

ADR Requirements – for ADR approvals and biennial audits and reporting.

For the purposes of

Digital Markets, Competition and Consumers (DMCC) Act 2024 – Chapter 4

With reference to the following Statutory Instruments:

- [The Digital Markets, Competition and Consumers Act 2024 \(Alternative Dispute Resolution\) \(Information\) Regulations 2026](#)
- [The Digital Markets, Competition and Consumers Act 2024 \(Alternative Dispute Resolution\) \(Conferral of Functions\) Regulations 2026](#)
- [The Digital Markets, Competition and Consumers Act 2024 \(Commencement No. 3 and Transitional Provisions\) Regulations 2026](#)

Notes:

- This Accreditation Criteria applies to organisations providing ADR in relation to a **consumer contract dispute**. (Chapter 4, S.291 (2)).
- Definition of “**Special ADR Arrangements**” – (Schedule 26, Criterion 9):

If an ADR provider works with another organisation or individual to carry out any part of its ADR process, the Accreditation Criteria also apply to that organisation or individual.

“Special ADR arrangements” include any arrangement where an ADR provider asks another person (whether or not they are already accredited or exempt) to carry out ADR on its behalf for one or more consumer contract disputes.

Note that arrangements made by a person acting for one of the parties, is not considered to be “special ADR arrangements”.

In practice, this means:

- If you delegate or escalate any part of your ADR process to another organisation, that organisation must meet the relevant Accreditation Criteria.
- For example, if your model includes an escalation stage handled by another provider, that provider must also satisfy the Accreditation Criteria.
- Definition of “**Variation of accreditation**” – (Chapter 4, S.296 (4)):

If an ADR provider is already accredited, they can ask the Secretary of State (CTSI as Competent (Relevant) Authority) to change the terms of that accreditation.

If an ADR body is accredited to cover certain dispute types or uses certain methods, they can request to expand or narrow the scope.

This allows for flexibility, should an organisation wish to expand or limit their scope, this can be accommodated using variation of accreditation, rather than applying from the beginning. This is subject to the variation of accreditation fee.

## Accreditation Criteria – Schedule 26

### Criterion 1: Information for consumers.

1	Legislation ref	Schedule 26, Criterion 1 (1)
	Requirement	<i>The ADR provider provides consumers generally with accessible information about the ADR that it carries out or for which it makes special ADR arrangements.</i>
	Guidance	<p>The ADR provider should include all information on the ADR process in one place; this should be easily accessible for consumers and prominent on the ADR providers website.</p> <p>The ADR provider should create a 'scheme rules' document to keep all the information in one place. This can be added to the website, printed and posted to consumers or sent via email.</p> <p>The website should be maintained and up to date.</p> <p>If special ADR arrangements are in place with another provider, information about the other provider should be clearly outlined in the scheme rules / or covered in a separate scheme rules document.</p> <p>Items that must be covered in scheme rules:</p> <ul style="list-style-type: none"> <li>- The language in which the process will be conducted.</li> <li>- What you take into consideration when seeking to resolve disputes.</li> <li>- The scope of your service (including any requirements that a party needs to have met before the ADR procedure can begin)</li> <li>- Any steps consumers must take before they can refer a complaint to your ADR.</li> <li>- Explain whether or not a party can withdraw from the procedure once it has started.</li> <li>- The legal effect of the outcome (e.g. binding on the trader if accepted by the consumer, binding on both parties or a settlement of the dispute between parties.)</li> </ul>

		<ul style="list-style-type: none"> <li>- If you are imposing decisions on consumers, you must have safeguards in place to ensure you do not restrict or undermine consumers' statutory rights.</li> <li>- If you are imposing decisions on consumers, parties must be informed and accept this prior to the outcome being issued.</li> <li>- Any rules you have on awarding costs at the end of the process.</li> <li>- Consumers must be informed that they have the choice to agree / follow the proposed solution.</li> <li>- Participation in ADR does not prevent the consumer from seeking redress through legal action.</li> <li>- The outcome of the ADR process may differ from an outcome determined by a court applying legal rules.</li> <li>- The average length of the ADR procedure.</li> <li>- That parties will be notified when you have received the complete case file (when the ADR body has all the information it needs to begin the ADR process).</li>   <li>- POST-Approval: A statement that you have been approved by the Competent Authority, as well as the approval logo.</li> </ul>
	Link to evidence	<p><i>[Please insert a link to the scheme rules and postal process]</i></p> <p><i>[Logo and statement will be provided once you are approved]</i></p>
	Auditor comments	

2	Legislation ref	Schedule 26, Criterion 1 (2) (a)
	Requirement	<p><i>The information provided should include (among other things) information about:</i></p> <p><i>The kinds of ADR it carries out or for which it makes special ADR arrangements (including the possible outcomes of each kind)</i></p>
	Guidance	<p>The ADR provider should outline the type[s] of ADR it provides, the kind of disputes it handles (examples) and outline the possible outcome[s]. i.e. via a flow chart.</p> <p>If there is more than one type of ADR being used (e.g. conciliation, mediation or adjudication) this should be made clear to consumers. The kind of disputes and possible outcomes for each should be stipulated.</p> <p>If special ADR arrangements are in place with another provider, information should be provided on the kind of disputes handled, the type of ADR used and the possible outcomes.</p>
	Link to evidence	<i>[Please insert a link to the scheme rules and indicate where this requirement is met]</i>

	Auditor comments	

3	Legislation ref	Schedule 26, Criterion 1 (2) (b)
	Requirement	<i>The information provided should include (among other things) information about:</i>  <i>The types of dispute it deals with (whether by carrying out ADR or making special ADR arrangements)</i>
	Guidance	The ADR provider should clearly outline the scope of its service.  It should include a list of the types of complaints it is competent to handle.  If special ADR arrangements are in place with another provider, this should be made clear in the scope of its service.
	Link to evidence	<i>[Please insert a link to the scheme rules and indicate where this requirement is met]</i>
	Auditor comments	

4	Legislation ref	Schedule 26, Criterion 1 (2) (c)
	Requirement	<i>The information provided should include (among other things) information about:</i>  <i>The procedures adopted in relation to ADR carried out by it or for which it makes special ADR arrangements</i>
	Guidance	The ADR provider needs to clearly outline the process for consumers and traders.  If special ADR arrangements are in place, the process for this should be clearly outlined.
	Link to evidence	<i>[Please insert a link to the scheme rules and indicate where this requirement is met]</i>
	Auditor comments	

5	Legislation ref	Schedule 26, Criterion 1 (2) (d)
	Requirement	<i>The information provided should include (among other things) information about:</i>  <i>Any fees or costs payable by either party to a dispute that is referred for ADR.</i>  See also: Paragraphs 3 & 4 - <a href="#">The Digital Markets, Competition and Consumers Act 2024 (Commencement No. 3 and Transitional Provisions) Regulations 2026</a>

	Guidance	<p>ADR should be free to consumers and this should be clear in the scheme rules.</p> <p>See Section 294 of the Act which outlines that ADR providers must not charge the consumer a fee in respect of ADR being carried out. The only exemption to this is if the provision for the charging of fees to consumers has been approved by CTSI. If so, the fee should be clearly outlined.</p> <p>Should an independent report be deemed essential for the ADR process, ADR bodies need to identify who commissions and pays for this. It is best practice that either the ADR body or the trader bears the cost, as consumers should not be deterred from taking a complaint to ADR. Any costs to consumers in relation to this should be nominal and rationale will need to be clearly explained to the Competent Authority.</p> <p>Details of any fees payable by traders should also be outlined.</p>
	Link to evidence	<i>[Please insert a link to the scheme rules and indicate where this requirement is met]</i>
	Auditor comments	

*Criterion 2: readiness to carry out ADR*

6	Legislation ref	Schedule 26, Criterion 2
	Requirement	<i>The ADR provider does not unreasonably refuse to carry out ADR or, as the case may be, to make special ADR arrangements, in relation to disputes referred to it.</i>
	Guidance	<p>ADR providers are responsible for defining the scope of the services they offer, this should be clearly outlined as explained above in Point 3 (Schedule 26, Criterion 1 (2) (b)).</p> <p>The ADR body must list in their scheme rules any reasons for which they will refuse to handle a dispute.</p> <p>For example:</p> <ul style="list-style-type: none"> <li>- Prior to submitting the dispute the consumer has not attempted to contact the trader about the dispute.</li> <li>- The dispute is frivolous or vexatious.</li> <li>- The dispute is being, or has been previously, considered by another approved ADR provider or by a court.</li> <li>- The value of the claim falls below or above the monetary thresholds you have set.</li> <li>- The consumer has not submitted a complaint to you within the time period specified by you for dealing with complaints, provided this is no less than 12 months from the dispute occurring.</li> <li>- Dealing with such a type of dispute would seriously impair the effective operation of your ADR operation.</li> </ul>

		<p><b>You do not need to include all of the above mentioned reasons, only those applicable to your business.</b></p> <p><b>Any additional items not listed above may require justification to the Competent (Relevant) Authority to demonstrate that they are reasonable.</b></p> <p>This also applies to any special ADR arrangements.</p>
	Link to evidence	<i>[Please insert a link to the scheme rules and indicate where this requirement is met]</i>
	Auditor comments	

7	Legislation ref	Schedule 26, Criterion 2
	Requirement	<p><i>The ADR provider does not unreasonably refuse to carry out ADR or, as the case may be, to make special ADR arrangements, in relation to disputes referred to it.</i></p> <p>If the ADR body is unable to handle the dispute, either due to their grounds for refusal or because the dispute falls out of scope, both parties must be notified as soon as possible.</p>
	Guidance	ADR bodies should inform the parties if they are unable to handle the dispute and outline the reasons why. They should also signpost to other appropriate organisations who can help the consumer, if possible. This should be outlined in the scheme rules.
	Link to evidence	<p><i>[Please insert a link to the scheme rules and indicate where this requirement is met]</i></p> <p><i>[Please supply a copy of a template email that would be sent in this instance]</i></p> <p><i>[A sample of cases will be viewed at the audit to check compliance with this criterion]</i></p>
	Auditor comments	

### Criterion 3: expertise

8	Legislation ref	Schedule 26, Criterion 3 (a)
	Requirement	<i>The ADR provider has appropriate knowledge and skills for carrying out the ADR that it carries out, in relation to the disputes it deals with, <b>or</b> (see point 9).</i>
	Guidance	<p>You must ensure that your ADR officials have the appropriate knowledge and skills for carrying out ADR. You need to be able to provide evidence of this.</p> <p>Types of evidence to provide:</p> <ul style="list-style-type: none"> <li>- Contracts for ADR officials / sub-contractors</li> </ul>

		<ul style="list-style-type: none"> <li>- Job Descriptions for ADR officials</li> <li>- Training logs for ADR officials</li> <li>- Detail the process for how disputes will be checked for accuracy (quality monitoring)</li> <li>- Copies of ADR official's CVs</li> <li>- Detail the appraisal process works</li> <li>- Do you carry out 121's? How often?</li> <li>- Explain how training needs are identified for ADR officials</li> <li>- Any professional qualifications (e.g. solicitor, barrister)</li> </ul>
	Link to evidence	<i>[Please supply a sample of the above mentioned evidence]</i>
	Auditor comments	

9	Legislation ref	Schedule 26, Criterion 3 (b)
	Requirement	<i>The ADR provider has appropriate knowledge and skills or making the special ADR arrangements that it makes.</i>
	Guidance	<p><b>This is not applicable unless you make special ADR arrangements.</b></p> <p>If you have special ADR arrangements in place, you must be able to demonstrate how the ADR officials have the appropriate knowledge and skills for carrying out ADR. You need to be able to provide evidence of this.</p> <p>Types of evidence to provide:</p> <ul style="list-style-type: none"> <li>- Contracts for ADR officials / sub-contractors</li> <li>- Job Descriptions for ADR officials</li> <li>- Training logs for ADR officials</li> <li>- Detail the process for how disputes will be checked for accuracy (quality monitoring)</li> <li>- Copies of ADR official's CVs</li> <li>- Detail the appraisal process works</li> <li>- Do you carry out 121's? How often?</li> <li>- Explain how training needs are identified for ADR officials</li> <li>- Any professional qualifications (e.g. solicitor, barrister)</li> </ul>
	Link to evidence	<i>[Please supply a sample of the above mentioned evidence]</i>
	Auditor comments	

*Criterion 4: facilities for consumers and traders to participate*

10	Legislation ref	Schedule 26, Criterion 4 (1)
	Requirement	<i>The ADR provider provides accessible means for consumers to refer disputes to it.</i>
	Guidance	ADR providers are expected to ensure that consumers can refer disputes without unreasonable barriers.

		<p>Types of evidence you could provide:</p> <ul style="list-style-type: none"> <li>- Accessibility policy.</li> <li>- Documentation showing postal process.</li> <li>- Evidence of multiple channels for consumers to submit their disputes.</li> </ul> <p>Must be in in scheme rules:</p> <ul style="list-style-type: none"> <li>- Postal address and process for complaints.</li> <li>- Contact email address (if appropriate).</li> <li>- Telephone number (if appropriate).</li> <li>- Link to online form for consumers to submit a complaint.</li> </ul> <p>If you do not include your phone number / email address, you must ensure that consumers with vulnerabilities or accessibility requirements are catered for.</p> <p>It is recommended that you create a reasonable adjustments policy to support you in this.</p>
	Link to evidence	<p><i>[Please insert a link to the scheme rules and indicate where this requirement is met]</i></p> <p><i>[Please supply a sample of the above mentioned evidence]</i></p>
	Auditor comments	

11	Legislation ref	Schedule 26, Criterion 4 (2)
	Requirement	<i>The ADR provider or, as the case may be, any other ADR provider with whom it makes special ADR arrangements, ensures there are accessible means for the parties to participate in the ADR carried out in relation to their dispute.</i>
	Guidance	<p>If the ADR body makes special ADR arrangements, they must ensure that the process provided by the other ADR provider is accessible.</p> <p>Types of evidence you could provide:</p> <ul style="list-style-type: none"> <li>- Accessibility policy.</li> <li>- Documentation showing postal process.</li> <li>- Evidence of multiple channels for consumers to submit their disputes.</li> </ul> <p>Must be in in scheme rules:</p> <ul style="list-style-type: none"> <li>- Postal address and process for complaints.</li> <li>- Contact email address (if appropriate).</li> <li>- Telephone number (if appropriate).</li> <li>- Link to online form for consumers to submit a complaint.</li> </ul>

		<p>If you do not include your phone number / email address, you must ensure that consumers with vulnerabilities or accessibility requirements are catered for.</p> <p>It is recommended that you create a reasonable adjustments policy to support you in this.</p>
	Link to evidence	<p><i>[Please insert a link to the scheme rules and indicate where this requirement is met]</i></p> <p><i>[Please supply a sample of the above mentioned evidence]</i></p>
	Auditor comments	

*Criterion 5: fair ADR procedures*

12	Legislation ref	Schedule 26, Criterion 5 (1)
	Requirement	<i>The ADR provider or, as the case may be, any other ADR provider with whom it makes special ADR arrangements, adopts and follows fair procedures in carrying out ADR.</i>
	Guidance	<p>The ADR body should clearly outline the ADR process in their scheme rules, including any applicable timelines.</p> <p>You should also allow parties a reasonable amount of time to reflect / decide on the ADR decision.</p> <p>If you are imposing decisions on consumers you must have safeguards in place to ensure you do not restrict or undermine consumers' statutory rights.</p> <p>If you are imposing decisions on consumers, parties must be informed and accept this prior to the outcome being issued.</p>
	Link to evidence	<i>[Please insert a link to the scheme rules and indicate where this requirement is met]</i>
	Auditor comments	

13	Legislation ref	Schedule 26, Criterion 5 (2)
	Requirement	<i>The procedures adopted should, in particular, be easy to use, transparent, non-discriminatory and effective.</i>
	Guidance	<p>The ADR body should clearly outline the ADR process in their scheme rules.</p> <p>All procedures adopted should be easy to use, transparent, non-discriminatory and in plain English.</p>
	Link to evidence	<i>[Please insert a link to the scheme rules and indicate where this requirement is met]</i>

	Auditor comments	

14	Legislation ref	Schedule 26, Criterion 5 (3) (a) (i)
	Requirement	<i>They should include procedures for securing that each party to a dispute referred for ADR has a reasonable opportunity to express its point of view in relation to the matters in dispute and the outcome it seeks.</i>
	Guidance	The scheme rules must take into account the following: <ul style="list-style-type: none"> <li>- That parties have a <b>reasonable</b> amount of time to express their points of view on the dispute.</li> <li>- CTSI considers that 10 working days for each party is reasonable, extenuating circumstances for either party will also be taken into account.</li> <li>- The time frames must be clearly outlined in your scheme rules.</li> <li>- The case submitted by the consumer, including arguments, evidence, documents, facts and required outcome should be sent to the opposing party for comment.</li> <li>- Subsequent arguments, evidence, documents, facts and required outcome from the opposing party should be sent back to the consumer for comment.</li> <li>- This can be repeated as often as needed, provided the consumer who has initiated the dispute, sees all the evidence / comment provided by the other party.</li> </ul>
	Link to evidence	<i>[Please insert a link to the scheme rules and indicate where this requirement is met]</i>
	Auditor comments	

15	Legislation ref	Schedule 26, Criterion 5 (3) (a) (ii)
	Requirement	<i>They should include procedures for securing that each party to a dispute referred for ADR has a reasonable opportunity to consider the views, arguments and evidence put forward by the other party.</i>
	Guidance	As above.
	Link to evidence	NA
	Auditor comments	NA

16	Legislation ref	Schedule 26, Criterion 5 (3) (b)
	Requirement	<i>They should include procedures for securing that each party to a dispute referred for ADR is entitled to be represented or assisted by another person (and that it is immaterial whether or not that person is legally qualified).</i>
	Guidance	This should be stipulated in your scheme rules.

	Link to evidence	<i>[Please insert a link to the scheme rules and indicate where this requirement is met]</i>
	Auditor comments	

*Criterion 6: independence and impartiality*

17	Legislation ref	Schedule 26, Criterion 6 (1)
	Requirement	<i>The ADR provider or, as the case may be, any other ADR provider with whom it makes special ADR arrangements, acts independently and impartially before, and while, it carries out ADR.</i>
	Guidance	<p>The ADR body must have a Conflict of Interest Policy in place, this should address how you expect ADR officials to act independently and impartially before and during the ADR process.</p> <p>The Policy should be signed and accepted by all ADR officials, and recirculated at appropriate (advise annually) intervals. You will need to retain signed copies for maintenance of approval.</p> <p>You must also develop a Conflict of Interest log, this should address both perceived and actual Conflicts of Interest.</p> <p>You must also ensure that ADR officials are not remunerated based on the volume of cases they handle, the outcome of the cases or the financial value of cases.</p> <p>ADR officials must not be employed or remunerated by a trader who is party to the dispute.</p>
	Link to evidence	<p><i>[Provide a copy of your Conflict of Interest Policy]</i></p> <p><i>[Provide signed copies (by ADR officials) of the Policy]</i></p> <p><i>[Provide a copy of the Conflict of Interest log]</i></p> <p><i>[Explain how your ADR officials are remunerated]</i></p>
	Auditor comments	

18	Legislation ref	Schedule 26, Criterion 6 (2) (a)
	Requirement	<i>The action to be taken should include following appropriate procedures for identifying, and avoiding, any conflict of interest before carrying out ADR in relation to a dispute.</i>
	Guidance	As above.
	Link to evidence	NA
	Auditor comments	NA

19	Legislation ref	Schedule 26, Criterion 6 (2) (b)
	Requirement	<i>The action to be taken should include taking steps to avoid conflicts of interest that may arise before, or while, it carries out ADR in relation to a dispute.</i>
	Guidance	As above.
	Link to evidence	NA
	Auditor comments	NA

*Criterion 7: information for parties*

20	Legislation ref	Schedule 26, Criterion 7 (1)
	Requirement	<i>The ADR provider or, as the case may be, any other ADR provider with whom it makes special ADR arrangements keeps the parties to a dispute informed about the conduct and progress of any ADR being carried out.</i>
	Guidance	ADR bodies must keep parties informed throughout the ADR process. This should be detailed in your scheme rules and template emails provided for compliance.
	Link to evidence	<i>[Please insert a link to the scheme rules and indicate where this requirement is met]</i>  <i>[Please supply template emails, to demonstrate how this criterion is met]</i>  <i>[A sample of cases will be viewed at audit to check for compliance]</i>
	Auditor comments	

21	Legislation ref	Schedule 26, Criterion 7 (2)
	Requirement	<i>The action to be taken includes notifying the parties promptly in writing of the outcome of the ADR and, where applicable, of the grounds on which any decision has been reached.</i>
	Guidance	ADR providers must be able to provide the Competent Authority with an audit trail for each case.  Documentation / case notes must be retained to demonstrate the steps taken throughout the ADR process.  Outcomes (including where there has been no outcome) must be provided to parties in writing, and be available to view at audit.  Where applicable, you must also include the grounds on which the decision has been reached.  Where not applicable, you must explain why outcomes do not include the grounds on which the decision has been reached.

		ADR decisions must be communicated to consumers within a maximum of 90 days from receiving the complete case file (when the ADR body has all the information it needs to begin the ADR process).
	Link to evidence	<i>[Provide a sample of outcome letters]</i>  <i>[Provide the average case handling time frame from complete case file]</i>
	Auditor comments	

[The Digital Markets, Competition and Consumers Act 2024 \(Alternative Dispute Resolution\) \(Information\) Regulations 2026](#)

*Requirements of Accredited ADR providers*

22	Legislation ref	Paragraphs 3 (1), (2), (3)
	Requirement	<i>An accredited ADR provider must, within a month of the first anniversary of the date on which accreditation takes effect and within a month of each subsequent anniversary, provide a report relating to the preceding year which contains the information in Part 1 of the Schedule.</i>  This must be provided to CTSI and published on the ADR body's website.
	Guidance	A template outlining the information requirements will be supplied.
	Link to evidence	<i>[show us where this will be placed on your website following approval]</i>
	Auditor comments	

23	Legislation ref	Paragraphs 3 (4), (5), (6)
	Requirement	<i>An accredited ADR provider must, as soon as is reasonably practicable, provide the information set out in Part 2 of the Schedule to the extent it differs from the information provided as part of the application for accreditation</i>
	Guidance	A template outlining the information requirements will be supplied.  Please review this information to ensure nothing has changed.
	Link to evidence	<i>[Provide a copy of the required information]</i>
	Auditor comments	