HICS Alternative Dispute Resolution ("ADR") Scheme Rules

Version number 1

HICS
Consumer
Protection

Home Improvement Consumer Protection Scheme Ltd (HICS) is a private company limited by guarantee.

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HICS Alternative Dispute Resolution ("ADR") Scheme Rules

HICS is accredited by CTSI under delegated powers from the Secretary of State for Business and Trade, under the Digital Markets, Competition and Consumers Act 2024

This document sets out the rules of the HICS Alternative Dispute Resolution ("ADR") scheme for consumers. These rules govern how disputes are managed and resolved through HICS.

HICS is a Chartered Trading Standards Institute ("CTSI") approved ADR provider. The scheme operates in accordance with relevant ADR regulations and applicable legislation, including the requirements under the Digital Markets, Competition and Consumers (DMCC) Act 2024.

HICS provides ADR for complaints brought by a consumer against an installer, who is a member of the HICS scheme.

To find out if an installer is accredited by HICS, please call the Customer Advice Line on 0333 323 2655

These scheme rules are intended to:

- Provide a clear and transparent framework for resolving disputes.
- Ensure both parties are treated fairly throughout the ADR process.
- Outline the rights and responsibilities of all parties involved.

These rules apply to all disputes accepted into the HICS ADR Scheme and should be read in full before submitting a complaint.

ADR is an alternative to court proceedings and provides an independent, impartial process to help resolve disputes between consumers and HICS members. HICS members are bound by the decision reached but the consumer can choose to accept or reject the outcome.

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What is ADR?

ADR is a process in which an independent and impartial third party assists in resolving disputes between a consumer and a member without the need for court proceedings.

Under the HICS ADR scheme, disputes are typically resolved through:

- **Mediation** - discussing solutions to reach agreement.
- **Conciliation** - offering suggestions to resolve disputes quickly.

ADR is intended to provide a quicker, less formal, and more accessible alternative to litigation.

Scope of the Scheme

The HICS ADR Scheme considers disputes between consumers and HICS-Registered members in relation to the installation of home improvement measures.

This includes complaints concerning the quality of workmanship, failure to meet contractual obligations, delays in installation, misinterpretation or mis selling, and issues relating to aftercare or warranties.

Depending on the circumstances of the case, the ADR process may result in different outcomes.

Example outcomes available through the HICS ADR Scheme:

- Remediation of issues
- Partial or full refund (or reduction in consumers final bill)
- Product replacement

Eligibility Requirements

For a dispute to be accepted into the ADR scheme, the consumer must have first raised the complaint with the installation company and allowed a reasonable opportunity for the matter to be resolved. A minimum of 14 days should be provided for the business to respond.

The complaint must fall within the scope of the scheme. If the contract has been signed during period of membership then the ADR will be accepted as long as the consumer can evidence they have exhausted the member's complaint process.

There are times when HICS is unable to accept a complaint request. Some of the reasons include:

- The member has not had a chance to resolve the issue.
- The complaint is frivolous or vexatious.
- The matter is (or has been) handled by another ADR scheme or court.
- Contract value exceeds £150,000
- Complaint submitted outside of the required period – if the contract was signed outside of the period of membership
- Handling the complaint would affect our ability to operate effectively.

HICS reserves the right to refuse to accept a complaint where these criteria are not met.

Pre-ADR Requirements

Before ADR can begin, the consumer is required to set out their complaint clearly in writing to the installation business, including the nature of the issue, the outcome they are seeking, and any supporting evidence.

ADR will only commence once HICS is satisfied that the consumer has taken reasonable steps to resolve the dispute directly with the business.

HICS has a major incident procedure which means if there is a confirmed immediate threat to life and the installation company is not responding, HICS can accept the complaint.

How Decisions Are Made

In seeking to resolve disputes, HICS will assess all information provided by both parties alongside any relevant supporting evidence.

Decisions are made impartially and with reference to:

- applicable legislation
- relevant industry standards
- what is good practice within the sector.

Independent expert evidence may also be considered where appropriate.

Withdrawal from the Process

The consumer has the right to withdraw from the ADR process at any time. To withdraw, this must be notified to HICS in writing. Withdrawal will result in the closure of the ADR case.

Withdrawal from ADR does not affect a consumer's right to pursue the matter through the courts.

Costs

The HICS ADR service is free of charge to consumers. Members pay for this service as part of the Job Registration Fee which varies depending on the contract value.

HICS does not award legal costs or require one party to pay the other party's costs as part of the ADR outcome.

Why Use HICS ADR?

If the consumer is unable to resolve a dispute directly with a member, ADR can offer an impartial way to reach a fair resolution. Our services are designed to be:

- A faster resolution than going to court.
- A simple, less formal process
- Completely free for consumers

ADR Methods

Mediation and Conciliation

A voluntary process aimed at resolving the dispute quickly and fairly. A HICS Dispute Resolution Officer will speak with both parties to try and reach an agreement without escalating the issue to the Dispute Resolution Ombudsman.

Independent Inspections

If necessary, a Dispute Resolution Officer may commission an independent inspection of the installation. The resulting report is shared with both parties and used to support the mediation process.

Who are the HICS ADR Team?

The HICS Dispute Resolution Officers are experienced, approachable professionals with a strong track record of resolving disputes. They offer fair, unbiased support and work closely with both consumers and HICS members to improve outcomes.

ADR Procedure

Overview of the Process

Participation in ADR is voluntary. Where a complaint is accepted, the HICS Dispute Resolution Officer will manage the process impartially.

Complaints can be submitted in any language supported by Google Translate. ADR will be conducted through written or oral communication in English.

Both parties will be given the opportunity to present their case.

The average length for complaints to be resolved is 2.74 days for Stage 1, and 14.50 days for Stage 2. These figures represent averages only. Some complaints may take longer to resolve where additional evidence is required, third party information is being obtained, technical assessments are needed, or the circumstances of the complaints are particularly complex.

Please see ADR Structure and Timelines.

Acceptance and Case Handling

Upon receipt of a complaint, HICS will review the information provided and determine whether the dispute falls within the scope of the scheme.

A Dispute Resolution Officer may contact both parties to gather any additional information required and to progress the complaint.

Exchange of Information and Evidence

A Dispute Resolution Officer will engage with both parties to obtain information relevant to the complaint. HICS will ensure that both parties are given the opportunity to present their case and respond to the other party's submissions.

All relevant information, evidence, and arguments submitted by one party will be shared with the other party. Each party will be provided with an opportunity to review and comment on the information provided within five working days. In the case of extenuating circumstances, more time may be allowed.

This process may be repeated where necessary to ensure that both parties have had reasonable opportunity to consider and respond to all material submitted in relation to the dispute.

Case File

Once HICS has received all information required to progress the complaint, the case file will be created. The complexity and volume of the case file is entirely dependent on the individual case and submission of evidence. Once the ADR Officer has the information and evidence the case file will be considered complete and parties advised.

At this stage, the ADR process will proceed based on the information and evidence provided. Should more evidence be provided whilst the ADR process is underway, this can be added to the case file.

Communication During the Process

HICS will communicate with both parties throughout the ADR process and provide updates as the case progresses. Where there has been no significant progress or new information received, further updates may not be issued until there is meaningful development in the case.

This will include contacting parties to request further information where required and providing updates on the progress of the complaint, including next steps in the process.

All communication will be conducted in a clear and timely manner.

ADR Stages and Timelines for Consumers

Step 1 – Raise the complaint with the member.

Before HICS can help, the consumer must first give the member a reasonable chance to resolve the complaint. If the issue remains unresolved after receiving the final response from the member (known as “deadlock”), HICS may be able to help.

Raise the complaint to the member in writing and allow at least 14 days for a response. Clearly explain the issue and state how you would like it to be resolved.

Step 2 - Raise the complaint with HICS.

- Complete the online contact form
- Email info@hicsscheme.org.uk
- Phone 0333 323 2655
- Or write to: Solutions House, Chorley Business & Technology Centre, Euxton Lane, Chorley, PR7 6TE

Step 3 – ADR Process Operates

ADR Structure and Timelines

- Stage 1: 7 working days, if unresolved the complaint automatically falls into Stage 2
- Stage 2: up to 90 days including Stage 1 (extensions may be applicable to complex cases)
- Stage 3: Dispute Resolution Ombudsman escalation

Consideration of Evidence

When reviewing a complaint, HICS considers:

- Both sides of the dispute
- Regulatory rules, guidance, and standards
- Relevant law and regulations.
- Accepted good industry practice.

Case Closure Guidance

A case is only closed where:

- A resolution has been agreed by both parties; or
- The appropriate resolution has been clearly offered, and no further action can reasonably be taken; or
- The complaint falls outside of ADR remit; or
- There is no engagement from one or both parties after repeated and evidenced attempts to make contact.

Step 4 - Outcome

A final decision is issued following a full review of all available evidence.

Following the issue of a decision, the consumer will be given a reasonable time to consider the outcome and decide whether to accept it. It is the consumer's choice whether they follow the proposed solution. If the consumer chooses not to accept the outcome, their legal rights remain unaffected, and the consumer may pursue the matter through the courts.

The ADR outcome may differ from a court outcome.

In some cases, the HICS Dispute Resolution Officer may be unable to resolve the dispute. If this happens, the consumer may have the option to escalate their case to the Dispute Resolution Ombudsman.

The legal effect of the outcome of the procedure is binding on the member when determined by the Dispute Resolution Ombudsman, not on the consumer.

This independent service is free of charge and provides a further review to help resolve the matter without the need for court proceedings.

Consumers can request all the documents held by HICS in relation to the complaint.

What happens if ADR does not work?

If the ADR process does not resolve the issue, the consumer may have free access to the Dispute Resolution Ombudsman or can seek redress though legal action.

There may be occasions where escalations to the Dispute Resolution Ombudsman are refused. Grounds for refusal can include:

- If 12 months have passed since referral to the Dispute Resolution Ombudsman
- The consumer has not utilised the HICS ADR Scheme first
- The consumer claiming through Section 75
- If the claim is over £10,000 (plus contract value)

Dispute Resolution Ombudsman ("Ombudsman")

Information on the Dispute Resolution Ombudsman can be found **here.**

The Dispute Resolution Ombudsman is approved by CTSI under the Alternative Dispute Resolution for Consumer Disputes (Competent Authorities and Information) Regulations 2015.

The Ombudsman will accept the complaint if the following steps have been taken:

- The consumer has complained to the member and has been provided with their final response
- It has been 12 weeks since the first complaint and the consumer is not satisfied with the response they have received to date
- The consumer has been through the HICS ADR mediation process

The Ombudsman can help if:

- The complaint is with a member that is registered with HICS
- The claim is for less than £10,000 (this does not include the purchase price of the goods/services)
- The complaint is not being, or has not been dealt with, by a court or another tribunal

The Ombudsman cannot help if:

- The complaint is against a member who has entered administration, liquidation or who has ceased trading
- The complaint is not made as a private individual
- The complaint is being, or has been, dealt with by a court or another tribunal/Ombudsman scheme
- The consumer has accepted a resolution via HICS' ADR service in full and final settlement of the dispute or entered a binding ADR process, such as arbitration
- The complaint is referred to the Ombudsman more than 12 months after the consumer received the member's final response letter.
- The complaint is related to a finance or credit agreement
- The complaint is considered to be frivolous or vexatious
- Where dealing with the complaint would seriously impair the Ombudsman's effective operation

The Ombudsman Process

Step 1: Case Received – Once received a reference number will be provided

Step 2: Review – Assessment of the case to establish if it is something the Ombudsman can look into. If the complaint can be taken further, the Ombudsman will continue to investigate to try and resolve the complaint

Step 3: Response – if the complaint is taken further, the Ombudsman will contact the business to request a formal response to the complaint. This should be provided within two weeks. The case will be assigned to an individual Ombudsman for further investigation. The Ombudsman assigned will contact both parties to introduce themselves and to inform both parties of the next steps.

Step 4: Investigation – The Ombudsman will assess the complaint and the member's response, weighing up the evidence provided taking into consideration the rights and obligations set out in law and what is fair, reasonable and practical. If needed, the Ombudsman may need to request further information or evidence.

Step 5: Conciliation – The first stage of resolving the complaint is conciliation which means the Ombudsman will try and encourage the parties to reach an agreement. If agreement is reached, the case will be closed.

Step 6: Adjudication – If an agreement is not reached, the Ombudsman will move to the second stage which is adjudication. This is where the Ombudsman will make an independent decision on the case outcome, based on evidence and the information provided.

Step 7: Closure – Once the final decision is made, the case the closed. The final decision is binding on the member if the consumer accepts it within a reasonable time.

How long will it take?

The time for the Ombudsman to look at each case will depend on the complexity. Based on experience it can take up to three months.

Where agreement cannot be reached, or in the opinion of the Ombudsman there is insufficient evidence to allow for an initial decision during the conciliation process, the Ombudsman may then formally adjudicate.

The member is bound by the Ombudsman outcome, but the consumer is not and the consumer does not have to accept it if they don't want to.

If the consumer agrees with the decision and accepts it, this will be in full and final settlement of the dispute raised to the Ombudsman.

The consumer may withdraw from the Ombudsman process at any point and may pursue the matter elsewhere.

What the consumer can expect from the Ombudsman:

- The complaint will be assessed on an impartial basis and the service is free for consumers
- It will be investigated by a member of the team who collectively hold legal and professional qualifications in ADR
- Any decision made by the Ombudsman, if accepted by the consumer, will be binding upon the business

Possible outcomes under the Ombudsman

As an Ombudsman there is more flexibility than the courts to identify creative remedies to resolve a situation. Remedies (outcomes) can include:

- Full or partial refunds
- Replacement products
- Remediation works
- Financial compensation
- An explanation
- An apology
- Gesture of goodwill

How to raise a complaint with the Ombudsman

A complaint can be raised with Ombudsman through their online portal.

The Ombudsman's Consumer Services Team can also be contacted on 0333 241 3209 to discuss alternative methods of raising the dispute.

Consumer Rights & Support

- No legal advice needed to use HICS ADR
- The consumer may be represented by a third party.
- The consumer will receive a written explanation of the outcome and the grounds for the decision.
- HICS ensures fair, reasonable, and accessible procedures for all consumers.

Participation in ADR does not prevent the consumer from seeking redress through legal action.

Annual Reporting & Transparency

HICS publishes Annual ADR Activity Reports including:

- Types of disputes handled.
- ADR methods used: mediation, conciliation
- Case volumes and average timescales

Annual ADR Activity reports are publicly available on the HICS website.