

## Schedule 5 Information for ADR Bodies

The Alternative Dispute Resolution for Consumer Disputes (Competent Authorities and Information) Regulations 2015, require you to supply the competent authority (Chartered Trading Standards Institute) with your Schedule 5 (annual) report when it is due.

The Schedule 5 report must be supplied every year (including when you also supply your biennial report) and must be made available on your website as per the legislation. The Schedule 5 report must be supplied to the competent authority and uploaded onto the website within a month of the anniversary of your date of approval as an approved ADR body.

All details of what must be included in the reports can be found below.

This is the minimum data required for reporting, but any other or extra data supplied would be much appreciated for further insight.

As of 1<sup>st</sup> January 2021, there have been several amendments made to the legislation due to Brexit. It is no longer a requirement of the legislation to handle cross-border disputes and report on these disputes. However, if you continue to handle cross-border disputes, we would ask that you supply any information in relation to these cases.

Additionally, if your ADR scheme's outcome is binding on either party, please provide us with the percentage of whether the outcome was ruled in the consumer or trader's favour at the end of the Schedule 5 report.

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## Schedule 5 – ProMediate- Reporting period: 1 October 2021- 30 September 2021

### Information to be included an ADR entity's annual activity report

(a) the number of domestic disputes the ADR entity has received;

No. enquiries received (domestic)	No. enquiries received (cross-border)	No. disputes received (domestic)	No. disputes received (cross-border)	No. disputes accepted (continued to case) (domestic)	No. disputes accepted (continued to case) (cross-border)
574	0	23	0	23	0

(b) the types of complaints to which the domestic disputes and cross-border disputes relate;

Types of disputes:

- Disputes concerning lawyers and legal services. Credit hire and repair
- Domestic building disputes – bathrooms and kitchens
- Purchase of shoes
- Second hand car purchase and car repairs
- White goods purchase including washing machines
- Retail complaints eg purchase of IT equipment
- Complaints about holidays
- The majority of matters we deal with relate to credit hire repair services.

(c) a description of any systematic or significant problems that occur frequently and lead to disputes between consumers and traders of which the ADR entity has become aware due to its operations as an ADR entity;

We have received complaints about guarantees for white goods and other goods with the complaint being that guarantees are not being honoured eg return of goods if they do not fit and the supply of vouchers as opposed to a cash refund.

We received a large number of enquiries regarding a retailer where the consumer had not complained first to the retailer concerned so we passed the enquiries on to the retailer.

We also hear from consumers where the trader provides our details but refuses to use ADR. This normally involves retailers but also law firms which name is as an ADR provider.

We received fewer enquiries when we stopped our free ADR Trial funded by the EU. It seems that parties are more willing to use ADR when it is offered free of charge.

We still see problems with minor building works contracts where there are no or limited contractual terms and deposits are paid to builders in advance. When disputes occur they are often about performance by the builder and additional items of work carried out. Builders will often refuse to engage with the ADR process.

(d) any recommendations the ADR entity may have as to how the problems referred to in paragraph (c) could be avoided or resolved in future, in order to raise traders' standards and to facilitate the exchange of information and best practices;

Regarding guarantees, perhaps the burden of proof should be on the trader to prove that they have complied with guarantees.

Regarding vouchers we consider that traders should be outlawed from offering vouchers as opposed to refunds, because the consumer should not have to purchase an item from the same trader.

Builders could be obliged to set out in a written contract with consumers the specification of the work, the time to be taken and dispute resolution mechanisms. Deposits could be held by a third party organisation pending completion of work.

We recommend that the UK adopts the reforms proposed by the EU to compel traders to respond. <https://www.promediate.co.uk/changes-to-eu-adr-regulations-will-uk-follow-suit/>

(e) the number of disputes which the ADR entity has refused to deal with, and the percentage share of the grounds set in paragraph 13 of Schedule 3 on which the ADR entity has declined to consider such disputes;

Total no. of disputes rejected	25
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Reason	No. rejected	Percentage of rejected
a) the consumer has not attempted to contact the trader first		
b) the dispute was frivolous or vexatious	1	4
c) the dispute had been previously considered by another ADR body or the court		
d) the value fell below the monetary value		
e) the consumer did not submit the disputes within the time period specified		
f) dealing with the dispute would have impaired the operation of the ADR body		
g) other (enquired too early, not yet complained to trader, trader not member, advice call etc...	24	96

- (f) the percentage of alternative dispute resolution procedures which were discontinued for operational reasons and, if known, the reasons for discontinuation;

	No. discontinued	Percentage of discontinued
Discontinued for operational reasons	0	

Reasons for discontinuation:

- (g) the average time taken to resolve domestic disputes and cross-border disputes;

	Domestic	Cross-border
Average time taken to resolve disputes (from receipt of complaint)	16	
Average time taken to resolve disputes (from 'complete complaint file')	8	

Total average time taken to resolve disputes	16
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- (h) the rate of compliance, if known, with the outcomes the alternative dispute resolution procedures (amongst your members, or those you provide ADR for)

100% we have not heard of any traders not complying with agreed outcomes

***(i) This point has been removed in amendments on 1 January 2021***

Please add any additional information or data you think might be useful or interesting at the bottom of this report.

We have seen a drop off in enquiries following the end of our ADR Roadshow where we promoted and offered a free trial of our ADR service and promoted the service heavily. We are no longer concentrating on our consumer ADR service as the low fees charged make it unattractive from an operational perspective.

We do consider that with the increase in inflation, the nominal fees charged to consumers will have to increase to make the service viable.

Anonymised examples of cases we have dealt with under the ADR Roadshow are on our website at [www.promediate.co.uk/adr-roadshow](http://www.promediate.co.uk/adr-roadshow)