



# ADR Regulations 2015

## Appendix D Report

Reporting period: 1st October 2019 – 30th September 2020

## Foreword by the Head of Redress

This is the second bi-annual report on our activity, achievements and ambitions. We are proud that we have gone from strength to strength with the support of CTSI and the many businesses that now use us as their mandatory or voluntary alternative dispute resolution and redress provider.

Whilst we draw our authority for operating a redress scheme for letting agents and property managers from the Ministry of Housing Communities and Local Government (MHCLG) and for estate agents from National Trading Standards, our approval as consumer alternative dispute resolution company by CTSI has allowed us to expand outside this legislative remit and offer effective complaint resolution to a wider part of the sector.

We have worked hard with the various trade bodies in the property world to ensure that awareness of ADR is at the forefront of their thinking and have worked with them to get the PRS to the position to be the preferred supplier of their dispute resolution needs to put the PRS in the position as the preferred supplier for their dispute resolution needs.

We can therefore include a whole host of property related services as signposting us as their ADR provider. These include inventory clerks through The Association of Independent Inventory Clerks, property education providers and property courses through the Property Investors Bureau. We are also currently looking at working with property guardians through the Property Guardians Association, holiday lets through SafeAgent and lodger landlords through a new association being founded to represent them.

We are engaging with the merged landlord association, the National Residential Landlord Association, to pave the way for providing redress for landlords, initially on a voluntary basis but with the anticipation that this will eventually become mandatory following the Government's pledge to introduce this at some stage in the future.

Another initiative has been to introduce an end of tenancy mediation service to resolve disputes that otherwise could lead to a property being repossessed and tenant evicted. The seeds of this service were sown following the Government's intention to abolish the no-fault eviction process but was accelerated to fruition and operation due to the coronavirus crisis and the fallout from this.

We are also working hard to ensure that when the property sector is fully regulated as promised by the Government and outlined in the recent report they commissioned to provide a blue print for this, that ADR is at the heart of the proposition. Whilst we are not a regulator, we want to work closely with the planned body to ensure that professional education, best



practice, code of practice and redress are delivered to protect the consumer and ensure the professionalism of the property sector.

In terms of our own operations we have worked hard over the last couple of years to ensure our service is improved and streamlined. We have prioritised early resolution, with an emphasis on facilitated negotiation and mediation, allowing the parties to resolve their differences between themselves, which apart from being quicker and cost effective, leads to better outcomes and satisfaction with the process.

We have also spent considerable time and effort in promoting complaint prevention and have systematically, refreshed, reviewed and replaced our guidance, case studies and assistance guides. All our key documents have been revamped to reflect recent changes to legislation and to make them easier to

understand and follow. We are also reaching out to the sector through webinars and other electronic means. For example our annual report for our mandatory scheme was in the form of an interactive microsite, rather than the standard static brochure.

We continue to work closely with the industry and Government on reform and improvement to the sector and are part of the Government Redress Reform Working Group, which aims to ensure a more joined up approach to providing consumer complaint handling, meaning closer cooperation between the various resolution providers, clearer signposting and guidance and more successful outcomes for the consumer in this vital sector.

**Sean Hooker**  
Head of Redress

HF Resolution Ltd  
is a subsidiary of  
HFIS PLC



**NATIONAL  
TRADING  
STANDARDS**

Estate and Letting  
Agency Team  
Protecting Consumers  
Safe Guarding Businesses

Scheme Authorised by:



Ministry of Housing,  
Communities &  
Local Government



## Introduction

On 16th September 2015, The Property Redress Scheme (PRRS) received approval from the Chartered Trading Standards Institute (CTSI) and the National Trading Standards Estate and Letting Agency Team (NTSELAT) under the Alternative Dispute Resolution for Consumer Disputes (Competent Authorities and Information) Regulations 2015 (ADR Regulations).

Both CTSI and NTSELAT are authorised as competent authorities for the purpose of the work the PRRS carries out under the ADR Regulations, with NTSELAT covering our estate agency work and the CTSI covering all other property related work, including lettings and property management.

Statistical breakdown of complaints as required under Appendix D of the CTSI Requirements and Guidance for being approved as a Consumer ADR Body operating in non-regulated sectors:

Disputes received - initial enquiries	Sales	Lettings	Residential leasehold management	Other (inventory management company)	Cosmetic Redress
Domestic disputes received	136	1171	217	192	0
Cross border disputes received	0	0	0	0	0

Disputes received - accepted	Sales	Lettings	Residential leasehold management	Other (inventory management company)	Cosmetic Redress
Domestic disputes received	62	445	64	59	0
Cross border disputes received	0	0	0	0	0

Disputes rejected	Sales	Lettings	Residential leasehold management	Other (inventory management company)	Cosmetic Redress
Total	63	572	128	106	0
a. No formal complaint raised with trader	13	171	23	41	0
b. Frivolous or vexatious/ unsupported complaint	2	6	3	1	0
c. Dispute being more appropriate for it to be considered elsewhere (e.g. court)	8	73	29	14	0
d. Claim value over £25,000	2	5	1	1	0
e. Not referred within 12 months	5	16	1	2	0
f. Dispute would impair effective operation	33	301	71	47	0

% Outside schemes remit	Sales	Lettings	Residential leasehold management	Other (inventory management company)	Cosmetic Redress
Percentage of cases discontinued for operation reasons (out of Scheme's remit)	0%	0.45%	3.13%	0%	0%

Time taken	Sales	Lettings	Residential leasehold management	Other (inventory management company)	Cosmetic Redress
Overall average time taken – file to closure (days)	28	33	34	30	0

Time taken	Sales	Lettings	Residential leasehold management	Other (inventory management company)	Cosmetic Redress
Average time taken for formal decisions (days)	37	39	39	38	0

Rate of compliance with Head of Redress decisions	Sales	Lettings	Residential leasehold management	Other (inventory management company)	Cosmetic Redress
Total	82%	76%	72%	75%	0%
Early resolution	94%	88%	74%	90%	0%
Default decision	40%	30%	60%	20%	0%
Proposed decision	83%	79%	75%	71%	0%

### Rate of compliance

The rate of compliance shows a year which suffered a pandemic. Additionally, the above does not include the members we have re-instated further to their non-compliance. Default decisions have always demonstrated a lower compliance rate because the agent has not engaged in the process throughout.

### ADR Network

The Property Redress Scheme is not part of a network of ADR entities facilitating resolution of cross border disputes

### Frequently occurring problems and types of disputes raised:

During this reporting period, 10% of our consumers experienced issues with the 'duty of care' from our members. Likewise, disputes concerning 'fee's and charges' were amongst the majority of disputes at 10% as well. The second highest dispute cause at 6% was general communication and complaint handling.

Whereas at 1% of the disputes received were concerning confidential information, insurance, offers on sales and leasehold agreements.