

INFORMATION FORM FOR NOTIFYING OUT-OF-COURT BODIES RESPONSIBLE FOR RESOLVING CONSUMER DISPUTES

PARTICULARS OF THE BODY:

CHARTERED INSTITUTE OF ARBITRATORS

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The Chartered Institute of Arbitrators (CIArb) is a not-for-profit organisation and registered charity - founded in 1915. Based in London, it has 10,000 members in 89 countries, making it the professional home for arbitrators, mediators and adjudicators globally. The CIArb has responsibility for promoting and facilitating the determination of disputes by arbitration and alternative means of dispute resolution (ADR) including mediation and adjudication. The CIArb publishes the rules of the arbitration scheme together with guidance notes, as well as its annual report.

STRUCTURE: Consumer disputes are resolved by an individual arbitrator or mediator appointed by the President or a Vice-President of the Chartered Institute of Arbitrators. The Institute is the only body in the world that can bestow the title “Chartered Arbitrator”, and this title reflects the stature of the individual. Once appointed, the court can only dismiss an arbitrator, although he can resign if the parties involved in the dispute challenge his appointment or he decides he does not have jurisdiction to arbitrate. Consumer representation is present through the presence of the Institute of Consumer Affairs/Consumer Support Network representative. The Institute is also nearing the introduction of Practice Certificates which can be taken away from an arbitrator if he is found to be unfit to arbitrate.

POWERS: The scheme is designed to deal with claims for general compensation arising from alleged breaches of contract and/or negligence. The scheme cannot be used for disputes concerning personal injury, illness, nervous shock, death or the consequences of any of these. There are no prescribed thresholds as regards the value of a dispute, though the registration fees payable by the consumer (see “costs”) increases according to the amount claimed. Complainants need not be UK consumers. All claims for compensation under this Scheme must specify the currency in which a successful monetary award must be made.

PROCEDURE: The CIArb Dispute Resolution Scheme for EEJ-Net referred disputes applies to applications for arbitration made to the Institute in respect of disputes between traders and consumers, where the trader or their Trade Association

does not subscribe to an alternative dispute resolution scheme provided by the CI Arb - details of the list of schemes can be accessed at www.arbitrators.org/DRS/con_schem.htm.

A dispute may only be referred to arbitration under the Scheme where the consumer has referred the matter to the trader's internal complaints procedure and/or Trade Association (if any) and an amicable settlement has subsequently failed to be reached.

The case is conducted by e-mail documents-only procedure; postal applications may be submitted, for example where the consumer does not have internet access or for documents that are not in electronic format. Either party and/or the arbitrator can ask for an oral hearing. The procedure takes approximately 7 weeks to complete, from the date that the application for arbitration is received.

The arbitration begins once the person making the claim ("the consumer") has signed and submitted an application form forming their full schedule and statement ("the claim") to the Institute on the application form via the internet or through the post. Upon receipt of the claim, together with the appropriate registration fee, the Institute will e-mail the application form to the trader, giving the trader 14 days in which to agree to arbitration or decline the invitation. If the trader declines the invitation to arbitrate, or does not respond within 21 days of notification, the Institute will notify the consumer and return their registration fee in full. If the trader agrees to proceed, the supporting documentation will be forwarded to them and 21 days given to the trader to submit their defence to claim and registration fee. Upon receipt of the trader's defence to claim, the Institute will forward a copy of that defence to the consumer who shall be given 21 days to submit final comments on the defence. A copy of the consumer's comments will be forwarded to the trader, who is not permitted to comment further. The President or Vice-President of the Institute will then appoint a single Arbitrator and will inform the parties of the name of the Arbitrator. Subject to the Arbitrator seeking clarification on any evidence submitted, and their caseload, an award is made within 21 days. If the consumer is successful, the trader will send the money awarded direct, within 21 days from the date the award is issued.

COSTS: There is a registration fee payable by the consumer, which increases according to the amount claimed:

Total amount of claim £1-£5,000 – consumer fee £23.50 (inc VAT)
Total amount of claim £5,001-£10,000 – consumer fee £58.75 (inc VAT)
Total amount of claim £10,001-£50,000 – consumer fee £117.50 (inc VAT)

Registration fees are non-returnable, except where the trader declines to proceed to arbitration, or fails to respond within 21 days of notification by the Institute. A consumer may include the cost of registration in the compensation award claimed.

NATURE OF THE DECISION: Arbitration awards under the scheme are legally binding on the parties subject to the consumers right to reject the award if they lose or win less than they claimed. The trader may seek leave to appeal through the courts in the usual way.

ENFORCEMENT: When necessary, the decision is enforceable through the courts.