

IPSO Arbitration Scheme Summary

What is the IPSO Arbitration Scheme?

The scheme is a low cost way of resolving legal claims outside of court. A claim can be brought by an individual or organisation (the claimant) against the publisher of a participating newspaper or magazine. The claimant and the publisher are collectively known as the parties.

Where parties agree to arbitrate, a specialist barrister will be appointed to act as an arbitrator for the claim. The arbitrator acts as a judge for the claim.

What is the IPSO Arbitration Process?

IPSO will assess the claims we receive to make sure they fall within the remit of the scheme.

The scheme can deal with claims which:

- are brought within 12 months of the alleged wrongdoing;
- are brought against a participating newspaper or magazine; and
- pursue a relevant claim (further information is available at www.ipso.co.uk).

The scheme cannot deal with claims which:

- seek a prepublication injunction;
- are pursued by a person who is not affected by the alleged legal breach; or
- have already been ruled upon by the Court.

If a claim does fall within the remit of the scheme, we can refer it to the relevant publisher.

During this referral, the parties will be able to discuss the possibility of settling the claim. If this is not possible they may agree to arbitrate, although there is no obligation to do so. If both parties agree to use the scheme, we can transfer the claim to the Centre for Effective Dispute Resolution (CEDR).

Publishers and claimants who are already in contact may agree to arbitrate independently of the above process, but will need to contact IPSO to have the claim transferred to CEDR.

Can a claim be brought under the scheme at the same time as a Code Complaint?

No. The resolution of a dispute cannot be pursued simultaneously as an arbitral claim and a Code complaint. Unless your arbitration claim is sent to arbitration@ipso.co.uk IPSO will initially assume you wish to make a Code complaint.

What happens after the claim is transferred to CEDR?

An arbitrator will be appointed by CEDR after they receive the necessary fees.

Most claims will start with a preliminary ruling. This means the arbitrator will make a ruling on some core issues in dispute. This will provide a basis for settlement talks and may indicate the likely success of your claim.

The arbitration will then be paused. This will give the parties time to reach a settlement, or for the claimant to withdraw the claim. Doing either at this point will lower the fees and costs spent in pursuit of the claim. The arbitration will not continue unless one or both of the parties make a request for it to do so.

If the claim continues the arbitrator will rule on any remaining issues and can uphold or dismiss the claim. They can grant remedies to the claimant if the claim is upheld. Awards of damages, and the amount of legal costs which can be recovered by one party from the other, are capped as standard.

The arbitrator has the power to strike out claims that are vexatious or frivolous and also has the discretion not to continue to arbitrate claims that are unsuitable for the scheme.

The arbitrator can also make a specific ruling on awards, fees and costs if the parties decide to settle but do not agree on particular settlement details.

How much will IPSO Arbitration Cost?

The maximum fee a claimant will be required to pay is £100. This goes towards the administrative costs incurred by CEDR in processing the claim and appointing the arbitrator. If the claim finishes during the pause in arbitration the claimant will only pay £50.

You may also want to get a lawyer to advise or represent you. You will need to cover the cost of doing this yourself, but may ask the arbitrator to make the publisher refund some or all of those costs in the event that you win your case. The arbitrator does not have to do this, and cannot award you costs if you rejected an offer from the publisher that was better than what was subsequently awarded by the arbitrator.

If your claim is not upheld you will not be required to pay costs to the publisher. The publisher can only recover money from you if your claim is struck out as vexatious or frivolous.

The costs to be refunded can be large sums of money as they act to cover the expense of hiring a lawyer. If you do not have a lawyer, the maximum sum you can receive or be asked to pay is limited to £1000.