

# Arbitration Act 1996

# **1996 CHAPTER 23**

#### PART II

# OTHER PROVISIONS RELATING TO ARBITRATION

# Consumer arbitration agreements

# 89 Application of unfair terms regulations to consumer arbitration agreements.

(1) The following sections extend the application of [F1Part 2 (unfair terms) of the Consumer Rights Act 2015] in relation to a term which constitutes an arbitration agreement.

For this purpose "arbitration agreement" means an agreement to submit to arbitration present or future disputes or differences (whether or not contractual).

- [F2(2) In those sections "the Part" means Part 2 (unfair terms) of the Consumer Rights Act 2015.]
  - (3) Those sections apply whatever the law applicable to the arbitration agreement.

#### **Textual Amendments**

- F1 Words in s. 89(1) substituted (1.10.2015) by Consumer Rights Act 2015 (c. 15), s. 100(5), Sch. 4 para. 31(2); S.I. 2015/1630, art. 3(g) (with art. 6(1))
- F2 S. 89(2) substituted (1.10.2015) by Consumer Rights Act 2015 (c. 15), s. 100(5), Sch. 4 para. 31(3); S.I. 2015/1630, art. 3(g) (with art. 6(1))

# [F390 Part applies where consumer is a legal person

The Part applies where the consumer is a legal person as it applies where the consumer is an individual.]

Changes to legislation: There are currently no known outstanding effects for the Arbitration Act 1996, Cross Heading: Consumer arbitration agreements. (See end of Document for details)

#### **Textual Amendments**

F3 S. 90 substituted (1.10.2015) by Consumer Rights Act 2015 (c. 15), s. 100(5), Sch. 4 para. 32; S.I. 2015/1630, art. 3(g) (with art. 6(1))

# 91 Arbitration agreement unfair where modest amount sought.

- (1) A term which constitutes an arbitration agreement is unfair for the purposes of the [F4Part] so far as it relates to a claim for a pecuniary remedy which does not exceed the amount specified by order for the purposes of this section.
- (2) Orders under this section may make different provision for different cases and for different purposes.
- (3) The power to make orders under this section is exercisable—
  - (a) for England and Wales, by the Secretary of State with the concurrence of the Lord Chancellor,
  - (b) for Scotland, by the Secretary of State F5..., and
  - (c) for Northern Ireland, by the Department of Economic Development for Northern Ireland with the concurrence of the Lord Chancellor.
- (4) Any such order for England and Wales or Scotland shall be made by statutory instrument which shall be subject to annulment in pursuance of a resolution of either House of Parliament.
- (5) Any such order for Northern Ireland shall be a statutory rule for the purposes of the M1Statutory Rules (Northern Ireland) Order 1979 and shall be subject to negative resolution, within the meaning of section 41(6) of the M2Interpretation Act (Northern Ireland) 1954.

#### **Textual Amendments**

- **F4** Word in s. 91(1) substituted (1.10.2015) by Consumer Rights Act 2015 (c. 15), s. 100(5), **Sch. 4 para.** 33; S.I. 2015/1630, art. 3(g) (with art. 6(1))
- F5 Words in s. 91(3)(b) repealed (19.5.1999) by S.I. 1999/678, art. 6

### **Modifications etc. (not altering text)**

C1 S. 91(3): functions of the Lord Advocate transferred (19.5.1999) to the Secretary of State by virtue of S.I. 1999/678, arts. 2(1), Sch. (with art. 7)

#### **Commencement Information**

S. 91 wholly in force 31.1.1997: S. 91 not in force at Royal Assent see s. 109(1); S. 91 in force for certain purposes only at 17.12.1996 otherwise in force at 31.1.1997 by S.I.1996/3146, arts. 2, 3, Sch. 1;

## **Marginal Citations**

**M1** S.I. 1979/1573 (N.I. 12).

**M2** 1954 c. 33 (N.I.).

# **Changes to legislation:**

There are currently no known outstanding effects for the Arbitration Act 1996, Cross Heading: Consumer arbitration agreements.