



Consumer Codes Approval Scheme

Meeting: Consumer Advisory Panel – Development Meeting

Date: 18 March 2014
Time: 11:00 – 15:00

Location: RECC office, 2nd Floor, 25 Eccleston Place, Victoria London SW1W 9NF

Present: Sue Edwards (Chair), Freya Johnson-Ross, Caroline Jacobs, Arnold Pindar, Geoffrey Woodroffe, Jane Negus, Jane Vass, Steve Brooker

Attendees: Sarah Langley, Magda Podeszwa

Apologies: Teresa Perchard, Louise Baxter, Fraser Sutherland

Minutes

The meeting started at 11:10

1. Welcome and introductions

Sue Edwards welcomed everyone to the meeting.

Caroline Jacobs was introduced as a new member of the Panel.

Freya Johnson-Ross (Citizens Advice) and Steve Brooker (CCAB) joined the meeting.

Declarations of interest

There were no new declarations of interest.

2. Minutes of the last meeting

The minutes of the previous meeting (16 January 2014) were reviewed and approved by the Panel with no comments.

Matters arising:

Sue Edwards informed the Panel of the meeting that Freya Johnson-Ross and herself held with HIES to advise on their application from Citizens Advice perspective.

Steve Brooker thanked the Panel on behalf of the Consumer Codes Approval Board for the Panel's involvement and advice on HIES application.

3. Board Vision and Strategy

i. Steve Brooker – Performance Measurement

- Steve informed the Panel that he is currently working on a proposal for a performance measurement framework, which should be ready for the Board's approval in May 2014
- the overall aim of the performance measurement is to support the consumer awareness, recognition and understanding of CCAS
- in order to achieve high level outcomes, performance measurement must be linked to CCAS strategic objectives and populated with relevant data
- a Steering Group has been created to manage the project; the group consists of: Steve Brooker, Steve Brooks (Select Statistics) and Sarah Langley
- Steve informed the Panel that an annual survey on public awareness of the scheme is being prepared as part of the proposal
- Steve highlighted the difference between what we can do now and what can be achieved in the future (as there is not enough relevant data yet)
- the code sponsors were asked for their support in data collection
- Steve asked the Panel what they would like to see measured, how far we should push the code sponsors and what data the code sponsors should provide

ii. Questions from the Panel

- Arnold Pindar enquired how we could prove the scheme's value to all economic entities and how we can prove that CCAS makes a difference not only for business and government but also for consumers
Steve Brooker replied that the complaints data ratio between members and non-members is a good indicator
- Freya Johnson-Ross asked Steve if he looked at surveys done earlier by OFT
- Sue Edwards invited Steve Brooker to meet with Citizens Advice to analyse the complaints data
- Jane Negus wanted to know if CA and local authorities advise consumers to use CCAS members and highlighted that this would be a great way of raising awareness of the scheme
- Jane Negus enquired how, with the upcoming changes in ADR regulations, consumers will be able to differentiate CCAS from other trades schemes. Steve Brooker replied that the ADR directive should not make a huge difference for traders

but agreed that the Board will need to reflect on what ADR directive means for the scheme

- Steve Brooker will circulate a draft on the Panel's discussion to the Board and the code sponsors

4. Review of Citizen's Advice Consumer Complaints Data

Freya Johnson-Ross presented the Panel with the Citizens Advice Bureau and Consumer Service complaints data.

Freya informed the Panel that Sue Edwards and herself met with Sarah Langley in January 2014 to discuss how Citizens Advice complaints data can be used for CCAS purposes.

The Panel reviewed the Citizens Advice data.

Freya highlighted the three areas that generate the highest number of complaints: central heating, roofing and general building.

Caroline Jacobs wanted to know whether the consumer profile was known for the complaints data. Sue Edwards advised that the Bureau gathers this type of information but not the Consumer Service.

The Panel discussed the central heating sector complaints, highlighting this as an area where a consumer code could be needed.

Jane Vass mentioned mobile phone hardware issues as one of the highest complaints zones. Jane Negus confirmed that the mobile phone issues are also a very high complaint area for the European Consumer Centre.

Jane Negus enquired whether it is too early for CCAS to approach associations to join the scheme. Sarah Langley advised that at the early stages of the transition process, the OFT provided a "warm list" of organisations potentially interested in joining the scheme. Most organisations from the list have either been approached, or have approached TSI themselves.

5. Agree priority areas for potential new approved codes

Sarah Langley asked the Panel for their views on what sectors could benefit from developing a code and confirmed that any sectors suggested by the Panel will be considered.

The Panel agreed that the areas of big consumer detriment, where scams are very common and consumers are particularly vulnerable should be investigated.

The four areas of high consumer detriment highlighted by the Panel are:

- burglar alarm systems sector – an area of big consumer detriment, prone to scams based on "the fear of crime"; the issues affect very vulnerable people
- care services and retirement housing sector – OFT did some limited work in this area regarding high access fees but the consumer side is completely underdeveloped and nothing exists currently that could help consumers choose providers; the Panel believes this to be a vast area where a code could be developed

- heating oil sector – Sue Edwards took part in discussions when the industry was developing a code of practice; representatives also met with Andy Foster in September 2013 and were considering CCAS application
- home improvements sector – Federation of Master Builders and Home Builders Consumer Code have expressed their interest in CCAS but their codes need some work to comply with the core criteria

Geoffrey Woodroffe enquired whether anything could be done in retail sector when a retailer sends consumers back to manufacturers (expired warranty situation). Sue Edwards replied that this issue should be covered by the Sales of Goods Act. The incoming Consumer Rights Bill will also amend current regulations. However, this is not within the remit of codes (even though guaranties and warranties are covered by core criteria and this area is audited) as CCAS does not affect the retail sector.

Steve Brooker added that it would be impossible to cover every possible scenario in every possible sector but the Panel should advise the Board if they believe particular codes are missing vital elements.

6. CCAS update

Sarah Langley provided the Panel with a CCAS update:

- Motor Codes Vehicle Warranty Products code was fully approved in February and is the first code approved under CCAS; the press release is due 21 March 2014
- SafeBuy decided to leave the scheme and have withdrawn their application
- the Carpet Foundation failed their audit in January – the audit report, together with the Carpet Foundation's response, was presented to the Board on 18 February; the code sponsor was given time to rectify the areas that failed the audit and is expected to provide an action plan for the Board's reconsideration at the next meeting in May; Sarah Langley is meeting with the Carpet foundation to discuss their response
- BHTA passed the code sponsor's audit in March
- the Panel reviewed the CCAS Business Plan 2014, concentrating mainly on "Recommended Key Activities for 2014/15"; Sarah Langley explained that it was originally underestimated how long the approval process would be and admitted that after the foundations for the scheme have been laid in the first year, the scheme can start growing through:
 - 1) the approval of more codes
 - 2) using public media for raising the awareness of CCAS
 - 3) removing consumer confusion by promoting coherence across the scheme
- we are currently running advertising pilots on Facebook and Google Ads; the campaigns are paid by NTSB and aim to promote the scheme and the code sponsors
- Suzanne Kuyser is meeting code sponsors to discuss communications and marketing strategies and to coordinate with code sponsors' marketing activity
- Sarah updated the Panel on the potential code sponsors activities and stated that three to four new codes are making good application progress and are likely to be approved this year.
- Sarah informed the Panel that she is currently working on MoU for multiple codes operating within the same sectors – the issue was discussed by CCAB at the last meeting.
- Sarah invited the Panel to TSI Conference 2014 in Harrogate; formal invites will follow

7. Any Other Business

The Panel agreed the following schedule for future meetings:

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| Thursday 1 May 2014 | 14:00 – 16:00 |
| Thursday 26 June 2014 | 14:00 – 16:00 |
| Thursday 25 September 2014 | 14:00 – 16:00 |

The venues will be confirmed in due course.

The meeting concluded at 13:10