

The Carpet Foundation

Consumer Codes Audit

24 October 2023

Background information

Established in 1999, The Carpet Foundation (TCF) is a not-for-profit trade association representing the interests of and promoting independent carpet retailers. The Carpet Foundation accepts membership from independent carpet retailers and currently has 381 members with over 339 branches. They do not admit large multiple retailers to membership. The retailers pay a monthly membership subscription (the charge is made per branch) in order to fund the work of TCF and provide resources for the Consumer Code of Practice. The Consumer Code of Practice is a mandatory requirement for all Carpet Foundation retail members. In addition to the retail members, The Carpet Foundation is supported by Carpet Manufacturers and industry suppliers via the Patron membership scheme.

Audit Process

A qualified trading standards professional from the Chartered Trading Standards Institute (CTSI) completed a one-day desktop audit. The audit focused on the following areas: -

1. Member Application Process including checks carried out on prospective businesses
2. Existing Member Inspections/Audit content and process (including general compliance with the code, staff training and dealing with consumer complaints)
3. Membership Withdrawal and Sanctions for Non-Compliant Member Businesses
4. Marketing and Advertising by Member Businesses
5. Terms and conditions and other pre contractual information (including cancellation rights, deposits, delivery times, guarantees and warranties)
6. Customer service provisions (including support for vulnerable consumers)
7. Consumer complaints process (including ADR)
8. Customer satisfaction and feedback, information/complaints from enforcement agencies, and how this information is used to develop and improve the code

Audit Summary

The Carpet Foundation is fulfilling its obligations as a code sponsor to ensure that its member base is compliant with the Consumer Codes Approval Scheme core criteria and The Carpet Foundation Code of Practice. They have moved from on site audits to remote audits which has proved to be effective in monitoring code effectiveness

Member Application Process

The Carpet Foundation (TCF) has a documented member application process which continues to be comprehensive and well structured.

Since the last audit, TCF has accepted two new members.

TCF has advised that, due to Covid 19 restrictions and remaining vulnerabilities, new members do not receive a personal visit from a Carpet Foundation representative to assess suitability for Code membership this has continued post covid with all suitability checks carried out remotely.

New joiners who start without a formal visit are subject to the application checks as follows:

- Initial telephone conversation to check suitability
- Checks are made to ensure that applicants have a retail outlet and a minimum of two active accounts with Patron member manufacturers. If an applicant is a member of a Buying group, it automatically meets these criteria.
- Every applicant must sign up to adhere to the Code.
- Examination of their website if available
- Once approval is granted, the retailer is contacted via phone/email

The completed application beginning was examined and checked against the process. It was fully compliant.

There are currently 339 stores in membership.

Existing Member Inspections/Audit

TCF carried out an annual compliance audit via fax/email to approximately one third of members, meaning all members are audited within a three-year cycle.

During February 2023 first 'audit letters' were sent out 32 completed responses were received, reminders were sent out resulting in an eventual total of 70 out of 111 selected members. This equates to 70% without any issues which is considered an effective response rate.

Mystery shopper and zoom/teams meeting are no longer used for monitoring as the remote system is working effectively

Onsite visits are maintained as an option where there are serious or repeat complaints against an individual member.

Onsite audit reports were monitored and reviewed for trends.

Observation: Onsite audits and mystery shopper visits have been curtailed and resources moved to remote audits with a high return rate. This is considered to be the most efficient, effective and cost-effective method of code monitoring.

Membership Withdrawal and Sanctions for Non-Compliant Member Businesses

The Carpet Foundation has a documented membership cancellation procedure.

In the last year 20 members have left. Of these: -

- 4 were due to long term non-payment
- 2 branch closure
- 5 business closure
- 2 resignations due to retirement
- 1 closed due to ill health
- 1 no added value to business
- 1 moved to solely on line operations
- 1 store no longer exists
- 1 business sold
- 1 voluntary insolvency
- 1 planned store closure

Of these, the details of three members were checked against the procedure. Electronic copies of exit letters were checked. None were listed in the CTSI Directory, display The Carpet Foundation or CTSI logos, or had any references to TCF on their websites.

There are no members in the disciplinary process.

Consumer Complaints Process

The Carpet Foundation has become an approved Alternative Dispute Resolution (ADR) provider and has moved to a fully compliant ADR for the whole complaints process. Four formal referrals were made under ADR in the last 12 months. All were resolved satisfactorily.

Marketing and Advertising by Member Businesses

All members' websites, advertising and promotional materials are checked by the Carpet Foundation at the application and audit stages.

The Carpet Foundation provides all members with point-of-sale material promoting the code. It is also supplied in print and digital format.

During this audit the websites of members whose details were supplied (i.e., new member and recently audited members) were checked for the presence of the CF logo.

Terms and Conditions and other Pre-Contractual Information

It is a requirement of the code that members have compliant terms and conditions. CF encourage all members to have terms and conditions available for their customers and if asked they suggest members to obtain Ts&Cs via their own legal advice. To date CF have never had a problem with this policy from either a member or a customer.

Customer Service Provisions

All members have national rate customer telephone numbers or are contactable via email. There was no evidence of non-compliance found on the audit.

It was reported that the Carpet Foundation are looking at producing a short training video which will be uploaded to their website that would be accessible to any member, this would further enhance member knowledge of the code and therefore help customer satisfaction.

Customer Satisfaction and Feedback

Customer feedback used to be provided by TSI run Referenceline but the contract between TSI and Referenceline has now ended. Carpet Foundation are waiting for TSI to provide an update on any new arrangements. Consumers can use email/phone/mail in the meantime.

Retailers are provided with a Consumer Code leaflet that they either distribute by hand, email or post to customers. CF find that most consumers, if they have a problem, call the Carpet Foundation direct, or email from the contact page on the Carpet Foundation website.

CF do not monitor member web sites for satisfaction reviews as they have no remit (or resource) to do so, further they are not sure if this course of action would be well received by their members.

Conclusions

The Carpet Foundation is fulfilling its obligations as a code sponsor to ensure its member base is compliant with the Consumer Codes Approval Scheme core criteria and the Carpet Foundation Code of Practice.

The enhanced numbers of remote audits are considered satisfactory and effective having regard to the nature of code members and the low number of complaints against code, members and referrals to ADR.