



Consumer Codes Approval Scheme Consumer Advisory Panel Meeting

Date: 25 September 2014
Time: 14:00 – 16:00

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

Present: Sue Edwards (Chair), Geoffrey Woodroffe, Helena Twist, Jane Negus
(phone)

Attendees: Teresa Perchard, Sarah Langley, Magda Podeszwa

Apologies: Alison Farrar, Caroline Jacobs, Fraser Sutherland, Jane Vass

Minutes

The meeting started at 14:15

1. Welcome and introductions

Sue Edwards welcomed everyone to the meeting and informed of Arnold Pindar and Louise Baxter's official resignation from the Panel.

Helena Twist (National Consumer Federation) was introduced as a new member of the Panel.

2. Declarations of interest

No declarations of interest were noted.

3. Minutes of the last meeting

The minutes of the previous meeting (26 June 2014) were reviewed and approved by the Panel with no comments and no matters arising.

4. Consumer Codes Approval Board update

The Panel agreed to move this agenda item to the beginning of the meeting.

Teresa Perchard briefed the Panel on the latest meeting of the Board (15 July 2014).

The following points were discussed:

- Simple Products code had received Stage I approval on certain conditions (based on the Panel's recommendations – mainly regarding the involvement of consumer organisations, plainer English and definition of vulnerable consumers). The Panel was informed that Simple Products are in the process of setting up the CIC. Citizens Advise had confirmed that they had been officially approached by Simple Products, regarding their participation in CIC.
Simple Products are building up proxy evidence data, which would be presented to the Board at the October meeting, when they seek Stage II approval.
- the Board had approved Stage I for Checkmate Consumer Code for Builders of Homes for Sale.
- a request from the Code Sponsors Panel regarding the chair of the Panel attending all Board meetings had been considered. The Board had agreed that the Chair can be invited to future meetings when there are particular issues to discuss.
- the Board had discussed the recent developments with the multiple codes operating within the microgeneration sector; Paul Rochester (Department of Energy and Climate Change) and Ian Manders (Gemserv) had joined the debate.
It had been agreed that all interested parties would meet again before the October Board meeting for further discussion and to consider Memorandum of Understanding.
- the Board had agreed the Carpet Foundation's monitoring proposal
- the Board had received a CCAS financial update
- the Board had approved the new areas for codes development, as suggested and researched by the Consumer Advisory Panel
- the Board had been updated on the situation within various approved trader schemes; TSI had issued a consultation paper, responses to which had been gathered at the end of August and a report will be produced in October
- the Board had received a marketing update, mainly regarding the work of the Communications and Marketing sub-group

The next meeting of the Board will take place on 14 October, where two codes – Simple Products and the Property Ombudsman Lettings Code, will be presented for Stage II approval.

Sarah Langley updated the Panel on the role of the Code Sponsors Panel in the scheme, clarifying that the Code Sponsors Panel is not involved in the review of new codes. It was decided that another meeting with the Code Sponsors Panel was not needed at present.

5. Home Insulation & Energy Systems Contractors Scheme (HIES) Code – amendments and update

The Panel discussed further amendments made to the HIES code, following the recommendations from the meeting on 26 June 2014:

- the Panel was satisfied with the confirmation of a free survey
- the issue with the Ombudsman had been resolved
- information regarding mediation appears in the Ombudsman leaflet, but should also be included in the code itself; mediation process needs to be simple to understand; the cost of mediation to consumer should be clarified
- cold calling – HIES response does not answer the question about buying leads and needs further clarification; HIES has not addressed the Panel's comment directly. The Panel would like to see HIES commit to not buying leads from third parties, including "lifestyle surveys" (with exception for Electoral List)
- the code should provide an annual statement showing how HIES keeps the cold calling to minimum
- Principle Five – "*create, obtain, distribute or maintain*" – should also add "*use*"

6. Glass and Glazing Federation Code – Stage I Assessment

The Panel engaged in a discussion regarding the Glass and Glazing Federation's Stage I application and raised the following issues:

- B2 – "The company will give the consumer clear, helpful and adequate sales information" – the Panel would like to see the code stating that the salesperson should create positive environment and encourage the consumer to ask questions; sales person must also check that the consumer understands the contract and asks any questions they may have about the contract before signing, including any issues relating to credit.
- B3 – Telephone canvassing – the code should refer to and comply with the Privacy and Electronic Communications Regulations 2003.
 - The Panel would like to see GGF commit to not buying leads from third parties, including "lifestyle surveys" (with exception for Electoral List). The Panel acknowledges that there is a significant amount of phone cold calling in the double glazing sector, therefore would like to see GGF going above the law and offering much better protection for consumers.
 - add "correct" to calling line identification
- B6 – Vulnerable consumers
 - "*Companies will take the necessary effort and time to make sure that vulnerable consumers understand all aspects of signing a contract (...)*" – the code should specify precisely what aspects and confirm that consumers understand the contract before signing;
 - "*Where appropriate, members must seek the involvement of a trusted friend or relative*" – the paragraph does not mean anything; needs to be rephrased and clarified
 - if it appears that a consumer is vulnerable, contracts must not be signed without "trusted, reliable advice before the contract is signed"
 - add numeracy to literacy skills

- "(...) companies are prohibited from creating, obtaining, distributing or maintaining lists (...)" – should also add "use"
- B7 – Contracts are fair and clear – change wording to: "the contractor must offer a consumer an explanation of the contract (both pre- and post- contractual)"
- B8 – Customer service – "(...) enquiries from consumers are dealt with promptly" – timeframes for dealing with complaints and enquiries should be specified
- B10 – Unresolved complaints – "low cost (independent alternative dispute resolution service)" – the cost needs to be specified
- C1 – Customer relations – should say: "Sales staff will always produce evidence of identification."
- C2 – Advice to consumers – "Consumers should not hesitate" should be replaced by "Consumers should be encouraged"
- C5 – Sales presentation in consumers' homes
 - "(...) salesperson does not outstay their welcome" – the timeframe needs to be specified
 - "(...) reasonable length of time" – the time needs to be specified
 - the salesperson must respect consumer's request to leave early
 - the Panel would like to see the code stating that the length of presentation is agreed with consumer beforehand
- C7 – Cancellation of contracts
 - pre-contractual information should specify the consequences of creating "bespoke" orders
 - definitions should be added for what is "bespoke" and what is "made to measure"
- C9 – Financial commitment – consumers should be made aware of full costs of the order and be asked whether they can afford it
- F2 – Failure to start on time – section is not clear, needs rewriting and stating what's in it for consumers
- F4 – Health and safety – no information on health and safety for consumers
- F5 – Existing defects – the paragraph needs to be clearer and needs to specify what happens next
- F6 – Damage – "It is suggested that the consumer removes anything that has monetary or sentimental value to a safe place." – should say "The salesperson must tell the consumer to remove..."

7. The Property Ombudsman Code – Stage II Review

The Panel was updated on the Property Ombudsman's Stage I approval achieved under Office of Fair Trading and the reasons why they didn't achieve Stage II (monitoring criteria). As the code was already Stage I approved, the Panel was not be able to insist on any changes, but were invited to provide their opinion.

After a discussion, the Panel agreed they did not have any comments to make about the code.

8. Priority areas for new codes development

The Panel reviewed the research papers for the new areas for codes development prepared by Citizens Advise and TSI.

The research covered following sectors:

- Burglars alarm systems

- Bailiffs and high court enforcement officers
- Care homes and retirement homes
- Funeral plans (to be investigated further by Citizens Advice)

It was agreed that further sectors need to be researched:

- Heating oils
- Funeral directors
- Home improvements

The Panel was asked to send in their comments and recommendations regarding priority areas to the CCAS team.

9. CCAS update

Already covered earlier in the meeting.

10. Any Other Business

The date of the next meeting of the Panel:

Monday 12 January 2015 14:00 – 16:00

Citizens Advice Office

The meeting concluded at 5.15pm