

Independent Arbitration Service for Customers Service Rules Cavity Insulation Guarantee Agency (CIGA) and the Insulation Assurance Authority (The IAA)

These Rules apply to applications forms received by Centre for Effective Dispute Resolution (CEDR) on or after 1 May 2021.

1 Introduction

- 1.1 The CIGA and The IAA Independent Arbitration Service for Customers (“the Service”) provides a legally binding way to resolve disputes between CIGA, The IAA, CIGA-registered installers or The IAA-registered installers and their customers when other attempts to resolve a dispute have reached deadlock.
- 1.2 The Service is operated by the Centre for Effective Dispute Resolution (CEDR), an independent dispute resolution body that provides this service under approval from the competent authority, the Chartered Trading Standards Institute (CTSi).
- 1.3 The scope of the Service is to resolve disputes that arise under the CIGA Guarantee or The IAA Guarantee on installations of cavity wall, loft, room in roof, underfloor, external solid wall, internal solid wall and hybrid solid wall insulation.
- 1.4 Disputes that the Service can deal with include those:
 - 1.4.1 between an installer registered with CIGA or The IAA (“the registered installer”) and their customers, or
 - 1.4.2 where CIGA or The IAA has stepped in and assumed responsibility under the Guarantee, between CIGA or The IAA and the customer. In such circumstances, CIGA or The IAA will be referred to as the registered installer.

A full list of current registered installers is available at <https://ciga.co.uk/registered-installers/> and <https://www.theiaa.co.uk/installer-list/>.

- 1.5 Where the registered installer was a member of CIGA or The IAA at the time of the original installation, but is not a member of CIGA or The IAA at the time the customer applies to the Service, this does not preclude the customer from making an application to the Service.
- 1.6 Where the dispute concerns matters outside of the scope of the Service, but a registered installer wishes to make use of the Service, then acceptance of any application will be on terms agreed between CEDR and the registered installer directly

- 1.7 A customer can apply to use the Service if they have been unable to resolve their dispute with the registered installer through their internal complaints procedure once all of the following criteria have been met:
- 1.7.1 The customer's claim relates to a property where there is a valid Guarantee from CIGA or The IAA;
 - 1.7.2 The original installer or another company has liability under the Guarantee then the customer has complained to that company directly and given them 41 working days to respond;
 - 1.7.3 The original complaint was received within 25 years of the date of installation in the case of cavity wall insulation, room in roof, underfloor, external solid wall, internal solid wall and hybrid solid wall insulation and 2 years in the case of loft;
 - 1.7.4 The matter was unresolved through the installer's own complaints process and was escalated to CIGA or The IAA;
 - 1.7.5 The complaint remains unresolved after no less than 20 working days have passed since the matter was escalated to CIGA or The IAA, or CIGA or The IAA have issued a "deadlock" letter stating that the matter cannot be resolved by negotiation;
 - 1.7.6 The original complaint has not already been closed;
 - 1.7.7 The customer's application to the Service has been made within 12 months of the deadlock letter issued by CIGA or The IAA.
- 1.8 Use of the Service is mandatory for CIGA, The IAA and all registered installers if the customer submits a valid application for arbitration. The registered installer is required to participate in good faith and failure to do so will lead to sanctions being imposed by CIGA or The IAA as they see fit.
- 1.9 All arbitrations under the Service will be governed by the provisions of the Arbitration Act 1996 or any statutory modification or re-enactment thereof for the time being in force ("the Act") and these Service Rules. All arbitrations will be deemed to take place in London, U.K.
- 1.10 The Service cannot be used for:
- 1.10.1 any claim exceeding the relevant Guarantee maximum; or
 - 1.10.2 any claim for personal injury, illness, shock or their consequences or where the claim involves consequential or indirect loss outside of the scope of the Guarantee; or
 - 1.10.3 any claim where, in the opinion of CEDR or the arbitrator, the installation has been disturbed prior to the opportunity for investigation by CIGA or The IAA except where the presence of disturbance is disputed.
- 1.11 The Service cannot be used where:

- 1.11.1 the customer has made no attempt to resolve the dispute with the registered installer before applying to the Service;
- 1.11.2 the same customer has brought a claim regarding the same subject matter before a court or tribunal or equivalent body, which has jurisdiction over the claim and the parties and which has jurisdiction to issue, or has already issued, a legally binding and final determination regarding the claim (unless such proceedings have been abandoned, stayed or suspended);
- 1.11.3 the same dispute or a substantially similar dispute has already been or is actively being investigated by another dispute resolution body (unless such alternative procedure has been abandoned or suspended);
- 1.11.4 the nature or quantum of the remedy sought means that the dispute is, in the opinion of CEDR, best referred to a more appropriate forum for the resolution of the dispute;
- 1.11.5 in the opinion of CEDR or the arbitrator, the dispute referred to the Service is frivolous or vexatious.
- 1.11.6 in the opinion of CEDR, dealing with such a type of dispute would seriously impair the effective operation of the Service.
- 1.12 Where a customer or registered installer believes that they will have difficulty accessing the Service because of a disability or due to personal circumstances, CEDR should be advised so that appropriate adjustments to the process can be made. Further information is available in the CEDR Reasonable Adjustments Policy.
- 1.13 A customer may appoint a representative to make an application on their behalf. If the customer wishes to do so, they must provide CEDR with their written permission for this representative to act on their behalf.

2 Applying for arbitration

- 2.1 In order to use the Service, the customer must send a completed application form, provided by CIGA or The IAA, to CEDR with the appropriate supporting materials, as specified in Rule 4.1 below (“the Claim Documents”), along with the appropriate arbitration fee as detailed in Schedule 1.
- 2.2 Where the customer wishes to use the Service, the registered installer will be required to participate in the process and to pay an arbitration fee directly to CEDR as detailed in Schedule 1.

- 2.3 Registration fees are non-returnable except as provided for in Rule 2.7 and Rule 5.3.
- 2.4 Arbitration will be between the customer and the registered installer except where CIGA or The IAA have confirmed that they have stepped in to the Guarantee in which case the arbitration will be between CIGA/The IAA and the customer. In either case “the parties” will be interpreted as being the customer, installer and CIGA/The IAA.
- 2.5 The arbitration begins on the date that CEDR sends correspondence to the parties confirming that the Claim Documents have been accepted.
- 2.6 Upon receipt of the Defence from the company, CEDR will appoint an arbitrator from its Panel of Arbitrators and inform the parties of the appointment.
- 2.7 If the arbitrator considers that the dispute is not capable of proper resolution under these Rules, the parties will be so advised. In that case the arbitrator’s appointment will be cancelled, the application for arbitration will be treated as withdrawn and 75% of the registration fees will be refunded to both parties.
- 2.8 Once appointed, the arbitrator will communicate with or issue directions to the parties via CEDR. All correspondence with the arbitrator will be copied to all parties and to CEDR.

3 Arbitration procedure

- 3.1 The arbitrator will have the widest discretion permitted by law to resolve the dispute in a final manner in accordance with natural justice. In particular, the arbitrator has the power to direct the procedure of the arbitration, including varying time limits and other procedural requirements, and to:
 - 3.1.1 allow the parties to submit further evidence and/or amend any of the submissions already made;
 - 3.1.2 order the parties to produce goods, documents, property or other items for inspection;
 - 3.1.3 conduct enquiries and receive and consider additional evidence as the arbitrator considers appropriate;
 - 3.1.4 proceed with the arbitration if either party fails to comply with these Rules or with the arbitrator’s directions;
 - 3.1.5 end the arbitration if the arbitrator considers the case to be incapable of resolution under the Service, or if the parties settle their dispute prior to an award being made. If the case is settled, both parties must immediately inform CEDR in writing of the terms of the settlement;

- 3.1.6 order the customer to pay the registered installer any outstanding fees.
- 3.2 The arbitration will proceed on the basis of written argument and evidence. No oral hearing will be convened as part of the arbitration. In exceptional circumstances, a site view may be conducted, but only where the parties and the arbitrator agree and subject to the costs of such a site view, including which party or parties will bear those costs, being agreed.
- 3.3 The arbitration will proceed as follows:
- 3.4 CEDR will send a copy of the Claim Documents to the registered installer, who will have fifteen working days from the date on which the Claim Documents were sent in which to either submit a written defence to the claim (“the Defence”), prepared in accordance with Rule 4.2 below, or to notify CEDR in writing that the claim has been settled. If no defence or notification of settlement is submitted after fifteen working days, the arbitrator will proceed with the arbitration as they see fit.
- 3.5 Where a notification of settlement is submitted to CEDR in writing by all parties, the arbitrator will have the power to bring the arbitration to an end.
- 3.6 On receipt of the registered installer’s Defence (if any), CEDR will send a copy to the customer, who is entitled to submit written comments within a further ten working days from the date on which the Defence is sent as indicated in the covering communication. Such comments must be restricted to points arising from the Defence, and shall not introduce any new claim, assertion or evidence.
- 3.7 CEDR will send a copy of the customer’s comments to the registered installer. The registered installer cannot make any further comments without the arbitrator’s written approval.
- 3.8 On receipt of all submissions, documents and evidence, CEDR will send the complete case file to the arbitrator. The arbitrator will consider all documentation and other evidence and may, via CEDR, request the disclosure of further information or documents from the parties.
- 3.9 Within twenty working days of the case file being sent to the arbitrator, or of the date on which the last of the information requested by the arbitrator is submitted to him/her, CEDR will send a copy of the arbitrator’s award (“the Award”) to all parties.
- 3.10 In accordance with the terms of the Guarantee, the Award may require one or more of the following actions to be taken (this list is exhaustive):
- 3.10.1 The registered installer to issue an apology to the customer;
- 3.10.2 The registered installer to complete specified works to rectify a defect in the

materials or workmanship or damage that directly results from a defect (a monetary payment may not be awarded by the arbitrator in relation to this);

3.10.3 The registered installer to pay a nominal monetary sum (capped at a maximum of £100.00) to recognise a poor standard of customer service in relation to how the complaint itself was handled;

3.10.4 The registered installer to reimburse the arbitration fee to the customer;

3.10.5 The customer to pay any outstanding amounts to the registered installer.

3.11 Unless otherwise directed by the arbitrator, all parties shall comply with the Award within twenty working days of the date on which the Award is sent to the parties.

3.12 Any Award made under the Service is final and legally binding on all parties, subject to any party's right under the provisions of the Act to seek leave to appeal in the courts.

3.13 Any party may request the return of its original documents from CEDR but must do so within twenty working days of the date on which the arbitrator's Award was issued. If no such request is made within twenty working days, CEDR will securely destroy the documents.

4 Content of submissions for arbitration

4.1 The Claim Documents shall include:

4.1.1 the nature and basis of the customer's claim against the registered installer;

4.1.2 the nature and extent of any remedy sought if known;

4.1.3 all supporting documents relied on as evidence;

4.1.4 confirmation that all reasonable efforts have been made to resolve the dispute through the registered installer's complaints procedure;

4.1.5 confirmation that the dispute has been escalated to CIGA or The IAA and remains unresolved or that CIGA or The IAA has issued a deadlock letter.

4.2 The Defence shall include:

4.2.1 what matters in the Claim Documents are accepted or agreed;

4.2.2 what matters are disputed, with reasons why;

4.2.3 details of any outstanding amounts which remain unpaid by the customer, and any associated counterclaim for such amounts;

4.2.4 any supporting documents relied on as evidence in support of their response including any findings following an investigation by CIGA or The IAA.

4.3 In the reply to the Defence, the customer must state which matters in the Defence are

now accepted, and the matters which remain disputed, with reasons.

- 4.4 If any party fails to deliver anything required by the arbitrator, the arbitration shall proceed as the arbitrator considers appropriate.

5 Costs

- 5.1 The arbitration fees paid by the parties constitute the payment of CEDR's administration fee and the arbitrator's fee.
- 5.2 Subject to Rule 5.3, each party shall bear its own costs of legal representation, and of preparing and submitting its case. No legal action may be brought to recover these costs. It should be noted that the Service has been set up for the purpose of providing low-cost dispute resolution. The parties are therefore not encouraged to make arrangements for legal representation, although they are not precluded from doing so.
- 5.3 Where the award made by the arbitrator is for more than any offer previously made to the customer by the registered installer or CIGA or The IAA, the arbitrator shall award that the registered installer reimburses the customer's arbitration fee. Where the award made by the arbitrator is for the same or less than any offer previously made to the customer by the registered installer or CIGA or The IAA, the arbitrator shall not award the reimbursement of the customer's arbitration fee. These provisions for costs will not apply to any appeal of the Award to the courts.

6 Confidentiality

- 6.1 The parties undertake not, at any time, to disclose to any person any details of the arbitration, except where necessary to uphold the Award or to seek legal advice.
- 6.2 CEDR may gather and retain details, in summary form, of individual cases and, while preserving the anonymity of the parties, may publish such summaries on its website and to other arbitrators as a resource in order to encourage consistency of practice under these Rules. CEDR may also publish statistical and outline information on such disputes whilst preserving the anonymity of the parties as required by CTSi.

7 General

- 7.1 The law of England and Wales shall apply to arbitrations carried out under the Service. The

seat of the arbitration shall be London, UK. The arbitrator shall determine the applicable law of the contract.

- 7.2 All references to 'working days' in these Rules shall be interpreted by reference to public and bank holidays in England and Wales.
- 7.3 CEDR will appoint a substitute arbitrator if the arbitrator originally appointed is unable to deal with the dispute for any reason. CEDR will inform the parties if such an appointment is made and reasons for that appointment.
- 7.4 With the exception of amending the Award following any minor error or omission which the arbitrator has power to correct by law, neither CEDR nor the arbitrator will enter into correspondence relating to the Award.
- 7.5 Neither CEDR nor the arbitrator will be liable to any party for any act or omission in connection with any arbitration conducted under these Rules, save for any wrongdoing on the part of the arbitrator arising from bad faith.
- 7.6 These Rules are subject to revision and amendment from time to time. The edition of the Rules in force at the time the application is made will govern any arbitration under the Service.

Schedule 1 – Registration Fees

1 The case fee of £450.00 plus VAT applies and is payable by the parties as set out below:

Claim Value	Customer's fee	Registered Installer's fee
All applications	£100 + VAT	£350 +VAT



Schedule 2 - Time Frame Breakdown

