

Issue **05**

## Case Studies Compensation Summary

December 2009

Case Study number	Case Study name	Subject	Compensation £0.00
<b>Compensation to £500.00</b>			
10:08	Overcharging	C <sup>1</sup> overcharged and suffered inconvenience because T delayed cancelling service. T not provided reasonable customer service. T apologised and explained a mistake had been made.	50.00
05:13	Dispute over £3	C upgraded to broadband service from dial up service which T continued to charge for. T not properly explained its services and not provided CISAS reference number. Dispute over £3.00. C should bear some responsibility for pursuing such small sum and not acting sooner to stop the double charging.	55.00
11:06	Television service	C was without broadband and television for six weeks. CISAS not normally consider complaints about television services but T agreed to use the scheme. C claimed compensation of more than £1,700.00 calculated at his hourly business rate. C had suffered frustration by T's breach of duty of care to provide reasonable customer service. Not appropriate to use C's business rates to calculate compensation for a domestic service.	60.00
08:10	Broadband service	T did not accept termination of contract by C. Termination in accordance with the Consumer Protection (Distance Selling) Regulations 2000. T directed to either cancel the service and put a cease on C's phone line or give C a MAC so that he could go to another ISP, whichever of these two options could be achieved quicker.	100.00
08:02	Broadband service speed	C gave clear evidence of a service promised by T but not provided. Neither C's requests for assistance nor complaints had received appropriate responses from T. C suffered inconvenience. T directed to release C from his contract without penalty.	100.00
05:05	Broadband trial	Consumers' duty to ensure they understand and can utilize the services requested and software provided. C not taken care to read contract terms and conditions and confused between dial up and broadband services. T issued confusing literature, failed to properly	100.00

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

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		investigate complaint and tried to force C to pay for a year's broadband service that C could not benefit from.	
09:06	No defence: overcharge	T unilaterally and erroneously upgraded C's broadband package and tariff resulting in overcharges to C. C's evidence credible as supported by bills, emails and letters from T. C was entitled to terminate the contract and be discharged from it without any penalties. C's modest claim for £100.00 was sufficient to compensate him for the anxiety and inconvenience he had gone through.	100.00
11.10	Charges	C making many telephone calls and writing many letters but T gave poor customer service. Breach of the duty of care by T to C.	100.00
14:02	Moving house	C cancelled broadband and telephone as he was moving house. He was due a small credit of £4.19. Nothing happened, the credit was not paid and T continued to bill for the unwanted service being provided to the old address of C. C was concerned that non-payment would lead to credit blacklisting.	100.00
08:05	18 weeks without internet	After 18 weeks C was without a broadband service as T tried unsuccessfully to deal with connection problems but T continued to deduct a monthly subscription. C was frustrated trying to contact T to the extent that C telephoned T's helpline at 4.30am in the morning as it was the only time she could get through. C suffered anxiety and inconvenience caused by the failings of T.	150.00
15:02	Direct debit	C decided to terminate his services with T and move to another service provider. T disconnected his services early without authorisation, re-instated the direct debit without C's authorisation and took two payments from his account.	150.00
14:10	Services not transferred to new home in time	T did not transfer its telephone and broadband service to C's new home by an agreed date.	161.49
08:12	Poor service	T without C's authorisation upgraded C's broadband service accidentally making C's email address inoperable. T took 76 days to restore the email service. When C phoned T to cancel the anti-spam package on the email service, T cancelled the whole account and refused to reinstate it. T had not provided a reasonable service.	195.00
12:06	Broadband service failed	Broadband connection failed. Company tried unsuccessfully to find a fault and restore the service. Company agreed to cancel the contract, offered to reimburse the monthly fees which had been paid by the customer and cost of calls made to technical support team. Customer refused the offer and claimed cost of all telephone call charges, car parking and bus fares in lieu of on-line shopping, mobile top-ups and £1000.00 for time, stress and the unsatisfactory customer service. The Adjudicator found there was no evidence to support the customer's claims for car parking, bus fares or mobile top ups but directed the company to pay the customer £15 for identifiable telephone calls and £200.00 for stress and inconvenience.	215.00
13:03	Not supplying broadband	Very slow broadband speed at customer's new home. Remedial work was undertaken by company who then said they could do nothing to improve service. Six months later the customer discovered that the company had not been supplying broadband to his home. Customer cancelled service and sought a subscriptions refund. Company promised a refund but it was never received by the customer. The Adjudicator found the compensation claimed by customer was appropriate.	200.00
05:03	Reasonable procedure not followed	C ordered a broadband service but was unable to connect. T knowingly failed to provide a service, did not follow its own procedures to refer problem to second level team and attempted to deny C access to a means of resolving the dispute both technically and administratively while at the same time charging for that service causing C inconvenience.	250.00

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06:08	Wrong debts	C had broadband service for less than 1 month. T continued to debit C's bank account each month. C was forced to close her bank account to stop monies being taken. T was directed to refund C all disputed sums debited from C's bank account and pay compensation.	250.00
07:09	Inconvenience damages	Agreement for services by which C would have enjoyment, peace of mind and would not be overcharged. T overcharged C at mobile phone rates instead of landline rates for calls to Jamaica. T took more from C's bank account on a direct debit than C expected resulting in bank making an extra charge because there was not enough money in C's account to cover it. C inconvenienced by T's failure.	250.00
13:09	Moving broadband providers	The customer terminated contract before moving to next door property. 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 company was directed 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.	250.00
15:08	Porting a number	C had been promised by T that he could port his number to his new address but the number was not ported.	250.00
12:08	Compensation for lost landline and broadband	Customer lost landline phone for two weeks and broadband for four weeks. The company accepted there had been a service failure as well as poor customer service and offered £300 compensation which the customer rejected claiming £1,000.00. The Adjudicator found the company's offer of £300.00 was reasonable.	300.00
06:03	Hard of hearing	C was hard of hearing and found it difficult to communicate with T by telephone. C used T's Anytime service, opened a different account then requested termination of the account. T took 6 months to terminate the account which was far too long. C was disadvantaged when seeking technical support from T because he was continually referred to a telephone help line when he had difficulty in hearing what was being said to him.	300.00
07:08	Providing broadband	C took up T's broadband offer which could consolidate his three dedicated lines for home telephone, fax/telephone and computer into two lines, giving an improved level of speed and service without inconvenience. C requested the broadband service be provided on his dedicated home computer line but T provided it to the dedicated home telephone line. It cost C more money for a service he did not receive, he spent a significant amount of time trying to sort out a problem not of his making and he was inconvenienced.	300.00
13:10	Broadband in non-cable area	Customer asked the company to transfer broadband service to his new home. 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 broadband service never provided by the company. Bills accumulated at the old address. Customer terminated the contract after being without broadband service for more than six months. The order went through the non-cable division of the company but there were problems between their cable and non-cable divisions. The company was directed to apologise and pay compensation.	300.00
08:04	No broadband	C's broadband service disconnected by T due to telephone line (owned by another provider) being upgraded. Telephone line could not take the enhanced service. T could not use problems with the line as an excuse to avoid responsibility. If a provider fails to provide what has been agreed and charged for it is in breach of contract and has no right to demand or to take money for something it does not provide. Exclusion clauses in the contract were void under the Unfair Contract Terms Act 1977 and the Unfair Terms in Consumer Contracts Regulations 1999. T was directed to cancel its contract with C, remove its marker from the telephone line, repay all sums paid by C after the broadband service failed, cancel any outstanding invoices and pay C compensation. The stress exacerbated C's	350.00

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		psychiatric condition; compensation for personal injury was outside the scope of CISAS.	
15:01	Mis-selling unsuitable package	C, represented by his daughter, was over 80 years old and died during the course of the application to CISAS. T had not properly charged him, not provided details of the agreement between them and had mis-sold him a package which was not suitable for his needs.	350.00
03:10	Bills paid late	C had made late payments and failed to pay outstanding sums in the correct manner. Payments were incorrectly allocated by T to another account. T neither recorded communications with C nor amended its records nor advised debt collection agencies nor corrected credit references. As a result C was refused a credit card, refused a bank account move and had a County Court judgment entered against him. T was responsible for C's losses.	400.00
14:01	No phone service after 14 months	C retired from his firm and continued to use his business account for residential purposes. He was not told that this was a problem when he opened a new broadband and telephone account with a second company. Broadband was connected immediately but the telephone service remained unconnected after 14 months. C complained he had had to pay £426.68 charged by the first company for calls because he still had to use their telephone service. The second company maintained that it was only when they had received the CISAS claim that they had been made aware C's account was a business account with another company and this was the reason why they could not connect his telephone service. The Adjudicator found that the second company should have realised at some point over the 14 months why they could not connect their telephone service to Cs home and advised him accordingly. Instead they continued to state that the service would be connected and at times had told him that it had actually been connected.	426.68
03:02	Renewal letters	T's two renewal letters were confusing, T had not made it clear which service plan and charges applied to C. C believed he had been overcharged. T's complaint procedure was poor and confusing also C's letters were not responded to. For T to apply debt recovery procedures was wrong as C had been a long standing customer and the dispute was genuine. It caused C distress and inconvenience and affected his credit rating. T was directed to apologise to C, pay compensation, amend C's payment record to show that there has been no bad debt and reinstate C's former credit rating.	400.00
13:07	Cancelling contract after serious injury	Customer placed an order for broadband via the WEB. Before any equipment arrived she was badly injured. In hospital for one month and incapacitated when left hospital. 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. Company asked for payment of £50.00 for phone calls. 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 there was a contract for phone services made via the WEB. Customer should pay for phone calls to 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
13:05	Paid for assistance	Broadband connection problems. Customer made at least 10 expensive calls for company's technical support, their engineers admitted they were unable to solve the problem. Customer paid for assistance to solve the problem and then claimed the cost from the company. The company refused maintaining 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. Adjudicator found customer had acted reasonably as she had given the company every opportunity to put the problem right. The company was directed to pay compensation.	444.97
02:35	Banking error	C paid a cheque to settle an account due on time. After T knew the monies had cleared. T unreasonably barred C's service and instructed debt collectors this wasted C's time for which C was entitled to compensation. No compensation for business losses as C had	500.00

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		not proved them and T did not know the service was for business use.	
05:18	Communications provider transfer	C placed an order for broadband which she cancelled a month later as she was entitled to do. T took five weeks to transfer C's line to another communications provider during which C did not have internet access also C was without phone access for several days. T was directed to reimburse C for phone charges and pay compensation.	500.00
12:07	Paying to avoid poor credit rating. CISAS rule 5(g) applied	Customer paid an overcharge of £10.32 by cheque and account ended but company pursued her via its debt collectors who forced her to pay £10.32 again. Customer confused and frightened about her credit rating and what the debt collectors would do. A rebate of £640.00 was due for overcharging, a refund of fees due to poor service, £30.00 compensation a month for inconvenience caused by poor service plus £150.00 for upset and inconvenience caused by the company's negligent instruction of debt collectors. However, under CISAS rule 5(g) the award was limited to the amount claimed by the customer which was £500.00.	500.00
15:06	Mobile barring service	C paid for a mobile barring service on her landline to avoid her son incurring high bills. T had not assisted C when she asked if call barring was working although T's records showed they knew it was being avoided. T had not barred calls to mobiles. T had billed 4 months late which meant C did not appreciate the costs she was incurring.	500.00
<b>Compensation £501.00 to £999.00</b>			
08:06	No internet connection	Product of another provider used by T on C's telephone line caused loss of C's internet and e-mail service. T debited C's debit card with monthly subscriptions without C's permission. T's action highly inappropriate. T was directed to refund C the monthly subscriptions, release C from the contract without any payment, provide a MAC, remove any offending products from line and ensure C's credit rating was not adversely affected.	600.00
10.10	Unauthorised access	Cost of unauthorised access to C's telephone, broadband and television cables added by T to C's bills. C asked T to terminate the services and investigate who was accessing the cables. T did little to help and failed in its duty of care. 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.	600.00
11.01	Billing and wrong use of direct debit	C succeeded in a billing complaint against T and awarded £600.00. T then took more money by direct debit from C which was an extremely serious breach of contract and duty of care. Second Adjudicator awarded £600.00 further compensation to C and directed T.	600.00
13:08	Account not terminated	Customer sent letter terminating two telephone accounts. Company's records showed only one contract was to be terminated, this they did and chased the customer for payment of the other account. The customer's credit record was blighted. The Adjudicator found the letter referred to both accounts. Extremely serious thing to publicise an alleged credit default because it can damage a customer's personal reputation, and 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.. Compensation awarded and company was directed to give an explanation and a full apology.	600.00
02:14	Inaccurate records	T billed C £900. 00 in one month. More likely than not C did not make all the billed calls because of their timings and sheer volume. Serious doubts about the integrity of T's records.	602:15
14:03	Two accounts set up	A duplicate account had accidentally been set up when an earlier broadband problem had been resolved. C was unaware that an additional direct debit was being taken by T and had not authorised any additional payment. The Adjudicator directed a full repayment be	607.02

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	accidentally.	made by T to C.	
10:07	Lost business revenue	C experienced problems with mail forwarding which T failed to resolve. C asked for a smooth domain transfer which T took 3 months to confirm. Breach of contract or a breach of duty of care by T. C estimated lost business revenue of more than £30,000.00 and claimed the maximum of £5,000.00 under CISAS but failed to submit evidence supporting the amounts. Compensation awarded only for inconvenience and the time and energy expended by C in trying to get the problem resolved.	750.00
13:01	Inadequate broadband and defective router	Defective router and inadequate broadband service for about a month. The router caused breaches of security by making the 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 attempts to make the service work with the assistance of the company's technical department. Company was directed to pay compensation for lack of service, vexation and inconvenience.	750.00
<b>Compensation £1,000.00 to £5,000.00</b>			
04:07	Creating problems	T created problems by wrongly invoicing C annually in advance, making billing mistakes, not providing accurate bills, wrongfully suspending services, not efficiently using the direct debit facilities given by C and instructing debt collectors. C endured inconvenience and the cost of having to repeatedly correspond with T together with vexation through loss of services.	1,000.00
02:25	Fraud	C informed T of fraudulent use of mobile phone number to make calls to many countries associated with questionable activities. T did not take complaint seriously nor offer reasonable assistance or advice. T seriously failed in its duty of care towards C.	1,000.00
12:10	Error making customer un-creditworthy	The customer made un-creditworthy due to the company's error more than 12 months earlier; their entries on the customer's credit file were not correct. Company failed to rectify the situation promptly after being notified of the error. The company was directed to pay compensation for the stress and harassment customer suffered for over one year as well as final loss of increased mortgage payment which directly resulted from the failures of the company.	1,285.00
12:03	Barring outgoing calls	Customers had contract with company 1 for home and business until they transferred to company 2. Two years later traffic again passing over network of company 1 but company 1 had no contract to reprove the service. Customers refused to pay bills of company 1 who then barred the customers outgoing calls and placed the matter in the hands of debt collectors. Significant failure of duty of care by company 1 who had also through their debt collectors given notice of legal proceedings after the matter had been referred to CISAS. The disregard of the CISAS adjudication process was in the words of the customers, ' <i>cynical, needless intimidation... bullying techniques</i> ', which was inexcusable.	1,400.00
12:01	Business loss	Customer requested an upgrade to a business package with a static IP address. Constant connection problems for a year. Customer frustrated, received little real assistance from company, and his business suffered losses due to the amount of time unable to connect to the internet.	1,500.00
08:14	Loss of business	C, a small business, cancelled its contract with T who unable to provide a broadband service. T continued to charge C, threatened action from its debt management team, contacted another provider and placed an order for T's broadband on the line of C. C's existing contract with the other provider was interrupted for several weeks. T liable for loss of business whilst C was without a broadband connection.	2,000.00
10:04	Overpayments by	C, a small IT company, regularly overcharged by T for broadband and phone services. T did not try to resolve the dispute expeditiously.	3,640.00

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	small company	C provided detailed calculations together with copies of tariff and cap agreements. T did not provide any business contract terms excluding liability for any element of losses arising from overcharging nor did it comment upon losses claimed by C for time spent trying to resolve the dispute which included lengthy attempts by C to communicate with T, evaluate opportunities to move service provider, attempts to stop bank payments and assessing bills manually call by call. T was directed to reimburse C £640.00 for overcharging and £3,000.00 towards C's total loss.	
13:02	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 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 compensation and reimburse all the money wrongly withdrawn from the customer's account.	3,700.00