

Regulation



Alternative Dispute Resolution (ADR) Mechanisms – UK and Ireland

Version 10

With effect from 2 February 2022



Introduction

In accordance with the Rules of Conduct, firms must publish a complaints-handling procedure, which includes an alternate dispute resolution (ADR) provider approved by RICS.

The Rules also place an obligation on members to act in the public interest, take responsibility for their actions and act to prevent harm.

Both members and firms are expected to respond to complaints made against them promptly, openly and professionally, and not dissuade their clients from approaching an ADR provider.

The Standards and Regulation Board has approved a range of ADR mechanisms available for firms to use. These approved mechanisms are detailed in Annex 1 of this document.

The ADR mechanism(s) a firm uses will depend upon the services the firm provides and to whom. ADR mechanisms fall into two main categories:

1. consumer redress mechanisms - for business-to-consumer transactions (customer complaints); and
2. business-to-business ADR mechanisms - for business-to-business transactions (contractual disputes).

A diagram showing the hierarchy of dispute resolution mechanisms, including ADR, is attached at Annex 2 of this document.

The main principles the Standards and Regulation Board has established in approving ADR mechanisms are that:

- where the complaint is made by a consumer (which means a person acting outside the course of any business of their own, or a person to whom a duty of care is owed) then the ADR must be a redress mechanism that is free to the consumer;
- the ADR mechanism must be well established;
- the ADR mechanism must be independent of the firm; and
- the ADR mechanism must use a transparent, accountable and consistent decision making process.

Other factors for firms to consider are the need to:

- inform clients about their CHP including their chosen ADR mechanism. This information should be brought to the client's attention when the terms of engagement are agreed and also when the client makes a complaint; and
- make the appropriate arrangements to ensure that they are part of the ADR mechanism stated in their CHP.
- Familiarise themselves with any scheme rules the ADR mechanism operates.
- Familiarise themselves with the fee structure of the ADR mechanism. Some ADR providers require a registration fee while others operate solely on case fees, meaning that you will need to

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pay regardless of the outcome. Depending on the nature of your business and how many complaints you are likely to receive, some ADR mechanisms

may be more cost effective for your firm than others.

Annex 1

Approved ADR mechanisms

The list below provides a number of examples of ADR mechanisms that the Standards and Regulation Board has approved for use by RICS firms.

Please note that this list is not exclusive or exhaustive.

If your firm wishes to use an ADR mechanism that is not listed you will need to obtain Standards and Regulation Board approval before doing so. You will need to demonstrate that your proposed ADR mechanism meets the principles and the two factors outlined in the introduction. To seek Standards and Regulation Board approval you should send details of your proposed ADR mechanism to RICS Regulation at:

55 Colmore Row, Birmingham, B3 2AA

t 020 7695 1670

e regulation@rics.org

RICS firms will be asked to supply details of their chosen ADR mechanism(s) in their annual return to RICS Regulation.

Consumer redress mechanisms

The Centre for Effective Dispute Resolution (CEDR)

CEDR provides a range of options for disputes of any commercial nature, through its express, select and direct commercial mediation services. RICS firms can opt to use this redress scheme on an ad-hoc basis if disputes arise.

RICS firms do not need to make a formal application to join CEDR. Firms who wish to use CEDR will need to indicate this in their registration form and subsequent annual returns. You should also include their details on your complaints handling procedure, so it is clear to clients which ADR mechanism you have nominated.

It is important that if you choose to appoint CEDR as your ADR provider, you familiarise yourself with their scheme rules and fee structure. If you use their services, you will need to pay a case fee even if the complaint is not upheld.

The contact details for CEDR are:

Centre for Effective Dispute Resolution

100 St. Paul's Churchyard, London EC4M 8BU

t 020 7536 6000

e info@cedr.com

w www.cedr.com

The Property Ombudsman (TPO) is free to consumers and the Standards and Regulation Board has approved it for all surveying service complaints. The TPO is an approved redress scheme for residential estate agents in the United Kingdom under the *Consumers, Estate Agents and Redress Act 2007*, and for residential lettings/managing agents under the *Enterprise and Regulatory Reform Act 2013*. Firms wishing to use the TPO as their redress provider for estate agency complaints must apply to join.

The contact details for TPO are:

The Property Ombudsman

Milford House, 43-55 Milford Street Salisbury, Wiltshire SP1 2BP

t 017 22 333306

f 017 22 332296

e admin@tpos.co.uk

w www.tpos.co.uk

The Property Redress Scheme (PRS) is free to consumers and the Standards and Regulation Board has approved it for the purpose of residential agency complaints. The PRS is an approved redress scheme for residential estate agents in the United Kingdom under the *Consumers, Estate Agents and Redress Act 2007*, and for residential lettings/managing agents under the *Enterprise and Regulatory Reform Act 2013*. Firms wishing to use the PRS as their redress provider for estate agency complaints must apply to join.

The contact details for the PRS are:

The Property Redress Scheme

Elwood House, 42 Lytton Road, Barnet, Herts, EN5 5BY

t 0333 321 9418

e info@theprs.co.uk

w www.theprs.co.uk

Financial Ombudsman Service (FOS) is free to consumers and can consider complaints under the *Financial Services and Markets Act 2000* and the *Consumer Credit Act 2006*.

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So, if your firm provides services such as mortgages, insurance, investments and credit and is authorised by the Financial Conduct Authority then you will most likely be required to belong to the FOS. The FOS can also look at complaints from small businesses that have an annual turnover of less than £1 million. RICS firms can opt to use this redress scheme on an ad-hoc basis if disputes arise.

The contact details for the FOS are:

Financial Ombudsman Service

South Quay Plaza, 183 Marsh Wall London, E14 9SR

t 0800 025 4567 (free from fixed line) or 0300 1239 123

f 020 796 4 1001

e complaint.info@financial-ombudsman.org.uk

w www.financial-ombudsman.org.uk

Local Government Ombudsman (LGO) is free for consumers to use and can look at complaints about councils, in particular, complaints about the surveying services provided by councils.

The contact details for the LGO are:

Local Government Ombudsman

PO Box 4771, Coventry, CV4 0EH

t 0300 061 0614

f 024 7682 0001

w www.lgo.org.uk

The Adjudicator's Office (AO) is free to consumers and business clients, and can consider complaints about UK government departments, agencies and other UK public organisations.

UK government departments, agencies and other UK public organisations, for whom the use of the AO is mandatory, will need to indicate this in their registration form and subsequent annual returns.

The contact details for the AO are:

The Adjudicator's Office

PO Box 10280, Nottingham, NG2

9PF

t 0300 057 1111

w <https://www.gov.uk/guidance/contact-the-adjudicators-office-online>

Business-to-business ADR mechanisms

CEDR provides a range of options for disputes of any commercial nature, through its express, select and direct commercial mediation services. RICS firms can opt to use this redress scheme on an ad-hoc basis if disputes arise.

RICS firms do not need to make a formal application to join CEDR. Firms who wish to use CEDR will need to indicate this in their registration form and subsequent annual returns. You should also include their details on your complaints handling procedure, so it is clear to clients which ADR mechanism you have nominated.

It is important that if you choose to appoint CEDR as your ADR provider, you familiarise yourself with their scheme rules and fee structure. If you use their services, you will need to pay a case fee even if the complaint is not upheld.

The contact details for CEDR are:

CEDR

The International Dispute Resolution Centre, 70 Fleet Street, London, EC4Y 1EU

t 020 7536 6000

f 020 7536 6001

e info@cedr.com

w www.cedr.com

Adjudication is an independent and straightforward process where a dispute is resolved by the decision of a neutral third party, the adjudicator. The decision is binding on the parties if the customer chooses to accept it. The Independent Adjudication Service for the Royal Institution of Chartered Surveyors provides a simple and effective ADR process for resolving both consumer-to-business and business-to-business disputes. RICS firms will not need to apply to be part of the Service and can therefore opt to use this scheme if disputes arise. You will be able to use the service provided that you pay the required registration fee when you refer a complaint to the scheme.

The contact details for the Independent Adjudication Service are:

The Independent Adjudication Service for the Royal Institution of Chartered Surveyors

CEDR, 70 Fleet Street, London, EC4Y 1 EU

RICS Dispute Resolution Service (DRS) provides services to resolve disputes in land, property and construction. DRS services are only for business-to-business disputes. RICS firms can opt to use this scheme on an ad-hoc basis if disputes arise.

The contact details for the DRS are:

RICS Dispute Resolution Service

55 Colmore Row, Birmingham, B3

2AA **t** 020 7334 3806

f 020 7334 3802

e drs@rics.org

w www.rics.org/drs

t 020 7536 6000

f 020 7536 6001

e info@cedr.com

w www.cedr.com

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The Neutral Evaluation Procedure for Surveying Disputes is a business-to-business ADR mechanism. Neutral Evaluation is a private and non-binding technique whereby a third party, usually a judge or someone legally qualified, gives an opinion on the likely outcome at trial as a basis for settlement discussions. RICS firms can opt to use this redress scheme on an ad-hoc basis if disputes arise.

The contact details for the Neutral Evaluation Procedure for Surveying Disputes are:

The Neutral Evaluation Procedure for Surveying Disputes

IDRS Limited, 70 Fleet Street, London, EC4Y 1EU

t 020 7520 3800
f 0845 1308 117
e info@idrs.ltd.uk
w www.idrs.ltd.uk

Adjudicators drawn from RIBA, and arbitrators drawn from RIBA or the CIARB, can provide a business-to-business ADR mechanism. Contact details for further information on how to access such approved adjudicators or arbitrators are shown below:

Royal Institute of British Architects (RIBA)

66 Portland Place, London, W1B 1AD

t 020 7307 3649
w www.architecture.com

The Chartered Institute of Arbitrators (CIARB)

12 Bloomsbury Square, London, WC1A 2LP

t 020 7421 7444
e wkhan@ciarb.org
w www.arbitration.org/das

Construction Industry Council (CIC)

Section 108 of the Housing Grants, Construction and Regeneration Act 1996 provides parties to a contract with a legal statutory right to resolution by adjudication. If the contract does not contain an adjudication procedure then the parties may apply to CIC to nominate an adjudicator from the CIC Register of Adjudicators.

Contact details for the CIC Register of Adjudicators are:

CIC

The Building Centre, 26 Store Street, London, WC1E 7BT

t 020 7399 7403
f 020 7399 7425
e enquiries@cic.org.uk
w www.cic.org.uk

The Institute of Chartered Accountants for England and Wales (ICAEW)

offers a mediation service to help resolve any type of commercial dispute without having to go to court.

The contact details for the ICAEW are:

ICAEW

Metropolitan House, 321 Avebury Boulevard, Milton Keynes, MK9 2FZ

t 01908 546232
e mediation@icaew.com
w www.icaew.com/mediation

SCSI Dispute Resolution Service (SCSI DRS) provides services to resolve disputes in land, property and construction. SCSI DRS services are only for

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business-to-business disputes. RICS firms can opt to use this scheme on an ad-hoc basis if disputes arise.

The contact details for the SCSi DRS are:

SCSi Dispute Resolution Service

Society of Chartered Surveyors Ireland, 38 Merrion Square, Dublin 2.

t (01) 6445500

e gwilson@scsi.ie

w www.scsi.ie/dispute_resolution

Ombudsman Services Business to Business provides commercial mediation services for disputes of any commercial nature across the UK & Ireland. It operates a panel of Preferred Mediators and a small business mediation service offering cost-capped mediation for disputes under £500,000. RICS firms can opt to use mediation on an ad-hoc basis if disputes arise.

The contact details for Ombudsman Services in the UK are:

Ombudsman Services Business to Business

Wilderspool Park, Warrington WA4 6HL

The contact details for Ombudsman Services in Ireland are:

Ombudsman Services Business to Business

Ormond Buildings, 31-36 Ormond Quay Upper, Dublin 7

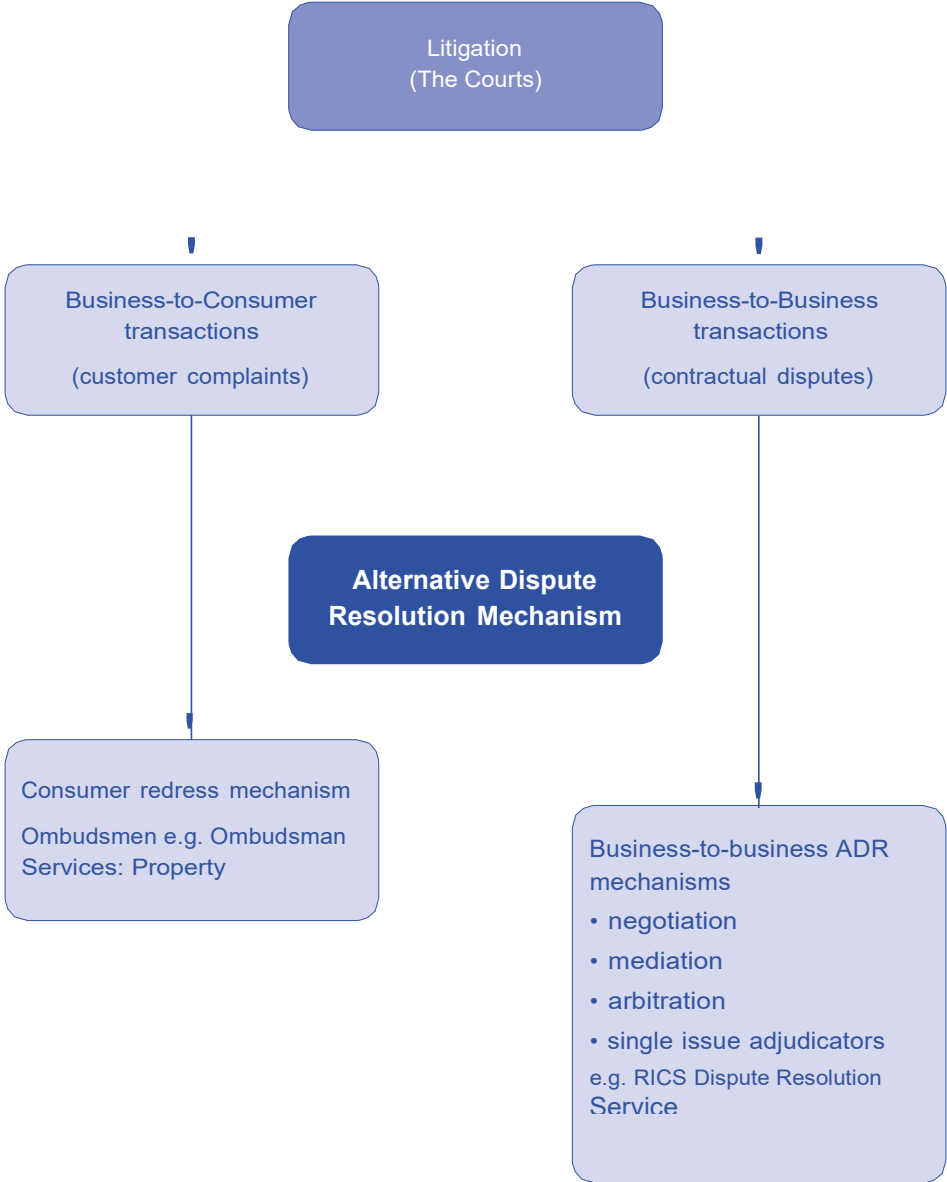
t 00 353 1 8717585

e b2b@ombudsman-services.org

w www.ombudsman-services-b2b.org

Annex 2

Hierarchy of Dispute Resolution Mechanisms





Confidence through professional standards

RICS promotes and enforces the highest professional qualifications and standards in the valuation, development and management of land, real estate, construction and infrastructure. Our name promises the consistent delivery of standards - bringing confidence to markets and effecting positive change in the built and natural environments.

Americas

Latin America

ricsamericalatina@rics.org

North America

ricsamericas@rics.org

Asia Pacific

ASEAN

ricsasean@rics.org

Greater China [Hong Kong]

ricshk@rics.org

Greater China (Shanghai)

ricschina@rics.org

Japan

ricsjapan@rics.org

Oceania

oceania@rics.org

South Asia

ricsindia@rics.org

EMEA

Africa

ricsafrica@rics.org

Europe

ricseurope@rics.org

Ireland

ricsireland@rics.org

Middle East

ricsmiddleeast@rics.org

United Kingdom RICS HQ

contactrics@rics.org