



BIENNIAL REPORT TO CHARTERED TRADING STANDARDS INSTITUTE TO 2017

(Pursuant to the Alternative Dispute Resolution for
Consumer Disputes Regulations 2015)

NetNeutrals EU

Abstract

As part of CTSI's approval, NetNeutrals EU is required under Schedule 6 of the Regulations to provide a Biennial Report. The reporting period 1st January 2016 to 31st December 2017

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Introduction

On 1st October 2015, NetNeutrals EU Ltd (“**NetNeutrals**”) was approved by Chartered Trading Standards Institute (“**CTSI**”), pursuant to the Alternative Dispute Resolution for Consumer Disputes Regulations 2015, as an approved provider of alternative dispute resolution services (“**ADR**”).

This report covers the period 1st January 2016 to 31st December 2017. The activity in the last quarter of 2015 was insignificant and omitted from this report.

NetNeutrals provides ADR in respect of unresolved disputes between consumers and suppliers in the following sectors:

- Consumer Goods
- Financial Services
- General Consumer Services
- Leisure Services
- Postal services and electronic communications
- Transport services
- Travel and Timeshare
- Landlord / Tenant

NetNeutrals deals with complaints in relation to member traders who have signed up with NetNeutrals EU and non-members.

In relation to complaints received about non-members, NetNeutrals deals with such complaints where the non-member trader agrees to engage with NetNeutrals and abide by its scheme rules in relation to the particular complaint.

Biennial Report

As part of CTSI's approval, NetNeutrals is required under Schedule 6 of the Regulations to communicate the following information every two years:

a). The number of disputes received by the ADR entity and the types of complaints to which the disputes related

In the reporting period 1st January 2016 to 31st December 2017, NetNeutrals received a total of 110 disputes.

The following table sets out the types of disputes that were referred to NetNeutrals in the reporting period which came within the scope of what NetNeutrals can deal with.

Complaint Types	Number of Cases		
	2016	2017	Total
Consumer Goods disputes	55	18	73
Education disputes	2	1	3
Financial Services disputes		2	2
General Consumer Services	7	3	10
Leisure Services	11	1	12
Transport services	9	1	10
Total	84	26	110

b). The percentage share of alternative dispute resolution procedures which were discontinued before an outcome was reached

During the reporting period, NetNeutrals discontinued a total of 106 cases. This represents 96% of the total amount of disputes received by NetNeutrals.

The following table sets out the percentage share of the reasons for which NetNeutrals discontinued cases:

Reason for Discontinuance	Percentage Share
The subject matter of the dispute did not fall within the scope of what NetNeutrals can consider under its Scheme Rules	49%
The consumer submitted an incomplete application to NetNeutrals which could not be taken forward owing to the lack of information	9%
The trader that the consumer is complaining about was not registered with NetNeutrals as its ADR entity	38%
The consumer was not a 'customer' of the trader under the definition set out in the relevant NetNeutrals Scheme Rules	0%
The consumer voluntarily withdraw their case before it could be taken forward to a final outcome	0%

c). The average time taken to resolve the disputes which the ADR entity has received

Disputes took an average of 24 calendar days to resolve.

d). The rate of compliance, if known, with the outcomes of its alternative dispute resolution procedures

There are no outcomes which we have been notified have not been complied with.

e). Any recommendations the ADR entity may have as to how any systematic or significant problems that occur frequently and lead to disputes between consumers and traders could be avoided or resolved in future

Traders should clearly state on their site and order forms whether they will engage in ADR if disputes arise. If a trader gives an email address for ADR this should be responded to within an acceptable timeframe.

Traders' terms and conditions should be written in plain English and easy for consumers to understand. This may avoid disputes about the interpretation of terms and conditions from arising.

Traders / manufacturers should clearly state any guarantees / warranties especially in relation to ICT hardware and mobile phones.

Resellers should ensure that contractual terms and conditions are made clear to consumers at the point that the contract is entered into. Any terms that may adversely affect the consumer should be specifically brought to the consumer's attention. This is especially true where the contract is drawn up in a different jurisdiction. Contracts should be available in the language of the consumer and that version be legally binding.

Traders should provide a more comprehensive complaints and dispute resolution service. At present a number of traders refuse to partake in ADR as a method of resolution leaving the consumer with limited options except going to court.

A number of Multinational companies refuse to engage in ADR in Europe even though they do offer ADR in the US. This needs to be addressed as the volume of their sales is quite substantial.

f). Where the ADR entity is a member of any network of ADR entities which facilitates the resolution of cross-border disputes, an assessment of the effectiveness of its co-operation in that network

NetNeutrals has only recently become a member of Travel_Net which seeks to facilitate cooperation of ADR entities servicing the Travel sector.

NetNeutrals has received some requests for support from the European Consumer Network in various EU countries.

g). Where the ADR entity provides training to its ADR officials, details of the training it provides

NetNeutrals supports the continuing training and development of its ADR officials. In this reporting period, training has been provided to ADR officials on the following topics:

- Handling disputes
- Mediation and Arbitration in new sectors

h). An assessment of the effectiveness of an alternative dispute resolution procedure offered by the ADR entity and of possible ways of improving its performance

NetNeutrals provides highly effective alternative dispute resolution procedures. NetNeutrals reaches an outcome within an average of 24 calendar days from the submission of the customer's application, which is significantly quicker than the 90-day requirement set by the Regulations.

Improvements can always be made to the performance of any ADR procedure. NetNeutrals will always review existing processes and procedures on an on-going basis. In addition as each client is brought on board we evaluate the proposed solution to ensure it works for all parties (NetNeutrals, Trader and Consumer) as part of the design and implementation process.