



## **Consumer Codes Approval Scheme Consumer Advisory Panel Meeting**

Date: 1 May 2014  
Time: 14:00 – 16:00

Location: One Great George Street, Westminster, London SW1P 3AA

Present: Sue Edwards (Chair), Alison Farrar, Arnold Pindar, Fraser Sutherland, Teresa Perchard

Attendees: Sarah Langley, Magda Podeszwa

Apologies: Caroline Jacobs, Geoffrey Woodroffe, Jane Negus, Jane Vass

### **Minutes**

The meeting started at 14:05

#### **1. Welcome and introductions**

Sue Edwards welcomed everyone to the meeting.

Alison Farrar was introduced as a new member of the Panel (sharing the post with Louise Baxter).

Teresa Perchard (CCAB) joined the meeting.

#### **Declarations of interest**

Arnold Pindar declared his interest as a member of Trustmark Forum.

## **2. Minutes of the last meeting**

The minutes of the previous meeting (18 March 2014) were reviewed and approved by the Panel with no comments.

Matters arising:

Arnold Pindar enquired if there were any updates in relation to the complaints data analysis. Sue Edwards informed the Panel about a meeting with Steve Brooker at Citizens Advice but there has not been any formal update yet.

Teresa Perchard added that Steve will give an update at the next Board meeting (13 May 2014).

## **3. Board Vision and Strategy**

### **i. Teresa Perchard**

Teresa Perchard shared the Board's vision of the scheme, referring to a speech given by Baroness Crawley during the Code Sponsors Forum on 29 October 2014.

The scheme is designed to strike a balance between:

- the reduction of consumer detriment; for more transactions, by more consumers, in more circumstances
- being inclusive, independent, sustainable, visible and well-understood

The Board would like to see the scheme becoming a measurable driver of consumer choice in the market in the next two years.

Teresa referred to the CCAS Business Plan and its five strategic objectives:

- CCAS to become a recognised and trusted brand
- to have a measurable impact on consumer detriment
- for businesses to feel part of the solution to issues in their sectors
- to raise standards and remove confusion in the approval landscape
- to grow the scheme by attracting new codes

Teresa highlighted how important the Panel's role is in helping to achieve the objectives, through providing advice from the consumers' point of view and sharing their expertise. The Panel has immediate impact on the code changes and offer detailed scrutiny and challenge where it is needed.

Additionally, the Panel contributes greatly in advising on new priority detriment areas for codes development.

### **ii. Questions from the Panel**

- Fraser Sutherland enquired whether the Board receives any feedback regarding the scheme from the code sponsors.

Teresa responded that the code sponsors appreciate that the scheme is independent and they see the value of linking the scheme to trading standards and TSI. CCAS is seen as more collaborative and more approachable. Additionally, the approval process is significantly faster.

There is a general perception by code sponsors that the Trading Standards Institute is the right place for the scheme to be.

- Arnold Pindar informed the Panel about "The NCF Trust Schemes Report" published by National Consumer Federation, which gives an independent evaluation of consumer trust schemes. Arnold has offered to send copies of the report to the Panel and the Board
- The Panel briefly discussed main detriment areas. It was agreed that another two new sectors should be approached:
  - funeral plans industry (pre-payment plan products) – the Panel asked Sarah Langley to contact SAIF to find out whether they would be interested in developing a code in this area
  - debt collectors industry (bailiffs) – Sue Edwards asked Sarah Langley to approach Civil Enforcement Association (CIVEA) and the High Court Enforcement Officers Association (HCEOA) to find out whether they would be willing to submit their codes of practice for approval
- Teresa encouraged the Panel to inform whenever a new area arises and contact the Board with any suggestions

**Actions:** Sarah Langley to contact SAIF  
Sarah Langley to contact CIVEA and HCEOA  
Arnold Pindar to send a copy of "The NCF Trust Schemes Report" to the Panel and the Board

#### **4. Home Insulation & Energy Systems Contractors Scheme (HIES)**

The Panel discussed HIES response to their comments from 16 January 2014. Sue Edwards asked the Panel to decide whether they approve the changes.

The Panel admitted that they could see that HIES spent considerable time addressing their previous concerns. The code is much improved. The Panel is particularly pleased with the detailed section relating to vulnerable consumers.

There are a few minor issues to be addressed as set out below:

- HIES needs to clarify that free survey only applies when there is a dispute
- It is still not clear which Ombudsman scheme is used by HIES
- The code needs to clarify the section relating to mediation
- Deposit protection guarantee – the Panel needs reassurance that consumers are covered for whole 10 year period whether company exists anymore or not (i.e. Does the company pay for insurance when they join HIES or per month?) The Panel is concerned that consumers will not be protected if company goes bust after short time, if they haven't paid much into the insurance scheme

- The Panel still has concerns about cold calling – needs further reassurance from HIES around cold calling practices, e.g. members do not buy leads from third parties. How do HIES intend to monitor compliance?
- the Panel wants to see contractual paperwork making it clear what the last day is for a consumer to cancel their contract
- the Panel would like to see HIES explore how they can mystery shop their members, due to contracts concluded in the home and cold calling remaining. This is high risk activity and consumer detriment in the sector originating from cold calling is on the rise

## 5. Checkmate – Stage I application

The Panel considered Checkmate's application.

Checkmate is a Designated Warranty Scheme, providing insurance guarantees for new builds. They intent to submit a Stage 1 application in July 2014 and hope to achieve a full approval by the end of the financial year.

The Panel agreed that this is a good code and a helpful initiative, which seems to aim to make a difference for consumers.

The Panel discussed the code and made following recommendations for changes:

- the vulnerable buyers are not defined – more details and specification needed
- "high pressure selling techniques" – the term is misleading and needs to be specified in greater detail
- pre-purchase information regarding utilities and off-grid status would be useful
- warranty section needs to be specified
- the code needs to clarify what issues are covered by Financial Ombudsman Service and what is covered by ADR
- the Office of Fair Trading reference must be removed
- Consumer Direct reference needs to be removed and contact phone numbers for Citizens Advice Service should be updated
- the Panel would like to see a comparison of Checkmate and the National House Building Council's (NHBC)

The Panel heard that Checkmate is open for any suggestions as for who they should contact for further consultation on their code. The Panel were asked to let the CCAS team know if they had any thoughts on consumer organisations that Checkmate could contact to seek further consultation on the code.

The Panel would like to see the Checkmate application on the Agenda for the next meeting.

## 6. Carpet Foundation code changes

The Panel approved the changes made by the Carpet Foundation to their code of practice. The new monitoring criteria and revised code of practise will be presented to the Board for reconsideration at the next meeting on 13 May 2014.

## 7. CCAS update

Sarah Langley provided the Panel with a CCAS update:

- Institute of Professional Willwriters passed their audit in April
- the Property Ombudsman's audit is due on 7 May
- Sarah Langley asked the Panel whether they would like to formalise a "Panel summary template" for any new codes that are presented to the Panel. This would be for the Panel's convenience and would work as a summary, specifying what an organisation does and what their code of practice is. Arnold Pindar offered to assist Sarah with drawing up the format.  
Sarah asked the Panel to get back to her with any comments and/or suggestions and will circulate the proposed paper when it has been finalised

**Action:** Sarah Langley to prepare the "Panel summary template"

## 8. Any Other Business

Sue Edwards asked the Panel to confirm their attendance in advance for the next meeting (for signing-in procedure purposes).

It was suggested that other consumer organisations could be invited to future Panel meetings when there were specialist codes on the forward plan for discussion at the meeting.

The future meetings of the Panel:

|                            |               |                        |
|----------------------------|---------------|------------------------|
| Thursday 26 June 2014      | 14:00 – 16:00 | Citizens Advice Office |
| Thursday 25 September 2014 | 14:00 – 16:00 | Citizens Advice Office |

The meeting concluded at 16:25