

Online Dispute Resolution

The Alternative Dispute Resolution Regulations introduce new rules for traders across all industries from 15 February 2016.

Where a trader does business online, whether through a website or other electronic means, it must provide a link to the [ODR platform website](#) (once it is online). In addition, all online traders must state their email address on their website (an online contact form that does not show the email address is not sufficient to meet this requirement).

An online trader is defined as a trader who intends to enter into online sales contracts or online service contracts with consumers. This is where the trader has offered goods or services on a website or by other electronic means, and the consumer has ordered them on that website or by other electronic means. Electronic means includes mediums such as social media, email, telephone, text messages and faxes. Therefore if a trader were to, for example, make a consumer an offer via email and the consumer was to accept this offer via email, the trader would be considered an online trader. This trader would therefore have to carry a link on their website even if they were not trading on their website.

The regulations also introduce alternative dispute resolution (ADR) requirements across all industries. Financial services is largely unaffected as firms are already required to signpost consumers to the Financial Ombudsman Service (FOS) under the FCA rules. FOS is therefore the ADR provider for the financial services industry.

The regulations stipulate that where traders are required to use an approved ADR provider (i.e. all regulated firms) they must give additional information to consumers. Not only must they link to the ODR platform on their website, they must also inform consumers of the existence of the ODR platform and the possibility of using the platform to resolve disputes, and they must include this information in any standard terms and conditions of business. If an offer is made to a consumer by email, the email must contain a link to the ODR platform.

The Department for Business, Innovation and Skills has produced [detailed guidance](#) for businesses on ODR (from page 26 onwards), which we would recommend all firms read. It also contains more information on how the ODR platform will work.