



Consumer Codes Approval Scheme Consumer Advisory Panel Meeting

Date: 12 January 2015
Time: 14:00 – 16:00

Location: Citizens Advice, 3rd Floor North, 200 Aldersgate Street, London EC1A 4HD

Present: Sue Edwards (Chair), Caroline Jacobs, Jane Negus, Fraser Sutherland, Alison Farrar (Phone)

Attendees: Sarah Langley, Claire Love

Apologies: Geoffrey Woodroffe, Teresa Perchard, Helena Twist, Jim Humble

Minutes

The meeting started at 14:10

1. Welcome and introductions

Sue Edwards welcomed everyone to the meeting.

Sue asked the Panel if they would be willing to allow Jim Humble (former member of OFT staff involved in code approval) to join the panel. This was agreed.

2. Declarations of interest

No declarations of interest were noted.

3. Minutes of the last meeting

The minutes of the previous meeting (25 September 2014) were reviewed and approved by the Panel with no comments.

Matters arising:

The Panel asked Sarah Langley to circulate the NCF Consumer Trust Report.

The Panel was informed that Citizens Advice, together with TSI have now completed their analysis of the new sectors for the potential codes development.

Sue Edwards apologised for not circulating the notes from the working group on further guidance for prospective code sponsors. She will do so before the next meeting and the notes will be discussed by the whole panel.

4. BLP Insurance – Stage 1 Assessment

a) Review

The Panel engaged in a discussion regarding the code application. The main points of the discussions are recorded below.

- **Section 3: BLP Code for the Sale of New Homes**
 - The Panel asked whether the BLP code is transferable to a new owner
- **Section 4: Your BLP Insurance Cover**
 - It was noted that BLP offer two policies, and that the level of cover is decided by the builder and not the consumer.
 - It was decided that as not all of the builders supply the consumer with the plus policy this should be clearly stated in the code.
 - The Panel felt that BLP should provide cover for consequential loss when damage resulted from a defect.
 - It was discussed by the Panel as to whether BLP would be able to give the consumer the choice to purchase the plus policy if they are only given the basic policy by the builder. It was agreed that if this was possible then this would be acceptable.
- **Section 5: The Code**
 - The Panel felt that there needed to be a definition around what was classed as '*practical completion of the home*'. Is this when the house is built or when the consumer completes the purchase?

- b) point 3 – there needs to be a fuller explanation of the protection that an individual will or won't get. The Panel felt that there should be a glossary added to the code.
- d) point iii – If there is an option to increase the insurance then it should be included in this point.
- e) complaints and disputes – Timescales need to be added in to the code for responses to complaints.

5. The Furniture Ombudsman – Stage 1 Assessment

The Panel engaged in a discussion regarding The Furniture Ombudsman code application. The main points of the discussions are recorded below.

- The Consumer Advisory Panel discussed the layout of the code and felt that it needed improving and that the business terms and consumer code need to be separate.
 - It was felt that the code was too legalistic and that it had too much jargon and needed to be written in plain English.
 - Points 1 & 2 – It was asked whether a prospective member could be a sole trader or a partnership. It was asked that they clarify what is meant by a bona fide company and how they determined whether the Company was financially stable. Any checks that are made should be clearly stated in the code.
 - Point 6 – *'A prospective member must be able to demonstrate how they have reduced Consumer complaints. They must be able to show that upholding the values of the Code have reduced the number of complaints for six months prior to being made a full active Code Member'*. How will the Furniture Ombudsman check this?
 - Point 12 – It was felt that this point needed to be expanded on and reworded.
 - Point 13 to Point 22 – There are a number of items that are not relevant to consumers.
- **Rules Governing The Furniture Ombudsman Alternative Dispute Resolution Service**
 - The Panel agreed that this section should be included within the Code.
 - **Annex 1**
 - Points 1.1 and 1.2 – Examples need to be included in both points e.g. wood/ granite/ slate work tops.
 - Point 1.3 – The Code needs to state how long a product is covered after it has been installed. Whether white goods are included in the Code. Whether workmanship/ service design and fitting are covered and give descriptions of what these areas cover in more detail.
 - Point 1.5 – *'The Code Member will not have to provide details of characteristics of the product that would be commonly known to the consumer without researching the product.'* What is classed as commonly known?

- Point 5.3 – *'The Code Member will inform the consumer if a delivery is not going to take place.'* The full stop should be replaced with a colon.
- Point 5.3.2 – What is classed as a reasonable time? A timescale needs to be given in the code.
- Points 7.2 and 7.3 – How will the mystery shop be done? Should this be a customer survey?
- Point 8.3 – *'The progression 'map' must be available in store.'* What does this mean?
- Point 10 – Definitions, this needs to be moved the beginning and expanded.

The Consumer Codes Panel agreed that the following items need to be covered under the code

- Linked credit is not covered under the Code, but should be due to the level of consumer detriment where credit is mis-sold.
- Deposit protection needs to be under the Code and it should include how much cover the consumer has and whether pre-payments are covered.

6. The Glass and Glazing Federation – Stage 1 Assessment

The Panel engaged in a discussion regarding the Glass and Glazing Federation code application. The main points of the discussions are recorded below.

The Consumer Advisory Panel felt that the section for vulnerable consumers under this Code was good overall. The following points were raised.

- *'risk of receiving inferior goods'* should be replaced with unsuitable or unnecessary goods/ services.
- The following example given under *'Suitable products fit for purpose'* needs to be changed *'An elderly person should be able to open a window over a kitchen worktop without having to stand on a chair'*
- Point B8) The Consumer Advisory Panel stated that timescales were needed in this section.
- Point B10) It agreed felt that this could be covered on a separate sheet/ letter or put on the website at little or no extra cost.
- Point C5) The Panel agreed that when a meeting takes place in the home then a time limit has to be adhered too, the Panel felt that 4 hours was adequate time but would like it to be noted the sales person needs to take into account the time of day e.g. if a meeting is at 8pm then they cannot stay till midnight. The Panel agreed that the 7 days cooling off period for consumers is a positive addition.
- Point F2) The Panel asked that GGF reconsider the comments from the last meeting.

The Panel felt that there were a few outstanding issues that GGF needed to explore but overall the Panel were happy with the effort GGF had made to update the Code.

7. CCAS Update

Sarah Langley gave an update on the current position of new and approved Codes

- Simple Products have been approved for stage 2
- The Property Ombudsman has had two significant changes and has added the Scottish legislation to both their Lettings and Sales Codes.
- HIES has been approved for stage 1 subject to the MsC MOU being agreed.

8. Any Other Business

The date of the next meeting of the Panel:

Last week of April 2015(exact date and time to be confirmed)

The meeting concluded at 16:13