

HMG has a well publicized policy of support for alternative dispute resolution where this appropriate. The Home Department considers major contracts on an individual basis and decides the appropriate dispute resolution process. Examples from such terms governing dispute resolution and mediation which might be incorporated into contracts follow:

Examples of clauses on Dispute Resolution and Mediation extracted from the range of Home Office standard terms

A.

20. DISPUTES AND MEDIATION

20.1 Before resorting to litigation, the Parties shall attempt in good faith to negotiate a settlement to any dispute between them arising out of or in connection with this Contract.

20.2 If the Parties are unable to resolve the dispute, either party may, at any time, refer the dispute to mediation by a neutral advisor or mediator (“the Mediator”).

20.3 If the Parties are unable to agree on a Mediator within 7 days of the request by one party to refer the dispute to mediation, they shall apply to the Centre for Dispute Resolution (“CEDR”) to appoint a Mediator.

20.4 The Parties shall seek to agree directions for how the mediation is conducted and, failing agreement they shall seek directions from the Mediator.

20.5 If the Parties reach agreement on the resolution of their dispute the agreement shall be reduced to writing and shall be binding.

B.

DISPUTE RESOLUTION

43.1 The Parties shall attempt in good faith to negotiate a settlement to any dispute between them arising out of or in connection with the Framework Agreement within **20 Working Days** of either Party notifying the other of the dispute such efforts shall involve the escalation of the dispute to the [finance director] (or equivalent) of each Party.

43.2 Nothing in this dispute resolution procedure shall prevent the Parties from seeking from any court of the competent jurisdiction an interim order restraining the other Party from doing any act or compelling the other Party to do any act.

43.3 If the dispute cannot be resolved by the Parties pursuant to **Clause 43.1** the dispute shall be referred to mediation pursuant to the procedure set out in **Clause 43.5** unless (a) the Authority considers that the dispute is not suitable for resolution by mediation; or (b) the Provider does not agree to mediation.

43.4 The performance of the Agreement shall not be suspended, cease or be delayed by the reference of a dispute to mediation and the Provider shall (and shall ensure the Staff) comply fully with the requirements of the Agreement at all times.

43.5 The procedure for mediation and consequential provisions relating to mediation are as follows:

43.5.1 a neutral adviser or mediator ("**the Mediator**") shall be chosen by agreement between the Parties or, if they are unable to agree upon a Mediator within **10 Working Days** after a request by one Party to the other or if the Mediator agreed upon is unable or unwilling to act, either Party shall within **10 Working Days** from the date of the proposal to appoint a Mediator or within **10 Working Days** of notice to either Party that he is unable or unwilling to act, apply to the Centre for Effective Dispute Resolution ("**CEDR**") to appoint a Mediator.

43.5.2 The Parties shall within **10 Working Days** of the appointment of the Mediator meet with him in order to agree a programme for the exchange of all relevant information and the structure to be adopted for negotiations to be held. If considered appropriate, the Parties may at any stage seek assistance from CEDR to provide guidance on a suitable procedure.

43.5.3 Unless otherwise agreed, all negotiations connected with the dispute and any settlement agreement relating to it shall be conducted in confidence and without prejudice to the rights of the Parties in any future proceedings.

43.5.4 If the Parties reach agreement on the resolution of the dispute, the agreement shall be reduced to writing and shall be binding on the Parties once it is signed by their duly authorised representatives.

43.5.5 Failing agreement, either of the Parties may invite the Mediator to provide a non-binding but informative opinion in writing. Such an opinion shall be provided on a without prejudice basis and shall not be used in evidence in any proceedings relating to the Framework Agreement without the prior written consent of both Parties.

43.5.6 If the Parties fail to reach agreement in the structured negotiations within **60 Working Days** of the Mediator being appointed, or such longer period as may be agreed by the Parties, then any dispute or difference between them may be referred to the Courts.