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SUCCESSFUL LAUNCH OF INDEPENDENT ADJUDICATION SCHEME FOR THE LEASEHOLD SECTOR

Redress schemes are high on the agenda for estate agents as their mandatory membership of an Ombudsman scheme comes into force on 1 October. However, for clients and lessees of properties managed by members of the Association of Residential Managing Agents (ARMA) they have had access to such a scheme since May.

Run by IDRS Ltd, a subsidiary of the Chartered Institute of Arbitrators, the Residential Management Adjudication Scheme provides an impartial dispute resolution service should other routes to resolution fail. All ARMA members are required to belong to the scheme and if the complainant accepts the adjudicator's decision then it becomes binding on the member.

“With nearly 800,000 leasehold flats in over 32,000 blocks managed by our members we inevitably will receive some complaints, some 175 in the year to 30 April 2008,” states Brett Williams, ARMA's chairman. “Up to May this year we dealt with complaints in-house, but after a successful trial run our independent Adjudication Scheme is now fully in force.”

ARMA members are required to maintain and fully implement their own published internal complaints procedures appropriate to their size and structure which must be made available to complainants on request and acted thereon. These procedures should include a facility for independent mediation such as the scheme run by LEASE, the Leasehold Advisory Service.

Should these internal procedures fail to provide a satisfactory solution and the complaint falls within the scope of the Scheme (e.g. it is not a matter that more properly should be dealt with by a Leasehold Valuation Tribunal) then it can be referred to ARMA for independent adjudication. The complainant will be sent full information on the Scheme along with an application form – the IDRS then deals with the matter according to the Scheme rules and hands down the decision.

The decision will be made by an adjudicator who has received training in dealing with the types of complaint the Scheme covers, as well as legal training particularly relating to residential leasehold issues. The adjudicator will make a decision on the complaint based on the evidence the complainant and the member provide. Adjudicators can ask you for more information that will help them to make the correct decision. The adjudicator will always consider the arguments and evidence of the complainant as well as those of the member, and will provide a fair and reasonable decision.

“The ultimate aim of the scheme, where the complaint (or part thereof) is found to be valid, is to ensure our member takes the appropriate action to remedy the situation, provides an apology where appropriate and refunds costs of up to £1000 actually incurred as a result of the complaint arising,” summarises Brett Williams. “As with so many other trade and professional bodies we are separating the roles of representing our members and regulating them.”

About ARMA

Formed in 1991, ARMA is the only body in England and Wales to focus exclusively on matters relating to the block or estate management of long leasehold residential property. With over 200 corporate members managing in excess of 800,000 units in more than 32,000 blocks of flats or estates (at least 60% of which are lessee-controlled properties), the Association’s founding principal aims are to represent its members and the interests of and improve standards for lessees, resident management companies and investor freeholders.

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