

# CAP3211 Review of the CAA's two approved ADR schemes and of the experiences of consumers using ADR

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## List of abbreviations

<b>Abbreviation</b>	<b>Full name</b>
AADR	Aviation Alternative Dispute Resolution
ADR	Alternative Dispute Resolution
BSL	British Sign Language
CAA	UK Civil Aviation Authority
CEDR	Centre for Effective Dispute Resolution
EO	Energy Ombudsman
EWON	Energy and Water Ombudsman New South Wales
FOS	Financial Ombudsman Service
IA	Independent Assessor
IAT	Initial Assessment Team
KPIs	Key Performance Indicators
LRA	Lead Review Adjudicator
PACT	Passenger Advice and Complaints Team
RO	Rail Ombudsman
SAE	Subject Area Expert
TIO	Telecommunications Industry Ombudsman
TPO	The Property Ombudsman

## List of definitions

<b>Term</b>	<b>Definition</b>
Aviation body:	Airlines and airports that are subscribed to an ADR scheme
Disputes:	Complaints about aviation bodies escalated by consumers to an ADR scheme. ADR schemes assess these to determine if they are in scope. If they are, these become ADR cases
ADR cases:	Disputes about aviation bodies escalated to an ADR scheme that are in scope and handled by the relevant ADR scheme
Service complaints:	Complaints consumers raise about the quality/standard of service provided by an ADR scheme
Complete complaint file:	Means when all the relevant information relating to an ADR case have been received from both parties

## Executive Summary

The UK Civil Aviation Authority (CAA) determined that it wanted to review its two approved aviation alternative dispute resolution (ADR) schemes, Aviation Alternative Dispute Resolution (AADR) and the Centre for Effective Dispute Resolution's Aviation Adjudication Scheme (CEDR), with the focus of the review being on, firstly, consumers' experience of using either of the two ADR schemes and, secondly, the degree of expertise displayed by both ADR schemes when reviewing disputes submitted by consumers.

Both schemes operate broadly similar service models. ADR in aviation is based upon a voluntary approach – aviation bodies are able to decide whether or not they wish to become part of an ADR scheme. If it does so decide, an aviation body is able to choose with which of the two ADR schemes it wishes to work. The relationship between an aviation body and the ADR scheme is based upon a voluntary contract of service. Decisions reached by the ADR schemes are binding upon the aviation body. If an aviation body chooses not to work with an ADR scheme, then a similar service can be sought from the CAA's Passenger Advice and Complaints Team, although the findings of the latter are not binding on the aviation body.

Both ADR schemes use a predominantly online dispute resolution model, although the system is able to flex to meet specific needs of consumers who require reasonable adjustments. Both schemes utilise an adjudicative approach to ADR. Their adjudication processes have three main stages:

1. A consumer will submit their dispute, together with supporting evidence, typically using the scheme's online complaint portal. The ADR scheme will review this to determine if it is in scope in which if it is, it becomes an ADR case.
2. The aviation body reviews the ADR case and decides if it wishes to settle or defend it. If it is the latter, it will upload its defence to the scheme's online portal.
3. Once this has occurred and after the consumer has had a chance to comment, a 'complete complaint file' (CCF) is declared and the scheme's adjudicator reviews both submissions before reaching a decision (also known as an adjudication) based on the submissions and relevant laws and regulations.

It is a simple approach and, within their own terms of reference, both schemes deliver consistent, generally timely, and efficient dispute resolution. Both schemes are investing in their online dispute platforms which are becoming increasingly sophisticated and accessible to consumers. It is to be expected that, in the future, if not already, most consumers will interact with the online dispute resolution system for the entirety of their dispute without direct contact with a member of staff employed by the ADR scheme. Consumers can expect to have a result to their ADR

case within a ninety-day period of a complete complaint file being declared although the reviewer did note that the timeliness of dispute resolution has varied in the past.

The two schemes utilise contrasting approaches to the recruitment and training of adjudicators. CEDR typically employs people with legal qualifications and, while CEDR will provide some update training to its adjudicators, its general approach is that adjudicators, as legal professionals, have an obligation to maintain their own professional competence in the areas in which they practice. In contrast, AADR does not require potential adjudicators to hold a legal qualification. Consequently, its onboarding process is more detailed and of longer duration as it needs to train its adjudicators in a broader range of issues. The reviewer did not find a noticeable difference in the quality or consistency of decisions between the two schemes.

Both schemes receive relatively few service complaints about the services that they provide and the decisions that they reach. For both schemes, the most common reasons for service complaints were that some consumers believed that the schemes ignored relevant information or considered irrelevant information, made an irrational decision, or due to delays in casework.

As both schemes receive relatively few complaints about the service that they provide or the decisions that they reach, the Independent Assessors (IA) for both schemes receive very few complaints to review. AADR receives a greater number which is probably reflective of both the greater number of overall complaints about aviation bodies that it receives from consumers and that, in practice, it runs a two-stage service complaint policy while CEDR runs a three stage service complaints model.

## Recommendations

Recommendation 1: ADR schemes should not provide an aviation body with their decision in advance of the consumer.

Recommendation 2: ADR schemes should not accept challenges from aviation bodies about individual decisions since, these are, and must remain to be, binding once issued and accepted by consumers.

Recommendation 3: ADR schemes should enable an adjudicator to obtain evidence to which there is reference in the submission but which is not included within the submission.

Recommendation 4: ADR schemes should consider what steps they can take to assist the consumer to submit all the relevant information and evidence needed to support their dispute.

Recommendation 5: Once the agreed time limit for an aviation body to submit a defence or reach a settlement has passed, the ADR case should automatically proceed to the decision stage with no further time allowance offered.

Recommendation 6: The CAA should consider introducing revised time limits as part of the key performance indicators (KPIs) used to monitor the efficiency of both schemes. They could be based upon:

1. 90 calendar days to cover the whole complaint process from receipt of a dispute to the decision<sup>1</sup>. This would entail KPIs around the different stages of the process and include,
  - 14 calendar days for initial assessment,
  - 21 calendar days for the aviation body to submit a defence,
  - 14 calendar days for the consumer to respond to the aviation body's defence,
  - 28 calendar days to reach a decision once a complete complaint file has been declared.
2. 28 calendar days for the aviation body to make any necessary redress

Recommendation 7: Where a decision is changed from being in favour of the aviation body to being in favour of the consumer, the ADR scheme should pay the consumer any due financial redress.

Recommendation 8: AADR should review its policy and level of redress for consumers when awarding goodwill gestures. The approach used by CEDR to award goodwill gestures reflecting different levels of inconvenience and distress has much to commend it.

Recommendation 9: A consumer should be able to present their service complaint directly to the IA rather than it being escalated by the ADR scheme.

Recommendation 10: The CAA should consider:

- requiring the production of a single annual report from the IA rather than the six-monthly reports as required at present,
- requiring that the IA reports produced by both schemes are modelled on the structure and content of the reports used by the Financial Ombudsman Service (FOS)<sup>2</sup>, and,
- requiring both ADR schemes to publish the reports produced by their respective IAs.

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<sup>1</sup> This includes the time the ADR schemes grant to consumers to comment on the aviation body's defence.

<sup>2</sup> [Annual reports and accounts – Financial Ombudsman Service](#)

# 1 Scope of the review

The reviewer was appointed by the CAA to conduct a review of its two approved ADR schemes, AADR and CEDR, with a particular focus on both the experience of consumers using their services and, also, the expertise of the CAA's two schemes as it relates to aviation disputes. Appendix 1 contains brief biographical details about the reviewer.

The CAA has an overarching objective for its ADR arrangements which is to provide consumers with high-quality, transparent, effective and fair out-of-court redress and to support a consumer's ability to enforce their individual rights and hold aviation bodies to account. The purpose of the review is to help the CAA determine how well ADR arrangements are working for consumers in the UK aviation sector and how it can improve the consumers' overall ADR experience. The CAA required the reviewer to compare the approach and performance of its two approved schemes with ADR and ombudsman schemes in other sectors and to include recommendations on the means by which the CAA could consider making improvements to ADR arrangements in the aviation sector.

As noted above there were two key areas within the scope of the CAA's requested review for the reviewer to focus upon:

## 1.1 Consumer Experience

### 1.1.1. Policies and processes around the handling of consumers' cases

The review should compare the policies and processes of both ADR schemes against each other and against those of ADR and ombudsman schemes in other sectors to identify best practices and consider and identify gaps. As a minimum it should examine:

- every stage and touchpoint of a consumer's aviation dispute escalated to ADR (ADR case), by both the consumer and the aviation body, from its submission to its conclusion
- the ease by which consumers can view the status of/get updates on their ADR cases whether online, by telephone or other electronic means
- the quality, clarity and frequency of ADR schemes' communications with consumers
- how proactively ADR schemes communicate with consumers
- strengths and shortcomings/gaps in the ADR schemes' consumer communication policies and processes and how well aligned these are with consumers' expectations and needs

- best practices in consumer dispute handling and how ADR and ombudsman schemes in other sectors handle their consumer communications, including how their customers receive/obtain updates on their ADR cases
- whether vulnerable consumers receive the support they need
- the issues and concerns that consumers raise directly to the two ADR schemes about shortcomings in their ADR experiences.

### 1.1.2 Consumer satisfaction measures

The review should examine how effectively the two ADR schemes currently gauge consumer satisfaction throughout the ADR journey. If the ADR scheme uses surveys to gain feedback, the review should consider how well these, and other measures, are working and how insights are used to improve services.

The review should assess the consumer satisfaction measures that ADR and ombudsman schemes in other sectors adopt and how they overcome concerns of feedback being unduly influenced by outcomes.

### 1.1.3 Timescales

There are limited mandated timescales within the legal framework underpinning ADR, and the primary one is the requirement for ADR schemes to issue a decision within 90 days of receipt of all the relevant information (referred to as the moment when a complete complaint file is declared). The underlying legal framework also requires that ADR schemes allow traders a reasonable time to submit a defence, and for consumers to comment on this. Both ADR schemes have implemented their own timescales based on their interpretation of what is reasonable. The review should examine all available data on every existing ADR case and every ADR case submitted within the previous 12 months of this review to determine how long the entire process can take for those consumers whose cases exceed the average timescales. Depending on the findings, the review should consider the merits of the CAA imposing additional requirements, for example, key performance indicators (KPIs) or reporting requirements. Recommendations should be benchmarked against ADR and ombudsman schemes in other sectors.

## 1.2 Expertise Requirements

In this part of the review, the consideration is on how well the two ADR schemes meet the expertise requirements set out within ‘Alternative Dispute Resolution for Consumer Disputes (Competent Authorities and Information Regulations 2015’ and the CAA’s own, more detailed, requirements set out in its own ADR policy document, ([CAA CAP 1324](#)) on how ADR schemes should demonstrate that they meet these expertise requirements:

14.3 ADR applicants will need to provide information on how [the expertise] requirement will be met through:

- a) Recruiting staff with satisfactory knowledge and skills or by a training programme;
- b) On-going training;
- c) The ADR entity's process for identifying and addressing knowledge gaps; and
- d) The ADR entity's decision-making quality control process.

14.4 We expect any approved ADR entity to be able to deal with the most common types of aviation disputes. These types of disputes are listed below. ADR applicants will need to provide information on how they will ensure their ADR officials have the required knowledge and skills in consumer and aviation law needed for aviation ADR cases.'

The CAA considers this requirement to be key to achieving the right outcomes for consumers.

### 1.2.1 Recruitment and training

The ADR Regulations require that ADR schemes ensure that ADR adjudicators possess a general understanding of the law and the necessary knowledge and skills relating to the out-of-court or judicial resolution of consumer disputes, to be able to carry out their functions competently.

Therefore, the review should examine:

- how adjudicators are recruited and essential criteria of the role
- initial and on-going training of adjudicators
- how knowledge gaps are identified and addressed
- guidance and reference materials including how these are produced and verified, by whom, and how they are kept up to date
- the quality and accuracy of training materials and reference documents
- how ADR schemes ensure their guidance and reference materials accurately reflect the relevant regulations, and updates to these, for example CAA, EU Commission, European Civil Aviation Conference (ECAC) guidance, and case law developments.

## 1.2.2 Quality Control measures to ensure decisions are robust and that ADR schemes learn from their mistakes

The review should consider the measures both ADR schemes have in place to ensure robust decision making and continuous service improvement, particularly for less experienced adjudicators and for more complicated ADR cases.

The review should examine what happens when the ADR schemes make mistakes relating to their decision-making or fall short in their service standards. It should consider the steps they take to address and fund these shortcomings, and how they learn from these. The review should also consider each of the ADR scheme's post-decision review processes and assess how effective they are.

## 1.2.3 ADR entities' official complaints policies and the role of their IAs

ADR schemes are expected to resolve complaints about the service they provide and to use the insights gained to improve the overall experience for consumers. The review should examine the remedies awarded when ADR schemes make mistakes, or fall short in their service standards, how these are funded and whether they sufficiently incentivise continuous improvement.

The final stage of each ADR scheme's review process of complaints about the service that they provide is escalation to an IA. IAs are required to submit a report to the CAA on service complaints twice a year. The review should examine how effective this stage of the process is, along with consumer uptake in relation to the number of service complaints raised. It should also analyse a sample of these reports, identifying what is working, what is not, and suggest areas for improvement. Additionally, the review should consider the remedies the IAs award and whether they are fair and adequately reflect the concerns or shortcomings raised by consumers, and again whether they incentivise continuous improvement.

The CAA does not currently require ADR schemes to publish their IAs' reports. The review should consider possible changes, including the mandatory publication of IA reports, and the information contained therein, benchmarking recommendations against similar reports produced by IAs (or equivalent) in ADR and ombudsman schemes in other sectors.

## 2 Methodology

A three-stage approach was utilised when conducting this review:

### 2.1 Desk-top research

The reviewer asked both ADR schemes to provide relevant documentation for consideration. This consideration included both publicly and internally available documentation, including information such as,

- ADR schemes' Annual Reports
- ADR Case Handling Manuals and/or associated material outlining relevant processes and policies
- ADR Schemes' rules
- ADR schemes' structures
- Member and consumer satisfaction surveys where available
- Service complaints about the ADR schemes, internal complaint handling policies & procedures
- Statistical returns – including KPIs and timeliness of ADR case handling
- Policy, procedure and guidance documents
- Recruitment documentation
- Quality control processes, policies and ADR cases/numbers
- IA reports
- Training materials

The reviewer undertook a review of similar documentation published by other ADR and ombudsman schemes and published best practice in this area. The reviewer would make clear that it can be challenging to compare ADR and ombudsman schemes as all such schemes have particularities that makes such a comparison very difficult. Another difficulty stems from the fact that costs and funding arrangements of these different schemes vary considerably. It should also be noted that other ADR and ombudsman schemes publish limited information and in their own format on their websites which again hinders comparisons.

### 2.2 Fieldwork

The reviewer travelled to both ADR schemes to conduct fieldwork which involved three elements:

Firstly, an examination of a sample of around 120-130 disputes received, and held to be in scope, by each ADR scheme. These were reviewed at different stages of their

lifecycle, split as detailed in the table below<sup>3</sup>. It is noted that the intended lifecycle of an ADR case involves an initial assessment, review by the aviation body, adjudication phase, and the post-decision phase<sup>4</sup> if the consumer subsequently raises a service complaint. There is also a three-stage internal service complaint process for complaints made about the service the ADR schemes provide to consumers.

Table 1: Number of disputes about aviation bodies examined by AADR casework stage (these were all in scope)

AADR	Number of cases
Initial Assessment	20
Determinations	50
Service complaints	49

Table 2: Number of disputes about aviation bodies examined by CEDR casework disposition (these included ADR cases which were challenged by the aviation body for being out of scope and were not ultimately processed by CEDR)

CEDR	Number of cases
Objections upheld <sup>5</sup>	20
Determinations	70
Settled by the aviation body before a decision was taken	25
Service complaints	15

Secondly, interviews were held with key personnel from both schemes, totaling 22 interviews. Details are provided in the table below:

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<sup>3</sup> Name differences reflect different nomenclature used by the schemes and the slightly different processes utilised.

<sup>4</sup> As detailed in the Appendix to the CAA's scoping document when it commissioned this review.

<sup>5</sup> Section 2.2 of CEDR's scheme rules allows aviation bodies to object to CEDR's acceptance of an ADR case on the basis that CEDR has wrongly accepted the case. Examples would include claims out with Scheme Rule 2.1, claims for personal injury or discrimination, the aviation body has had insufficient time to consider the claim prior to it being referred to CEDR, or the claim is similar to a second claim currently under consideration by CEDR.

Table 3: Interviewee roles

Interviewee role and number of interviews	AADR	CEDR
Senior contacts (including quality control)	2	3
Management Information leads	1	1
Adjudicators	4	4
Case Officers (Initial assessment)	2	2
IA	1	1
Total	10	11

Interviews were conducted in person wherever possible but, given the degree of homeworking, there was a need to conduct some interviews remotely. The reviewer has experience of conducting interviews remotely and is confident that nothing was lost as a result.

The third element of the fieldwork was the analysis of the timeliness of the ADR schemes' ADR case handling, looking for overall timeliness, timeliness per stage and causes of any identified delays.

It is important to note that the data used in this report has been provided to the reviewer from the ADR schemes directly in November 2025 at his request and has not been verified by the CAA and may differ from other published data.

## 2.3 Structure of the report

In setting out its scope for this review, the CAA was explicit that the focus of the review was on the service experience of consumers who utilised either of the CAA's two approved ADR schemes and the expertise and knowledge within the two ADR schemes which ensured that they were competent to undertake ADR in the aviation disputes sphere. Therefore, the structure of this report matches this scope. After an introduction which provides background context on the two ADR schemes, the first section of the report will focus on the consumer experience, while the second section will focus on the expertise and competence of the two schemes, including their approach for ensuring ongoing learning including from their mistakes.

Where relevant, the reviewer will include background context, drawn from both academic research and published peer material to help frame the activities of the two ADR schemes in a wider context.

In the report consideration of AADR precedes consideration of CEDR purely for alphabetical purposes and nothing should be read into the order used.

## 2.4 Acknowledgements

The reviewer wishes to thank:

- Staff from both ADR schemes for their time in answering questions and providing information, particularly staff involved in the production of management information, and for making the necessary arrangements to conduct the interviews.
- The CAA for providing essential background detail and guidance on the conduct of the review.

## 3 Background and context

### 3.1 CAA

The CAA is the UK's independent aviation regulator, responsible for all civil aviation regulatory functions and is recognised as a world leader in its field.

Following the introduction of the Alternative Dispute Resolution for Consumer Disputes (Competent Authorities and Information) Regulations 2015, the CAA was appointed to act as the Competent Authority for ADR arrangements in the UK aviation sector. The CAA has approved two ADR schemes – AADR and CEDR. Since ADR was established in the aviation sector, the volume of ADR cases handled by the two ADR schemes has risen significantly. Initially, ADR schemes handled around 10,000 ADR cases per year. In the latest financial year, 2024/25, AADR handled 36,094 ADR cases while CEDR handled 11,423 ADR cases. The CAA has previously conducted two reviews of ADR arrangements in the UK aviation sector in 2017 and 2020.

It is important to note that there is no legal requirement for any aviation body to use an ADR scheme to act as an independent body to review its unresolved disputes. If an aviation body does decide to make an agreement with one of the two aviation ADR schemes, the relationship is based upon an agreed contract of service to be provided by the ADR scheme to the aviation body. The contract sets out the fees payable to their chosen ADR scheme. Since the arrangements are contractual and voluntary, aviation bodies can, with notice, choose to cancel their contract. However, if the aviation body does have a contract with an aviation ADR scheme, the aviation body agrees to accept the decision made by the ADR scheme as binding providing it is accepted by the consumer. Should an aviation body choose not to use an ADR scheme, consumers can request that unresolved disputes are considered by the CAA's Passenger Advice and Complaints Team (PACT). However, PACT's decisions are not binding upon the aviation body so, in theory, an aviation body is able to ignore these should it choose to do so.

The form of ADR utilised by both approved ADR schemes is that of adjudication. Adjudication is intended to be a rapid dispute resolution process, where an independent adjudicator makes a binding decision relating to a dispute and the evidence provided by both parties. It is intended to be a more efficient and cost-effective approach than litigation for consumers.

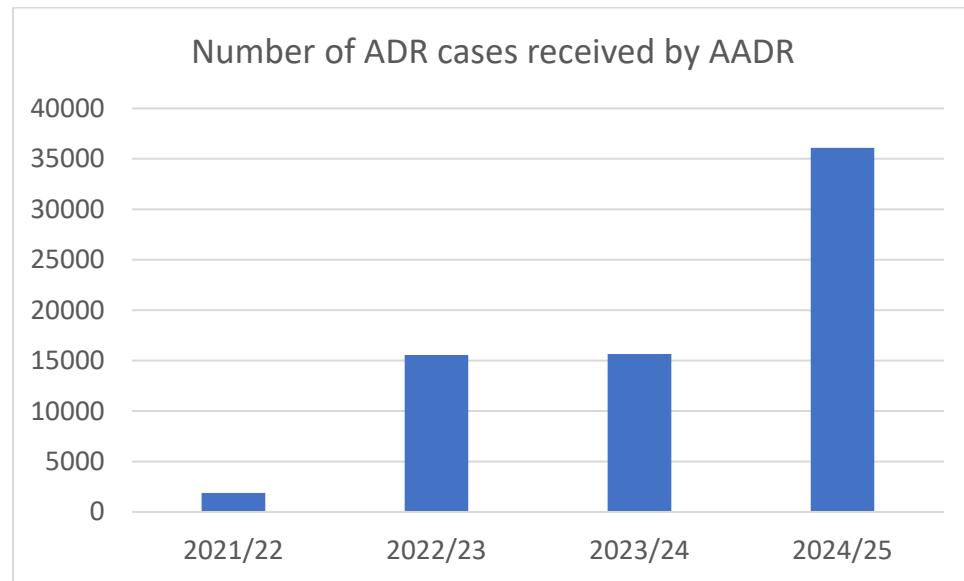
### 3.2 AADR

AADR is one of a number of ADR schemes operated by Consumer Dispute Resolution Limited, a not-for-profit ADR provider which was founded in 2014. It operates independent ADR schemes in the aviation, communications, retail and utilities sectors. AADR currently has contracts with 20 airlines and two airports. AADR does not make any charge to consumers for using its service irrespective of

the outcome. Under its Scheme Rules, AADR is unable to consider a dispute where the total value is more than £25,000.

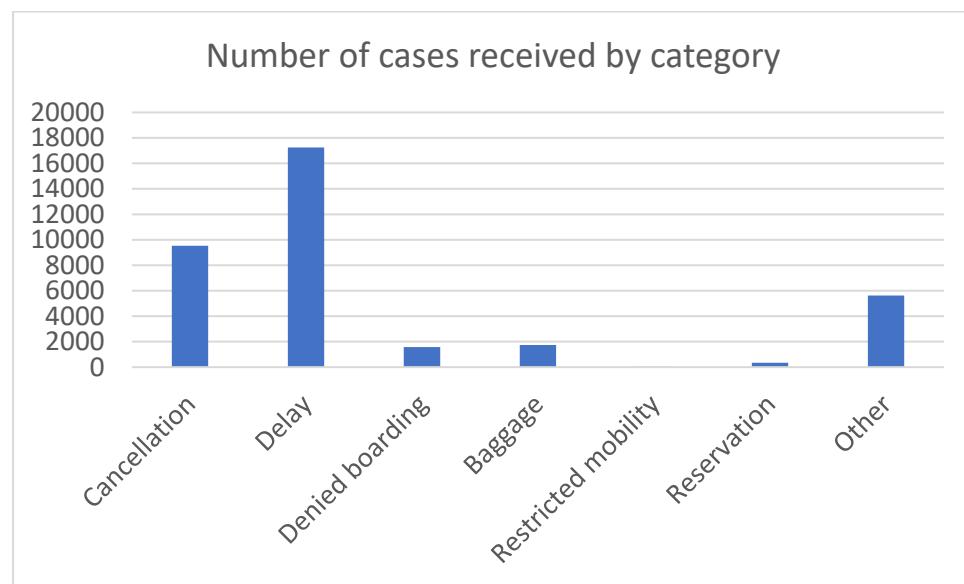
The figure below shows the number of disputes received by AADR which became ADR cases per year between 2021/22 and 2024/25.

Figure 1: Number of ADR cases received by AADR per year



The major categories of ADR cases received by AADR were<sup>6</sup>:

Figure 2: Number of ADR cases received by AADR in 2024/25 by category



<sup>6</sup> Other includes ADR cases not categorised within the other four categories. AADR is unable to provide further clarification.

AADR's handling of disputes received in 2024/25 is set out in the table below. Note that some of these were out of scope and did not become AADR cases.

Table 4: Outcome of ADR disputes received by AADR

Closure type	Number
Settled by the aviation body before a decision was taken	1,263
Decisions issued	22,810
Discontinued <sup>7</sup>	4,720
Complaints out of scope <sup>8</sup>	6,597
Total	35,390 <sup>9</sup>

Table 5 below indicates in whose favour a decision was made in 2024/25<sup>10</sup>.

Table 5: Outcome of ADR cases handled by AADR in 2024/25

Outcome	Percentage
Upheld in consumer's favour	29%
Not upheld in consumer's favour	71%

### 3.3 CEDR

CEDR was founded as a non-profit organisation in 1990. CEDR provides a range of services including ADR schemes to consumers in a wide range of commercial areas, mediation services and a training and consultancy service. CEDR has contracts with four airlines and six airports. CEDR's Scheme Rules state that where an adjudicator makes a decision in a case against the consumer, where the consumer is 100% unsuccessful, the consumer may be required to pay a fee of £25 to CEDR. The fee is not payable for passengers with reduced mobility regardless of the outcome of their ADR case. However, the reviewer was informed by CEDR that this fee has not

<sup>7</sup> The principal reasons for a complaint being discontinued in is that it is a duplicate complaint (68%), the complainant has withdrawn their complaint (11%) or that AADR is unable to contact the complainant (16%).

<sup>8</sup> The principal reason for a complaint being rejected is that it is outside of the scope of the ADR scheme (95%).

<sup>9</sup> The total number of complaints will not necessarily equal the number of complaints received as the handling of some complaints will cross over formal year ends.

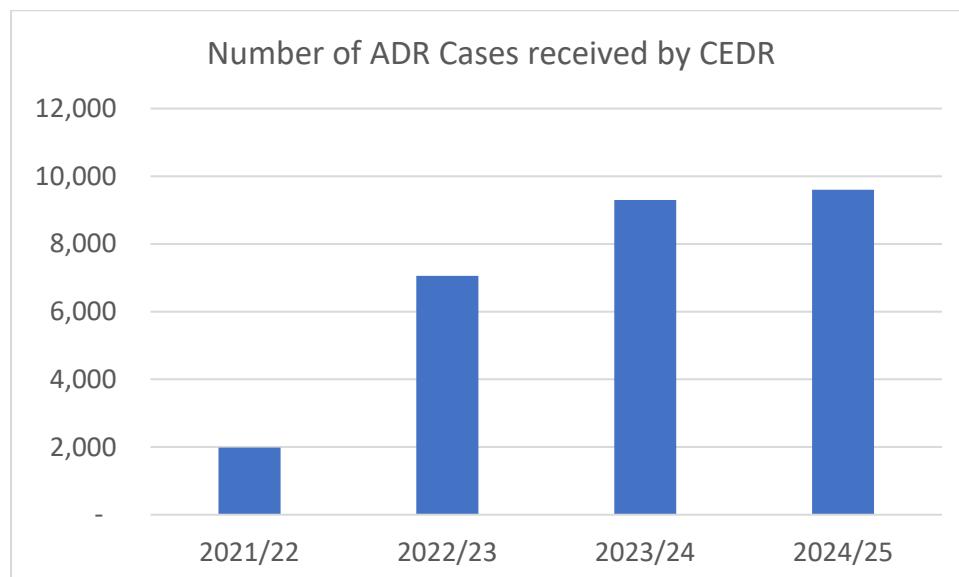
<sup>10</sup> Note that the consumer figure will include partial upholds in their favour. It does not include complaints where the aviation body made a settlement (see the chart above).

been charged for any ADR case for several years and is likely to be removed for consumers during the next update of the Scheme Rules.

Under its Scheme Rules, CEDR is unable to handle a dispute where the total value of this is more than £10,000, a minimum level set by the CAA (CAA 2021)<sup>11</sup>. This £10,000 limit is also the upper limit for which one can raise a claim in the small claims court system and is likely to have made sense when originally introduced by the CAA but the prices of airfares post covid have risen rapidly, and this limit could now act as a block for some legitimate disputes. Within the sample of cases considered by the reviewer, there were a small number that had total claims of over £10k.

The table below shows the number of ADR cases received by CEDR per year between 2021/22 and 2024/25:

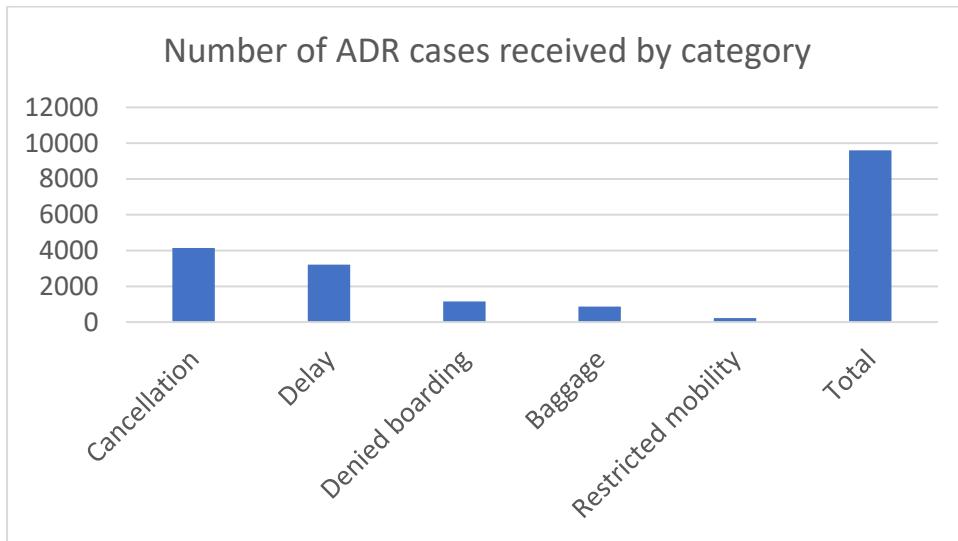
Figure 3: Number of disputes received by CEDR per year which were in scope



During 2024/25, the major categories of ADR cases handled by CEDR were:

<sup>11</sup> This is the minimum figure set by the CAA in its document Policy for ADR applicants and approved ADR entities (CAA 2021).

Figure 4: Number of ADR cases received by CEDR in 2024/25 by category



The total number of disputes CEDR received in 2024/25 are set out in the table below.

Table 6: Outcome of disputes about aviation bodies received by CEDR

Closure type	Number
Settled by the aviation body before a decision was taken	6,331
Decisions issued	2,687
Discontinued	421
Out of scope	159
Total	9,603

The table below indicates in whose favour a decision was made in 2024/25<sup>12</sup>:

Table 7: Outcome of ADR cases handled by CEDR in 2024/25

Outcome	Percentage
Upheld in consumer's favour	47%
Not upheld in consumer's favour	53%

<sup>12</sup> Note that the consumer figure will include partial upholds in their favour. It does not include ADR cases where the aviation body made a settlement (see the chart above).

## 4 Customer Experience

In this section of the report, there is consideration of the respective schemes:

1. Consumer awareness of the ADR schemes,
2. The ADR case handling processes utilised by both schemes including consideration of touch points, communications between the ADR schemes and consumers, and
3. How the schemes support vulnerable consumers including their access to ADR.

The following sections then consider how the two schemes attempt to assess consumer satisfaction with their experience of the ADR case handling process and the timeliness of the schemes' ADR case handling.

### 4.1 Consumer awareness of ADR

An effective ADR scheme will be available to all consumers irrespective of their background or needs. To achieve this, potential users of ADR services must be both aware of the existence of the ADR scheme and believe that they will be able to use its services easily and simply.

However, there are challenges faced by any ADR scheme when considering how best to promote its scheme:

- Consumers only need ADR schemes when they have a problem, meaning promotion does not always lead to immediate awareness growth, and this is inherently difficult to measure.
- The need to preserve the independence of the scheme limits their ability to speak on certain matters.
- Awareness raising could be unfairly viewed by some aviation bodies as encouraging consumers to make complaints.

This list is based on a paper produced by the Energy and Water Ombudsman New South Wales 'EWON' (EWON 2021).

This last point is made more salient by the voluntary nature of the agreement between aviation body and the ADR scheme. In the experience of the reviewer, from reviews he has undertaken of industry ombudsman in Australia and New Zealand, it is not uncommon for members of an industry ombudsman scheme to argue that promoting the scheme was a means for the ombudsman office to increase business and, therefore, its income. Should aviation bodies in contract with an ADR scheme believe that the ADR scheme is generating ADR cases they may choose to review the continuance of their agreements. This is a tension that both ADR schemes need to manage when participation in ADR arrangements is not mandatory.

Most ADR schemes are utilised disproportionately by a narrow stratum of society, typically male, white educated middle classes (Hubeau 2018). To help resolve this, in some jurisdictions, signposting to ADR has emerged as an important issue in

relation to raising awareness. Good signposting can enable people to be aware of the relevant ADR scheme when they have a need to use it. Effective signposting can also play an important role in ensuring that the disputes that reach an ADR scheme are not premature and are within jurisdiction. In the UK, some regulators are able to impose specific requirements relating to signposting.

There are three possible points at which signposting can take place by participating traders: as part of the published complaint procedure before any complaint is made, at the time the complaint is submitted, and, finally, at the point the complaint is concluded or remains unresolved.

Table 8: UK examples of signposting to ADR schemes

Stage at which the complainant is informed about ADR	Office of Road and Rail	Ofgem	Ofcom	FCA	Legal Services
As part of the published complaint procedure	No	Yes	Yes	Yes	Yes
At the time of complaint	No	No	No	No	No
At eight weeks or when the final decision is reached	Yes	Yes	Yes <sup>13</sup>	Yes	Yes

As shown in that table above, many regulators have the remit to require information regarding the ADR scheme to be included within the traders' published complaint handling information. In some schemes, the information must also be included in bills or at the point of entering a contract (legal services for example).

Members of ADR schemes must also always signpost complainants to the relevant ADR scheme at the conclusion of the complaints process. While the CAA does not have any specific remit to require this of aviation bodies, the Alternative Dispute Resolution for Consumer Disputes (Competent Authorities and Information) Regulations 2015 require bodies participating in an ADR scheme to signpost consumers to the ADR scheme at the end of their internal complaints process and on their websites (Regulation 19)<sup>14</sup>. The CAA also promotes ADR on its website and in its work with press outlets. It also signposts consumers who complain to it to the relevant ADR scheme.

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<sup>13</sup> In 2025, Ofcom issued a [statement](#) setting out its decision to reduce the timeframe before consumers can go to ADR from 8 weeks to 6 weeks. The new rule will apply to complaints raised from 8 April 2026.

<sup>14</sup> The [Digital Markets, Competition and Consumers Act 2024](#) contains provisions revoking the ADR Regulations 2015 and introduced a new regime for alternative dispute resolution. At the time of drafting this report, the specific date on which the changes to the ADR regime will come into force is yet to be confirmed.

A review of other ADR schemes found that several, including, EWON, the Australian Telecommunications Industry Ombudsman (TIO), the Legal Ombudsman (LO), the Property Ombudsman (TPO), the Energy Ombudsman (EO) and the FOS all require bodies in jurisdiction to signpost complainants to their services and include this requirement in its Scheme Rules, Terms of Reference or similar documents and this should now be seen as the norm.

Both aviation ADR schemes rely predominantly on the aviation body with which it has a contract to comply with the requirement set out in Regulation 19 and signpost the consumer to its ADR scheme should they remain dissatisfied following the aviation bodies' attempt at complaint resolution. The reviewer was informed by AADR that its members are expected to signpost consumers to AADR when deadlock has been reached and that AADR provides suggested wording for the aviation bodies' letters to consumers. Within the contract between CEDR and its aviation bodies there is an obligation upon the aviation body to publicise the dispute resolution scheme.

AADR and CEDR both have websites which provide information to potential and actual service users. AADR does also pay Google to promote its scheme in google searches. Unsurprisingly, as both ADR schemes follow CAA guidance the information provided by both is broadly similar, although both their websites do have their own individuality. AADR provides the information on its website in a total of nine languages, including English. CEDR has a function on its website which not only translates the pages into 33 different languages but also allows the user to make adjustments to accessibility settings. Satisfyingly, the top three results from a google search by the reviewer on how to make a complaint against an airline are the websites of the CAA, CEDR and AADR.

## 4.2 ADR Case Handling Process

This section begins with descriptions of the service models used by both ADR schemes. It will detail the ADR case handling processes and associated timescales. There will then be a description of how a consumer interacts with the ADR scheme during the handling of their dispute. Following this descriptive element, there will follow the consideration of academic material relating to good complaint handling before considering practice in peer organisations. The section finishes with consideration of how the two ADR schemes work with vulnerable consumers.

Both ADR schemes set out which disputes about aviation bodies are in scope for their consideration, as well as providing information on which disputes would be considered as out of scope. For both ADR schemes, the definition of what is in scope

and the disputes that the ADR schemes can consider is taken from the CAA's 'Policy for ADR applicants and approved ADR entities'<sup>15</sup>.

AADR and CEDR both require the parties to the dispute to provide the evidence upon which the adjudicator will reach their decision. While both ADR schemes will provide some guidance on how to submit a dispute to it and the type of evidence that would be important for the parties to submit to support this, neither scheme is expected to provide support or specific guidance to either party on how to substantiate their position. The intention is for the scheme to maintain its neutrality and not be seen as favouring one side. In practice, this may place the consumer at a disadvantage. This is because a consumer is unlikely to be a regular user of the ADR scheme. Conversely the aviation body will have greater experience of the ADR process, the thinking of the ADR schemes in relation to specific issues, the potential assistance from lawyers, and more likely to possess key information relevant to the decision.

#### 4.2.1 AADR

The process utilised by AADR for disputes is as follows: once a dispute is lodged with AADR, it is reviewed within 2 working days, before moving to initial assessment. If the dispute is considered within scope, it becomes an ADR case and is passed to the aviation body which has 28 days to respond. After the aviation body has submitted a defence, the consumer is able to make comment upon that defence at which point a complete complaint file is declared. AADR then has up to 90 days to adjudicate and issue a decision.

Consumers are encouraged to submit their dispute via an online portal although disputes can also be submitted via post or email and, on occasions, via the telephone. If a dispute is submitted by post or email, the Initial Assessment Team (IAT) will upload the information to the portal and encourage the consumer to use the portal subsequently, although some disputes are considered entirely by post or/email, dependent upon the consumer's needs. If a consumer wishes to conduct the ADR process using post or email, AADR will agree to that request. The use of the telephone to submit disputes is used less frequently and most often where it is viewed as a reasonable adjustment for the consumer. AADR will accept a dispute submitted in a foreign language but the handling of the ADR case will be in English. These disputes submitted in a foreign language are normally small in number.

##### Initial assessment

Once a dispute is received by AADR it will undergo initial assessment. This will include a check that the consumer has complained directly to the aviation body and that it has had an opportunity to consider the complaint, either a final decision has

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<sup>15</sup> [CAP1324: Policy for ADR applicants and approved ADR entities, updated February 2021, UK Civil Aviation Authority](#).

been made by the aviation body or eight weeks has elapsed since the complaint was made to the aviation body, and that the dispute is in scope.

Should the online portal detect that a consumer has said that they are submitting evidence to support their dispute but have failed to do so, then the portal will automatically inform the consumer of this fact and what to do. The portal will not allow a consumer to progress their dispute until any necessary corrective action has been made. This also applies during the scheme's handling of their ADR case.

Consumers can contact AADR's IAT and ask for advice on what is expected and how to use the portal. There is also video guidance on the portal to assist consumers.

AADR has set itself a target of completing its initial assessment within two days from the day the dispute was lodged. To achieve this target, the IAT, within two days, need to review the dispute, confirm it is in scope and progress it to the aviation body, or, confirm it is out of scope and inform the consumer why it is out of scope.

Alternatively, if further information is required, the IAT will request this additional information from the consumer. If further information is required, the dispute is then put on hold whilst AADR provide the consumer with ten days in which to respond. When the consumer responds, an alert is issued to the IAT and it is required to process this additional information on the same day that it is received.

## **2. Case passed to aviation body**

Once the dispute has been through this initial assessment and it is deemed to be in scope, it will become an ADR case and will be passed automatically to the aviation body for it to consider. The aviation body has 28 calendar days to inform AADR whether it is settling the ADR case, in whole or in part, or whether it is defending the dispute, in whole or in part.

Should the aviation body decide to defend the ADR case, whether in whole or in part, and has submitted its defence to AADR, the consumer is given seven calendar days to comment on the defence made.

## **3. Complete case file and Decision**

Once the aviation body has submitted their defence (or decided not to defend) and the consumer has had the opportunity to comment on this, AADR declares a complete complaint file and the ADR case is passed to an adjudicator. Only in exceptional circumstances approved by the Chief Adjudicator will either party be allowed to submit additional information after this stage has been reached.

The adjudicator is allowed up to 90 calendar days to make a decision. During this time neither party is able to make contact with the adjudicator and, as stated above, no additional information will usually be considered. Once 50 calendar days has elapsed there is a managerial focus to close the ADR case as quickly as possible. If the ADR case is upheld the aviation body will be given 30 calendar days from the date of the decision being issued to comply with the identified remedy.

Most interactions that take place between AADR and consumers during the handling of an ADR case will be online. In many, if not most instances, all communication will be digital in nature and there will be no direct human interaction. The portal proactively informs the consumer when there is an update available for them to consider. And that general approach will be correct in most instances. However, as JIGSAW found in its work with the Communications and Internet Services Adjudication Scheme, such a reliance on a portal can leave consumers feeling isolated<sup>16</sup>. The reviewer examined the instructions on the portal at the differing stages and found them to be clear and should be easily understood by the average consumer.

A consumer can contact the IAT as often as they require in order that they are able to submit their dispute. AADR's portal is capable of knowing which stage the ADR case is at and what needs to happen. Prior to the declaration of a complete complaint file, if either party submits information the portal will automatically send a notification to the other party advising them that there is an update on the portal and that they should log on to review the update. On entering the portal, the portal will update the party and advise them of any next steps. As noted above, no further information can be usually be submitted once a complete complaint file has been declared. A consumer is able to identify progress made on their ADR case by logging onto the portal.

In addition, a consumer may contact AADR to ask for a verbal update on progress although they are likely to receive the same information as displayed on the portal. Apart from automatic notifications made by the portal it is unlikely that a consumer will receive any contact from AADR during the process.

Where an adjudicator makes a decision in favour of the consumer, the aviation body against whom the decision is made will receive the decision one week before the consumer. The reviewer was informed by AADR staff that the intention behind this process is to provide the aviation body advance notice in order that the aviation body can commence arrangements to make payment. Thus, the 30 calendar days period to make payment becomes 37 calendar days in practice. The reviewer was assured by several AADR staff that the aviation body is not able to contact the adjudicator or interfere with the decision before publication.

However, the aviation body is able to challenge a decision under AADRs Legal Review Process within this seven-day period as long as the issue relates to the interpretation of a matter of law which the aviation body believes to have been incorrectly applied or interpreted by AADR. Challenges from aviation bodies of this nature are considered by AADR's Legal Review Panel which includes two external legal counsel as part of its membership. Consumers are afforded an opportunity to comment on the challenge by the aviation body before consideration by the Legal

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<sup>16</sup> See Annex 8B of 'Understanding the ADR process: Full report', November 2024, Jigsaw

Review Panel. The consumer will be aware that the aviation body contests AADR's interpretation of a matter of law. The reviewer was informed by AADR that it has not needed to convene the Legal Review Panel for the past few years.

Where an aviation body challenges AADR's decision because it believes that the adjudicator has over-compensated a consumer, or has incorrectly awarded a consumer a payment they were not due, then AADR would nonetheless publish the decision unchanged. In these circumstances, AADR would be responsible for paying the consumer the award for which, the aviation body argued the consumer was not entitled, or for compensating the aviation body for the over-payment which it had made.

The reviewer was informed that this approach had increased the proportion of redress payments made by aviation bodies within the 30-day target from formal adjudication. The reviewer is not convinced by the argument that aviation bodies should be given an extra seven days in order for them to make payments within the formal 30 days target. Aviation bodies should have systems in place to make such payments and they should not need an extra seven days to do so. This issue links back to the earlier discussion on the need for ADR schemes to maintain an appropriate distance between parties to a dispute. What should be of concern to AADR is that, in this situation where aviation bodies receive a decision seven days in advance of the consumer, it may create an impression of bias in favour of the aviation body. ADR schemes are permitted to establish separate processes for reviewing their decisions and these can involve the participation of aviation bodies. However, the purpose of these processes is to enable the ADR scheme to enhance its expertise in handling aviation consumer disputes and not to overturn or delay the formal decision taken in individual ADR cases.<sup>17</sup>

Recommendation 1: ADR schemes should not provide an aviation body with their decision in advance of the consumer.

Recommendation 2: ADR schemes should not accept challenges from aviation bodies about individual decisions since, these are, and must remain to be, binding once issued and accepted by consumers.

#### 4.2.2 CEDR

The typical process utilised by CEDR for disputes is broadly similar to that used by AADR.

As with AADR, the main method for dispute submission is through CEDR's online portal although, again, disputes can be submitted via post, email and, on occasions, via the telephone. Where details of the dispute are taken over the telephone, CEDR will provide the consumer with an opportunity to review their application and provide

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<sup>17</sup> See Policy for ADR applicants and approved ADR entities - updated February 2021 (CAP 1324) Clause 14.10

any amendments and clarification to the Case Officer. CEDR will accept a dispute submitted in any foreign language that is used in the contract between the customer and the aviation body but the handling of the disputes which are in scope and handled as an ADR case, will be in English.

### 1. Initial assessment

Once a dispute is received by CEDR it will undergo an initial assessment. This will include a check that the consumer complained directly to the aviation body and that the aviation body has had an opportunity to consider this (either a final decision has been made or eight weeks has elapsed since the complaint was made to the aviation body). CEDR also assesses whether it considers the dispute to be in scope, that the level of the amount claimed is within the monetary threshold contained within the Scheme Rules and whether or not the evidence on eligibility is attached. The checking of the completeness of the dispute submission is undertaken by Case Officers who may contact the consumer if necessary to ensure a complete submission of the dispute. CEDR has a 15 working day target to complete this stage of the process.

Once the dispute has been through the initial assessment and it is deemed to be within scope it will become an ADR case, although it is important to note that the aviation body may object to CEDR's acceptance of the dispute as an ADR case (see below).

### 2. ADR Case passed to aviation body

CEDR's Scheme Rules state that the ADR case will be passed to the aviation body for it to consider. The aviation body then has 15 working days to inform CEDR whether it is:

- objecting to the ADR case on grounds of its ineligibility,
- settling it, in whole or in part, or,
- whether it is defending it, in whole or in part.

Should the aviation body decide to defend the ADR case, whether in whole or in part, it must submit its defence to CEDR within these 15 working days. The consumer is then given 10 working days to comment on the defence made.

Where the aviation body agrees to settle the ADR case, in whole or in part, the remedies agreed as part of the settlement must be made within 20 working days. Where an aviation body states that it will make a settlement but does not do so, CEDR will reopen the ADR case and provide the aviation body with 15 working days to submit a defence or provide evidence that the remedies were provided.

For a period during the course of this report, CEDR was limiting the rate of ADR cases it transferred to some of its aviation bodies related to their ability to handle ADR cases at that time. The reviewer can understand the benefit of this action to aviation bodies as it regulates the incoming flow of ADR cases for that aviation body, but it is not helpful to CEDR. The approach is also unfair to the consumer as they

have to wait longer for their ADR case to be concluded. Further, it can cause frustration and unhappiness towards the ADR scheme from consumers. The reviewer is pleased to note that there are currently no delays in the transfer of cases and that has been the situation now for some months.

CEDR provides an aviation body with the ability to object to its acceptance of an ADR case on the grounds that it is not within the scope of the Scheme Rules. Where that happens, an adjudicator will consider the objection and make a ruling within two working days, although, in practice it takes CEDR only one working day to consider an objection. In 2024/25, aviation bodies raised 360 objections with CEDR, of which 150 were upheld. Where an objection is rejected by the adjudicator, the 15-day period in which an aviation body can provide its defence will be extended by two working days to allow for the assessment while CEDR considers the aviation body's objection. If an objection is upheld by the adjudicator, CEDR will inform the consumer within five working days and allow them ten working days to object to that decision. If the consumer's objection is subsequently upheld, the aviation body will be given ten working days to settle with the consumer or provide a defence.

Where an aviation body decides to defend the ADR case, whether in whole or in part, and has submitted its defence to CEDR, the consumer is given ten working days to comment on the defence made by the aviation body. Such comments are restricted to the aviation body's defence and must not introduce new material. The consumer's comments are sent to the aviation body but for information only. The aviation body is not allowed to comment on the consumer's comments.

### [3. Complete case file and decision](#)

Once the airline body has submitted their defence (or decided not to defend) and the consumer has had the opportunity to comment on this, CEDR declares that it has a complete complaint file and the ADR case is passed to an adjudicator.

The adjudicator is allowed ten working days to make a decision. During this time neither party is able to make contact with the adjudicator. Should an adjudicator identify that a consumer is referencing evidence not contained within the complete case file, the adjudicator can ask casework staff to obtain that evidence from either party if the adjudicator considers it important in reaching a fair decision or where the adjudicator believes that they would benefit from further clarification from either party. This represents good practice and a similar approach is used by other schemes such as TPO.

**Recommendation 3: ADR schemes should enable an adjudicator to obtain evidence to which there is reference in the submission but is not included in the submission.**

Once a decision is made it is sent contemporaneously to both parties. If the adjudicator makes a decision in favour of the consumer and this is accepted by the consumer, the aviation body will be given 20 working days to comply with the identified remedy.

Most interactions that take place between CEDR and consumers during the handling of an ADR case will be online using CEDR's portal. The process is proactive in the sense that the portal will inform the consumer that there is an update available for them to consider. And that will be correct in most instances. As is the case with AADR, whenever there is a change in status in the ADR case, an email is automatically sent by the portal to the consumer, advising that there has been a change in status and that the consumer should log onto the platform to review the change in status and what action, if any, is needed to be taken. The instructions on the portals are clear and should be easily understood by the average consumer.

A consumer may contact CEDR to ask for a verbal update on progress although they are likely to receive the same information as displayed on the portal. Apart from automatic notifications made by the portal it is unlikely that a consumer will receive any contact from CEDR during the process. If a consumer emails CEDR with a question or point, CEDR will respond appropriately to the question or issue. It is important to point out that if a consumer only wants email, phone or postal contact, the consumer will receive the notification through their preferred method of contact.

#### 4.2.3 Reflections on ADR scheme designs and consumer experiences

In essence, both ADR schemes exist to deliver efficient, consistent, adjudicatory ADR schemes, where there is little, if any, oral communication with parties and where the parties involved must present their arguments and provide the evidence to support this up front. Both schemes provide guidance on what evidence to supply but it is not part of their processes to ensure that the evidence supplied is sufficient.

There is a weakness in using this approach. Most consumers will bring a dispute to an aviation ADR scheme once, or maybe twice, in their life. For aviation bodies responding to a dispute, considering consumer disputes and their potential progress to an aviation ADR scheme is but one part of its everyday business. Aviation bodies will, therefore, have greater experience of the ADR processes and how the ADR schemes will approach the consideration of disputes, how they should create and present a defence, and have ready access to legal advice. Although both schemes provide guidance on their websites, including videos to assist consumers when they submit their disputes there is, perhaps, scope for the ADR schemes to consider what more they can do to help consumers. For example, check-lists tailored to the type of dispute being made. The reviewer accepts that this may present challenges to the schemes as aviation bodies, reasonably, expect the ADR schemes with which they contract to maintain their neutrality. The reviewer would observe that, in some cases, unfairness in the consideration of the dispute can arise as people are unable to substantiate these through no fault of their own, for example, the detail contained on receipts obtained abroad, although this may not be something that for ADR schemes can address as aviation bodies expect claims to be adequately supported.

Recommendation 4: ADR schemes should consider what steps they can take to assist the consumer to submit all the relevant information and evidence needed to support their dispute.

Having considered the two schemes' dispute handling processes, the review now considers some academic considerations related to issues arising from the operation of these processes.

#### 4.2.4 Further considerations on dispute handling

There are two areas of control in any dispute resolution exercise: who controls the process used to resolve the dispute and who makes the decision. The greater the control held by a party the greater it can contribute actively to the process and participate in the final determination. Where participants have greater control in these two areas the more likely it is that they will accept the outcome, even if it is not the outcome that they originally sought.

For a complainant, it is especially important for them to feel heard and to believe that their views were fully considered. Acceptance and confidence in complaint resolution by participants relate to their perceived procedural fairness of the processes and the outcome, with the outcome usually dominant. However, Van den Bos et al. (2014), found that, where a decision is made against the complainant, higher levels of perceived procedural fairness made the decision more acceptable to the complainant.

Research by Jespersen noted that complainants tended to exhibit three biases. These were optimism bias (unreasonable expectation about the outcome), over-confidence bias (unreasonable expectations about how third parties will view a complaint, that is, in their favour) and self-serving bias (looking more positively on evidence which supports their complaint and minimises contrary evidence). Taken together these biases suggest that consumers will have over-optimistic expectations when they submit their complaint to the ADR scheme. JIGSAW, in a review of the Communication and Internet Services Adjudication Scheme and the Communications Ombudsman also found that complainants could wrongly believe that the ADR scheme would take on a 'consumer champion' role on their behalf confirming Jespersen's findings. Of course, rightly, neither ADR scheme takes on such a role.

Schottler found that better management of consumer expectations at the outset was of importance in securing consumer satisfaction. Similarly, one of JIGSAW's findings was that the ADR schemes they reviewed could do more to manage consumer expectations upfront at the outset of the dispute resolution attempt. Work by Gilad suggests that a key role for ADR schemes is the management of these consumer expectations about the outcome of their dispute and involves caseworkers 'reshaping consumers' perceptions in such a way that they feel able to move on'. Gilad suggests that, to be effective, caseworkers require sensitivity to consumers'

emotions and communication skills to manage these emotional sensitivities. Gilad argues that

'What is at stake for complainants is not just financial or physical loss, but recuperation for their identity as responsible and worthy citizens.

Complainants want to be heard, understood, taken seriously, offered satisfactory explanation, and responded to with respect.'

Both aviation ADR schemes demonstrate the significant use of digitalised processes in dispute resolution, with increasing use of smart processes and artificial intelligence. It is important to make clear that the use of artificial intelligence refers to the processes used in dispute resolution and that it plays no role in the adjudication of a dispute. Speaking of ombudsman offices, but applicable to ADR schemes, Gill and McBurnie state:

'... the digitalisation of ombudsman offices has been driven in part by consumer demand, as consumers become accustomed to accessing services digitally and to the speed and convenience of using email, web-chat, online video calls, and online portals for accessing consumer services. Ombudsman offices, in both the public and private sector, are also often required to continually demonstrate their value for money (Tyndall et al, 2018) and to ensure they are providing an efficient and cost-effective service. The potential of digitalisation to reduce costs as well as potentially enhance consumer experiences, has meant that "online dispute resolution" has become a cross-cutting theme in civil justice systems across the world (Cortes 2010).

Dahvlik (2022) has been examining the impact of digitalisation on ombudsman offices, particularly in the context of access to justice and the need to ensure that certain consumers are not digitally excluded. While access to the internet and technology is improving, there remain sizeable minorities without consistent access. Even where consumers do have access to technology, the importance of the ombudsman having face-to-face contact with consumers has been stressed. The psycho-social value of personal encounters between consumers and ombudsman staff can be significant when, as noted above, consumers often arrive to the ombudsman after a fraught process of complaint to the service provider (Dahvlik 2022).

Recognising the value of personal encounters in the context of the increasing push to provide services remotely and digitally is therefore a key challenge for ombudsman offices.'

These challenges, discussed by Dahvlik above, are also faced by the two aviation ADR schemes: managing expectations, the psycho-social elements of dispute handling and perceived procedural fairness are made more challenging through the use of online dispute resolution processes.

Staff from both ADR schemes accepted that there was very limited expectation management involved in their dispute resolution processes about decisions with it

being suggested by one adjudicator that such expectation management occurred with the decision letter when the adjudicator explained the reasons for their decision. The problem is that it is too late to try and manage expectations in a decision letter. If one is to attempt to manage any unrealistic expectations held by consumers, this needs to be undertaken throughout the dispute and ADR case handling process, particularly at the outset. However, as the focus of both schemes is on a rapid decision using digitalised processes to facilitate an adjudicative approach, expectation management has been reduced if not effectively lost. The result is that satisfaction with the decision and scheme is mainly determined by its outcome.

CEDR describes its approach to its dispute resolution in a job description as 'quasi-judicial' and a similar approach is adopted by AADR. However, many industry ADR schemes in both the UK and Australia, operate on an ombudsman model, and are able to adopt very different approaches to their consideration of complaints and have wider remits:

1. TPO uses methods somewhat in alignment with the two aviation ADR schemes but there are differences. The adjudicator will be in touch with a party if they feel that they need additional information and in reaching a decision the adjudicator can consider unfair treatment and maladministration. Both parties will get an opportunity to comment on a provisional decision issued by the adjudicator. TPO will also use the fair and reasonable test.
2. The Rail Ombudsman (RO) will collect initial information and, if it believes that some information is missing, it will contact the party and ask if this information is available. It will initially attempt mediation but if this is unsuccessful, the case will be passed to an adjudicator for a decision using the information collected up and unto the mediation stage.
3. The Legal Ombudsman starts with an attempt at early resolution where the caseworker will attempt to negotiate an agreed resolution between the parties. If the case is not suitable for early resolution or early resolution fails, then the case will be passed for investigation. The new caseworker will contact both parties to understand their case and will ask for relevant evidence. The investigator will provide both parties with a provisional decision to allow for comment.
4. The EO will also attempt an early resolution and if this fails, accept the case for investigation. It will use the fair and reasonable test.
5. FOS ask both parties for evidence but if it becomes clear that some evidence is missing it will contact the party concerned and request this information. During the case, the case handler will contact either or both parties as necessary. The case handler will then advise the parties what they believe is an appropriate settlement. If either party rejects this proposed settlement, they are able to ask for an Ombudsman decision. The Ombudsman may issue a

provisional decision to both parties and ask both parties for any comments before closing the case.

6. EWON will use an iterative process to gain the evidence it requires and will use a range of dispute resolution mechanisms including negotiation, mediation and investigation. The caseworker will actively seek information from both parties to help them reach the correct decision. It will use the fair and reasonable test as its standard rather than whether the body met or did not meet its legal or regulatory responsibilities. It will send out a preliminary view to both parties allowing for them to have an opportunity to comment.
7. The Australian TIO again uses an iterative approach and a range of dispute resolution responses, including conciliation, negotiation and investigation. It will use the fair and reasonable test as its standard rather than whether the body met or did not meet its legal or regulatory responsibilities. It will send out a preliminary view to both parties allowing for them to have an opportunity to comment.

With the exception of TPO, these are examples from ombudsman style ADR schemes which have mandatory memberships, differing terms of reference and remits compared to the aviation ADR schemes. It is worth noting that their funding models, which are usually more expensive, are also different than those used by the aviation ADR schemes.

Such processes take longer and cost more, but customer satisfaction results are improved. Schottler's customer satisfaction survey of EWON service users showed customer satisfaction scores much greater than the outcome, particularly in areas around customer perception of the skills and competence of the caseworker, perceived procedural fairness, clarity of the decision and satisfaction with the outcome.

By comparison, the approach adopted by the two aviation ADR schemes are limited and to a large degree based on what the industry is prepared to pay for voluntary ADR. Both aviation ADR schemes are funded by the industry to deliver a rapid, consistent service, at a low cost. They utilise a process which involves minimal communication between scheme and consumer and which does not make great effort to correct any missing information or evidence.

### 4.3 Vulnerable consumers and their access to ADR

Vulnerability is often about the situation which an individual faces at any particular time and is not always about characteristics pertaining to the individual. For example, in relation to legal services, a very specialist, technically complex area, people with no or minimal disadvantages may, nonetheless, still be vulnerable. As a result, ADR schemes need to be aware of any additional needs exhibited by its service users at any and every stage of the complaints process.

A similar situation applies to some aviation disputes. Rights and responsibilities are defined, among other things, by international conventions, case law, regulations, terms and conditions of carriage. Individuals without legal knowledge or experience cannot be expected to understand them all along with their implications, nor can they be expected to understand the approach taken by the two ADR schemes and the requirements for the evidence the two ADR schemes need to reach a decision. The reviewer is not convinced that enough is being done to address this situational vulnerability to the extent this is possible for the schemes without compromising the need for the scheme to be impartial under the foundational ADR Regulations.

In a survey conducted on behalf of the EWON, Schottler found that roughly one in five respondents reported that they had an additional need for which EWON needed to make an adjustment. The areas where individuals with self-disclosed vulnerabilities felt that they needed additional support were their lack of IT literacy, sensory impairment, psychological conditions, communication difficulties, and a lack of confidence with their English language skills. Care must be taken at simply assuming that the same vulnerabilities apply to users of aviation ADR schemes, but it is likely that there will be significant crossover.

For both schemes the need for reasonable adjustments is typically achieved through self-disclosure. Consumers are asked if there is a need for reasonable adjustments and, if so, what type of reasonable adjustment is required.

AADR will let consumers know that it can provide reasonable adjustments in the following ways:

- by proactively asking consumers directly in the first communication that they have with them if they have a disability or vulnerability and might need any adjustments, and,
- by including a note on their published documents clearly indicating that they can provide the document in an alternative format on request.

Examples of the simple reasonable adjustments that AADR will make include:

- providing documents or correspondence in a larger font size,
- providing documents on coloured paper or with a specific colour contrast, which can be helpful for a consumer who is partially sighted or has a condition such as dyslexia,
- allowing a consumer who has a learning disability or mental health condition more time than would usually be allowed to provide further information,
- using email or the telephone in preference to hard copy letters where appropriate, which may assist those who are blind or partially sighted,
- using plain English appropriate to the consumer they are dealing with and avoiding jargon,
- translating documents or correspondence into Braille,

- communicating with consumers through their representative if requested and approved by them,
- helping consumers with mental health conditions to understand and manage the action AADR is taking by arranging a single point of contact at AADR,
- providing access to a ‘Mincom’ text phone or ‘text relay’ service or to a sign language service for those who are deaf or have hearing loss, and,
- communicating by post and/or email for those who have speech, language or communication needs.

CEDR will ask people to self-identify if they need reasonable adjustments. Examples of reasonable adjustments that can be made by CEDR include:

- providing documents or correspondence in a larger font size,
- providing documents on coloured paper or with a specific colour contrast, which can often help consumers who are partially sighted or have conditions such as dyslexia,
- allowing a consumer who has a learning disability or mental health condition with slightly more time than would usually be allowed to provide further information,
- using email or the phone rather than ‘hard copy’ letters where appropriate, which may help those who are blind or partially sighted,
- speaking clearly to consumers and offering them more time to cover the issues they need to discuss,
- using plain English appropriate to the consumer they are dealing with and avoiding jargon,
- translating documents or correspondence into Braille,
- communicating with consumers through their approved representative, if required,
- helping consumers with mental health conditions to understand and manage the action CEDR is taking by arranging a single point of contact for them at CEDR (where possible),
- use a translation service for consumers calling CEDR in a language other than English, and,
- providing access to British Sign Language (BSL) translations for those who are deaf or have hearing loss and are BSL users.

It appears that both ADR schemes take their responsibilities for making reasonable adjustments for those with vulnerabilities seriously and, if Schottler’s findings do cross-over to the UK, supply the likely range of reasonable adjustments that need to be made.

## 5 Customer Satisfaction

It is generally held that customer surveys provide helpful information to companies about public perception of their services and where there may be areas that require improvement.

### 5.1 AADR

AADR does not undertake consumer surveys. Rather, at the end of the ADR process, it prompts the consumer to leave a review on Trustpilot. According to Trustpilot a total of 379 reviews were listed in the period May 2024 to April 2025. Interestingly, around 140 of these reviews were listed in May 2024. Remove these complaints and an average of circa 20 reviews a month are listed. The aggregate score AADR is 3.6/5. However, this masks the polarisation in results. The scores achieved by AADR on Trustpilot tend to be either 1/5, 45% of Trustpilot responses, or 5/5, 42% of Trustpilot responses.

Perhaps unsurprisingly, the dominant reason for low scores was that the decision was not in the consumer's favour while the obverse was true for higher scores. There were a number of comments made about what these consumers considered to be an unreasonable stance taken by AADR when it comes to providing receipts and evidence, for delays in resolving the ADR case, delays in receiving compensation and the usability of its portal. It is important to point out that AADR introduced a revised portal for consumers and the comments on Trustpilot will predate the new portal which should hopefully address this specific concern raised by consumers.

### 5.2 CEDR

When CEDR closes an ADR case, it will automatically send the consumer an email informing them that their ADR case is closed and asking the consumer to complete a 'short survey ... about your experience with CEDR Aviation Services'. In this survey there are two obligatory questions relating to satisfaction with the process and the consumer's perception of the ease of use of the service. There then follows a short survey seeking the consumer's views on the different stages of the dispute handling process. CEDR publishes the results of these surveys on its website<sup>18</sup>. From the most recent set of figures, there are two points of interest. Firstly, the small number of respondents. According to the website the total number of replies for the period 1 July to 30 September 2025 is 55. This small number of responses is part explained by the relatively low number of cases considered by CEDR. Secondly, as was the case with AADR, satisfaction appears linked to outcome. When the outcome is in

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<sup>18</sup> See <https://www.cedr.com/consumer/aviation/reports/>

favour of the consumer, 60% of the respondents were satisfied with the process used by CEDR. Where the outcome is in favour of the aviation body 15% of respondents were satisfied with the process used by CEDR. Overall, 22% of users were satisfied by the process used by CEDR while 71% were dissatisfied.

Although one must be careful given the small number of respondents, the results for both AADR and CEDR link back to the discussion earlier that when consumers have little control in both the process used and the final decision made, together with the ADR scheme undertaking little direct management of the consumer's expectations, satisfaction becomes almost determinative of their view of the decision and the ADR scheme.

There are a range of approaches to assessing the satisfaction of consumers with services provided by ADR schemes. The RO conducts a full customer survey roughly every year. The LO asks its customers how satisfied they are with their experience during the different stages of the LO's handling of their complaint. The FOS undertakes regular consumer surveys and YouGov surveys of its service users. These surveys are supplemented using focus groups and its Consumer Liaison Group which comprises representatives from around 19 charities and money advisory groups to discuss issues of concern. The EO publishes consumer metrics annually, but it is unclear from its website the approach and breadth of responses that are undertaken. The EWON undertakes a full independent consumer survey every five years which covers all aspects of its services. In between these surveys, EWON will send an in-house survey to all complainants whose complaint was investigated along with a sample of complaints sent back to the initial provider for further action. The Australian TIO undertakes similar survey work and also has a consumer advisory group similar to that used by the FOS.

The reviewer has considered whether or not to recommend that the two ADR schemes should conduct more rigorous and frequent customer surveys. However, as the reality for most complaints is that the consumer will have little contact with the ADR scheme, timeliness and outcome will be the drivers of satisfaction. Measuring consumers' attitudes to these elements are unlikely to provide great insight.

## 6 Timeliness

While the outcome of the dispute is important in determining consumer satisfaction, a second important factor is the length of time that the dispute takes to be resolved. This was evident in comments left on Trustpilot, concerning AADR, where middling scores were given by consumers whose dispute was upheld but they felt it took AADR too long to reach a decision. The following charts provide an indication of the timeliness of both ADR schemes' timeliness in dispute handling in days.

The charts below provide information on the targets set by the ADR scheme for that part of the dispute resolution process, along with the average time it takes to complete that stage together with the standard deviation from that average. This demonstrates the spread of wait that a consumer may experience while waiting for their ADR case to be progressed.

### 6.1 AADR

Figure 5: Time taken for initial assessment by AADR in calendar days in 2024/25

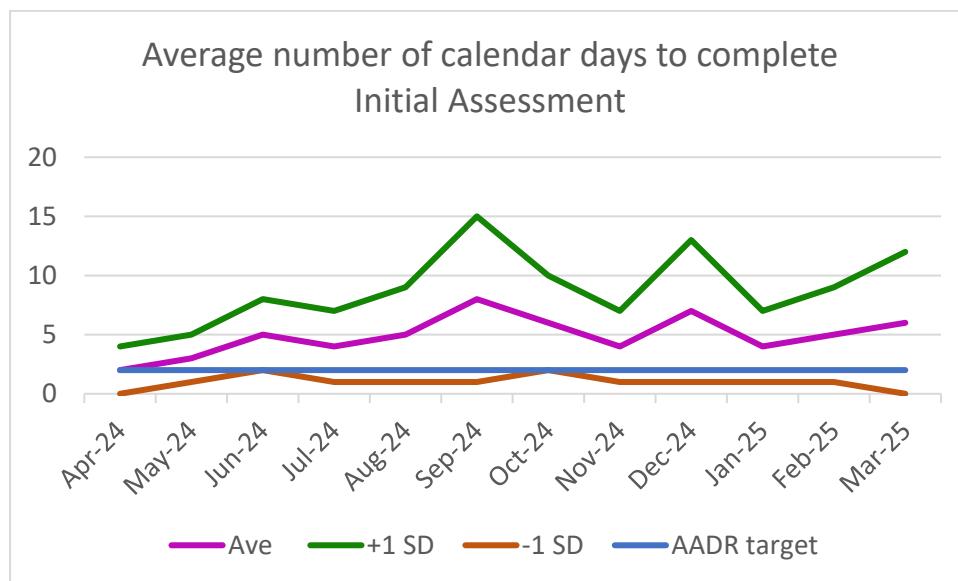


Figure 5 shows that while the average time taken to complete initial assessment is not that much above the target set by AADR, the Standard Deviation (shown as SD) demonstrates that many ADR cases take longer than both the average and AADR's organisational target. The Reviewer suggest that AADR's two-day target to complete initial assessment is perhaps unrealistically short, particularly as may consumers will be using AADR's portal for the first time and so may make errors that need resolution.

Figure 6: The average number of calendar days taken by an aviation body to defend or settle in 2024/25

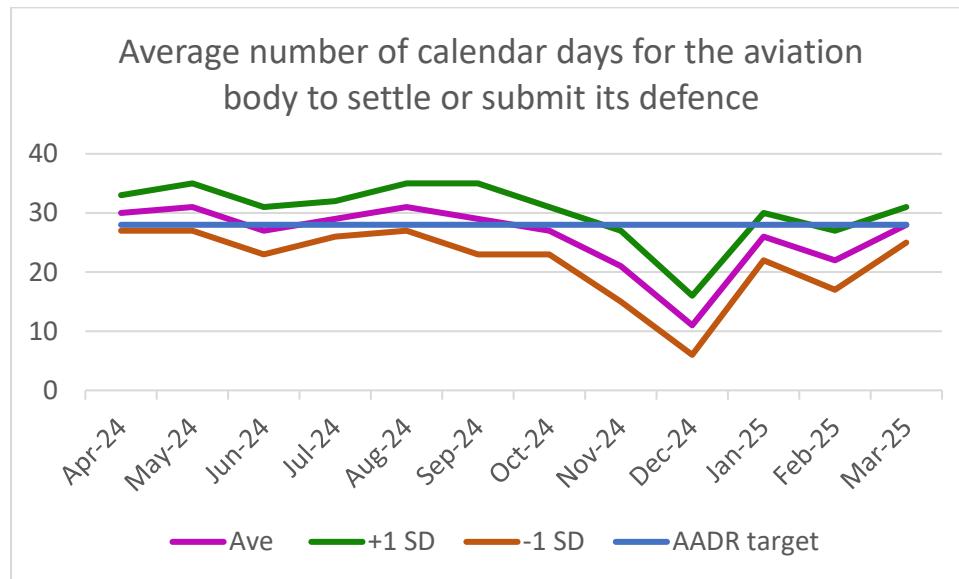
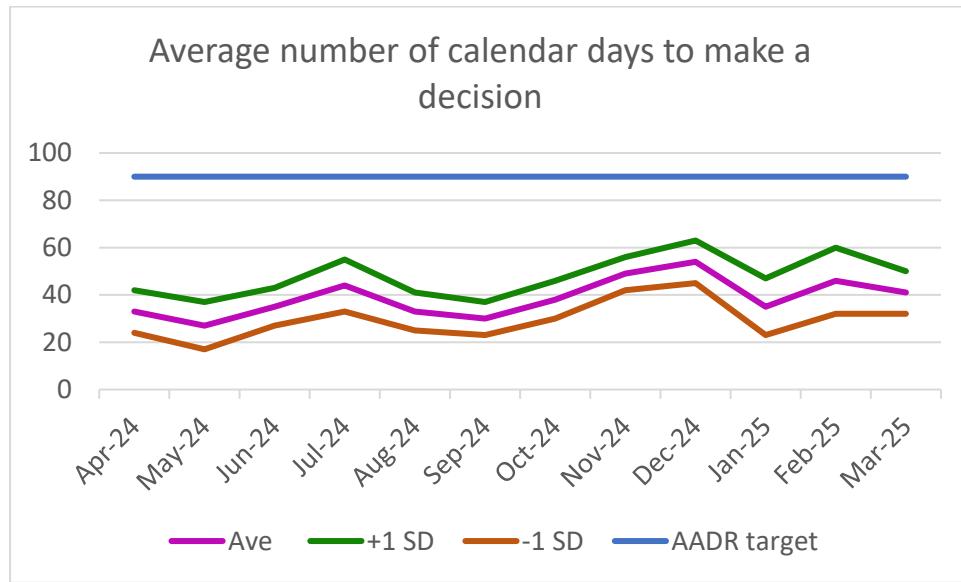


Figure 6 demonstrates that aviation bodies are, currently, performing well against the set target to settle or submit a defence but that this is not consistent. Aviation bodies sometimes request a brief extension to submit a defence or settlement and if the scheme believes that the request is justified, such as needing to obtain a special report, it will be granted on a single time only basis. However, both schemes make provision for proceeding to the adjudication stage without an aviation body's defence should this not be submitted by the target date. A 28-day target is very reasonable, as the dispute is something which the aviation body will or should have already considered. Allowing them additional time does not seem reasonable in the circumstances.

Recommendation 5: Once the agreed time limit for an aviation body to submit a defence or reach a settlement has passed, the ADR case should automatically proceed to the decision stage with no further time allowance offered.

Figure 7: Average number of calendar days to make a decision by AADR in 2024/25



This table demonstrates that the time taken to make a decision is significantly less than the target set by AADR which is the same as the maximum time allowed under the ADR regulations<sup>19</sup>.

Figure 8: Average number of calendar days to make a decision from initial receipt of the dispute in 2024/25

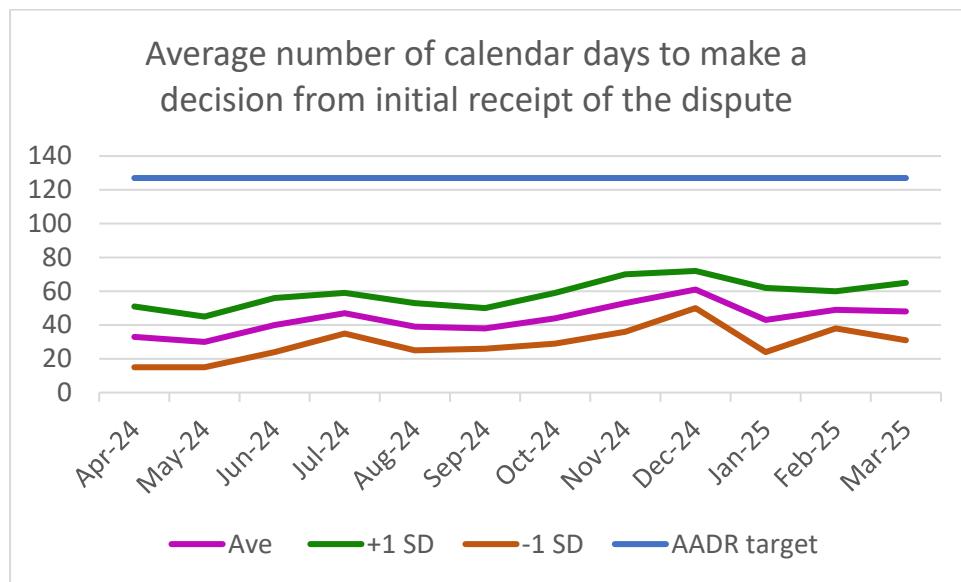


Figure 8 demonstrates that the average time taken by AADR to make a decision measured from initial receipt of a dispute is well below the target set for the adjudication phase by AADR, and which is also below the maximum time allowed

<sup>19</sup> [The Alternative Dispute Resolution for Consumer Disputes \(Competent Authorities and Information\) Regulations 2015](#)

under the ADR Regulations of 90 days, for the scheme to reach a decision once a complete complaint file has been declared (and not for the entire process).

Figure 9: Average number of calendar days taken by the aviation body to make payment if the ADR case is upheld in 2024/25

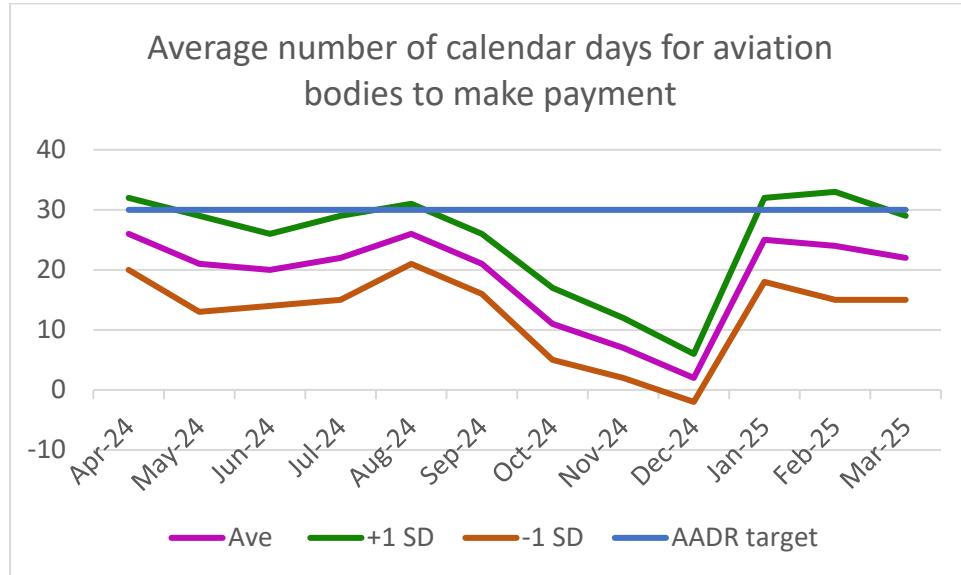


Figure 9 demonstrates that aviation bodies are generally making payments within the target timescale set by AADR.

## 6.2 CEDR

Figure 10: Average length of time taken by CEDR to complete initial assessment in 2024/25

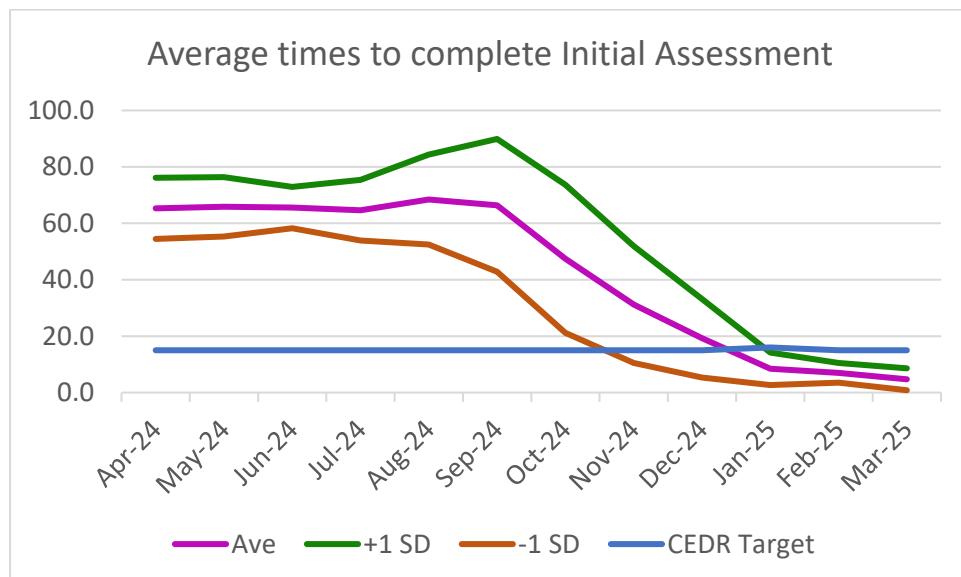


Figure 10 demonstrates that, for most of 2024/25, CEDR struggled to meet its time targets to complete the initial assessment stage. CEDR does assess whether a case

is within scope within 15 working days but there can be delays in case progression following this assessment due, principally, to the fact that, at one time, CEDR limited the flow of ADR cases to aviation bodies so that some aviation bodies could manage their own workflow efficiently.

Figure 11: Average length of time by an aviation body to settle or defend the ADR case in working days in 2024/25

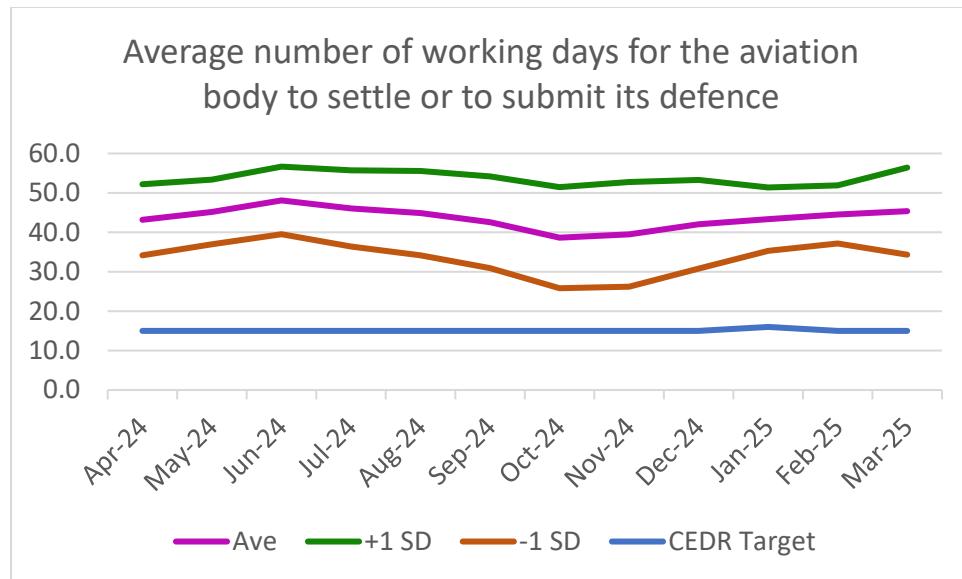


Figure 11 demonstrates that aviation bodies struggle to meet their target to settle an ADR case or submit a defence to CEDR. CEDR has been working with these aviation bodies to improve this situation. However, the reviewer notes that CEDR, with its Terms of Reference for the ADR scheme, is able to make a decision on an ADR case without a defence from an aviation body and it should consider doing so in all cases.

Figure 12: Average length of time taken by CEDR to make a decision in working days in 2024/25

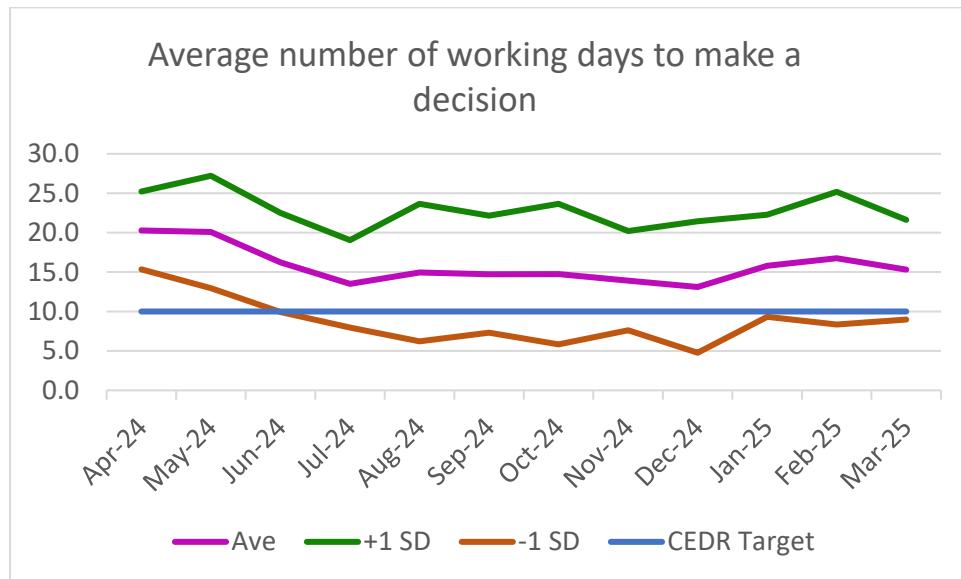
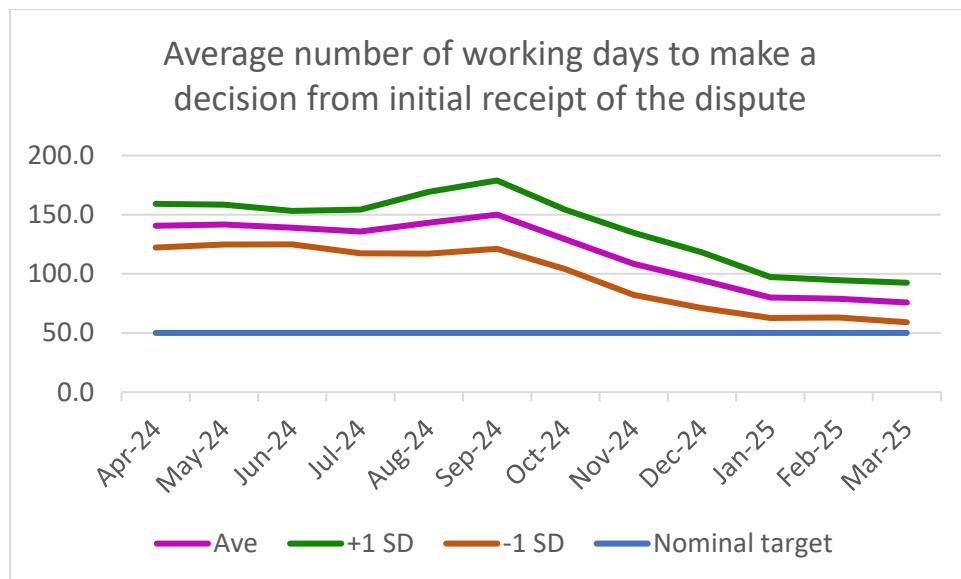


Figure 12 demonstrates that, while CEDR's average time to make a decision struggles to be met consistently, it should be recalled that CEDR's internal target of ten days is significantly shorter than the maximum time of 90 days allowed under the ADR Regulations for the scheme to reach a decision once a complete complaint file has been declared (and not for the entire process) which it convincingly out performs.<sup>20</sup>

Figure 13: Average length of time taken by CEDR to make a decision from initial receipt of the dispute in working days on 2024/25



<sup>20</sup> [The Alternative Dispute Resolution for Consumer Disputes \(Competent Authorities and Information\) Regulations 2015](#)

Figure 13 demonstrates that the average time taken by CEDR to make a decision as measured from receipt of the dispute has taken longer than its own nominal internal target of 50 days<sup>21</sup>. This target is less than the maximum time of 90 days allowed under the ADR regulations for the scheme to reach a decision once a complete complaint file has been declared (and not for the entire process).<sup>22</sup>

Figure 14: Average length of time taken by an aviation body to make payment following an upheld complaint in working days in 2024/25

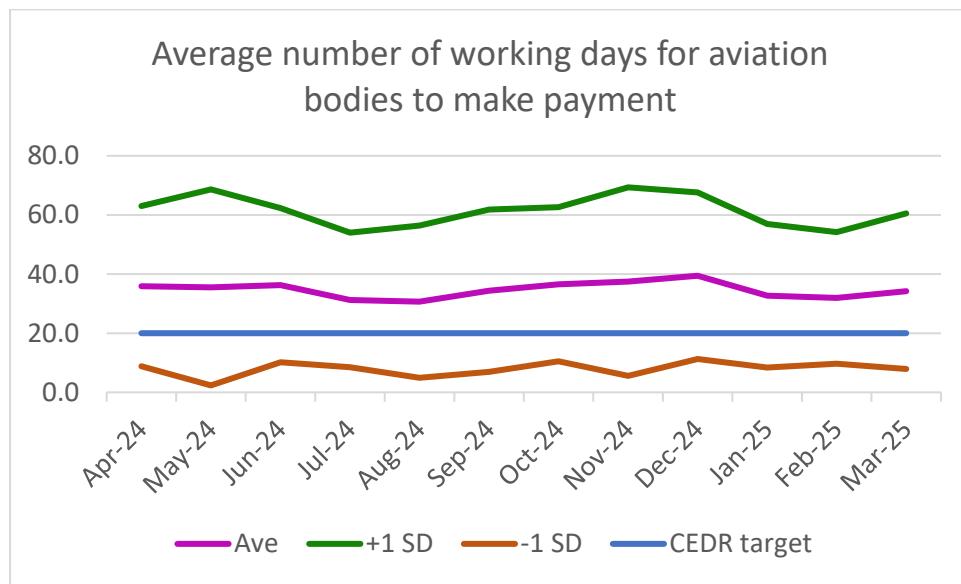


Figure 14 demonstrates that on average aviation bodies are not meeting the target of 20 working days to make any payment due, although in a minority of cases the target is met.

The tables below provide some comparison on closure times for comparator schemes. As indicated earlier it can be challenging to make meaningful comparisons due to differing approaches and measurements used by the different schemes. Table 9 shows the average closure times published by comparator schemes for overall number of days and/or from date of complete case file (CCF) being declared.

<sup>21</sup> This comprises CEDR's internal targets of 15 days for initial assessment, 15 days for the aviation body to submit a defence, 10 days for the consumer to comment on the defence and 10 days for adjudicator to make a decision.

<sup>22</sup> [The Alternative Dispute Resolution for Consumer Disputes \(Competent Authorities and Information\) Regulations 2015](#)

Table 9: Average length of time to conclude disputes by different ADR schemes

ADR scheme	Overall average number of days from receipt of case	Average time to closure from CCF (days)
AADR	44	39
CEDR	118	16
TPO <sup>23</sup>	236	56
RO <sup>24</sup>	Not available	Range 20 days simple closures to 39 days complex adjudication
Schlichtung Reise und Verkehr	105	Not available

Table 9 indicates that most of the time spent on ADR cases by AADR is after a complete complaint file has been declared, while for CEDR, most of the time spent on ADR cases by CEDR is before a complete case file has been declared. Both aviation ADR schemes appear to compare well against comparator organisations.

Table 10 below shows the percentage closure rates per specified number of dates as published by comparator schemes.

Table 10: Percentage closure rates by days for selected ADR schemes

ADR scheme	<30	<60	<90	>90	<120	<180
AADR	31%	64%	5%	1%	No data	No data
CEDR	22%	21%	15%	41%	No data	No data
EWON <sup>25</sup>	92%	No data	6%	2%	No data	No data
TIO <sup>26</sup>	No data	45%	No data	No data	86%	No data

Taken together Figures 5-14 above and the tables above demonstrate that the timeliness of the two aviation ADR schemes bear positive comparison with other ADR schemes.

The CAA asked for the review to consider whether there should be additional KPIs and that these recommendations should be benchmarked against other ADR

<sup>23</sup> The TPO figure is taken from its 2023/24 annual report. It is yet to publish its 2024/25 performance information.

<sup>24</sup> The RO figure is also for the year 2023/24. It is yet to publish its 2024/25 performance information.

<sup>25</sup> Figure for 2023/24

<sup>26</sup> Figure for 2024/25

schemes. As discussed earlier, differing ADR schemes have differing terms of references, service models, approaches to ADR and funding models. These make comparison a serious challenge. However, by comparison between the two aviation ADR schemes the CAA may wish to consider the following:

- The target time from receipt of a dispute to adjudication should be 90 calendar days.
- Initial assessment should last no more than 14 calendar days and state that initial assessment ends when the complaint is passed to the aviation body to determine whether it wishes to settle or defend.
- Aviation bodies should be given no more than 28 calendar days to submit its defence or to settle.
- The adjudication phase should take no more than 28 calendar days from the declaration of a complete complaint file.
- Aviation bodies should make redress within 28 calendar days.

Recommendation 6: The CAA should consider introducing revised time limits as part of the key performance indicators (KPIs) used to monitor the efficiency of both schemes. They could be based upon:

1. 90 calendar days to cover the whole complaint process from receipt of a dispute to the decision<sup>27</sup>. This would entail KPIs around the different stages of the process and include,
  - 14 calendar days for initial assessment,
  - 21 calendar days for the aviation body to submit a defence,
  - 14 calendar days for the consumer to respond to the aviation body's defence,
  - 28 calendar days to reach a decision once a complete complaint file has been declared.
2. 28 calendar days for the aviation body to make any necessary redress

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<sup>27</sup> This includes the time the ADR schemes grant to consumers to comment on the aviation body's defence.

## 7 Expertise Requirements

The review now considers the expertise requirements of the two schemes. That is, how do they recruit and train staff to ensure that they are competent to manage aviation disputes, the approaches taken to ensure high quality of casework, the handling of complaints against themselves (service complaints), including the reasonableness of payments made by the ADR scheme where it acknowledged that it had made a mistake, and the schemes' learning from upheld service complaints made against them by a consumer.

AADR will recruit people from any background if they can demonstrate that they have the skills and competences to be an effective adjudicator. CEDR, meanwhile, looks for people with preferably legal degrees, although that does include people with a post-graduate legal qualification if they have other relevant experience. In AADR the adjudicators are fully employed staff while CEDR use a panel of adjudicators engaged on a contract of service.

With regard to the first of these three areas, recruitment and training of staff, the reviewer would note that there is an almost philosophical difference in approach between the two ADR schemes when it comes to the appointment, training and development of adjudicators. In AADR there is what may be called a more managerial approach while CEDR adopts what may be called a more professional responsibility approach. While there are these different approaches in recruitment, training and development, the reviewer was unable to identify one party as performing significantly better than the other in terms of overall timeliness of ADR case handling and in decision-making. The final letter to the consumer from CEDR, which sets out the decision reached by the adjudicator, was perhaps easier to read by the average consumer than that supplied by AADR but AADR's letters would still be comprehensible to the average consumer.

Details on both areas is now provided below. The focus begins with the recruitment and development of adjudicators.

### 7.1 AADR

As indicated above, AADR engages its adjudicators through a contract of employment. Potential adjudicators need not have specific qualifications but must demonstrate that they have the skills and competencies required to act as an adjudicator. This will be determined through the application form, a competency-based interview and the use of a test ADR case. The test ADR case is intended to be typical of the type of case that they may face. In a sense, AADR uses a skilled apprentice type approach to recruitment and development – a job that is learnt through training and experience.

The recruitment criteria used by AADR are outlined below.

## Recruitment criteria used by AADR

Law degree not necessary. Focus on skills and competencies.

1. Strives for excellence in all their individual and team endeavours and has the necessary professional experience to meet other people's expectations and deliver a high-quality service.
2. Critically examines information and issues to arrive at well-reasoned and appropriate decisions that stand up to scrutiny.
3. Uses communication skills to influence a diverse range of people, building consensus and understanding. Successfully navigates changing and sometimes challenging environments to respond dynamically to service users' needs and achieve personal and organisational goals.
4. Responds positively and respectfully to challenge, creating a positive and open culture in which staff at all levels feel confident discussing and raising issues.
5. Approaches problems and new ideas without pre-judgement to generate fair solutions that maximise the potential of available resources.

Once employed, new staff enter into a training academy and commence a 12-week training programme. They are provided with a catalogue of guidance and support documents which will continue to be provided throughout their personal development. They start by spending time with the IAT, to allow the new adjudicator the opportunity to gain an overview of the process used by AADR and to understand what evidence is needed to be collected and that may be of assistance when making a decision. Following this, the adjudicator will be transferred to the adjudication team. There is a phased introduction to casework: the adjudicator will begin with disputes about flight cancellations and delays, as they are seen to be at the simpler end of the complexity range. The adjudicator will work on these disputes for around three months with the support of a Subject Area Expert (SAE) and the quality assurance lead who will review initial decisions and feedback before sign off. Once they demonstrate competency in this area, the adjudicator will move onto disputes from areas seen as more complex such as those about connecting flights and disputes about services provided to passengers with reduced mobility. Throughout this process, the new adjudicator is provided with support. At the end of a specific area, such as delayed flights, the new adjudicator must complete ten ADR cases in a row with which the Quality Assurance Manager is satisfied. Once that has been attained, the 11<sup>th</sup> case is reviewed by the Lead Review Adjudicator (LRA). If that is also signed off, the adjudicator is deemed competent in that area and can move onto new areas.

There is some similarity between the approach adopted by AADR and that of the FOS, albeit on a different scale, which also has an academy for new staff to develop their core skills.

If an adjudicator is faced with an issue during a decision of an ADR case, then they are expected to speak with the SAE or the LRA with the expectation that they would approach the SAE first. If necessary, such as when an issue raises new points previously not considered, the issue can be raised with the Chief Adjudicator or the Director of ADR for guidance. If the issue has not arisen before then there may be a need to produce new guidance for all adjudicators.

The LRA is responsible for producing new guidance as the need arises. Need for revised or new guidance will be identified from sources such as consumers, aviation bodies, the press or other sources. The LRA will conduct background research to ensure that the guidance is accurate. AADR will seek out external legal advice to ensure the accuracy of this guidance before implementation. A review of AADR's policies, guidance and aviation notes demonstrates that they are accessible, detailed, comprehensive and have examples where appropriate. If new guidance is needed, the LRA will produce it and all adjudicators will have to confirm that they have both received and read the guidance.

All adjudicators are required to undergo update and refresher training on all areas every year. In total, there are 52 areas that are part of this programme, covering areas such as delays and cancellations, extraordinary circumstances, weather, baggage issues, expenses, passengers with reduced mobility, and strike action. For each adjudicator AADR maintains a skills and competency assessment framework, where the adjudicator's performance in eight different areas is assessed and scored. This approach allows AADR to identify any specific training needs that the adjudicator may require. This is supplemented by the findings of AADR's quality assurance work (discussed in more detail below), service complaints (also discussed further below) and staff one-to-ones.

The approach to personal development adopted by AADR is detailed below.

#### [\*\*AADR's high level approach to personal development\*\*](#)

AADR has an Investigations/Skills competency framework and each adjudicator is assessed yearly on how well they match against the framework. A score is applied for each of the criteria for each adjudicator. This allows the management team to have discussions with the adjudicators about their personal development.

AADR also has over 50 training parcels which adjudicators have to take every 2-3 years to ensure that they are up to date.

## 7.2 CEDR

CEDR takes a different approach to recruitment and training compared to AADR. CEDR seeks to recruit adjudicators who have a legal background and who will be employed on a contract of service. Rather than a full-time role, adjudicators will be able to accept ADR cases at a rate compatible with any other work or roles that they may have. It creates a degree of flexibility for both parties. As with AADR, during the recruitment process, potential adjudicators will need to complete a written test ADR case to test not only their analytic skills but also their communication and writing skills.

The recruitment criteria used by CEDR's Principal Adjudicator and small team of in-house adjudicators are detailed below.

### Recruitment criteria used by CEDR

1. Law degree or equivalent
2. Excellent written and grammatical skills with a high attention to detail and the
  - Ability to communicate clearly and concisely
  - Ability to prioritise and multitask under pressure to tight deadlines
  - Solid problem-solving skills, able to identify, risk assess, propose and apply solutions to issues in real time
  - Good team worker who supports colleagues across the organisation
  - Strong IT skills, including knowledge of Microsoft Office packages and the ability to learn new systems and processes as required
  - Professional manner and the self-confidence to deal with senior client contacts

Once the adjudicator begins their new role, they are given six test cases, based on previously closed ADR cases, to work through with the support of a mentor. It is unlikely that there will be a single mentor linked to the new adjudicator and the new adjudicator will thus be exposed to different approaches. During the test ADR cases it will be for the new adjudicator to analyse, determine and produce decisions on the ADR cases. They can use the mentor as much or as little as they choose. The mentor will, however, provide feedback on each decision made. This approach is viewed as allowing CEDR to see how the new adjudicator works in practice and can test their willingness to receive feedback. At the end of these six test ADR cases the new adjudicator will be signed off, or not, to work for CEDR. In addition, the first five live cases for each adjudicator are also reviewed before the adjudicator is fully signed off.

Rather than have a set training programme for adjudicators, CEDR consider that the development of their staff is part of their own professional development. Thus, it is for adjudicators to determine their learning needs and to ensure that they meet them. There is no annual review or appraisal although as mentioned a sample of five ADR cases are reviewed each year as part of CEDR's quality assurance processes. This development is, however, supported by CEDR's Basecamp, an in-house portal that contains material and guidance relevant to casework. Included is a knowledge library with a large number of resources including information on case law, regulations, practice directions, example decisions, and guidance on how to approach ADR cases or specific situations. Basecamp is usually kept up to date by the adjudicators who will bring new issues to it. However, the Principal Adjudicator and the Quality Assurance Manager will be responsible for producing and posting the guidance and practice notes. If there are changes to case law or regulations, new guidance will be posted on Basecamp. The discussion forum can facilitate a discussion between adjudicators on new guidance or issues that have arisen within specific ADR cases.

The approach to personal development adopted by CEDR is outlined below.

#### [\*\*CEDR's high level approach to personal development\*\*](#)

The approach here is one of personal self-development as the means of securing personal and professional development. This is facilitated through the use of a portal called Basecamp. This provides key information on case law, relevant regulations, CEDR guidance notes and so on and has a discussion forum where adjudicators can discuss changes in regulations/ laws and so on and how this might affect their casework. Adjudicators will bring material of relevance to Basecamp and so is a collective endeavour although the development of guidance is undertaken by senior professional members of staff.

## 8 Quality Assurance

An important function within any ADR scheme is to assess the quality of its work and both AADR and CEDR carry out activities to ensure that the quality of its casework is reliable. Their approaches are discussed below.

### 8.1 AADR

AADR had produced its own internal quality standards and plans to measure the key performance indicators set out below. At the time of the fieldwork, this revised process was scheduled to be introduced but work on a new consumer contact centre and associated new software, call recording facilities and call management support software has led to its delay.

AADR has a Quality Assurance Framework (QAF) which describes the approach used by it to ensure that the work that it undertakes is of high quality. AADR's quality assurance process has six aspects each of which are intended to reflect an aspect of complaint handling and management. These six criteria are:

1. Receipt of the dispute and its acknowledgement
2. Agreeing the dispute – including scoping of the dispute and expectation management
3. Investigating the dispute
4. Decision – this relates to the quality of the written report detailing the decision made by the adjudicator
5. Learning from service complaints
6. File Management

Two points emerge from this framework. An important measure under the second criteria, agreeing the dispute, is expectation management but as was discussed above there is little, if any, attempt to manage a consumer's expectations about the validity of their dispute, the reasonableness of the expected redress or whether the likely decision will be in their favour or not, to the extent that this is possible without a detailed review and seeing the aviation body's defence.

Rather AADR's approach focuses on expectation management relating to its process. With the increasing focus of digital dispute handling and the use of artificial intelligence the ability for AADR to manage its customers' expectations about outcomes appropriately will be further reduced. The fifth aspect of the framework relates to learning from service complaints. The quality assurance team will look for commonalities in the sample that it examines and if there are any, will report them to the aviation body or the CAA as appropriate. The adjudicator makes a decision and

explains the reasoning behind that determination to both parties. It would be for an aviation body to decide whether there was any learning to be gained from the decision though post-decision review processes, although AADR may also pick up issues through its dip sampling process.

At this time the approach to quality assurance for the decision-making stage is more highly developed than that which applies at initial assessment although the reviewer was informed that the development of a quality assurance framework for initial assessment was a priority. Notwithstanding this potential development, there currently exists a regular review of scoping decisions made by the IAT. A sample of casework is reviewed regularly to determine whether or not the scoping decision has been made correctly. If it is found that there has been an error the case may be reopened dependent upon the significance of the error made.

Each month the quality assurance manager reviews a 'dip sample' (random selection) of an adjudicator's decisions. Normally the dip sample consists of a check of 25% of all decisions made by an adjudicator viewed as competent although the sample can increase in size if AADR has any concerns about the performance of an adjudicator. For each review the ADR case is awarded a RAG (red, amber, green) rating. A green rating is where a consumer's ADR case is considered to have been handled correctly. An amber rating is where the ADR case has been viewed as being acceptable but where the quality assurance manager has found some failings which, while not affecting the outcome, indicates some error on the part of the adjudicator. When an ADR case is awarded an amber rating, the quality assurance manager will discuss it with the adjudicator concerned and provide an explanation as to their decision and what recommendations they would make from which the adjudicator could learn. A red rating occurs when the adjudicator has reached a decision deemed to be incorrect by the quality assurance manager. In these cases, the decision may be reconsidered and, as with the amber rating, personal feedback is provided to the adjudicator along with advice on learning from the case. If an ADR case, where the decision was in the favour of the consumer, was subsequently found to be incorrect the aviation body would be informed and any money paid by the aviation body due to the incorrect decision would be set against its next membership fee payment.

Results from the monthly 'dip sample' are fed back to the adjudicator's line manager and the findings of the sample are discussed at the adjudicator's next one-to-one meeting with their line manager. All amber and red findings are communicated immediately to the adjudicator concerned to try and prevent the same types of mistakes reoccurring. Should an adjudicator receive too many red ratings, particularly in one area, then retraining may be provided to assist the adjudicator in reaching the appropriate standard of decision-making.

Dependent upon the reason for a red rating being awarded, the quality assurance manager may raise this with the LRA and revised guidance on the issue can be produced for all staff. Where a repeated error is identified, the guidance will be

reviewed and, where it is determined that the guidance could be clarified to help ensure appropriate implementation, revised guidance may be issued to staff.

Thus, one of the outcomes to be achieved from 'dip sampling' is to identify issues appropriate for individual learning and those which require changes to be made to organisational guidance if they are seen to have wider application.

## 8.2 CEDR

CEDR operates two quality assurance processes: one in respect of the quality assurance process for administrative casework staff covering their call handling and another to sample check the determinations issued by each adjudicator.

In respect of the quality assurance process for administrative casework staff covering their call handling, the objectives are to ensure that calls handled by the casework administration team meet CEDR's quality standards, identify any potential training needs, provide both recognition and constructive feedback, and, to improve the consumer experience and their overall satisfaction with CEDR's services. To assess how well administrative caseworkers meet these characteristics they are assessed on their performance in five areas: their call handling, explanation of role and process, management of customer expectations, the tone and empathy expressed during the calls and their assessment of any consumer vulnerability. Each of these areas have a number of indicators attached to them and caseworkers are assessed against the indicators using a three-level standard (similar to a RAG rating): did the right thing, some improvement needed, and desired outcome not met. To assess caseworkers' performance a minimum sample of five random calls are listened into each month and feedback is provided to the caseworker on their performance and how they may improve if required.

As was the case with AADR, the expectation management element relates to overall ADR casework process. It does not attempt to manage the expectations of consumers about the validity of their dispute, the reasonableness of the expected redress or whether the likely decision will be in their favour or not, to the extent that this is possible without a detailed review and seeing the aviation body's defence.

Six core caseworker competencies have been identified by CEDR: being analytical, impactful, approachable, professional, open-minded and constructive. They apply to both administrative caseworkers and to adjudicators although the expectations for the two groups differ according to their role. The reviewer was informed that they are based upon the Ombudsman Association's core casework competencies. Again, staff are measured against these competencies using a three-level standard: meets requirements (green), somewhat meets requirements (amber) or does not meet requirements (red).

In respect of the quality assurance process for reviewing the outputs of adjudicators, senior staff members will review a sample of five ADR cases from each adjudicator

each year. These cases will be reviewed against CEDR's six core competencies. A score of four 'amber - somewhat meets requirements' is viewed as being as significant as does one 'red - does not meet requirements'. Adjudicators will receive feedback on the outcomes of their quality assurance reviews to help their development. If the review indicates that the adjudicator has been assessed as having one red or four amber ratings, then the adjudicator will automatically have to undergo mandatory review. When this occurs, the work of the adjudicator is peer reviewed by a second adjudicator until CEDR is confident that the work of the original adjudicator is satisfactory. If the work remains unsatisfactory the adjudicator will be removed from CEDR's panel of adjudicators. An adjudicator will remain on mandatory review until the Principal Adjudicator is satisfied that their performance meets required standards.

In addition, certain types of disputes about aviation bodies considered by adjudicators, such as those concerning people with reduced mobility or where the award directed by an adjudicator exceeds a certain monetary value, will be subject to peer review by CEDR. The level of analysis for these peer review cases is not as deep as for the quality assurance case reviews but, nonetheless, if a decision is seen to have significant flaws the adjudicator could potentially be put on mandatory review.

Finally, the Principal Adjudicator and Quality Assurance Manager will also consider information gained through service complaints against CEDR and consumer feedback to firstly, identify whether the name of any single adjudicator is raised more frequently than their colleagues or for any significant faults in any individual decision. Again, the outcome of these assessments could result in an adjudicator being placed on mandatory review.

Comparator ADR schemes provide little detail on their approaches to determining the quality of the services that they provide although all state that they do undertake quality assurance activities, often referring to their quality assurance framework. Of those which do publish details of their approach to quality assurance, FOS, LO, EWON and the TIO) it would appear that their approaches and the approaches of the two aviation ADR schemes are not dissimilar.

# 9 Service Complaints

It is inevitable that, on occasion, organisations will either make mistakes or people to whom they provide a service will believe that an organisation has made a mistake. When people make such complaints, it can be a valuable source of feedback and learning to the organisation. Used correctly it can lead to the delivery of improved services. This section considers service complaints made to the two ADR schemes: How they manage service complaints, how they correct any error that may have been made, the redress that is offered for any error that has been made and how the complaints can be used as a source of organisational learning.

## 9.1 AADR

### 9.1.1 Service complaint policy

AADR has published its Service Complaints Policy which sets out the issues about which a consumer can raise a complaint with AADR and which includes issues such as difficulty lodging their dispute, if AADR has decided that the dispute is out of scope, AADR's adherence to its formal adjudication processes, the behaviour of staff, delays in the process, and the decision, where the consumer believes that AADR has failed to take account of all relevant information or evidence submitted by the consumer, or AADR too account of information that it should not have done so or it applied the facts or regulations wrongly.

Types of service complaints that cannot be accepted include a consumer being unhappy with the decision or delays in awarded payments by the aviation body<sup>28</sup>.

The four most common categories of service complaints received by AADR are when consumers believe AADR has ignored relevant information or considered irrelevant information, made an irrational decision, delays in casework or other believed service failings.

The table below presents data relating to service complaints using data from the AADR for the year 2024/25.

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<sup>28</sup> For further information and detail on AADR's Service Complaints Policy, see <https://www.aviationadr.org.uk/wp-content/uploads/2018/10/SERVICE-COMPLAINTS-REVIEW-POLICY.pdf>

Table 11: Number of service complaints received by AADR by type

Service complaint type	Number
Number of service complaints	240
Out of scope service complaints	134
Number in scope of service complaints policy	101 which is 1 for every 357 ADR cases received
Number referred to the IA	3

The reason why so many service complaints are not accepted is due to consumers using the service complaint ticket system for reasons other than lodging a complaint about the service that they had received from AADR. The majority of tickets raised are general queries or advice- a service that ADR schemes do not provide. However, the reporting on this system can only report on the 'topics' chosen by the consumer, which unfortunately skews the true figures. AADR is introducing a revised ticketing system and once it has been launched, the reporting of this data will be more accurate.

AADR's Service Complaints Policy sets out a three stage service complaints process. On paper, a service complaint is initially considered by the scheme but where the consumer remains dissatisfied it will be considered by the Chief Adjudicator. If the consumer remains dissatisfied by the decision from the Chief Adjudicator, then they can ask for the complaint to be considered by the IA. In practice, a two-stage process operates. The Chief Adjudicator, firstly, reviews all service complaints received by AADR and determines whether the service complaint can be accepted. If accepted, it is then categorised as being either a complaint about the service provided by AADR or a complaint about the decision. Complaints about the service are then considered by the Chief Adjudicator while complaints about the decision are considered by the LRA. The LRA would also review service complaints about the level of compensation awarded, while taking into account that levels of compensation are generally fixed by regulations.

If the LRA determines that an error has been made in the decision, the objective is to put the consumer back into the position they would have been in had the error not occurred.

If this means that a decision is changed from being in favour of a consumer to being in favour of an aviation body, i.e. that the consumer's ADR case should not have been upheld, the consumer still receives the compensation they were promised. However, the aviation body is not expected to fund this and AADR pays the consumer from its own funds. If the aviation body had already issued compensation to the consumer, AADR would reimburse the aviation body by setting that payment against the aviation body's next scheduled payment.

If the converse occurs and the decision is changed from being in favour of the aviation body to in favour of the consumer i.e. that the consumer's ADR case should have been upheld the aviation body is expected to fund the compensation. AADR's

rationale for this approach is that the aviation body is ultimately responsible for funding this and the initial error by AADR does not change this. While the Reviewer can see the logic in this approach as it means that the aviation body is being held to account, the Reviewer has some concerns about the lack of any financial consequences for AADR for the initial error in its decision. If AADR were to fund the consumer's compensation here too, it would, in part, assist in AADR's organisational learning and incentivise it to avoid making mistakes.

Recommendation 7: Where a decision is changed from being in the favour of the aviation body to being in favour of the consumer, the ADR scheme should pay the consumer any due financial redress.

### 9.1.2 Timescales for service complaints

AADR's Service Complaint Policy states that a service complaint must be submitted within two months of the final determination being issued. AADR will issue a response within 30 calendar days. If the consumer remains dissatisfied following the response delivered after the first stage of the process, they can, if submitted within four weeks of receiving their response, ask that it be reviewed by AADR's IA. Consumers are made aware of their ability to raise a service complaint with the IA should they remain dissatisfied after the decision made by the Chief Adjudicator. The IA will issue a response within 30 working days and this ends the service complaint procedure.

Where a service complaint is upheld, AADR will explain what went wrong and why, if appropriate issue an apology and/or take corrective action to ensure that the consumer faces no loss and to make sure that it learns from the error. If it is determined that the consumer has suffered 'considerable detriment' because of the error, either AADR, or its IA, may decide that a goodwill payment is appropriate.

If AADR finds that it has made an error with the decision, and the decision moves from being in favour of the aviation body to in favour of the consumer, AADR will request that the aviation body make a payment (if that is the outcome reached by the adjudicator). AADR defends this approach by stating that this approach is clearly detailed within its Terms of Reference for the scheme and its contract with aviation bodies. However, this approach lessens the risk and associated cost for AADR arising from mistaken adjudications. Arguably, it would make AADR less likely to maximise learning from such errors.

### 9.1.2 Goodwill gestures and learning

The level of goodwill gestures paid out by AADR when it identifies errors it has made are modest. They are normally around the £25 per error mark although this can be increased dependent upon the number of errors made and the number of people affected by the error. Nonetheless, most payments are under £100. Given that such awards are only made when the consumer is viewed by AADR to have suffered 'considerable detriment' it could be reasonably suggested that they are too modest.

It is unlikely that awards of such modest sums will, by themselves, act as a strong imperative to encourage learning within AADR. However, the award is not the only method. Service errors are fed back to staff via line management processes while errors around the consideration, or lack of consideration, of relevant evidence or the reaching of an incorrect determination are fed into the quality assurance process and can result in remedial training. Where the error is considered as being more fundamental or systemic then AADR may issue revised guidance where all adjudicators will need to confirm that they have read the revised guidance.

## 9.2 CEDR

### 9.2.1 Service complaint policy

As is the case with AADR, CEDR allows consumers to submit complaints to it under certain circumstances. These are complaints about CEDR's adherence to its Scheme Rules when considering the case against the aviation body, where the service provided by CEDR was of unsatisfactory quality including delays, where the case was wrongly ruled out of scope, and, again as is the case with AADR, where the CEDR ignored relevant information, considered irrelevant information, or misinterpreted the law or regulations when making its adjudication.

Types of complaints that CEDR will not accept include a consumer being unhappy with the decision or delays in awarded payments by the aviation body, complaints about the content or validity of CEDR's procedures, Scheme Rules or formal timescales of any of the stages during the life of a case.

The most common causes for service complaints received by CEDR are when some consumers believe it has ignored relevant information or considered irrelevant information, made an irrational decision or delays in casework.

The table below presents data relating to service complaints in 2024/25.

Table 12: Number of service complaints received by CEDR by type

Category	Number
Number of service complaints	24
Rejected service complaints <sup>29</sup>	14
Accepted service complaints	10 which is 1 for every 960 ADR cases handled.
Number referred to the IA	1

<sup>29</sup> The primary reason for service complaints being rejected is that CEDR identifies them as complaints about unhappiness with the decision and not about how it was reached.

Nearly all complaints are resolved at Stage 1. The stages of handling a service complaint are set out at 9.2.2 below.

### 9.2.2 Timescales for service complaints

CEDR utilises a three-stage service complaint policy:

Stage 1: The first stage will be carried out by a member of CEDR staff who has not been involved in the consumer's ADR case and who is suitably qualified to consider the service complaint. Consumers can expect a written response to their service complaint at Stage 1 within 30 working days of the complaint being submitted.

Stage 2: If a consumer remains dissatisfied, they can move to the second stage by requesting a review within four weeks of receiving the Stage 1 response. This review will be carried out by a suitably senior member of CEDR staff and will be someone who was not involved in the consumer's ADR case or the first stage review of the service complaint. Consumers can expect a written response to their service complaint at Stage 2 within 30 working days of their escalation request.

Stage 3: If a consumer remains dissatisfied with the response at Stage 2, they may request, within four weeks of receiving that response, a Stage 3 review. The Stage 3 review is carried out by the IA. Consumers can expect a written response to the independent review within 30 working days of their escalation request. Once a consumer has received the written response from the IA the service complaint process is complete.

CEDR uses the Wednesbury Reasonableness<sup>30</sup> test as the criterion for to assess a mistake in making a decision on an ADR case. If CEDR does decide that it has made an error, then monies payable to either the consumer or aviation body are paid from CEDR's own funds. For example, CEDR would not go back to an aviation body and ask them to make payment if it had previously decided that no payment was due to the consumer. This contrasts with AADR, which would return to the aviation body and ask them to make the payment.

### 9.2.3 Goodwill gestures and learning

Where CEDR accepts that an error has been made on its part it will consider making a goodwill gesture in the form of a monetary payment to a consumer. CEDR holds that goodwill gestures are a tangible expression of its regret at the level of customer service that it had provided and takes account of the impact of the error on the consumer, including inconvenience and distress.

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<sup>30</sup> Wednesbury reasonableness is the standard used in judicial review in the UK to assess whether a decision of a public body is so unreasonable that no reasonable body could have arrived at it. It's a high bar for unreasonableness, and courts generally defer to the decision-making body, only intervening if the decision is so flawed that no reasonable body would have made it.

Where CEDR determines that the inconvenience or distress has been minor in nature no goodwill gesture would be made. However, for any inconvenience or distress deemed to be greater than minor, CEDR would expect to make a goodwill gesture. Table 13 below provides details:

Table 13: Matrix linking level of distress and inconvenience impacted upon a consumer and the level of financial distress

<b>Tiers of inconvenience and distress</b>	<b>Level of financial redress</b>
Tier 1: moderate	Up to £50
Tier 2: significant	£50 - £100
Tier 3: serious	£100 - £200
Tier 4: very serious	£200 - £300

Publishing this matrix and associated background documentation represents good practice as it makes clear to consumers the approach taken by CEDR to assessing any potential financial redress arising from an upheld service complaint. It should be considered by both aviation ADR schemes.

CEDR's guidance on the making of goodwill gestures provides detail on how CEDR would assess the level of inconvenience and distress suffered by the consumer. As can be seen from the table, where serious inconvenience or distress has occurred some more sizeable payments may be awarded.

Recommendation 8: AADR should review its policy and level of redress for consumers when awarding goodwill gestures. The approach used by CEDR to award goodwill gestures reflecting different levels of inconvenience and distress has much to commend it.

The reviewer would suggest that it is unlikely that the making of customer service gestures even in the low hundreds of pounds will, by themselves, act as a strong driver to encourage learning within CEDR. As with AADR, the customer service gesture made by CEDR are not the only triggers to encourage learning. Service errors are fed back to staff via line management processes while errors around the decision-making process can result in mandatory review for the relevant adjudicator. Where the error is considered as being more fundamental or systemic then CEDR would issue revised guidance to its adjudicators.

Both AADR and CEDR base their service complaint policies on the guidance contained within the CAA's [Policy for ADR applicants and approved ADR entities](#). The most noticeable difference is that AADR operates a two-stage service complaint process while CEDR utilises a three-stage process. There are arguments in favour of both approaches and the Reviewer does not consider there to be a negative impact upon a consumer arising from the use of either approach. In his consideration of the approach used to service complaints used by industry ombudsman schemes, the Reviewer noted that the approaches utilised were broadly similar although some

schemes used a four-stage approach to reach a final decision on a service complaint. The Reviewer prefers a two or three stage approach to service complaints, as used by AADR and CEDR, as they will ensure that the consumer reaches a final determination more quickly. Comparator schemes were not explicit as to how they ensured there was organisational learning arising from upheld service complaints.

## 10 Independent Assessors

Both ADR schemes are required to engage an IA whose role is to conduct a review of all accepted service complaints.

### 10.1 AADR

AADR's IA is not an employee of AADR but is engaged on a contract of service. The IA is not accountable to AADR and is expected to report any concerns that they may have about AADR directly to the CAA. The IA is not allowed to have any pecuniary or other interest in any aviation body which has a contract with AADR.

The principal role of the IA is to consider service complaints that are accepted in accordance with the Service Complaints Review Policy – that is they are fall within this policy and have been through the earlier service complaint process (see above).

The reviewer understands that where a consumer wishes to escalate their service complaint to the IA, this escalation is undertaken by AADR itself on behalf of the consumer. The consumer is unable to present their service complaint directly to the IA rather than it being escalated by the ADR scheme. In the interests of procedural fairness, it seems reasonable to the reviewer that consumers should be able to make their case without intervention of the ADR body.

When an IA receives a service complaint, the IA must review that complaint. To facilitate this the IA is granted access to all related files, records and persons relevant to the investigation. The IA must report on their investigation within 30 working days of receipt.

Where the IA upholds the service complaint, the IA can recommend that AADR make an apology, take some appropriate corrective action, or make a goodwill gesture for distress or inconvenience suffered by the consumer. As with goodwill gestures discussed above, the level of goodwill gestures are similarly modest.

The IA is required to provide a six-monthly report, detailing potential improvements which could be made to the ADR scheme, identify common themes or issues that may adversely affect service users. The report is to include case studies, data and examples to support their findings. The IA should make any relevant and appropriate

recommendation for improvement. AADR does not publish its IA reports on its website.

The reviewer interviewed the IA to gain their perspective on the service complaint process. The IA reported that the IA role is much more clearly defined now than when they took up post. To help them prepare their six-monthly reports the IA will meet with the Chief Adjudicator to discuss what is happening within AADR, actual and potential developments which may impact the work of the AADR generally and the IA. The IA makes recommendations from upheld service complaints but the IA told the reviewer that it is not clear to them if they are acted upon and to what degree, as there is no feedback process.

## 10.2 CEDR

The IA is not an employee of CEDR. The IA can only consider consumers' service complaints about the performance of staff of CEDR and/or about customer service if the complaint has not been resolved by CEDR's service complaints procedure. The IA can review service complaints about the standard of service received by the consumer. CEDR's IA can also consider service complaints where the consumer believes that an adjudicator has either ignored relevant information or considered irrelevant information, or that the adjudicator had made an irrational interpretation of the law, but only in the context of whether CEDR failed to fully consider this issue in its stage 2 review, referred to on page 67. The IA can consider service complaints if they are 'concerned that an identified administrative error or failing could have had an impact on the outcome of that case'. A consumer is unable to complain directly to the IA. Rather, the consumer must inform CEDR that they are unhappy with the outcome of the in-house complaint decision and, when that occurs, CEDR will pass that request and associated information, together with relevant papers to the IA.

Where the IA upholds the service complaint, the IA can recommend that CEDR make an apology, take some appropriate corrective action, or make a goodwill gesture for distress or inconvenience suffered by the consumer.

**Recommendation 9: A consumer should be able to present their service complaint directly to the IA rather than it being escalated by the ADR scheme.**

The IA is required to provide a six-monthly report to the CAA and CEDR does publish it on its website. In CEDR's IA reports, the IA will begin by explaining their role within the service complaint system and that they are independent. The IA will then provide a brief overview of the CEDR's overall ADR case numbers before focusing on the number, type and outcome of service complaints received by CEDR. There then follows the IAs view on the management by CEDR of individual service complaints. The IA may take the opportunity make general observations on CEDR's work as it relates to the handling of service complaints. The IA can make recommendations if

these are deemed necessary but, in the four IA reports that the reviewer read, no such recommendations had been made.

The reviewer interviewed the IA, but the IA was relatively new in the role and had only considered one stage three review. They had however examined a sample of seven other service complaints but could identify no trend or thematic issue.

In terms of the role of IAs from other schemes, their remit was broadly similar. They do not have to consider many service complaints by number but the fact that they exist and are available to look at the actions of the ADR schemes will encourage the schemes to address service complaints seriously. All the UK comparators had IAs whose job was to act as the ultimate decision-maker on service complaints. Their remit generally allowed for consideration of complaints about service and not decisions. Unlike the two aviation ADR schemes, the IAs only had to report annually and, unlike AADR, their reports are published, in some cases, they are also included in the ADR scheme's Annual Report.

Good practice in the reporting of IA reports is demonstrated by the FOS. This comprehensive and, by comparison with other schemes, lengthy report provides information about service complaints received by the FOS, providing comparison with previous years. The IA will then present comparative data on the outcomes of the complaints that they had considered. The IA then reports on activities that the IA believes that the FOS did well before looking at complaints where she found that the FOS could have done better. There then follows a review of the overall complaint themes and the primary failings of the FOS as derived from the IA's complaint reviews. This analysis is detailed and comprehensive. The Management Team of the FOS has to prepare a formal response to the IA's report including what action it plans to take to improve its service complaints policies and procedures.

Although the reports produced by the IAs from both aviation ADR schemes are broadly compatible with those produced by other ADR schemes, compared to the IA reports produced by the FOS they do appear lacking in analysis and recommendations. While the FOS's report may be considered best practice there is no reason why both aviation ADR schemes could not aspire to producing similar reports. The FOS's IA only produces their report annually compared to the aviation ADR schemes' six-monthly reports, as currently requested by the CAA, and it could be that reducing the number of reports to annually but with better detail, analysis and recommendations would be helpful to the schemes, the CAA and to consumers. In addition, for each IA report the scheme's management team should publish its response to the recommendations made by their IA and any necessary updates. The CAA may wish to consider requiring the two aviation ADR schemes to produce only an annual report rather than the current six-monthly time scale but that the schemes follow the model used by the FOS.

**Recommendation 10: The CAA should consider:**

- requiring the production of a single annual report from the IA rather than the six-monthly reports as required at present,
- requiring that the IA reports produced by both schemes are modelled on the structure and content of the reports as used by the Financial Ombudsman Service (FOS)<sup>31</sup>, and,
- requiring both ADR schemes to publish the reports produced by their respective IAs.

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<sup>31</sup> [Annual reports and accounts – Financial Ombudsman Service](#)

## Appendix One: Brief biography of the reviewer – Dr Gavin McBurnie

Dr Gavin McBurnie until September 2025 was an honorary research fellow at Queen Margaret University. Before that Gavin was a lecturer at Queen Margaret University, Gavin taught, at Master's level, a course on ombudsmanry and also post graduate courses on good complaint handling and ADR.

Gavin has significant experience in reviewing industry ombudsman schemes across a range of different industries and countries including the UK, Australia and New Zealand.

Gavin acted as an independent external adviser to the Welsh Senate (Parliament) as it considered proposals to develop the role of the Public Services Ombudsman for Wales and has delivered training on good complaint handling, on behalf of the International Ombudsman Institute, to the Caribbean Ombudsman Association, and also to Greek civil servants on behalf of the Organisation for Economic Co-operation and Development. Gavin also led on the review of the New South Wales Ombudsman.

Gavin previously worked at the Parliamentary and Health Service Ombudsman (PHSO) where he held a number of senior roles.

Gavin studied for an MBA at the University of Edinburgh and for an LLM at de Montfort University in Health Care Law, writing a thesis on the role of the PHSO in the regulation of healthcare. Gavin was awarded a PhD from Queen Margaret University for his research on the methods used by health ombudsmen in their system improvement role and the response of bodies in jurisdiction to these approaches.

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