

Case Studies¹

Adjudicators recommendations for good practice:

1. High charges can be run up very quickly in a few days when a mobile phone and SIM card are lost or stolen and used in an unauthorised way². Companies³ should endeavour to make such high charges less likely, for example, by:
 - Allowing a customer to apply a credit limit to the account e.g. if calls went over, say £100 in a single day, an automatic bar would come into effect until the fraud department of the company was contacted.
 - Making the use of a PIN on the SIM card a more prominent feature in their user guidance.
 - Supplying SIM cards with the PIN feature already activated.
 - If practical, installing software to detect unusual patterns of calling activity or unusually high charges in relation to the monthly norm so that unauthorised use can be detected early and challenged.
2. Broadband speeds can vary considerably. As well as indicating, 'up to', what speed can be achieved, clear information about the actual speeds should be given by the company to a potential customer.⁴
3. Many agreements or instructions between customers and companies are made by telephone. Often there is no record of them other than a short note made by the company. To avoid later problems over exactly what was said, all agreements and instructions should be confirmed in writing by email or letter sent by the company to the customer.⁵

Case 01

Inadequate broadband and defective router

Inadequate broadband and defective router

The customer complained that the company supplied a defective router and a wholly inadequate broadband service for about a month. The router caused breaches of security by making the

¹ Cases can be referred to by giving the case study edition number followed by the case number. For example, **13:01** is a reference to edition 13 of the Case Studies, Case 01 *Inadequate broadband and defective router*. The Case Studies are summaries of cases they are not the full case. They are merely a guide rather than a precedent. In each case there are circumstances which are particular to that case, which have been considered and have lead to a particular Decision being made by the Adjudicator.

² See below Case Study 13:04 *Phone lost on Christmas day*.

³ The communication and internet service provider is referred to as, 'the company'.

⁴ See below Case Study 13:12 *Advertising broadband speed*. Case Study 13:11 *Slow broadband speed*.

⁵ See below Case Study 13:07 *Cancelling contract after serious injury*. Case Study 13:09 *Moving broadband providers*.

contents of the customer's computer available to other users. The customer (who was studying for his exams at the time and needed the internet to prepare) was badly affected by the countless and very time-consuming attempts he made to make the service work with the assistance of the company's technical department.

The Adjudicator found that the customer succeeded. The company was directed to pay the customer £750.00 for the lack of service together with vexation and inconvenience.

Case 02

Business loss

Business loss

Having purchased a business and since taking over the account, the customer had numerous problems with the company including the phone line being cut at random without warning, being charged on two accounts for more than 12 months and having hundreds of pounds taken by the company from a bank account which the customer had been unable to retrieve. As a result the customer had bank charges imposed on her due to the wrongful withdrawals, lost business and had spent 27 hours of her time trying unsuccessfully to solve the problems with the company. The company admitted they were at fault.

The Adjudicator found that the company had acted in breach of contract. The company was directed to apologise to the customer, to stop sending bills for a service the customer never had, to stop taking money from the customer's account for that service, to pay £3,700.00 compensation and reimburse all the money wrongly withdrawn from the customer's account.

Case 03

Not supplying broadband

Not supplying broadband

After the customer moved home his broadband speed was very slow. Remedial work was undertaken by the company who then told the customer that there was nothing they could do to improve the service. Six months later the customer discovered that the company had not actually been supplying broadband to his home. The customer cancelled his service and sought a refund of the subscriptions he had paid. The company promised a refund but it was never received by the customer.

The Adjudicator found that as the company had not defended this matter the only issue was what was the appropriate level of compensation. The £200.00 compensation claimed by the customer was appropriate.

Case 04

Phone lost on Christmas Day

Phone lost on Christmas Day

The mobile phone of the customer's daughter was lost on Christmas morning. The day after Boxing Day the customer reported the loss to the company. Over the three days £1,467.19 of calls, many to unusual foreign destinations, had been made. The SIM card, which had not been protected by a PIN, had been used in several mobile telephones. The customer complained that

the company should have spotted the unusual call pattern and barred the phone particularly as the spend in such a short time was far in excess of the normal monthly spend of £45.00. The company acknowledged that the calls were unauthorised due to the unusual calling pattern but maintained that the customer bore responsibility for keeping the SIM card safe, should have made use of the SIM PIN facility and should have reported the loss sooner.

The Adjudicator found that the claim failed. The customer was responsible for the safe keeping of the SIM card. Under the terms of the contract the customer was liable to pay for all charges up until the time the loss was reported to the company.

Case 05

Paid for assistance

Paid for assistance

The customer complained of problems with her broadband connections. She made at least 10 expensive calls to the company for technical support to solve the problem. The company's engineers admitted on several occasions that they were unable to solve the problem. The customer paid for assistance to solve the problem and then claimed the cost from the company. The company refused to reimburse the customer maintaining that if a customer decides to get help outside of the company's broadband support options in resolving a problem then it is up to that customer to meet the associated costs.

The Adjudicator found that if a company cannot or are unwilling to solve a problem then it is reasonable for a customer to seek external assistance. The customer had acted reasonably as she had given the company every opportunity to put the problem right. The company was directed to pay compensation of £444.97.

Case 06

International calling card prefixes and carriers

International calling card prefixes and carriers

The customer was in the habit of using calling cards with 0845 and 0870 prefixes or carriers to make international calls abroad through her telephone land line with the company. The customer noticed that one of her monthly bills was for an unusually high amount. For about two weeks the calls made abroad were showing as having been made directly through the landline with the company without the calling card prefixes or carriers. The customer claimed that the company should be compelled to amend the monthly bill to reflect the fact that calls had been made abroad with the carriers 0845 or 0870.

The Adjudicator found that the claim failed. The bills clearly showed when and when not the carriers had been used to make international calls.

Case 07

Cancelling contract after serious injury

Cancelling contract after serious injury

The customer placed an order for the company's broadband services via the WEB. Before any equipment arrived she was badly injured. The customer spent a month in hospital, had spinal surgery and when she came out of hospital she was incapacitated. During the time the customer had been in hospital she missed the broadband equipment delivery which had been returned to the company. A month later the customer asked the company to cancel her contract. The

company did so after receiving evidence of the customer's disability. However the company asked the customer to pay £50.00 for phone calls made using their communication services. The customer disputed the charges maintaining she had never requested phone services, even if she had the contract was not finalised as she had not received a confirmation e-mail from the company. The customer requested a copy of the bills and the contract but the company failed to provide them instead instructing debt collectors.

The Adjudicator found the company had acted reasonably in cancelling the contract. There was a contract for phone services as an agreement had been reached via the WEB. Whilst the customer may not have received a confirmation e-mail, she had used the company's services so she should pay for them. The company had also acted reasonably in offering to cancel the debt recognising they had not answered the customer's request for copy bills. However the company had not compensated the customer for the inconvenience caused especially by wrongly instructing debt collectors. £440.00 awarded.

Case 08

Account not terminated

Account not terminated

The customer sent a letter terminating two mobile telephone accounts. The company alleged its records showed that only one of the contracts was to be terminated, this they did and chased the customer for payment of the other account. The customer's credit record was blighted because of it.

The Adjudicator found that the letter plainly referred to both accounts. The company had not even admitted that it was in the wrong, although the error was blatant. It was an extremely serious thing to publicise an alleged credit default, because it can damage not only a customer's personal reputation, but his ability to pay his way through life. It is to be expected that a customer will suffer from a bad credit entry. It is fair and reasonable to compensate customers for the mere fact that a wrong entry was made, regardless of whether they suffer actual financial loss as a result. In this case, to reflect the damage done to the customer by the wrong credit entry being made by the company together with deprivation of enjoyment and peace of mind, compensation of £600.00 was awarded. The company was directed to give an explanation and a full apology to the customer.

Case 09

Moving broadband providers

Moving broadband providers

The customer complained that he had terminated his contract with the company before moving to a property next door. The customer arranged for broadband services at his new property with a different service provider. A short time after receiving a bill from the company for alleged outstanding charges the customer's new broadband connection was suspended. Debt collectors pursued the customer. The company acknowledged they had confused the customer's account but they had no record of the customer cancelling the contract. The company apologised.

The Adjudicator directed the company to cancel the outstanding bill, to instruct their debt collection agents to stop pursuing the customer, to pay the customer's reasonable set up costs with another broadband provider, to investigate and explain in writing why the

customer's line was cut off and to pay compensation of £250.00.

Case 10

Broadband in non-cable area

Broadband in non-cable area

The customer was moving house and asked the company to transfer the broadband service. As the customer was moving to a non-cable area she was told by the company to obtain a line from others and then broadband could be provided over that. The customer did so, but a broadband service was never provided by the company. Bills continued to accumulate at the old address. The customer terminated the contract after being without a broadband service for more than six months.

The Adjudicator found that the order went through with the non-cable division of the company but there were problems between their cable and non-cable divisions. The company was directed to apologise to the customer, pay £300.00 compensation for loss of pleasure of broadband and wasted effort.

Case 11

Slow broadband speed

Slow broadband speed

The customer complained that his download speeds had been very slow for the previous 9 months due to a widespread, '*capacity problem*', with the company. The service was for, '*up to 8Mbps*'. The customer's line was capable of supporting at least 7.6Mbps, yet he was experiencing download speeds as low as 300Kbps. The company argued that it was not able to do anything about it and suggested that the customer should move to another provider without penalty. The customer sought an order forcing the company to supply the promised service.

The Adjudicator found that the company was failing to provide the promised standard of service, but it could not physically resolve the problem at that time. The company was directed to give the customer a written explanation as to what steps it was planning to take to resolve the problem and how long it would take. If the customer did not like the answer, he could move to another provider without penalty.

Case 12

Advertising broadband speed

Advertising broadband speed

The customer bought a broadband service advertised as, '*up to 8Mbps*', but with the small print proviso that, '*actual speeds would depend on line conditions*'. The customer complained about his line speeds which had a maximum supportable connection of 1.5Mbps.

The Adjudicator found no misleading information at the point of sale had been given by the company to the customer. The speed had been described as, '*up to*', and not that it, '*would be*', 8Mbps. The claim failed.