

CHARTERED TRADING STANDARDS INSTITUTE CONSUMER CODES APPROVAL BOARD CIC

SIXTEENTH MEETING OF CONSUMER CODES APPROVAL BOARD

Minutes of Meeting held on 18 October 2016
City of London, Walbrook Wharf, 78-83 Upper Thames Street, London, EC4R 3TD

Present: C Crawley (Chair), B Hughes, V Olowe, M Upton, L Livermore

In attendance: A Simpson, J Guerreiro

Comments/Decision

Welcome

C Crawley welcomed everyone to the meeting. **It was agreed** that future meetings would start at 10.30am.

Minutes of the meeting held on 19th July 2016

The minutes of the meeting held on 19th July 2016 were agreed as a true and accurate record of the meeting.

Matters arising

C Crawley had met with Ray Hodgkinson, Chair of the Code Sponsors' Panel, recently and advised that they were pleased that B Hughes was able to attend the Code Sponsors' Panel meeting on 12th October.

B Hughes to send the FCA's definition of vulnerability to A Simpson.

C Crawley has written a letter to Steve Brooker thanking him for his input to CCAS and contribution to the Board.

International Construction Warranties (ICW) – Consumer Code for Homebuilders - Stage 2 submission

It was good to see such a high level of enthusiasm from a prospective Code Sponsor and reassuring that the managing director was taking responsibility for the code.

It was suggested that ICW be used as a case study for a future edition of TS Today.

The Board resolved to:

Approve Stage 2 for International Construction Warranties (ICW) – Consumer Code for Homebuilders.

Motor Codes – The Motor Industry Code of Practice for Vehicle Sales – Stage 2 Submission

This is the fourth Code submitted by Motor Codes and is a welcomed contributor to a high risk area of consumer detriment that affects millions of people.

The Board was advised that Motor Codes would be changing its name to the Motor Ombudsman from 1 November 2016 which will see a rebranding of their Codes. There is a process that Motor Codes needs to go through to effect this change.

The Board resolved to:

Approve Stage 2 for Motor Codes – The Motor Industry Code of Practice for Vehicle Sales.

Memorandum of Understanding across sectors

The Board considered whether or not it was appropriate to introduce a Memorandum of Understanding (MoU) per sector where there are two or more codes operating.

It was clarified that the existing MoU within the microregeneration sector had been introduced to prevent abuses of membership and in particular a code member leaving one scheme to join another when they are subject to investigation or disciplinary action. It was suggested that if "code-hopping" was likely to be an issue this could be built into the individual Codes of Practice.

It was agreed that an MoU should only be used as a tool to achieve a specific outcome. A Simpson to give further consideration to how the CCAS Core Criteria could be amended to reflect this without the need for individual MoUs.

Use of Overseas Insurers

A Simpson advised that it had been brought to his attention that at least two of the current code sponsors are using insurers based outside of mainland UK. UK authorised insurers protect consumers via the Financial Services Compensation Scheme up to £75,000 if an insurer goes out of business. There is concern that overseas financial regulators do not offer the same level of protection. There is no objection to the use of overseas insurers as long as the protection offered is the same as the UK.

It was suggested that a letter be sent to all code sponsors asking them to declare if they use an overseas insurer and if so what is the level of protection provided and how this is made clear to members.

It was agreed that A Simpson would draft a policy for the next meeting.

Meeting with BEIS

Ray Hodgkinson, Chair of the Consumer Sponsors' Panel, had tried for 18 months to secure a meeting with the Minister to discuss support and funding for CCAS.

R Hodgkinson and A Simpson met with the Minister's officials on 27 September 2016. The purpose of the meeting was to discuss the Codes scheme's progress, to seek support from Government and to understand the Government's position re Codes particularly post Brexit.

It was agreed that prior to the Code Sponsors' Forum a small working group be set up to put together a paper for the government in the New Year for which there will be financial consequences. All agreed that the scheme needs more visibility and comms work, growth is critical for impact.

A Simpson to advise R Hodgkinson of discussion and actions.

Finance Update

A Simpson is working with the CTSI finance manager on the budget for 2017 and profiling of new codes. **It was agreed that** once completed this be forwarded to V Olowe for review. L Livermore and V Olowe to meet to discuss the budget for 2017 with the option to invite Gaynor Jackson, Chair of the CTSI Audit and Finance Committee, to the meeting.

Progress Update – new applicants

A Simpson advised that there are currently no new expressions of interest and gave an update on Stage 1 approved Codes that will be working towards Stage 2 in 2017.

It was agreed that A Simpson would prepare a paper for the next Board meeting with options for reducing the approval procedure to a one stage process.

Dates of next meetings

The Code Sponsors Forum would be taking place on 7, 8 or 9 February.

It was agreed that the following Board meetings would be: 21 February 2017, 21 March 2017 for the Strategy Day and 23 May 2017.

It was agreed to invite Chris Fay to the next meeting for a communications and PR update.

Signed

Date