

# Code of Conduct and ADR Annual Report 2023/2024

The Code of Conduct applies to all ABTA members and is central to achieving ABTA's aims, in particular delivering higher standards for customers, and building confidence in travel.

ABTA provides guidance and training to members on the Code, and carries out monitoring to see that members comply, and holds them to account if necessary through various enforcement methods.

ABTA is approved as an ADR body by the Chartered Trading Standards Institute in respect of its Customer Support function. ABTA also offers an arbitration scheme, provided by Hunt ADR.

This report presents the facts and figures for Code activity and for the operation of the ADR schemes for the past year (1 July 2023 to 30 June 2024).

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For information on ABTA and to view the Code and its Guidance, please go to [www.abta.com](http://www.abta.com)

Key: figures in brackets are last year's figures.

## A. CODE OF CONDUCT

### 1. Primary Authority

ABTA has been in a [Primary Authority](#) co-ordinated partnership with Kent County Council Trading Standards since 2019. The Code of Conduct and Guidance on the Code of Conduct are assured advice under the partnership. This is a benefit to members as, if they follow the Code, they can be confident that they are complying with the law, and they can refer to the Primary Authority arrangement provided by ABTA if they are approached by any other Trading Standards authority.

Kent County Council Trading Standards commented on the year:

‘Travelling and holidays provide a much-needed opportunity for relaxing and recharging and are still a very important part of consumers lives, despite the hardships that some people still face as the cost-of-living crisis is still ever present for most of us.

The travel sector has seen a strong comeback following Covid, which shows consumer confidence in the sector. As holidays are such an important part of our wellbeing it is vital we feel confident and secure when purchasing a holiday.

ABTA is at the forefront of the holiday industry, providing advice and guidance to its members and ensuring consumers using an ABTA member are protected.

ABTA being in a Primary Authority partnership with Kent Trading Standards for over five years, shows its commitment to regulation, and its members and consumers. We look forward to working with ABTA again this year.’

### 2. Changes to the Code this year

The Guidance to the Code saw three changes:

- Addition of guidance on advertising prices where the total price can't be calculated in advance
- Removal of a section dealing with Covid with reference to significant changes
- Clarifying amendment that if Clients can't return home due to unavoidable and extraordinary circumstances, organisers must pay or reimburse accommodation costs, in line with the Package Travel Regulations.

### 3. Member Advice and Guidance

Members can obtain advice and training from ABTA in a number of ways, to help them comply with the Code and legal obligations.

#### a. Calls and emails

Over the year, ABTA's member advice teams answered 1,098 (1,069) emails and 2,526 phone calls (call figures only available to 21 May) (last year 2,915).

### b. Views of ABTA's online guidance

On [www.abta.com](http://www.abta.com), the Code of Conduct was viewed 14,787 times this year (These figures are generated by Google Analytics, therefore they don't include viewers that opt out of tracking.)

Members also have access to other valuable online resources, e.g. guidance notes on specific legal and compliance topics and model documents such as booking conditions.

4,165 subscribers currently receive our weekly e-newsletter, ABTA Today. This provides vital information and guidance to members. This year, ABTA Today featured nine items called "A look into the Code of Conduct" highlighting different aspects of the Code.

### c. Seminars and training

ABTA provides a program of seminars and workshops to keep members updated and informed. Many of these include training on the Code and Code-related issues. During the year:

- 139 members attended the Travel Law seminar
- 83 members attended the Travel Regulations conference
- 20 attended the Beginner's Guide to Travel Law
- There were four training days on Complaint Handling in Travel with a total of 94 attendees
- 11 members attended A practical guide to arbitration
- 15 attended the seminar on Consumer Law in Marketing and Selling of Holidays
- 34 attended Claims Handling in Travel and Claims Handling in Cruise
- 72 attended the two training days called: An Essential Guide to the Package Travel Regulations

There is also [The Knowledge Zone](#), online training aimed at supporting frontline sales staff. The training courses, and the numbers that have completed them this year, are as follows:

About ABTA	10,280 (5,649)
Foreign, Commonwealth & Development Office (FCDO) advice and your customers	345 (196)
Introduction to child safeguarding	338 (253)
Implementing child safeguarding and policies	234 (176)
Demystifying accessibility	294 (185)
Inclusive Travel: making business sense	188 (139)
Tackling modern slavery	231 (163)
ACT (Action Counters Terrorism) training	174 (140)
Sustainability	348 (212)

## 4. Code Monitoring

ABTA monitors compliance with the Code in certain important areas.

### a. Liability Insurance

This year, as in previous years, ABTA monitored members' compliance with Clause 6I of the Code, which states that members shall, if they are Principals or Organisers, ensure that they obtain liability insurance to cover claims made by clients.

All relevant members were contacted to ensure that they complete and return a Liability Insurance Notification Form giving details of insurance cover. 612 replies were received during the year.

Any member that does not return the Form faces further action under the Code. This year, 1 (0) member was fined by the Code of Conduct Committee for failing to renew its policy. The member subsequently provided evidence of a valid liability insurance policy.

### b. Other monitoring of existing members

This year, we issued an improved website checklist, which guides members on presenting certain key information to clients, to help members comply with the Code. The checklist references:

- clear information on the business, and on ABTA;
- essential travel information such as Foreign Office (FCDO) travel advice, passport, visa, health advice and information on travel insurance;
- legal information such as booking conditions, accurate prices and financial protection details.

We also use this checklist to monitor members' websites. 37 were checked this year, focussing on members that had relatively high complaint numbers. The members agreed to make changes as required, with no enforcement action required under the Code to date.

### c. New joiners

All new joiners received a Code of Conduct checklist and undertaking, which provides information on some of the key Code requirements:

- Displaying accurate information on the identity of the business
- Referencing ABTA membership
- Having booking conditions
- Dealing with complaints and correspondence correctly
- Providing essential travel advice on websites
- Information on financial protection

New joiners commit to complying with these and are monitored after becoming members to see that any changes required are made. 24 new head office members and 71 new managed branches joined ABTA in the year.

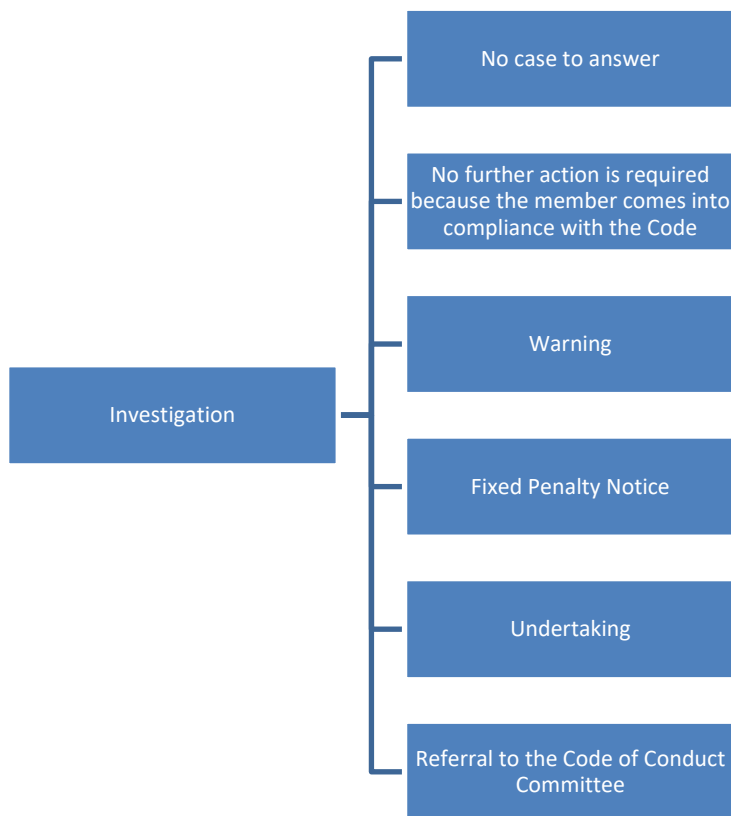
## 5. Code enforcement

If necessary, on receipt of a complaint, ABTA acts to see that the Code is complied with.

### a. Code of Conduct Referrals

During the past year, 230 (250) files were investigated under the Code. The source of these files is ABTA Customer Information, members, suppliers and ABTA's code monitoring. At the end of the investigation process, the referrer will be notified of the outcome, including the customer that originally raised the complaint.

Following investigation with the member that is the subject of the complaint, there are several different ways a Code case can be dealt with as this diagram illustrates:



#### No further action is required because the member comes into compliance with the Code

This year, 32 (72) cases fell into this category, with members, for example, improving their procedures or making changes to their website information.

- Improved Procedures: 2 (18)
- Resolved: following the Legal Department's approach member has resolved matters: 27 (50)

- Recommendation: following discussions with the member the Legal Department has provided recommendations on best practice, which member has accepted and implemented: 3 (4)

## Warnings

If a member is in breach of the Code, a warning can be issued. If the member doesn't want to accept the warning, it can take the case to the Code of Conduct Committee. If the member accepts the warning, and then commits the same offence within two years, it will be required to give an undertaking or appear in front of the Code of Conduct Committee.

This year, 7 (13) warnings were issued and 7 were accepted.

## Fixed Penalty offences

13 clauses of the Code can be dealt with by ABTA issuing a Fixed Penalty Notice where a breach is, on the face of it, self-evident and has been rectified without significant or ongoing detriment to the consumer. Under this process, the member will pay a fine of £400 and no further action will be taken.

This year, 1 (5) Fixed Penalty Notice was issued.

Fixed Penalty Notices issued:

- *5C Correspondence with ABTA*

Members can refer the Fixed Penalty Notice to the Code of Conduct Committee for a hearing if they wish. In addition, if the member fails to pay then the case will be referred to the Committee. This year, no (2) Fixed Penalty Notices were referred.

## Undertakings

If the investigation has revealed a breach of the Code, the member can be asked to give an undertaking about its future conduct and Code compliance, if this is thought to be a better way to deal with the breach than a Fixed Penalty fine or a referral to the Code of Conduct Committee. If the member doesn't want to give the undertaking the matter can be referred to the Committee for a hearing. Additionally, the Code of Conduct Committee can ask for undertakings when deciding on cases.

This year, 0 (4) undertakings were requested.

A further 13 (105) alleged breaches of the Code that were not dealt with by way of a Warning, Fixed Penalty Notice or Undertaking were referred to the Code of Conduct Committee for a hearing.

### b. The Code of Conduct Committee

The Code of Conduct Committee comprises members of ABTA, both tour operators and travel agents, representatives of the Trading Standards Authorities and the Civil Aviation Authority. It hears alleged breaches of the Code and can impose a range of penalties if necessary: reprimands, undertakings, fines, suspension of membership and termination of membership.

Members of the Committee during the year:

Andy Cooper	Chairman	Contemporary Travel Solutions Ltd
Bridget Keevil	Vice-Chair	Travel Stop Ltd
Daniele Broccoli		Britaly Travel Ltd
David Powell		InspireSport
Karen Hart		Lotus International Ltd
Heather Ward		RCL Cruises Ltd
Tom Spriggs		TUI UK Ltd
Civil Aviation Authority		
Various Trading Standards Authorities		

The Committee met on three (two) occasions during the period.

During the three meetings the Committee considered 13 (105) alleged breaches. It concluded that 13 (105) breaches had occurred. 11 were dealt with by way of a fine, with 2 receiving reprimands.

All members paid the fines as requested.

Breaches upheld by the Code of Conduct Committee:

- 2B *Booking Procedures and Information*
- 3A *Cancellation by Principals or Organisers*
- 3B *Clients' Options on Cancellation (x3)*
- 5C *Correspondence with ABTA*
- 5G *Rules of ABTA's Alternative Dispute Resolution (ADR) Schemes (x6)*
- 6I *Public and Products Liability Insurance*

### c. The Appeal Board

Members have a right of appeal against decisions of the Code of Conduct Committee. Appeals are heard by an Appeal Board which is independent of the Committee.

There were no (1) appeals during this period.

## B. ALTERNATIVE DISPUTE RESOLUTION (ADR)

ABTA is approved as an ADR body by the Chartered Trading Standards Institute in respect of its Customer Support function. ABTA also offers an Arbitration Scheme, provided by Hunt ADR.

### 1. ABTA ADR cases

Customers of ABTA members have access to ABTA's authorised ADR scheme to help resolve any complaints. If the customer has been unable to resolve a complaint with the member, the ADR scheme will help bring the parties together. Our Customer Information department opened 8,251 (11,858) cases in relation to customer issues concerning ABTA members over the last year.

The vast majority of these are resolved through the ADR scheme which facilitates discussion and negotiation between the customer and the member.

### 2. Arbitration and conciliation

Those complaints that are not resolved through the ADR scheme can progress to the Arbitration Scheme to resolve the customer's complaint.

- Arbitration

The Arbitration Scheme is suitable for general complaints, which are not solely or predominantly about injury and illness. It is compulsory, meaning that ABTA members must allow any dispute with a client to progress to arbitration. It produces a legally binding result.

This year there were 966 (375) cases that were the subject of an arbitration award. This represents approximately 12 % (3%) of all complaints received during this period. The increase this year brings cases back to the level normally seen before the pandemic. 628 (248) arbitrations have been found in favour of the applicants and 338 (127) in favour of the member, which represents a 65% (66 %) success rate for the consumer. The average amount claimed by applicants was £3,384 (£3,344) and the average award was £861 (£1,040).

- Conciliation

ABTA's voluntary Conciliation Scheme for injury and illness complaints was discontinued this year, as it has not been used by members.