

Chartered Trading Standards Institute

# Consumer Codes Approval Scheme

Core criteria and guidance

November 2019

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## GUIDANCE ON THE CORE CRITERIA FOR THE CONSUMER CODES APPROVAL SCHEME (CCAS)

### Introduction

The Consumer Codes Approval Scheme (CCAS) was first introduced by the Office of Fair Trading in 2001. In 2012, the government asked the Chartered Trading Standards Institute (formerly Trading Standards Institute) to develop a successor to the OFT's scheme as a part of the 'consumer landscape review'. From April 2013, the management of CCAS transferred to a new Consumer Code Approval Board operated by CTSI. The Trading Standards Institute was granted chartered status in April 2015.

CTSI has undertaken extensive consultation on amendments to the core criteria for the OFT's scheme with a view to further reducing consumer detriment through this facilitated self-regulation. CTSI published a response to that consultation in February 2013, together with this new core criteria guidance. Before reading the detail of the core criteria guidance it is important to understand some of the general principles relating to the scheme and to code provisions. This guidance provides pointers, not rigid rules, to help code sponsors develop their codes to meet the core criteria. It does not provide advice on sector specific issues.

### Purpose of the CCAS

CCAS is facilitated self-regulation. It aims to promote consumer interests by setting out the principles of effective customer service and protection. It goes above and beyond consumer law obligations and sets a higher standard – giving consumers a clear indication, through the right to display the CTSI Approved Code logo – that code members can be trusted.

CCAS aims to reduce consumer detriment and codes will only be approved if they can clearly demonstrate that they are contributing to this objective. Codes approval is a rigorous and intensive process for code sponsors.

### Scope of the CCAS

The CCAS is committed to promoting codes of practice that meet our core criteria and have obtained CTSI approval.

**Code Sponsor** – A code sponsor is the organisation, firm or entity that administers and promotes a voluntary code of practice (as opposed to statutory codes) and can influence and raise standards within its membership. It must be a distinct entity from its members.

**Code Member** – A code member is any member of a code sponsor. It is a requirement for the CCAS that all eligible members of a code sponsor’s organisation sign up to the code in order to ensure a consistency of message to consumers.

## Enforcement

CCAS is voluntary. A code sponsor must elect to submit their code of practice for approval and membership of the code sponsor must be voluntary. However, there are some circumstances where having a CTSI approved code is a pre-requisite for access to other rights or facilities for code sponsors. CCAS does not cover statutory codes of practice.

Whilst being a member of a CTSI approved code is voluntary, claiming to be a member when not entitled to do so is or failing to follow the terms of an approved code whilst claiming to be a member of it is a criminal offence for which the trader could be fined or imprisoned. In addition, it is a criminal offence to claim to have a CTSI approved code of practice when it has not been approved or to display the CTSI approved code logo without authorisation.

Code sponsors must complete all stages of application prior to approval being given, which will be clear, unambiguous and in writing.

## Initiating the approval process

If you operate a code of practice that you believe will be eligible for approval, you can complete an ‘expression of interest’ form to initiate the approval process. Please email [ccab@tsi.org.uk](mailto:ccab@tsi.org.uk) requesting the ‘expression of interest’ form. Once completed, your ‘expression of interest’ form, together with the current fee payable to ‘Consumer Codes Approval Board cic’ should be emailed to [ccasapplications@tsi.org.uk](mailto:ccasapplications@tsi.org.uk) or printed and posted to:

Consumer Codes Approval Board  
Chartered Trading Standards Institute  
1 Sylvan Court  
Sylvan Way  
Southfields Business Park  
Basildon  
SS15 6TH

This ‘expression of interest’ will enable CTSI to undertake due diligence checks on your organisation. In order for your organisation to be eligible to submit a code and

be approved you must prove to the satisfaction of Consumer Codes Approval Board (CCAB) that you are a fit and proper organisation. You must be able to prove this throughout all stages of the approval process. This is a broad test, which can encompass many issues, but principally, your organisation needs to be genuine, respected, honest and open in your dealings with us and others, comply fully with all relevant legislation and supported by your members and stakeholders. This test applies to you, your employees, agents and associates.

If you are invited to submit your code of practice for approval, it is a two-stage process.

At the first stage, you will be given 'Stage One Approval' if you present a code of practice that is capable of meeting all of the relevant core criteria. At this stage, you will be able to share your 'working towards full approval' status with stakeholders (such as government or regulators) but neither you nor your code members will be permitted to display the CTSI Approved Code logo. Following approval of the Stage 1 process prospective codes must achieve the Stage 2 approval within a 2-year period. Should the prospective code be unable to achieve Stage 2 within the required timelines the prospective code would be required to reapply at the expression of interest stage to commence their application again, except with prior approval of the Board.

At the second stage, you will be given 'Stage Two Approval' if you can demonstrate that your code of practice is working well in practice. At this stage, you and your code members will be permitted to display the CTSI Approved Code logo.

## Appeal process

Throughout the process the CCAB will be open and transparent. We will make decisions that are in the best interests of consumers, legitimate businesses and the scheme as a whole. The rigour that we apply is a core element underpinning the scheme. This rigour is balanced with the rights of prospective code sponsors. Once a code is approved, a contract underpins the relationship between the scheme and the sponsor and provides a mechanism to review decisions on the CCAB. Code sponsors should refer to their contract for fuller details.

Where a prospective code sponsor is unhappy with a decision of the CCAB in relation to their application, they have a right to request a review. An independent panel will be established, made up of an independent chair and 2 disinterested members of the Chartered Trading Standards Institute Council. The panel will review the decision of the CCAB and determine whether or not the CCAB has properly discharged its obligations. It may confirm the decision of the CCAB or ask the CCAB

to take the decision again, but it may not substitute its own decision for that of the CCAB.

Prospective code sponsors who wish to exercise this right to review must inform the CCAB within 14 working days of the decision being conveyed to them that they wish to have the decision reviewed.

The applicable fee for your appeal will be detailed to you based upon your circumstances and become payable upon lodging the appeal. You should consult the current table of fees for an indication of the appeal costs.

They then have a further 14 working days to provide the grounds upon which they wish to challenge the decision and supporting evidence. The panel will then have 30 working days to consider the application for review. The panel decision will be communicated to the applicant within 14 working days of the decision being made.

Should your appeal be successful then this fee will be returned to you.

## Preparing your code

This is facilitated self-regulation. Responsibility for drafting codes rests with code sponsors who have the necessary expertise and understand the business practices of their members. We will work with code sponsors on understanding the approval process and the core criteria, but primary responsibility for drafting a suitable code rests with code sponsors.

The core criteria set out what we would expect to see in codes submitted to us for approval and what code sponsors' codes need to be able to demonstrate to get approval. We recognise elements of the core criteria may not always be relevant. We will always consider an alternative approach to meeting the core criteria if code sponsors put forward an acceptable case why the alternative proposed is more appropriate to the business practices of their members. If code sponsors believe that any of the core criteria are irrelevant to the business practices of their members, they must set out why as part of their application.

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## Presentation

Code sponsors must ensure the language and content of their codes and any other associated documentation, can be easily read and understood by consumers. Print size must be large enough to be easily read. We recommend that code sponsors seek accreditation from an appropriate body that their code is in plain English. Code sponsors may wish to consider producing two different publications of the code with the notes/guidance/annotation being targeted towards member businesses and consumers respectively.

## Feedback

We welcome your feedback on the guidance. Comments should be sent to:

Consumer Codes Approval Board  
Chartered Trading Standards Institute  
1 Sylvan Court  
Sylvan Way  
Southfields Business Park  
Basildon  
SS15 6TH

Alternatively email: [ccab@tsi.org.uk](mailto:ccab@tsi.org.uk) or  
Telephone: 01268 888053



## Organisation

# A1

Code sponsors should define the scope of influence for their code and potential membership.

Code sponsors must be a distinct entity from their members and should demonstrate how they exercise significant influence over their members.

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### OUR AIM

To make sure that CCAS Approved code sponsors can influence and raise standards across their membership.

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### MORE INFORMATION

The purpose of this criterion is to enable code sponsors to set out the scope of their scheme. It may be that they cover a particular 'vertical' sector or sectors in their market place. It may be that they cover a particular 'horizontal' aspect of the market place covering multiple sectors. Code sponsors should be able to clearly define the scope of their code.

CCAS is open to eligible codes of practice that uphold and sustain-best practice. CCAS promotes protection and clarity for consumers within a variety of sectors to eradicate consumer detriment, regardless of whether or not there are other code sponsors already operating in that sector. We expect cooperation between all code sponsors operating in the same or similar sectors.

Code sponsors must be a distinct entity from their members. Ultimately, the code sponsor must be able to exclude a code member from membership if they fail to abide by the terms of the code.

Where code sponsors can represent a particular narrow sector, they must demonstrate how they seek to set standards for that sector. Where code sponsors cover or potentially cover multiple sectors, they must demonstrate how their code provides for mutual recognition of sector specific standards. Code members must be bound by equivalent sector standards whether or not they join a sector specific or multi-sector approved code of practice.

Whilst the primary focus of the CCAS is on business-to-consumer codes of practice, in some limited circumstances there are business-to-business codes that have a direct impact upon outcomes for consumers. We are open to considering the inclusion of such schemes within CCAS.

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### TYPICAL EVIDENCE YOU COULD PROVIDE

- Background information about the space in the market in which your organisation operates including:
  - the size and nature of the businesses operating in that space

- how that sector, area or space would be defined and recognised by consumers
- significant businesses operating in that space
- specific trading practices that are common to your members' business practices, e.g. product rental, distance selling etc.
  
- Background information about your organisation, including:
  - how long you have been in existence
  - how many members you have
  - a list of your members
  - how much of the market your organisation/code covers (CTSI will not rule out dealing with code sponsors who do not represent a majority of firms in a particular space in the market)
  - details of any plans you have to expand your membership
  - details of any involvement you have in industry/trading initiatives either in your sector, across your membership or in government initiatives
  - details of your previous experience in raising standards in your membership
  - how long your code of practice has been in operation
  - how you communicate with your members
  - details of any training courses that you run for your members
  - details of the structure and constitution of your organisation
  - where appropriate, details of any previous involvement your organisation has in raising standards in a sector which has a significant ethnic minority presence

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#### CHECKLIST

- Provide background information about your organisation.
- Explain how your organisation can influence and raise standards across your membership.
- If you don't meet the above criterion, i.e. you don't have a significant influence on your sector; explain why you think this criterion need not apply to your organisation.

## Organisational Criteria

### Organisation

# A2

Codes shall include a provision that compliance with the code is mandatory. Code sponsors must be able to demonstrate that members are prepared to observe the code's provisions.

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#### OUR AIM

To make sure that all businesses that subscribe to a CCAS Approved code of practice will comply with its requirements.

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#### MORE INFORMATION

For a code of practice to effectively protect consumers, it must be mandatory that businesses that subscribe to the code have to comply with it at all times. We need to be satisfied that all members have demonstrated their readiness to comply with all of the provisions of the code.

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#### TYPICAL EVIDENCE YOU COULD PROVIDE

- A statement, addressed to members, that compliance with the code of practice is compulsory. This might be in:
  - your code of practice
  - the information you provide to your members before and when they join.
    - Copies of code membership contracts that state that members must comply with your code at all times, and which members have to sign when they join your organisation. Ideally, such agreements or undertakings need to be signed by the member on joining the code, on annual renewal of membership/fees and when the content of the code is amended for any reason.

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#### CHECKLIST

- Explain how you make your members aware that it is mandatory for them to comply with your code of practice.
- Explain how your members agree to observe the code's provisions. Tell us how often they reaffirm their agreement to observe the code's provisions and how they do this.
- If you ask your members to sign some form of an agreement to observe your code, send a sample copy of the agreement with your application.
- Send us copies of any relevant information, e.g. the provision in the code.
- Explain how consumers know that it is mandatory for the member to comply with the code of practice.

## Organisational Criteria

### Organisation

# A3

Code sponsors shall have adequate resources and funding to ensure the objectives of the code are not compromised.

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#### OUR AIM

To make sure that:

- consumers can be confident in the impartiality of code sponsors
- code sponsors can fulfil the obligations they have in the code of practice and undertake the monitoring required under the CCAS

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#### MORE INFORMATION

Code sponsors must have adequate funding and staff to fulfil their obligations. What constitutes adequate resources and funding depends on the size of code sponsors, what the code requires them to do, and the demands of their sectors.

As most code sponsors levy a fee on their members, they must demonstrate how they guarantee the integrity of their decision-making processes independently of consideration of the potential financial implications of their decision on the organisation.

Code Sponsors to ensure that enquiries from trading standards and other enforcement bodies are answered quickly.

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#### TYPICAL EVIDENCE YOU COULD PROVIDE

- Details of staff numbers assigned to administration of the code and a written statement that these are appropriate for the number of members you have.
- Details of the funds available to your organisation and a written statement that these are sufficient to cover the costs to operate your code of practice and undertake the monitoring requirements under the CCAS.

Any personal data collected must be done in line with GDP regulations.

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#### CHECKLIST

- Provide a written statement confirming adequate resource and funding.
- Give the number of staff who are employed on code-related matters. Describe the roles of these staff.
- Provide an organisation chart.
- Tell us how you are funded.

## Organisational Criteria

### Fit and Proper Person

# A4

Code sponsors should be able to demonstrate that they are fit and proper organisations to be considered as, and to continue as, sponsors of approved codes of practice

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#### OUR AIM

To ensure that organisations seeking to become CCAS approved code sponsors are fit and proper organisations to participate in the code approval process, to be accepted as CCAS approved code sponsors and, following acceptance, to continue as code sponsors.

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#### MORE INFORMATION

For an organisation to be considered for recognition and approval as a code sponsor, it is important that it demonstrates honesty and integrity in all of its activities. The requirement of being a 'fit and proper' organisation is a broad one which can involve looking at many different aspects of its dealings with regulators, enforcers, public authorities and members of the public. In particular it must strive to comply with all relevant legislation and regulatory requirements and it must be honest and open in its dealing with the CTSI, the Competition and Markets Authority, the Financial Conduct Authority, weights and measures authorities and other enforcement and regulatory bodies. It should be recognised and respected by independent organisations that represent consumers, provide advice and assistance to consumers or champion/campaign for consumer rights.

It is important to recognise that the 'fit and proper' requirement applied not only to sponsor organisations itself but also to the work done on its behalf by any employees, agents and associates acting on behalf of the organisation. It will be necessary to ensure that clear guidance is given to those acting on behalf of an organisation to ensure that high standards of honesty and integrity are maintained.

New code sponsors will be assessed via a fit and proper method check throughout their code sponsor membership This will also apply to our current code sponsors throughout the term of their membership.

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#### TYPICAL EVIDENCE YOU COULD PROVIDE

- Confirmation that you have not:
  - Been convicted in connection with any criminal offences concerning fraud, unlawful discrimination, or legislation relating to consumer protection;
  - Been the subject of any adverse finding or any settlement in civil proceedings, particularly in connection with any misconduct, fraud or in dealings with consumers;
  - Been the subject of, or interviewed in connection with, any action proposed to be, or taken, under Part 8 of the Enterprise Act 2002;
  - Been the subject of, or interviewed in connection with, an investigation regarding the recommendation of unfair terms to members of your organisation under Schedule 3

of the Consumer Rights Act 2015 or any predecessor legislation;

- Been notified of any potential proceedings or of any investigation which might lead to criminal or

- administrative proceedings being brought regarding your dealings with members of the public;
- Contravened any of the requirements, guidance or standards of the Competition and Markets Authority, Financial Conduct Authority or other regulatory authorities (including previous regulators such as the Office of Fair Trading);
- Been investigated, disciplined, censored or suspended or criticised by a regulatory or professional body, a court or Tribunal, whether publicly or privately

If it is not possible to confirm that your organisation has had no involvement in one or more of the above situations, then full disclosure of information relating to each involvement should be provided.

- Evidence that you have been candid and truthful in all your dealings with regulatory bodies if issues have previously been raised regarding advice, guidance, information, code provisions, model terms and similar, provided to members of your organisation, or the activities of members of your organisation.
- Written confirmation that you are ready and willing to comply with the requirements and standards of the Competition and Markets Authority and with other legal, regulatory and professional requirements and standards.
- Evidence of guidance and training given to employees, agents and associates acting on behalf of the organisation to ensure that they understand the need to be open, truthful and cooperative in their dealings with regulators, enforcers, public authorities, consumer advisory bodies and members of the public.
- Evidence of public approval of, or support for, your organisation such as independent engagement, given to the public, to choose to do business with members of your organisation and recommendations provided by independent consumer advice bodies, websites, advice forums, broadcast programmes, etc in support of your organisation, its standards and its reputation for fair dealing.

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#### CHECKLIST

- Provide a statement confirming non-involvement with criminal, civil, administrative and regulatory interventions or, if this is not possible, provide explanations of incidents where interventions have occurred and how the organisation cooperated with the investigations etc.
- Explain how your organisations has cooperated with regulators, enforcers, public authorities etc on any occasions when matters have been referred to it; and what guidance and information is provided to employees, agents and associates regarding future dealings with such bodies.
- Give any examples of situations where your organisation has been cited with approval, or recommended, by independent consumer bodies, television or radio programmes, newspaper advice columns, on-line forums etc. If there have been any adverse comments etc, explain what steps have been taken to rectify any justifiable complaints or criticisms and to enhance the organisation's reputation.

## Preparation

### Preparation

# B1

Code sponsors shall be able to demonstrate that organisations representing consumers, enforcement bodies and advisory services have been adequately consulted throughout the preparation of the code.

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#### OUR AIM

To make sure that your code of practice is relevant to real consumer needs.

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#### MORE INFORMATION

Involving organisations that represent consumers, enforcement bodies and advisory services (collectively referred to in this guidance as 'advisory bodies') is a key factor in making sure that consumer codes of practice are relevant to real consumer needs.

In order for code sponsors to be able to meet this criterion CTSI will undertake and fully co-ordinate the consultation process at this stage, principally through engagement with the Consumer Advisory Panel set up to support the work of the Consumer Codes Approval Board. We will identify appropriate advisory bodies to consult based on the information supplied by the bodies themselves.

For some code sponsors, we may need to consult more widely, such as if a code sponsor's members sell products to the elderly or disabled, consultation with relevant charities might be appropriate. Where members target specific ethnic minority groups it may be appropriate to consult with advisory bodies which represent them.

We will advise code sponsors of the response received from the advisory bodies. Code sponsors will not be expected to include every proposal or suggestion in their code, although a written explanation why they have excluded a particular issue will be required.

This process will be co-ordinated by CTSI after your application has been received. The evidence requirements will need to be met by you after the consultation process has been completed.

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#### TYPICAL EVIDENCE YOU COULD PROVIDE

- A written confirmation that you have considered each of the issues raised by the advisory bodies, including details of how the provisions have been included in the code to deal with the issues raised and, if they have not been dealt with, why not.
- A written confirmation that you have:
  - suggested relevant organisations to include in the consultation if your members target any minority groups
  - considered the issues raised by them as appropriate.

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#### CHECKLIST

- Provide evidence that you have acted on proposals or suggestions received from the advisory bodies.

## Preparation

### Preparation

# B2

Code sponsors shall be able to demonstrate that organisations representing consumers, enforcement bodies and advisory services are being adequately consulted throughout the operation and monitoring of the code.

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#### OUR AIM

To make sure your code of practice stays relevant to real consumer needs

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#### MORE INFORMATION

To remain effective, consumer codes of practice must evolve to cover changing market conditions/practices and consumer needs.

During our co-ordination of the consultation process for the preparation of the code (see criterion B1) we will identify relevant advisory bodies that could be consulted throughout the operation and monitoring of the code. These advisory bodies should be involved in the operation and monitoring of the code of practice to advise on existing and emerging issues for consumers in their sector that are or could be addressed by the code.

The amount and frequency of activity required for overseeing the operation and monitoring of the code and the mechanisms for doing this will vary from sponsor to sponsor. Within sectors where there could be multiple codes of practice a Memorandum of Agreement will be required to ensure consistency and collaborative working practices. The MOA will sit alongside the Core Criteria for that specific sector only. The content of this will come after consultation with the current code sponsors in the sector and will be funded by them to produce.

Code sponsors are responsible for conducting the consultation process with the advisory bodies. The consultation process may involve paper exchanges or regular review meetings or, ideally, a combination of both. Whichever process is adopted, CTSI **must**:

- be provided with the opportunity to feed into the consultation
- get to see all the documentation
- know what the eventual outcome of the process is.

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#### TYPICAL EVIDENCE YOU COULD PROVIDE FOR STAGE TWO

- Evidence that you are consulting with advisory bodies and CTSI by:
  - circulating and seeking input on complaint and compliance information within agreed timescales
  - issuing invitations to attend regular review meetings
    - Evidence, where appropriate, you are consulting with representatives of ethnic minority groups as part of the consultation with advisory bodies.
    - Confirmation that you have considered each of the issues raised by the advisory bodies.
    - Details of how you have dealt with the feedback from advisory bodies.



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- Evidence might include copies of meeting invitations or meeting minutes. We will need to see evidence and we will not accept unsubstantiated claims you are consulting these organisations. We will be checking directly with the organisations concerned.

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**CHECKLIST**

- Explain how relevant advisory bodies will be consulted throughout the operation and monitoring of your code of practice.

If you have not addressed any suggestions for change to your code of practice that have come from one of these organisations, explain why not.

## Content of Codes

### Content

# C1

The code shall include measures directed at the removal or easing of consumer concerns and undesirable trade practices arising from the business activities of your members.

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#### OUR AIM

To end undesirable trade practices.

To ease consumer concerns about undesirable practices.

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#### MORE INFORMATION

Code sponsors should be aware of particular issues in their membership that need to be addressed. Involving advisory bodies is likely to be a key factor in making sure that codes of practice cover relevant issues for consumers. We will inform code sponsors of undesirable practices or concerns that we are aware of and think should be addressed.

Code sponsors will be required to explain how such issues have been addressed in their code. If there are consumer concerns or undesirable practices that the code sponsor is aware of but which are not currently addressed by the code, we will need an explanation of why this is so.

Code Sponsors will provide CTSI with appropriate Key Performance Indicators on an annual basis in order to show the effectiveness of the code.

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#### TYPICAL EVIDENCE YOU COULD PROVIDE

- Relevant requirements in your code of practice that address specific consumer concerns or undesirable trade practices.
- Information on how your organisation makes itself aware of consumer concerns and undesirable practices. Typical measures might include:
  - monitoring the nature of complaints
  - monitoring press coverage
- Details of how you have reacted to concerns that have been raised from all sources used, and the measures you have taken to ease them.
- List the areas of concern and undesirable practices that you consider exist with details of how you aim to eradicate them.
- Confirmation that your code includes measures to address specific detriment affecting ethnic minority groups if this has been identified from the consultation with advisory bodies.

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#### CHECKLIST

- Describe the relevant requirements in your code of practice.
- Explain how you stay aware of consumer concerns and undesirable practices.
- Explain how your code of practice addresses consumer concerns and undesirable practices.
- List the areas of concern and undesirable practices that you consider exist with details of how you aim to eradicate them.

## Content of Codes

### Content

# C3

The code shall address clear and truthful marketing and advertising as appropriate to the activities of code members.

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#### OUR AIM

To make sure that consumers are protected from misleading advertising.

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#### MORE INFORMATION

Advertisements must comply with any relevant code of advertising including the Advertising Standards Authority (ASA) guidelines, as well as:

- UK Code of non-Broadcasting and Direct and promotional marketing
- The UK Code of Broadcast Advertising covering both television and radio
- Phone paid Services Authority Code of Practice
- any other relevant code of advertising
- all other relevant statutory requirements, such the Consumer Protection from Unfair Trading Regulations 2008

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#### TYPICAL EVIDENCE YOU COULD PROVIDE

- Relevant requirements in your code of practice.

Your code of practice must clearly state that advertisements must comply with any relevant code of advertising and/or legislation – as listed above.

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#### CHECKLIST

- Tell us which are the relevant requirements in your code of practice.
- Indicate which codes of advertising are relevant to the activities of code members.

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#### TYPICAL EVIDENCE YOU COULD PROVIDE

- Your code of practice clearly states that members must provide relevant and effective training to make sure that their staff understand:
  - the code's provisions
  - their own legal obligations to consumers and responsibilities under the code.
- Additional evidence may include details of any training courses on your code of practice and/or on relevant law that you run for your members or for their staff.
- Evidence of all relevant staff training.

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#### CHECKLIST

- Tell us which are the relevant requirements in your code of practice.
- Explain any other ways that you make your code members aware of their obligations.

## Content of Codes

### Content

# C4

The code shall address clear and accessible pre-contractual information as appropriate to the activities of code members.

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#### OUR AIM

To make sure that consumers have accurate and adequate pre-contractual information that enables them to make an informed purchase decision.

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#### MORE INFORMATION

A code of practice must require that pre-contractual information is made available to consumers. The pre-contractual information must include clear and accurate:

- information about the main characteristics of the product
- details of the trader's name and geographical address
- details of any other trader on whose behalf the trader is acting
- information on key contract terms
- explanations for any difference between the goods or services that are for sale and usual consumer expectations
- explanations as to whether, and if so why, there is any disparity between a consumer's stated requirements and the nature of the goods or services to be purchased
- pricing information showing the total price and a breakdown, where appropriate, of how that price has been reached including:
  - delivery charges
  - VAT charges
  - credit charges by compliance with the Consumer Credit Act and Regulations
  - Any other costed items and whether optional or mandatory.
    - information about delivery, payment and any other performance arrangements
    - information about withdrawal or cancellation rights
    - information about complaint and after sales procedures
    - Information on the availability and price of linked goods and services, such as routine servicing and phone helplines.
    - Pre-contractual information must be available in writing and provided to consumers on request, but in any event adequate information should always be given in a form which is accessible to the consumer.

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#### TYPICAL EVIDENCE YOU COULD PROVIDE

- The code clearly states that pre-contractual information, as appropriate to the activities of code members, must be made available to consumers, and what information must be given as a minimum.
- The code also states that pre-contractual information must be clear and accessible, and available in written form if requested.

- The code should detail what the information should cover as a minimum for particular activities.
- The code should require its members to ensure that this information is always provided.
- Confirmation that there is a requirement within your code that information will be made available to individual consumers on request in alternative formats as appropriate (other languages, Braille, audio) where advisory bodies have indicated there is specific consumer detriment affecting these groups within the sector covered by the code.

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#### CHECKLIST

- Tell us which are the relevant requirements in your code of practice.

## Content of Codes

### Content

# C5

The code shall address the important responsibilities of members whilst dealing with people in their own home as appropriate to the activities of code members.

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#### OUR AIM

To make sure that members respect the sanctity of a consumers' home. In particular that they recognise that the consumer is the master of what happens in or at their own home and it is the responsibility of code members to 'walk away' when requested to do so.

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#### MORE INFORMATION

If relevant to your member's business activities, your code of practice must require that members respect a consumer's expressed wish that they do not want to receive unsolicited visits, canvassing, mail shots or telephone calls at their home. This will include householders that:

- have subscribed to recognised mailing or telephone preference services
- have clearly displayed notices on their property declining doorstep cold calling traders
- live in a properly established 'no cold calling zone' or 'cold calling control zone'<sup>1</sup>
- have given any other clear indication to the member that they do not wish to conduct business in their own home

If relevant to your member's business activities, the code shall require that, where the representatives of members are invited into a consumer's home, they must:

- not engage in any high-pressure selling techniques (see examples below)
- leave immediately if requested to do so or if it becomes apparent that the consumer is not interested in the goods or services the business is selling

The specific examples of high-pressure selling techniques (in addition to those outline in criterion C6) relevant when conducting business in a consumers' home include:

- repeatedly visiting or contacting a consumer, even if they have indicated that they do not want the goods or services on offer
- refusing to leave a consumer's home when asked, or subjecting

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<sup>1</sup> CTSI has issued guidance about what constitutes 'cold calling' and a 'properly established' no cold calling zone or cold calling control zone

them to lengthy 'presentations' in order to secure a sale

- claiming that the salesperson faces financial difficulty or will lose their job if they don't achieve a sale
- stating inflated prices for goods or services, then offering a sizeable discount, or 'special one day offer prices', which aren't true
- befriending vulnerable consumers in order to sell them goods or services at a later date
- Frightening consumers into buying goods or services, by telling them they are at risk unless they buy your goods or services, when they are not. For example, referring to national crime statistics, which do not reflect the local low crime levels, in order to sell house alarms

The code shall address specific issues relevant to the activities of their members when dealing with vulnerable consumers in their own homes.

The definition of 'vulnerable' could include physical disability or health problems; mental health and other cognitive problems; low income; older people; consumers in isolated locations; consumers with poor basic skills; consumers with limited financial capabilities; consumers for whom English is not their first language; or consumers who have suffered a recent bereavement.

This is by no means an exhaustive list and businesses must ensure their staff are aware of consumer vulnerability, particularly when conducting business at a consumer's home. (Criterion C13 refers to the core criterion relating to vulnerable consumers in all situations).

A code of practice must prohibit members from creating, obtaining, distributing or maintaining lists of specific consumers that are susceptible to responding to cold calling approaches.

---

#### TYPICAL EVIDENCE YOU COULD PROVIDE

- Relevant requirements in your code of practice.
- A description of the circumstances when your members may be engaged in activity that would be caught by this criterion.
- Details of any measures taken by the code sponsor to remove or reduce the possibility of consumers being subject to inappropriate behaviour in their home, such as training courses to members' sales staff in selling methods.

---

#### CHECKLIST

- Tell us which are the relevant requirements in your code of practice.
- A description of the circumstances when your members may be engaged in activity that would be caught by this criterion.

If you have formed the view that the activities of your members would not be caught by this criterion you must explain why.

If you have issued guidance to your members on how to avoid the pitfalls associated with this criterion, send us a copy of that guidance.

## Content of Codes

### Content

# C6

The code shall address high-pressure selling as appropriate to the activities of code members.

---

#### OUR AIM

To make sure that consumers are protected from high-pressure selling techniques that may lead them to make an ill-informed and incorrect purchasing decision.

---

#### MORE INFORMATION

A code of practice must make it clear that high-pressure selling must not be used. This is because high-pressure selling:

- impedes the opportunities for the consumer to be presented with clear and accessible pre-contractual information
- is likely to disadvantage vulnerable consumers
- does not allow consumers to make informed purchasing decisions based on clear and comprehensive information.

---

#### TYPICAL EVIDENCE YOU COULD PROVIDE

- Relevant requirements in your code of practice.
- Your code of practice must clearly state that high-pressure selling must not be used.
- Details of any measures taken by the code sponsor to remove or reduce the possibility of consumers being subject to high-pressure selling techniques, such as training courses to members' sales staff in selling methods.

---

#### CHECKLIST

- Tell us which are the relevant requirements in your code of practice.



## Content of Codes

### Content

# C7

The code shall address clear terms and conditions of supply and fair contracts as appropriate to the activities of code members.

---

#### OUR AIM

To make sure that consumers are provided with clear and fair contractual terms and conditions.

---

#### MORE INFORMATION

Code members must take account of the Consumer Rights Act 2015 and official guidance on unfair terms, including sector specific guidance when they draft contract terms.

We believe that model terms and conditions may be the most cost-effective way for code sponsors to ensure that their members are given effective guidance on suitable contract terms. By providing model terms, code sponsors can encourage their members to use the terms or to use the terms as guidance when members draft their own terms.

If code sponsors do not have model terms, we do not insist that they produce them.

---

#### TYPICAL EVIDENCE YOU COULD PROVIDE

- The code of practice must clearly state that members must comply with the Consumer Rights Act 2015 when drawing up their contracts.
- Evidence of how you ensure that your members are aware of the Regulations. This might include:
  - details of your model terms and conditions recommended to members
  - guidance that you provide on fair contracts
  - Guidance that you provide on suitable contract terms.
- Confirmation that there is a requirement within your code that information will be made available to individual consumers on request in alternative formats as appropriate (other languages, Braille, audio) where advisory bodies have indicated there is specific consumer detriment affecting these groups within the sector covered by the code.

---

#### CHECKLIST

- Tell us which are the relevant requirements in your code of practice.
- Provide a copy of any model terms that you recommend to members. Give details of any discussions you have had about the model terms with regulators. Or explain why you have not held any discussions.

If you do not have model terms, explain how you provide guidance on suitable contract terms to your members.

## Content of Codes

### Content

# C8

The code shall address delivery and completion dates as appropriate to the activities of code members.

---

#### OUR AIM

To make sure that consumers are given the opportunity to agree appropriate delivery and completion dates that meet their requirements.

---

#### MORE INFORMATION

Consumers must be offered flexibility and a choice of delivery dates and times. They must also have the opportunity to agree completion dates in advance of placing their order or making their purchase.

Consumers must be given as much advance notice as possible of any subsequent delays in delivery or completion. Then they must be given the opportunity to negotiate alternative delivery or completion arrangements if they wish to do so.

---

#### TYPICAL EVIDENCE YOU COULD PROVIDE

- The code of practice clearly states that members must provide consumers with:
  - flexibility and choice of delivery dates and times
  - completion dates to be agreed in advance of conclusion of contract
  - advance notice of any delays
  - Offers of suitable alternatives when delays occur and ultimately appropriate remedies.
  - Cancellation periods where required by law.

---

#### CHECKLIST

- Tell us which are the relevant requirements in your code of practice.

## Content of Codes

### Content

# C9

The code shall address cancellation rights as appropriate to the activities of code members.

---

#### OUR AIM

To make sure consumers understand their cancellation rights and have the opportunity to use them.

---

#### MORE INFORMATION

Code members must provide clear and accurate information on any cancellation rights which:

- are provided in law
- they offer although not required by law.
- have implications of the cancellation to the consumer

---

#### TYPICAL EVIDENCE YOU COULD PROVIDE

- Relevant requirements in your code of practice which include a statement of your members' responsibilities on cancellation rights.
- Your code of practice must include clear, concise and simple details of any additional cancellation rights that you require your members to offer, highlighting the members obligations to the consumer.
- Confirmation that there is a requirement within your code that information will be made available to individual consumers on request in alternative formats as appropriate (other languages, Braille, audio) where advisory bodies have indicated there is specific consumer detriment affecting these groups within the sector covered by the code.

---

#### CHECKLIST

- Tell us which are the relevant requirements in your code of practice.

## Content of Codes

### Content

# C10

The code shall address guarantees and warranties as appropriate to the activities of code members.

---

#### OUR AIM

To make sure that consumers understand all the guarantees and warranties that apply to their transaction.

---

#### GUIDANCE

Code members must provide the consumer with clear and accurate details of:

- standard guarantees and warranties that are included in any transaction
- which guarantees and warranties are optional
- the cost of such additional guarantees/warranties
- who the additional guarantees/warranties are offered by.
- how a guarantee or warranty is an addition to the consumer's usual rights

Code members must clearly explain the nature and key elements of any additional optional guarantees and warranties to consumers.

Code members must not use high-pressure selling of additional warranties, nor misrepresent their costs, coverage or the benefits they provide.

---

#### TYPICAL EVIDENCE YOU COULD PROVIDE

- Relevant requirements in your code of practice.

We expect this to include a statement of members' responsibilities for meeting the requirements set out in the guidance above.

- Confirmation that there is a requirement within your code that information will be made available to individual consumers on request in alternative formats as appropriate (other languages, Braille, audio) where advisory bodies have indicated there is specific consumer detriment affecting these groups within the sector covered by the code.

---

#### CHECKLIST

- Tell us which are the relevant requirements in your code of practice.

## Content of Codes

### Content

# C11

The code shall address protection of client's money, deposits or prepayments as appropriate to the activities of code members.

---

#### OUR AIM

To make sure that client's money, deposits or prepayments made by consumers are protected and are refunded swiftly where appropriate.

---

#### MORE INFORMATION

Where the loss of deposits and/or prepayments would cause the consumer to suffer financial detriment or inconvenience (as determined by CTSI and identified by advisory bodies), code sponsors must make sure that protection mechanisms are in place so that consumers will have their advance payments fully and speedily refunded if a code member is unable to meet a promise to supply goods or services. This could happen in a number of situations, such as when the goods/service are not available for any reason or the member has ceased trading due to liquidation/bankruptcy or in cases of fraud. The protection should still apply if the business ceases to be a code member before the promise is met.

Code members must not subject consumers to excessive form-filling or other procedures before their payments are refunded.

Code members must make consumers aware of these provisions in clear pre-contractual information.

Where a code sponsor seeks to place reliance upon cover provided by s.75 of the Consumer Credit Act 1974, they must also set out how they will cover transactions that fall outside of the scope of that section. In addition, where a code member proposes to provide an insurance-backed solution for the customer to purchase, it should be noted that, if this provides equivalent protection to s.75 of the Consumer Credit Act 1974 and the consumer is using a regulated credit card to make the payment, such an insurance-backed product might be regarded as unnecessary and, therefore, mis-sold.

#### **Factors to be taken into consideration when CTSI assesses the risk of loss of prepayments/deposits and potential consumer detriment for the transaction or sector (non-exhaustive)**

- High risk of loss of prepayments/deposits within the sector identified from consultation with advisory bodies
- The value of the deposits taken and the length of time between the deposit being taken and the contract being fulfilled
- History of detriment to consumers within the sector because of loss of client's money, prepayments/deposits due to non-fulfilment of orders or by traders going out of business or by traders acting fraudulently
- Future assessment of risk of loss of prepayments e.g. market stability, level of business turnover, willingness of other code members to step in to fulfil commitments following the collapse of traders

---

**Examples - where we are likely to require formal client money, deposit or prepayment protection systems to be in place.**

- Where the consumer detriment arising from loss of deposits/prepayments is significant due to serious inconvenience and/or financial loss. The replacement of the goods/service would be considered a necessity. Typical consumers for these types of products would be identified as vulnerable or on low incomes. An example would be the supply of assistive products for the elderly.
- Where prepayments are held on gift cards or gift vouchers or in an unregulated savings scheme
- Where the risk of loss is low, but the impact of such loss on the consumer is high. An example would be the purchase of personal health products such as spectacles.
- In any businesses where prepayments/deposits are routine and the risk of loss through fraud is considerable.
- In any businesses where power over client's money (such as through Power of Attorney) is being exercised by the code member.

**Examples – where we are not likely to require formal client money, deposit or prepayment protection systems to be in place.**

- Where the consumer detriment arising from loss of deposits/prepayments relates to minor inconvenience and/or low financial loss. The replacement of the goods/service would be a matter of choice rather than necessity. Consumers generally understand there is a real chance that they may lose money by paying up front, but this is mitigated by issues such as convenience, or the opportunity to purchase an item which is not easily obtainable by other means. An example would be a magazine subscription
- Where the consumer detriment arising from the loss of the service or goods would be high and immediate but code sponsors can provide evidence that there are proven, effective safety nets operating within the sector where for example, another business will fulfil the contract.
- Where the typical value of the deposit or prepayment protection is low (typically less than £50) and the time for the fulfilment of the contract is short (typically less than 14 days).
- Where the consumer is given a clear and unambiguous choice at the point of placing their order to take additional risk of a lower level of protection in exchange for a discounted or lower price and the consumer freely accepts that choice.

---

**TYPICAL EVIDENCE YOU COULD PROVIDE**

- Relevant requirements in your code of practice that members have mechanisms in place to protect client's money, deposits and prepayments.
- Details of the types of protection mechanisms used by members, which could include but is not limited to:
  - insurance backed schemes
  - financial bonds

- 
- trust accounts
  - ring-fenced client accounts
  - central funds
  - Contractual obligations on other members to complete a particular transaction should the contracted member be unable to do so (mutual aid arrangements).

---

#### CHECKLIST

- Tell us which are the relevant requirements in your code of practice.
- Explain the ways in which your code members ensure that advance payments are protected.

## Content of Codes

### Content

# C12

The code shall address customer service provisions as appropriate to the activities of code members.

---

#### OUR AIM

To make sure that consumers are provided with effective and appropriate customer service.

---

#### MORE INFORMATION

Customer service has a wide definition and will vary depending upon the scope of activities of code members. It is not restricted to enquiries after the customer has paid for and received goods or services.

Consumers may have enquiries at different times or events including:

- before a contract has been agreed
- after ordering
- after booking
- after paying
- after receiving their goods or services.

Code members must have accessible and user-friendly procedures in place to ensure that these enquiries are dealt with effectively. The specific requirements for a code will depend on the activities of code members.

Whenever possible, customer service that goes beyond the requirements of law should be provided free or at a reasonable charge. We would regard it as unreasonable to charge premium rates for calls to after-sales service phone numbers. Consumers will be provided with access to appropriate support via a variety of appropriate methods including a postal address.

Customer service is not the same as complaint handling, which we cover elsewhere in the core criteria. It is useful to remember though that effective customer service provisions can help avoid complaints.

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#### TYPICAL EVIDENCE YOU COULD PROVIDE

- Relevant requirements in your code of practice that members have accessible, user-friendly, free or reasonably charged customer service provisions.

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#### CHECKLIST

- Tell us which are the relevant requirements in your code of practice.



## Content of Codes

Content

# C13

The code shall address the additional effort/help to be provided to vulnerable consumers as appropriate to the activities of code members.

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### OUR AIM

To protect vulnerable consumers.

---

### MORE INFORMATION

Vulnerable consumers are those whose circumstances put them at risk of making an incorrect or inappropriate decision, or who are at risk of receiving inferior goods or services.

Vulnerable consumers include those:

- with a disability that may put them at risk of making an incorrect or inappropriate decision
- with poor literacy skills
- with a lack of knowledge about a complex product or service
- who are purchasing something at a time of particular stress or distress
- where English is not the first language and English is the only language in which material is available.

Vulnerable consumers cannot be defined solely in the context of the Equalities Act 2010 or the Unfair Commercial Practices Directive.

Responsible businesses will take the necessary effort and time to make sure that vulnerable consumers understand all aspects of a transaction.

---

### TYPICAL EVIDENCE YOU COULD PROVIDE

- Relevant requirements in your code of practice.

We expect this to include a statement of the additional effort and help that members must provide to vulnerable consumers.

- Confirmation that there is a requirement within your code that information will be made available to individual consumers on request in alternative formats as appropriate (other languages, Braille, audio) where advisory bodies have indicated there is specific consumer detriment affecting these groups within the sector covered by the code.
- Confirmation that you have considered race equality issues and that these have been included as appropriate within the code.

---

### CHECKLIST

- Tell us which are the relevant requirements in your code of practice.

## Handling Complaints

### Complaints

# D1

The code shall include a requirement that code members shall have in place speedy, responsive, accessible and user-friendly procedures for dealing with consumer complaints. A specific reasonable time limit for responding to complaints shall be prescribed.

---

#### OUR AIM

To make sure that complaints from consumers are dealt with quickly and effectively.

---

#### MORE INFORMATION

Code members' point of sale, pre-contract material and contractual material must publicise access to the complaints system.

Code members must fully inform consumers of the key elements of the complaint system, including:

- full contact details including a postal address
- any information they must provide – this must be reasonable and not require excessive detail or form-filling
- reasonable timescales for dealing with the complaint – including a timescale for resolution
- details of any further complaint procedures in the event that the business is unable to satisfy the complainant.

---

#### TYPICAL EVIDENCE YOU COULD PROVIDE

- Relevant requirements in your code of practice.
- Evidence of any guidance you provide for your members on complaint handling.

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#### CHECKLIST

- Tell us which are the relevant requirements in your code of practice.
- Tell us whether you provide guidance to code members on how to handle complaints effectively. If you do, describe the guidance you give and send copies of any material you provide.

## Handling Complaints

### Complaints

# D2

The code shall include a requirement that code members will offer the same level of co-operation with local consumer advisers or any other intermediary acting on behalf of a consumer when making a complaint as they would to the complainant.

---

#### OUR AIM

To ensure code members provide the same level of co-operation to an intermediary who acts on behalf of a complainant as they would offer to the complainant him/herself.

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#### MORE INFORMATION

Consumers may need the assistance of others with more expertise and experience of dealing with a complaint. It is not acceptable for a code member to say they will deal directly with the consumer only. The intermediary who acts on behalf of a complainant must be able to prove they are providing support to the complainant at their request

The code must make this requirement clear.

---

#### TYPICAL EVIDENCE YOU COULD PROVIDE

- Relevant requirements in your code of practice.

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#### CHECKLIST

- Tell us which are the relevant requirements in your code of practice.

## Handling Complaints

### Complaints

# D3

The code shall include the availability of a low-cost, speedy, responsive, accessible and user-friendly alternate dispute resolution (ADR) for consumer disputes.

The scheme shall be binding in respect of code members who shall not be able to refuse to allow a complaint to go before the scheme if a customer so chooses and at least 56 calendar days has elapsed since the customer first raised their complaint with the code member.

Any such scheme shall be able to take into account possible breaches of the code where relevant to the complaint.

---

#### OUR AIM

To make sure that if a complaint has failed to be resolved by the code member, an independent redress scheme is readily available for consumers to use This independent Redress Scheme should be an approved ADR provider under The Alternative Dispute Resolution for Consumer Disputes (Competent Authorities and Information) Regulations 2015.

---

#### MORE INFORMATION

Consumers must be given confidence that the independent redress scheme will:

- be fair
- be impartial
- be effective
- resolve complaints speedily.

This should mean that consumers will be able to resolve their case more easily and cheaply than by going to court.

The independent redress scheme:

- should be free for the consumer if possible
- must allow direct access for consumers – access must not be subject to the approval of the code sponsor
- must be easily accessible to the consumer without the assistance of a legal representative
- must make its procedures clear including the provision when requested of information on:

- the types of disputes which may be referred
- the rules governing the referral of matters to the redress scheme
- the possible costs of the procedures
- the decision-making arrangements
- the rules serving as a basis for decisions (legal provisions, codes of conduct etc)
- the legal force of a decision, stating clearly whether it is binding only on the member or on both parties.
  - must make its decisions and the reasons for them transparent to relevant parties, including the consumer.
  - must be independent of the sponsor – if a code sponsor uses a board or panel, the entire membership of the board or panel must be independent of the code sponsor and its subscribing members. This factor will form part of the audit process for Approved ADR bodies so any code sponsor providing ADR to its members must be CTSI approved
  - should appoint arbitrators or ombudsmen for a period of office of sufficient duration to ensure the independence of their actions and not be removable from their duties without just cause – this requirement does not apply to arbiters who are appointed only for specific cases.
  - must allow all the parties concerned to present their viewpoint and see or hear the arguments and facts put forward by the other party whether in an oral hearing or within a paper-based decision-making process.
  - should give the arbitrator or ombudsman an active role and enable him to take into consideration points not raised by the parties that are relevant to the determination of the dispute.

We accept arbitration as an independent form of redress, even though the right to subsequently take the dispute to court is restricted by the Arbitration Act 1996.

The terms of reference or rules for the ADR scheme must provide authority for the arbitrator or ombudsman to refer a code member to the code sponsor's disciplinary and sanctions panel (see criterion F1) if the code member either:

- fails to implement the remedy determined by the arbitrator or ombudsman within a reasonable time (as determined by the arbitrator or ombudsman); or
- fails to settle the relevant fees as determined by the contractual relationship between the ADR provider, the code sponsor, and the code member

In order to ensure impartiality, any arbitrators, adjudicators or ombudsmen adjudicating under the redress scheme cannot also sit on the code sponsor's disciplinary panel (see criterion F1).

In cases where there is a genuine need for an opinion from a technical expert, a suitably qualified or experienced person can be brought into the proceedings to provide evidence.

When reaching a decision, the independent redress scheme can take into account whether a breach or breaches of the code have taken place. All decisions must be passed back to the code sponsor who must use each decision to:

- invoke any procedures for dealing with issues of a member's non-compliance with the code
- consider whether the decision raises any issues that indicate amendments to their code of practice are necessary.

We recognise that some code sponsors are concerned about encouraging vexatious complaints. We believe that this is a relatively minor problem and that it is not possible to devise an effective redress mechanism if its focus is on keeping out the minority of vexatious complainants.

In order to safeguard the consumer's right to access the redress scheme where a member business with a claim against a consumer wishes to institute court proceedings, the consumer should be given the opportunity to choose whether they want it to be dealt with through the redress mechanism.

---

#### TYPICAL EVIDENCE YOU COULD PROVIDE

- Relevant requirements in your code of practice.
- A written explanation of the redress scheme and the process, such as the rules or the terms of reference of the scheme and the eligibility criteria for the arbiter(s) or constitution of the board or panel.
- Evidence of how you publicise the redress scheme to consumers and copies of information materials on the scheme supplied to them.

---

#### CHECKLIST

- Explain how your redress scheme:
  - is available at low cost to consumers
  - is speedy
  - is accessible
  - is user-friendly
  - is effective in resolving disputes
  - refers all decisions and possible code breaches to the code sponsor
  - is completely independent
  - is binding on a code member.
    - Provide a copy of your redress scheme with your application.
    - Explain what the procedures for using the redress scheme are.
    - Explain how you bring the redress scheme to the attention of consumers.
    - Tell us which are the relevant requirements in your code of practice.

## Monitoring of Codes

### Monitoring

# E1

The code sponsor shall develop measures of the effectiveness of the code.

These ‘measures of success’ shall cover (as a minimum): (a) compliance with the code (such as through auditing members); (b) analysis of complaint trends; and (c) customer satisfaction levels.

The output of the measures should be able to demonstrate how the code is contributing to a reduction in consumer detriment.

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#### OUR AIM

To make sure that every code sponsor is able to ensure that their code of practice is effective by carrying out performance monitoring of their members and their activities.

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#### MORE INFORMATION

Performance indicators are methods used by the code sponsor which provide it with information which it can use to see if the code is in practice delivering benefits to consumers and contributing to improving consumer and business outcomes. They allow it to gauge the effectiveness of its code.

Code sponsors need to determine the performance measures that are relevant to the activities of code members and agree these with us.

You must be able to demonstrate that the methods you do use are an appropriate and effective performance indicator for the activities of code members.

Proposals for the initial performance indicators that the code sponsor intends to use must be agreed with us at Stage One. Code members must be made aware that their adherence to the code of practice will be pro-actively monitored in this way. Code sponsors will then need to agree performance measures with us as the use of the code evolves.

Consumers may not always be aware that they have not been treated in accordance with the code of practice and so may not complain to the code sponsor. Complaints (or lack of them) may not be the best measure of the effectiveness of the code and code sponsors are encouraged to develop performance measures that can be independently assessed.

---

#### TYPICAL EVIDENCE YOU COULD PROVIDE

A written undertaking giving full details of the performance indicators that you use or will use and any evidence of their effectiveness.

It is not sufficient for you to rely solely on complaint information to meet this criterion.

#### CHECKLIST

- Describe the performance indicators that you use or will use and explain how you use or will use the information you gather.
- Explain why you think your chosen performance indicators are appropriate and effective for the activities of code members.



## Monitoring of Codes

### Monitoring

# E2

The code sponsor shall apply its measurement of the effectiveness of the code using, where possible, statistically valid methods and make the results available on its website.

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#### OUR AIM

To make sure that the results of the code sponsor's monitoring procedures (which it uses to assess information obtained from its performance indicators) can be checked and reviewed by others.

---

#### MORE INFORMATION

We expect code sponsors to be ready to respond quickly to requests for the information on the results of their performance indicators or the effectiveness of codes or code sponsors.

The performance measurement regime must be agreed with us and independently validated by a Chartered Statistician. If at all possible (we accept that it is not always possible), results should be statically valid and stated to a minimum confidence interval of 95% with up to a 5% margin of error. If the results cannot be stated to this level, this must be clearly explained.

Results of the performance indicators must be provided to CTSI at the intervals agreed during stage one and should be made available on the code sponsor's website.

We expect code sponsors to include the results of the performance indicators in their annual reports on the operation of the code.

---

#### TYPICAL EVIDENCE YOU COULD PROVIDE

- A written undertaking that you will provide the results of your performance indicators to CTSI during stage two, and more widely following approval
- Information on how you will make this information available
- a certificate of validation for your performance measurement proposal from a Chartered Statistician

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#### CHECKLIST

- confirm that you will provide the results of your performance indicators to CTSI and also more widely on approval
- tell us how you will make the results available – for example, on your website
- explain what procedures you have in place to respond quickly to requests for information from CTSI.
- a certificate of validation for your performance measurement proposal from a Chartered Statistician

## Monitoring of Codes

### Monitoring E3

The code sponsor shall produce a written report annually, on a date to be agreed with CTSI, on the operation of the code to include:

- Changes to the code agreed with CTSI and implemented
- Numbers and types of complaints including information on outcomes from the ADR scheme
- Results from monitoring, customer satisfaction feedback, and the disciplinary and sanctions panel process
- Highlights of success for the code contributing to reducing consumer detriment

Details for the review of the code and how they link to changes made as a result of this review

The report would need to be evidence based and this evidence would need to be freely available to ensure the report stands up to external and independent scrutiny.

---

#### OUR AIM

To make sure that the operation of the code can be checked and reviewed by CTSI and other stakeholders.

---

#### MORE INFORMATION

The annual report should be published as soon as practicable after each anniversary of the code achieving approval.

The report must cover all aspects of the operation of the code of practice including:

- Compliance checks
- Sanctions imposed for non-compliance
- Any changes to the code that a code sponsor has agreed with CTSI and implemented
- Information on the outcome of complaints with details of the number of complaints decided in favour of consumers or businesses and what remedies were recommended and implemented.
- Outcomes and results of the agreed performance indicators

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The format of the annual report is a decision for the code sponsor, but we can supply example formats used by other code sponsors if necessary.

Changes to the code which need to be notified to CTSI include any fundamental changes that may affect compliance and be in accordance with all areas of the core criteria, and also any that were made as a result of addressing concerns raised by advisory bodies as part of the consultation exercise. Any changes to the code must be agreed with CTSI before they are implemented. There is a formal process for approval and confirmation from CTSI agreeing to the change will be in writing and must be received by the code sponsor before the change can take effect.

---

#### TYPICAL EVIDENCE YOU COULD PROVIDE

- If your company annual report holds all of the information required there is no need to provide an extra written report to satisfy this criterion. Should your report not cover all of the information then you will be required to submit a written report as well as your annual report.

---

#### CHECKLIST

- tell us about your plans for the production of your annual reports
- list the information that your annual report on the operation of the code will include

## Monitoring of Codes

### Monitoring E4

The code sponsor shall regularly review the code and update its provisions in the light of changing circumstances and expectations

---

#### OUR AIM

To make sure that codes of practice keep pace with changing market and industry practices and expectations.

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#### MORE INFORMATION

Market conditions can change rapidly. Code sponsors must ensure that their code of practice continues to reflect market conditions and practices despite these changes.

Code sponsors must review their codes regularly enough to ensure that the code's provisions are kept up to date in light of the changing circumstances. How often a code sponsor must do this will depend on the pace of change relevant to the activities of code members.

Independent scrutiny of the annual report will help inform and formalise the review process. This does not prevent code sponsors from instigating a full, formal review at least every three years.

---

#### TYPICAL EVIDENCE YOU COULD PROVIDE

- Details of the procedures you have in place to make sure that your code of practice is:
  - regularly reviewed
  - updated when necessary to reflect changing circumstances and expectations.
    - A written statement confirming:
      - how often you will review your code
      - that the code will be updated as necessary.

---

#### CHECKLIST

- Explain what procedures you have in place to make sure that your code of practice is updated when necessary to reflect market conditions.
- Explain how often you will review your code of practice.

## Enforcement of Codes

### Enforcement

# F1

Code sponsors shall establish a 'disciplinary and sanctions panel' for handling code members' non-compliance with the code.

The panel is not an alternative to the ADR provider. The panel does not preclude the code sponsor from taking informal action to secure on-going compliance with the code by its members.

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#### OUR AIM

To make sure that any breach of a code of practice is dealt with as effectively, impartially and quickly as possible.

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#### MORE INFORMATION

Code sponsors will be expected to strike the right balance between providing help and assistance to code members on compliance with the code and taking them through a formal disciplinary process. We expect code sponsors to demonstrate how they will strike this balance. A decision to refer a code member to the disciplinary and sanctions panel is a serious step and must not be taken lightly.

Code Sponsors must ensure that their members are 'fit and proper' In summary the Code Sponsor will need to prove how they will ensure that their members promote and engage in fair and safe trading and will not bring the Code Scheme into disrepute. The Code Sponsor must be satisfied that its members are of good character - consideration must be given to previous convictions and removal from a professional register when assessing this; for example, in respect of previous convictions and levels of complaints. And as appropriate must have regard to qualifications, competence, skills and experience necessary to perform tasks.

Overall the code sponsor must be happy that the code member is considered fit and proper. This assessment of their standing can be in part based upon evidence provided by external enforcement partners where they provide such checks on businesses in their sectors.

It is important to note that the disciplinary and sanctions panel is not intended to deal with individual complaints, but to maintain the overall integrity of the code.

The 'disciplinary and sanctions panel' shall be empowered to consider any allegation of a breach of the code referred to it by:

- the code sponsor (for any reason at the sole discretion of the code sponsor), or
- the ADR provider (for failure to implement a remedy or failure to meet their contractual fees)

The code sponsor would be expected to refer any code member to the panel if they are notified that the code member has been convicted of an offence (or signed a formal caution) under Regulation 12 and Schedule 1, Paragraph 4 of the Consumer Protection from Unfair Trading Regulations 2008 (failure to comply with the terms of approval, endorsement or authorisation).

The panel shall be suitably equipped to be able to make an informed judgement on the

behaviour of the code member referred to it, so it will be likely to include other code members, but it should be chaired by an independent person and have a surplus of independent persons over code member persons in any decision making. No panel members may be connected to any parties in the matter. Any decisions shall be on the balance of probabilities and conducted in accordance with the principles of natural justice and fairness.

The outcome of the panel proceedings shall be published, unless, in the public interest, the panel determines otherwise. We anticipate that such decisions will be exceptional. The panel proceedings shall be concluded within a reasonable time and notified to all interested parties including the applicant and any individual consumers directly affected by the outcome.

The code shall establish the powers of sanction available to the panel. It is a matter for individual code sponsors to determine the appropriate powers of sanction relevant to the activities of code members. As examples, they may include:

- the issue of a formal warning
- the suspension of code membership for a fixed period
- a requirement for the code member to take additional measures (either temporarily

or permanently) as a condition of continued code membership

- a requirement to change, modify or establish an operating practice as a condition

of continued code membership

- a requirement to provide remedies to an identified group of consumers (but not an individual case – that is a matter for the ADR provider) as a condition of continued code membership
- a requirement to implement a remedy as directed by the ADR provider and/or to settle fees due to the ADR provider as a condition of continued code membership
- a requirement to pay a financial penalty up to a maximum figure or percentage of turnover as identified in the code

Ultimately, the discipline and sanctions panel must be permitted to expel a member from membership of the code of practice. Code sponsors must demonstrate how they will address the consequences of a code member being expelled. It is, of course, a last resort for exceptionally serious non-compliance with the terms of the code.

Any code member that ceases to be a code member as a result of a sanction imposed by the panel shall have not more than 28 days to return or destroy all uses of the approved code logo on all materials, vehicles, premises or other outlets.

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#### TYPICAL EVIDENCE YOU COULD PROVIDE

- Details of your procedures for handling non-compliance, such as a written description of the system.
- Internal documentation on the disciplinary procedure, including its functions and powers (including sanctions available) and membership.
- Guidance given to members on the procedure.
- Your proposals for a discipline and sanctions panel to:
  - deal with non-compliance with the code and/or
  - monitor how you deal with issues of non-compliance.

If your organisation does not meet this criterion, you must explain why it does not meet it and prove that your methods of dealing with cases of non-compliance are effective.

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## CHECKLIST

- Describe the procedures you have in place for handling issues of non-compliance.
- Explain how these procedures meet the criterion.
- Tell us what the timeframes are for the procedures.
- Tell us how you publicise the procedure to consumers.
- Describe where your code describes your independent disciplinary procedures.
- Describe what your independent disciplinary procedures are and provide documentation.
- Describe who sits on your discipline and sanctions panel. Explain whether these people are independent or work any of your code members.

## Publicising Codes

### Publicity

# G1

Code sponsors and members shall ensure that their customers are informed of the benefits the code offers them and are aware of the members' complaints procedures, including access to alternative dispute resolution.

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#### OUR AIM

To make sure that consumers have access to information about the benefits of dealing with an organisation that subscribes to a code of practice.

Consumers should also know that a business is a member of a consumer code.

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#### MORE INFORMATION

Effective publicity is essential for communicating the benefits of dealing with an organisation that subscribes to a code of practice. The publicity must make consumers aware of what they can expect from a business that subscribes to the code.

If more consumers are aware of these benefits, it will increase demand for code member's products and services. In turn, this will raise standards of customer service in the code sponsor's membership.

In particular, code sponsors need to set out how they will signpost consumers to their ADR provider, utilising multiple opportunities to give consumers information about the availability of ADR for complaints about the code members.

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#### TYPICAL EVIDENCE YOU COULD PROVIDE

- A written statement describing how you propose to ensure customer awareness of your code, including examples of:
  - literature you will produce
  - report on Code logo use and show how you will market the benefits of the CCAS to make sure that every member where appropriate display the consumer code logo
  - brochures you will distribute
  - posters you will produce for display in members' premises.

It is not enough just to display a logo or merely to refer to a code of practice as consumers may not be aware of what this means.

A written statement confirming that you and your members will ensure that copies of the code and other code publicity material will be made available to individual consumers on request in alternative formats as appropriate (other languages, Braille and audio) where advisory bodies have indicated, (and provided evidence), that there is specific consumer detriment affecting these groups within the sector covered by the code.

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#### CHECKLIST

- Explain how you will make consumers aware of the benefits of dealing with an organisation that subscribes to your code of practice.



## Publicising Codes

### Publicity

# G2

Code members are to make clear, e.g. in advertising, point of sale, their adherence to a code of practice.

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#### OUR AIM

To make sure that consumers can easily identify traders who adhere to a code of practice.

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#### MORE INFORMATION

Effective publicity is essential for communicating the benefits of dealing with an organisation that subscribes to a code of practice.

Code members can play a key role in building consumer awareness of the code of practice.

Code sponsors must set out how they intend to explain to their members that a failure to follow the terms of the code of practice may be considered to be an offence under the Consumer Protection from Unfair Trading Regulations 2008.

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#### TYPICAL EVIDENCE YOU COULD PROVIDE

- Details and examples of how your members make it clear that they adhere to a code of practice.
- Relevant requirements in your code of practice.

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#### CHECKLIST

- Explain how you will ensure your members advertise that they adhere to your code of practice. Provide details of how you do this now.
- Provide examples of how your code members show that they adhere to a code of practice.

## Publicising Codes

### Publicity

# G3

Copies of codes shall be available without charge to customers, to members, to local consumer advisers and to others with a legitimate interest.

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#### OUR AIM

To make sure that codes of practice are freely available for customers and other interested parties.

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#### MORE INFORMATION

Code sponsors must make sure that copies of their code of practice are readily available. When it's not possible for copies of the code of practice to be available, contact details for getting copies must be readily available.

We do not think that there should be a charge for copies of the code of practice for those with a legitimate interest.

Consumers must easily be able to get a hard copy of a code of practice. In practice this will mean they can get a hard copy of the code:

- from a code sponsor's premises or code members' premises
- by phoning a code sponsor or code member
- by writing to a code sponsor or code member.

Code sponsors and code members should also consider making copies of the code of practice available in different media including:

- on any website that they publish
- by email
- in other languages
- in Braille.

A website or email must not be the only means of getting copies of your code of practice as not all consumers will be able to access them in this way.

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#### TYPICAL EVIDENCE YOU COULD PROVIDE

- A written statement agreeing that copies of your code of practice will be freely and readily available to consumers and other interested parties in various formats.

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#### CHECKLIST

- Explain how you will make copies of your code of practice readily available.
- Explain in what formats the code will be available.
- Confirm that copies will be provided to consumers etc at no charge.

## Publicising Codes

### Publicity

# G4

Copies of any code related publicity generated by the code sponsor shall be provided to CTSI in advance of publication.

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#### OUR AIM

To make sure that any code of practice related publicity material that a code sponsor issues is accurate and correctly describes the code sponsor's relationship with CTSI and the CCAS.

Any publicity that has the potential to bring the scheme into disrepute must be flagged with CTSI at the earliest possible opportunity.

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#### MORE INFORMATION

We want to see material that makes more than a passing reference to a code sponsor's relationship with CTSI so that we can satisfy ourselves that nothing can be misconstrued from its contents.

We do not expect to see all code of practice related publicity material.

There have been situations where we have had to correct material that was incorrect or potentially misleading. Please remember to always ask us to comment on any material that makes more than a passing reference to your relationship with us before you publish it. In the cases where we were shown copies early enough, we were able to amend wording before they were published. In other cases, we had to ask code sponsors to correct material after it had been published.

Such publicity could include articles in trade magazines or other publications, promotional leaflets and other marketing literature, text on a website and press releases.

Code sponsors should endeavour to pass draft publicity to us at least two weeks prior to publication, and we will aim to provide our views on it within 3 working days of receipt.

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#### TYPICAL EVIDENCE YOU COULD PROVIDE

- A statement that you are willing to clear code-related publicity information with CTSI before you publish it.

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#### CHECKLIST

- State whether you are willing to clear code-related publicity information with CTSI before you publish it.
- Explain the procedures you have in place to make sure that this happens.

## Publicising Codes

### Publicity

# G5

Code sponsors shall comply with the terms of the standard copyright licence, disseminate the terms to their members and monitor their members' use of the CCAS logo. Appropriate action shall be taken by the code sponsor against a member for non-compliance with the copyright licence.

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#### OUR AIM

To ensure that the CCAS logo is only used in accordance with the standard copyright licence as amended from time to time.

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#### THE 'TSI APPROVED CODE' LOGO



The Approved Code Logo is a trademark and copyright to the Trading Standards Institute.

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#### MORE INFORMATION

We want consumers to have confidence that the logo is being used correctly by code sponsors and businesses and that misuse is dealt with appropriately.

Once a code is approved code sponsors are required to sign a copyright licence in standard terms setting out the terms and conditions of use in order to obtain permission to use the CCAS logo. The code sponsor is responsible for disseminating the terms of the copyright licence to all of its members. Non-adherence to these terms may result in CTSI terminating the right of the code sponsor and/or member to use the logo and possibly also withdrawal of approval of the code.

The code sponsor will also be obliged to monitor its members' use of the CCAS logo and take necessary action if the member uses the logo in breach of the usage terms.

Code sponsors are required to:

- Notify CTSI on approval of a list of all their members in the prescribed format
- Disseminate to each member a copy of the terms and conditions for usage of the logo
- Inform CTSI of any changes to its membership in the prescribed format within five working days of the change
- Provide a full list of members to CTSI on an annual basis
- Conduct regular checks to ensure their members adhere to the terms of use and take action as appropriate
- Notify CTSI if CTSI's contractual right to suspend or terminate under the licence is triggered

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CTSI work with an external partner to provide an online directory of all code members that are approved to use the CCAS logo

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**TYPICAL EVIDENCE YOU COULD PROVIDE**

- A statement that you are willing to sign the copyright licence and disseminate the terms on use of the CCAS logo to your members, to monitor usage, and take necessary action against a member for non-compliance with the usage terms.
- Relevant requirement in your code of practice that members will have to comply with the terms of the licence that govern the use of the logo.

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**CHECKLIST**

State whether you are willing to sign and abide by the terms of the standard copyright licence, monitor and supervise your members' usage of the CCAS logo and take appropriate action for misuse of the logo, such as providing informal advice, issuing warnings and taking formal disciplinary action.

## About the Chartered Trading Standards Institute (CTSI)

CTSI is a training and membership group that has represented the interests of the trading standards profession since 1881 nationally and internationally. We aim to raise the profile of the profession while working towards fairer, better informed and safer consumer and business communities.

CTSI exists to promote and protect the success of a modern economy. It aims to safeguard the health, safety and wellbeing of citizens. We achieve this by supporting our members to empower consumers, encourage honest business and target rogue traders.

- We lobby and inform central UK and European Government and local government and their agencies, the local communities, businesses and consumers.
- We monitor the high standards of conduct essential for those in a public role, for those who enforce the legislation must be seen to be beyond reproach.
- We aim to sustain and improve consumer protection, health and wellbeing and foster business competitiveness and regulatory compliance.
- We encourage the exchange of ideas, professional views, experience and lively debate for their mutual benefit and greater effectiveness. To this end we commission debate through College of Fellows research in appropriate fields of study and publish reports of the findings.
- We regularly meet and work with other bodies which share our ideals and objectives.
- We educate consumers, through running events such as National Consumer Week.
- We host the CTSI Symposium, an annual professional development event.
- We publish The Journal of Trading Standards, a magazine and website focusing on consumer protection and trading standards, which aims to keep practitioners and students up-to-date. It incorporates topical issues, briefings, interviews and much more.
- CTSI operates as the competent authority auditing and approving ADR bodies, in all non-regulated sectors against the requirements of the Alternative Dispute Resolution for Consumer Disputes (Competent Authorities and Information)