



Consumer Codes Approval Scheme Code Sponsors Panel Meeting

Date: 6th December 2016
Time: 11:15 – 14:30
Present: Ray Hodgkinson (Chair), Bill Fennell (TMO), Mark Cutler (RECC), Ian Studd (BAR), Adrian Simpson (CTSI), Gerry Fitzjohn (TPO)
Attendees: Mandy Garnham (CCAS/CTSI)
Apologies: Barbara Hughes (FCA)

MINUTES

1. Welcome

Following a closed session for code sponsors the Chair welcomed everyone to the meeting and thanked them for attending, introductions were then made.

The previous meeting minutes of 12th October 2016 were approved by the Panel.

Matters Arising:

None

2. Service Director Update

A Simpson began by telling the Panel the breakdown of the number and industries of the current approved codes. Since the last meeting 2 codes have been approved:

- i) The Motor Ombudsman (Vehicle Sales Code)
- ii) International Construction Warranties

There are now 23 approved Codes of Practice in operation.

There is a struggle at this time of year to get further codes on board, particularly between stages 1 and 2 approval.

Sennocke and Advantage (new home warranty providers) will go for stage 2 before the February Board – these represent the new homes market. There have been some backwards and forwards between CCAS and the auditors during the application process.

The issue of overseas insurers was discussed at the last Board meeting to ensure that payment protection is “as good or better” as UK insurers with FSCS guarantee and access to a UK equivalent Financial Ombudsman.

A Simpson discussed performance indicators that Karen will be gathering from the Sponsors. A Simpson emphasised the important of this information in benchmarking CCAS against other schemes like Buy with Confidence, Trustmark etc and to measure Codes spend to prove it is sustainable and growing. All codes have been requested this information and it is be required by

the end of December. AS thanked the Panel for their cooperation in doing this as CCAS appreciate that this is a large undertaking.

A Simpson informed the Panel about the Codes Communications Working Group – the second meeting was held on 14th November. The group intends to gather marketing ideas and use the power and reach of Code Sponsors and Code Members social media accounts to disseminate codes related news and information. A draft term of reference produced for the group which will be circulated for input from the members of the group. Karen is also producing a newsletter to distribute. It was agreed that future meetings will be conducted by conference call to enable others to attend.

A Simpson showed the Panel a consumer certificate template that Checkmate had produced which we would be happy to create for other codes.

R Hodgkinson raised a concern about the lack of marketing budget and this was the weak link. Without a marketing budget then messages of CCAS cannot get out. Suggested this needs addressing as a priority. R Hodgkinson said that CCAS awareness is around 4% where Which? have around 50% awareness.

It was agreed to share the marketing plan that Karen has put together to be shared with the Panel to make a contribution.

ACTION: K Bolland to send out marketing plan to panel

ACTION: A Simpson to circulate minutes of the Communications group

3. Code Sponsors Forum

Summary of ideas discussed:

- Decided date to be 23rd March 2017
- Workshop based day with contributions from Leon, the Minister, Christine Crawley and CCAS
- Objectives on the day is to produce a draft report where CCAS can justify extra resources
- Suggested talks include ADR – one year on and an update CCAS – looking to the future with BREXIT
- House of Lords venue if possible

It was decided that this would be an important forum that will prompt thinking, with a requirement to be clear in what is to be achieved and a message to BEIS that if CCAS is to be successful Government need to contribute. There was a proposal that the opening of the forum would be comparison of where we are this year in respect of the previous year and how we take this forward, showing the impact on consumers and the advantages of joining the scheme.

There was a conversation that Code Sponsors are investors in CCAS in regulating their industries and CTSI have an investment in the PR/brand and the importance of CCAS as a whole as a scheme that is going over and beyond in reducing consumer detriment.

A Simpson said that "Consumer codes has filled in where Trading Standards has been cut and that the scheme supports consumers and legitimate businesses"

It was decided that a structure meeting will need to be arranged before the forum, venue and date to be confirmed and B Hughes will be required for this meeting. It was put to a vote and attendees for this meeting will be I Studd, R Hodgkinson and B Fennell with reserves being G Fitzjohn and M Cutler. A Simpson would also attend on behalf of CCAS.

4. Codes Review for BEIS

BEIS are interested in hearing from somebody or CTSI. A Simpson read from the Board minutes and that it had been agreed this is to be led by the CTSI.

It was discussed that CCAS was underinvested and any future resources would be an investment. The policy on CCAS is unclear and going forward the objective should be to have a clear policy.

M Cutler suggested that scope needs to be broad with an “a to z” of growing the scheme/marketing and that central government support would help grow and develop CCAS and seen as gold standard and raising awareness of the impact on consumer detriment.

B Fennell suggested that CCAS needs to highlight how CCAS is protecting the public by improving the quality of sectors that Codes represents. Was government aware of the history and growth of the scheme and the background from OFT to CTSI?

G Fitzjohn asked A Simpson if CTSI have a list of potential Code Sponsors. A Simpson confirmed that we do, one that was showed the highest level of consumer detriment (care homes etc). and that he and M Garnham had gone through the list and highlighted some potential Code Sponsors.

G Fitzjohn said there was potential to route map to businesses to:

- Comply with the law
- Raising standards, applying constant processes of reviewing codes of practice with continuing improvement for industry
- Have access to information and compliance imparted by Code Sponsors

He went on to say that CCAS needs recognition by government that it is gold standard and that other schemes are just add-ons.

R Hodgkinson agreed that the Code standard needs recognition and stated that Amazon is affecting his sector as there is no redress because the consumer is not buying, and therefore not contracting, from a Code member directly.

I Studd said that members need informing that they are constantly driving improvement when they ask why they are in the scheme and we need to map where Codes came from to where we are now. There is a mismatch against gold standard and the 4% consumer awareness and how to resolve this. Government need to build the CTSI brand and austerity is a good reason to have Codes – where government have made cuts, Codes are filling the gap. He asked if there are figures available where government have made cuts to trading standards.

The panel discussed having a meeting to scope everything to go into the report:

- Heavily researched report to BEIS – the Panel agreed that we already have the information to hand
- Codes are a Community Interest Company
- Report needs to go to other ministers
- Maybe a one page summary report with good detail attached in the way of appendices
- Think politically
- Other organisations need to be made aware of the report (charities etc) and other big players in industry to get them on-board
- Send to all ministers

There was a further discussion with the Panel on the problems around large businesses not wanting to be audited on their processes and the issue of taking away the “.gov” extension from CTSI. Brand is important – A Simpson to share last YouGov survey which detailed brand awareness

ACTON: A Simpson to circulate YouGov report.

5. Governance and Propriety

A Simpson shared a copy of the Code Sponsors Panel – Terms of Reference dated September 2015

The Panel stated:

- Structure of all the codes group need re-addressing
- If we are to seek funding from BEIS then governance may need to be stronger
- Big organisations need to have confidence they are well presented
- The Panel needs to be strong and there was a question about the Panel relationship with the Board
- There is a requirement for mechanism flows
- Governance needs to be more transparent
- B Hughes needs to be involved in this
- As more codes join the more surplus will be generated meaning that spending is more likely to be questioned
- Decisions need to be made on the make-up of a capable Panel as it is starting to show stress
- Panel needs another 2 members
- Staggered terms – how to change panel members – decided a process is required
- Representation, communication and engagement

R Hodgkinson said, that as Chair, there appears to be a firewall between the Board, which needs to be discussed. CTSI is seen as independent, so too is CCAS. There is cross-representation - how we meet lack of clarity for communication with the Panel and the Board.

R Hodgkinson requested that the Panel look at the Code terms as a homework exercise.

B Fennell requested that the CAB report be attached to the minutes.

ACTION: A Simpson to circulate CAB report.

6. Any other Business

A Simpson told the panel that after the Board interviews, 4 attended and 3 had been appointed. The successful candidates were:

- i) Helen Woods
- ii) Ken Daly
- iii) Tony Greenwood

7. Date for the next Meeting

The next meeting tbc.