NAJ Resolve – ADR Fair Use Policy

1. Purpose of this Policy

NAJ Resolve is a Chartered Trading Standards Institute approved Alternative Dispute Resolution (ADR) service, providing independent and impartial dispute resolution for consumers at no cost to them.
As use of the scheme continues to grow, this policy sets out what constitutes fair usage of NAJ Resolve by member businesses. Its purpose is to ensure the service remains accessible, fair and sustainable across the NAJ membership, while managing high-volume usage transparently and proportionately in line with ADR legislation.
This policy applies only to NAJ member businesses that sell directly to end consumers (B2C). It does not apply to supplier-only, manufacturer-only or trade-only members who do not engage in consumer-facing retail activity.

This policy ensures that:

- ADR remains free and accessible for consumers
- Members continue to meet their legal obligation to cooperate with ADR
- High-volume usage is managed transparently and proportionately
- NAJ can recover the cost of excessive ADR demand in a fair and consistent way

2. Definitions

For the purposes of this policy:

2.1 Legal Entity
A single company, sole trader or partnership holding NAJ membership. Where several legal entities operate under one consumer-facing brand, NAJ may classify them collectively for ADR usage monitoring.

2.2 Included ADR Cases
The number of ADR cases NAJ Resolve will process before cost-recovery applies.
This does **not** cap or limit ADR access.

2.3 High-Volume Online Retailer
An online-only member business with annual turnover of **£10 million or more**, or which operates as a nationally-recognised e-commerce brand with significant consumer reach. Classification is determined by NAJ based on declared trading information and publicly available financial data.

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2.4 Low- Volume Online Retailer

An online-only member whose sales and consumer enquiries occur at a lower level than the above.

3. Key Principles

3.1 ADR remains free for consumers

This policy does not restrict, delay or discourage consumer access to ADR.

3.2 Members must cooperate with ADR

This obligation arises under the Digital Markets, Competition and Consumers Act 2024 (which replaced the ADR Regulations 2015) and forms part of the NAJ Code of Conduct.

3.3 Fair Use is based on business size and trading model

Members vary widely, from single-store independents to national chains and online-only retailers.
Thresholds are therefore based on objective factors such as:

- number of physical retail locations
- online trading volume
- typical consumer interaction levels

3.4 ADR is never capped or refused

NAJ Resolve will continue to accept **all** eligible ADR cases, even when thresholds are exceeded.

4. How It Works

Each NAJ member business receives a number of **included ADR cases per membership year**. This number is determined by the scale and consumer exposure of the business.

When a member exceeds its included cases, **cost-recovery applies**.

NAJ may review thresholds where:

- systemic misuse of ADR is identified;
- members escalate complaints to ADR prematurely; or
- internal resolution is not attempted in good faith.

5. Annual ADR Fair Use Thresholds

Business Type	Included ADR cases per membership year
Independent retailer (1–2 physical locations)	3
Small chain (3–5 stores)	6
Mid-size chain (6–19 stores)	10
Large national chain or group (20–99 stores)	15
Very large chain (100- 199 stores)	25
Super large chain (199+stores)	35
Online-only retailers high volume	10
Online-only retailers low-volume	3

These thresholds **do not limit ADR access**.
They simply define when NAJ will apply cost-recovery fees.

Current NAJ Resolve fees and charges will be published in the member area of the NAJ website and are also available on request.

Thresholds and fees are reviewed annually by the Compliance Manager.

6. What Happens When a Member Exceeds Their Threshold

6.1 ADR continues as normal

NAJ Resolve will continue to:

- accept all eligible ADR cases
- meet all statutory timelines
- act impartially

6.2 Cost-Recovery Fee

When thresholds are exceeded, an administration fee applies for each additional ADR case. The administration fee reflects the average cost to the NAJ of processing an ADR case beyond normal usage levels. This includes mediator time, evidence handling and statutory administrative work required under the ADR Regulations. The fee is set on a cost-recovery (not profit-making) basis so that members generating high case volumes contribute fairly to the additional resource required.

6.3 Advance Notice

NAJ will notify members when they reach **80%** of their annual threshold.

7. Member Responsibilities

Members are expected to:

- maintain a clear internal complaints process
- attempt in-house resolution before signposting to ADR
- provide timely evidence during ADR
- monitor internal causes of repeat complaints
- ensure staff understand complaint escalation pathways

8. Exceptional Circumstances

Members may request temporary adjustments to thresholds where ADR usage spikes due to:

- product or manufacturing issues
- significant operational disruptions
- unforeseen increases in consumer issues

Requests will be considered on a case-by-case basis.

9. Policy Status and Governance

- This policy is referenced in the NAJ Byelaws.
- Members agree to this policy as a condition of ongoing membership.