

## British Association of Removers Consumer Code-Audit November 2013

### Background information

The British Association of Removers (BAR) has its origins in an association set up in 1900. BAR in its current form was created in 1973.

The British Association of Removers Consumer Code currently has c450 members based at 600+ locations. This equates to 60% -70% of the professional removals market. Members include domestic, commercial and overseas removal businesses.

Only approximately one third of applicants are accepted, as BAR are looking to raise standards within their sector and only accept the best businesses, whether large or small, that meet their extensive criteria.

As well as being a trade association, BAR have a training division, and have been instrumental in creating British Standards for removal services (BS8564 for overseas moves and BS8522 for commercial moves). They have also developed the first ever removals specific apprenticeship, for which they have won awards.

### Audit Process

Three qualified trading standards professionals from the Trading Standards Institute (TSI) completed an onsite audit split over two days. The audit focused on the following areas:

1. Member application process including checks carried out on prospective businesses
2. Member auditing-content and process (including general compliance with the code, staff training and dealing with consumer complaints)
3. Sanctions for non complaint member businesses
4. Marketing and advertising by member businesses- Terms and conditions and pre contractual information (including cancellation rights, deposits, delivery times and guarantees and warranties)
5. Customer service provisions (including support for vulnerable consumers).
6. Consumer complaints process (including ADR)
7. Customer satisfaction, information/complaints from enforcement agencies, and how this information is used to develop and improve the code.

### Audit Summary

BAR have used the move of the Consumer Codes Approval Scheme (CCAS) from the Office of Fair Trading to Trading Standards Institute as an opportunity to review, refresh and update their code and the processes that supports its operation.

Many of the processes to support membership and consumer complaints have been streamlined and automated where possible.

### Membership Application Process

BAR have a comprehensive member database, with all records kept electronically.

The audit examined:

- The procedure for appointing new members
- The records of audit of existing members
- The process for completing inspections of members
- The process of membership withdrawal

## Summary

The member database was comprehensive, data was easily retrievable and no issues were found with missing records.

## New Members

The member application process was examined. Expressions of interest are sent via e-mail including all of the application form, insurance documents and a copy of the terms of membership and the code of practice.

BAR will only accept applications from traders that predominantly work as removers (rather than freight forwarders or hauliers); they must have been trading for 12 months; must be VAT and PAYE registered and must have all of the appropriate VOSA Operator Licences or Certificates of Professional Competence.

The BAR Commercial Team maintain an excel spreadsheet of all membership applications. This includes a full breakdown of the current status of applications  
The application checks include Companies House, VOSA, Creditsafe (for independent credit checking), Insurance, Qualifications and any other relevant checks.

Some objections were examined and a robust process for assessing them was in place. All such objections (and any anomalies discovered by the Commercial Team) are referred to the Advisory Committee of senior BAR members for a view to be taken.

All applications are subject to an independent onsite audit carried out by Quality Service Standards. I reviewed some audits and found them to be comprehensive and properly recorded. I even noted that BAR will require a new audit to be undertaken before an existing member can propose a new branch of their business for inclusion in membership. I noted a proposal from the Compliance Officer to implement a new guidance document on the audit and to review the scoring mechanism.

If applications are successful, they are sent a membership pack. This comprehensive pack includes the BAR/TSI Code of Practice Leaflets and a USB stick containing a broad range of information, but specifically the BAR/TSI guidelines on the proper use of the logo.

### **Best Practice:**

All applications are published in the BAR's monthly magazine and other members are given 21 days to object and provide supporting evidence. BAR will not accept objections merely because the applicant is a competitor.

## Existing Member Inspections/Audit

Quality Service Standards (a wholly owned subsidiary of BAR) have six independent inspectors covering six geographical areas who carry out annual inspections of members (increased frequency from three yearly inspections). A new database has recently been introduced to capture and record member data including outcomes of inspections. When an inspection is due the database creates an alert and a pre inspection submission form is sent to the member for completion which must be returned two weeks in advance of the inspection. A member is inspected against membership criteria and the code of practice. Once the inspection is carried out an inspector generates a report against all clauses and a description of any non conformances. The database is auto populated with all the report data. It was noted that the new database did cause up to a two month back log of entry of inspections data, although this backlog has now cleared.

Where non conformances are reported, BAR issue members advice on how to rectify -which must be carried out within four weeks. Written evidence that matters have been addressed must be provided. If evidence is not provided within four weeks, the matter is escalated.

BAR have created standard guidance/suggestions for non conformities including model templates and standard paragraphs for inclusion within documentation.

Non conformities recorded on the database are scored 1-3-9 (minor, medium, major) and an overall score for the inspection generated a score higher than 35 indicates a failed inspection and if this is not rectified within the four week period matter is escalated

It is a requirement of membership that members carry out staff training and continue to do so. BAR require evidence of manual handling and health and safety induction training for new staff. Members must show evidence that this is happening and how it is tracked. BAR offer a standard induction training pack for their members.

Several audits were examined in depth. No issues were found. The processes had been followed, and all follow up work completed in the timeframe set.

A 'pass' score of 35 is too high as three major non conformities scores 27. A score so high should require some more formal follow up action. It was noted that BAR are aware of this, and are reviewing the scoring system in the near future.

**Recommendation:**

BAR review and lower the existing score for passing an audit.

**Membership Withdrawal and Sanctions for Non Compliant Member Businesses**

BAR have an updated disciplinary procedure, and the committee documentation was reviewed. The new committee is completely independent and BAR do not attend. The previous committee had the need to meet only on one occasion.

If a member fails to return pre submission form (inspections), the member is required to pay a £75 penalty for the inspector to complete the form on inspection. This fee is also payable if the Member cancels the inspection at short notice

Members have a four week timeframe to correct non conformities if not the matter is escalated to BAR management who sends a warning letter to the member. BAR have terminated membership for non payment of fees in the past.

2/3 of warning letters have been sent for failure to deal with customer complaints, and a few warning letters for failure to return the pre inspection form.

Examples were looked at for failure to correct non compliance issues discovered on inspection or deal with customer complaints appropriately. Warning letters and emails from BAR did prompt immediate action from the members on each occasion.

No issues were raised with the sanctions procedures.

**Marketing and Advertising by Member Businesses**

BAR's monitoring of advertising and marketing of members, which forms part of the audit process, application process and ongoing ad hoc monitoring was examined.

There were no issues of concern with the aspects of BAR's systems.

## **Terms and Conditions and other Pre-Contractual Information**

BAR have standard terms and conditions which were registered by the OFT during their CCAS application. All BAR members must use these as a minimum standard.

BAR have just entered into a Primary Authority Partnership with their local trading standards service, and they have asked them to review their terms and conditions, endorse them and issue "Assured Advice". This is due to be launched in early 2014

BAR members must also sign up to minimum standards of "insurance" and "liability" terms and conditions. Overseas members must also have an additional advanced payment guarantee. If any overseas member ceased trading, BAR (through its overseas group) would arrange and provide the removal service paid for, or, in the unlikely event that they are unable to do so or it is not practicable, the consumer would get a full refund.

If a domestic mover ceased trading having received an advanced payment, but not having fulfilled the move, BAR would either arrange the move or refund to the customer 150% of the advanced payment in accordance with the Code of Practice.

Consumer cancellation rights are covered in both the BAR consumer code and the terms and conditions.

Adherence to these requirements is checked on the initial and ongoing member audits.

## **Customer Service Provisions**

BAR accept that the process of moving is stressful for all consumers and the consumer code sets out how all consumers must be treated. BAR deliver customer service training to their members and specific training for dealing with vulnerable consumers is included.

Access issues for physically disabled consumers are accommodated throughout the moving process. BAR are not aware of any members whom use premium rate phone numbers for their customer contact number.

## **Consumer Complaints Process**

Consumers can make a complaint via phone, email, letter or online.

Consumers are directed to the relevant BAR member to resolve their complaint in the first instance. However, BAR will intervene if the issue is serious or unresolved.

The BAR complaints procedure is set out in the BAR consumer code, and members are given guidelines on how to deal with complaints. BAR members must respond to any complaints within five days. Members are encouraged to resolve complaints as quickly as possible, and seek out advice if required. BAR provide a free legal helpline for members, which they can use for seeking advice that assists them in resolving complaints.

Any complaints that cannot be resolved between the consumer and the BAR member are referred to BAR. BAR use IDRS an independent Alternative Dispute Resolution (ADR) provider to deliver both conciliation and Arbitration on BAR's behalf. 95% of complaints that are referred onto BAR are resolved at the conciliation stage.

BAR's complaints process is completely automated. The status of complaints is updated automatically on the database. Five separate complaints were examined, including those that had progressed to ADR. All processes were complied with. Documents and correspondence were correctly recorded and retrievable and outcomes recorded. The consumers and businesses had all been updated on the outcomes, and the awards to the consumers honoured where appropriate.

BAR members received 566 complaints in 2012/13, which equates to c1% of moves completed.

## Customer Satisfaction and Feedback

BAR has three ways of collecting customer satisfaction.

1. Trusted Mover
2. Referenceline
3. Members own systems

BAR have recently developed their own 'Trusted Mover' online customer feedback site. Members who use this option send an automatic email to each customer after their move has been completed. The email contains a unique link to the feedback website, which the consumer can click on and then leave feedback. An automatic follow up prompting email is sent two weeks later, if the consumer has not left feedback.

The member cannot interfere with or influence the feedback. The member can see the feedback once left and can challenge any feedback they consider unfair or vexatious. Negative feedback in itself is not a valid reason to challenge. BAR adjudicates if feedback is challenged. Only a few feedbacks have been amended or removed in the last six months.

BAR have set trigger levels, so if feedback drops below a certain point, BAR are automatically notified and can investigate.

Around 40% of BAR members use Referenceline, an independently run customer feedback review site. This system is paper based and members hand a feedback form to consumers. They send the pre-paid card to Referenceline and feedback is manually entered. Like Trusted Mover there is a member appeal process for unfair feedback. Referenceline used to notify BAR if any negative feedback relating to BAR members was received, but this has lapsed.

Referenceline have a continually updated summary of BAR member's performance on their website. At the time of the audit this was shown as 99% satisfaction at 9.5/10 with BAR members.

Some of the larger companies use their own customer feedback systems. They still have to use the standard questions set by BAR, and send an annual summary report and feedback spreadsheet to BAR.

BAR review all feedback on an annual basis, to identify any particular issues and trends.

The Trusted Mover process was reviewed and feedback examined for members on both Trusted Mover and Referenceline. No issues were found.

It was noted that in time members will be encouraged to use the automated Trusted Mover system. Any issues with members may also be identified via complaints or the annual audit programme, which also examines feedback as part of the audit.

### **Recommendation:**

BAR ask Referenceline to refer any negative feedback below a set trigger point to them

## Conclusions

BAR have reviewed and made many changes to the operation of their consumer code since their OFT approval. Continuous review and improvement is to be encouraged, and the move to annual member inspections from the previous three year cycle is one area where BAR have made changes for the better. The process for new applicants is especially good, and involving existing members in the process is an area of best practice.

BAR are fulfilling their obligations as a code sponsor, and their membership is compliant with the CCAS core criteria and the BAR code.