expeditiously but had regularly overcharged C. T had not explained how it had assessed the overcharges, why they had not been repaid earlier or why it thought a goodwill payment of £100.00 might be due. Also T had not commented upon losses claimed by C for time spent trying to resolve the dispute with T which included lengthy attempts by C to

communicate with T, evaluate opportunities to move service provider, attempts to stop payments by communicating with C's bank and assessing bills manually call by call according to an agreed rate then applying the appropriate cap. The Adjudicator directed T to reimburse C £640.00 for overcharging and £3,000.00 towards C's total loss.

Case 05

Television advert

Television advert

C complained about a misleading advert on T's website for a television service which C wanted. T for technical reasons was unable to activate the television service at C's home.

The Adjudicator found that C's claim was successful and C was entitled to an apology and an explanation.

Case 06

Billing

Billing

T provided C with fixed line telephone, broadband internet access and mobile telephone services on a 3-for-1 bundle. C complained that he was incorrectly billed for the services for about a year. The correct monthly payment should have been £30.00 for the bundle of three products. T initially billed C £25.00 per month for the broadband and phone line plus £10.00 for the mobile. Later T did not bill at all for the broadband and telephone line; C maintained that T's representative had agreed to waive the arrears that had been caused by T not billing. C sought an apology, an explanation and directions requiring T to waive arrears arising out of T's failure to bill and to correctly bill in the future. T made no submissions.

The Adjudicator decided C had not provided sufficient evidence either to establish that the contract with T was based on a flat monthly rate of £30.00 for the bundle of three products, T had wrongly charged C or that T should be ordered to waive charges not billed or give an apology. The Adjudicator directed T to give an explanation including the correct monthly charges and the monthly amounts paid by C over the past 12 months together with the net amount remaining due or over-paid after accounting for any waivers that T had given an undertaking to honour. T was also ordered to ensure that all future bills were properly calculated under the contract and were issued at the correct times.

Case 07

Lost business revenue

Lost business revenue

C was provided with various internet related services including mail forwarding. After about two years C experienced problems with mail forwarding which T failed to resolve. C asked for a smooth transfer of his domain. T took 3 months to confirm the transfer. C estimated lost revenue to his business of more than £30,000.00 but declared that compensation of £10,000.00 would be acceptable, C claimed the maximum of £5,000.00 under CISAS but failed to submit evidence supporting any of these amounts. T accepted that there were serious delays and the quality of service was very poor. T offered compensation of £750.00 which was the maximum permitted under the contract.

The Adjudicator found that there was a breach of contract or a breach of duty of care by T. C was awarded compensation of £750.00 for inconvenience and the time and energy expended in trying to get the problem resolved.

Case 08

Overcharging

Overcharging

C complained that T charged for March and April whereas February should have been the last payment before the service was terminated, T took too long to issue a refund and C suffered poor customer service whilst trying to establish the correct amount to be refunded. T admitted C was overcharged £70.00 because T had mistakenly delayed cancelling the service. T refunded £37.33, agreed that £32.67 was yet to be refunded and apologised for the delay. C requested an apology, an explanation and £50.00 compensation.

The Adjudicator found that T had not provided reasonable customer service. The amount claimed of £50.00 was a reasonable payment in the circumstances as C had suffered inconvenience and was still owed £32.67. T had already apologised and explained that a mistake had been made. Therefore no further apology or explanation was ordered to be made by T.

Case 09

No unlimited data

No unlimited data

C was a very heavy user of data and complained that when C bought a new contract with T its sales representative had said C would be entitled to unlimited data at any time, however, T did not provide such a package. T denied its sales representative, with 6 years experience, would have made such an offer.

The Adjudicator decided on the balance of probabilities that it was unlikely T's sales representative would offer something he knew did not exist. It was more likely that C had made an honest mistake during a brief telephone conversation with the sales representative during which the representative had gone through different tariffs and offers. The claim failed.

Case 10

Unauthorised access

Unauthorised access

C complained that someone had fraudulently accessed her telephone, broadband and television services and the cost of the unauthorised access was added to C's bills. C asked T to terminate her services to stop the costs being added to her bill and investigate who was accessing the cables but T did little to help.

The Adjudicator decided that T had failed in the duty of care which it owed to C. T was directed to suspend C's services at no cost to C, liaise with C and carry out a detailed investigation into C's problems, suspend the actions of debt collection agency pending results of the investigations and pay compensation of £600.00.