

**Chartered Trading Standards Institute (CTSI) response to CMA Consultation on unregulated**  
**Response sent to – [UnregulatedLegalServicesTeam@cma.gov.uk](mailto:UnregulatedLegalServicesTeam@cma.gov.uk)**

This response is being sent on behalf of The Chartered Trading Standards Institute and has been compiled with the expertise of CTSI members.

**ABOUT CTSI**

Founded in 1881 (as the 'Incorporated Society of Inspectors of Weights and Measures'), today's Chartered Trading Standards Institute (CTSI) is one of the world's longest-established organisations dedicated to the field of Trading Standards and Consumer Protection. And, after more than 140 years of progress, we remain immensely proud of our close association with the Trading Standards profession and the vital work it continues to do – promoting fair business practices, tackling rogue traders and, ultimately, protecting UK consumers.

At CTSI and through the trading standards profession we aim to promote good trading practices and to protect consumers. We strive to foster a strong vibrant economy by safeguarding the health, safety and wellbeing of citizens through empowering consumers, encouraging honest business, and targeting rogue practices. We provide information, guidance and evidence-based policy advice to support local and national stakeholders including central and devolved governments. CTSI is responsible for business advice and education in the area of trading standards and consumer protection legislation, including running the Business Companion service to provide clear guidance to businesses on how to meet their legal and regulatory obligations.

CTSI delivers administrative functions of the Approved Code Scheme on behalf of the Consumer Codes Approval Board, which facilitates high principles of assisted self-regulation through strict codes of trading practice. Once approved, member businesses can then display the Scheme's Approved Code logo so that consumers can identify trustworthy businesses that have consumers and customer service at the heart of their offering to inspire confidence and reassure consumers. This also raises the standards of trading of all businesses that operate under the relevant sector's approved code. The Institute of Professional Willwriters (IPW) is an approved code under Approved Code Scheme.

CTSI run training and development events for both the trading standards profession and a growing number of external organisations. We also provide accredited courses on regulations and enforcement.

**CONSULTATION RESPONSE**

***Scope and content***

**3.2 Does the draft guidance cover the most important consumer protection law issues relating to unregulated will writing, online divorce and pre-paid probate services? If not, what additional issues should the compliance guidance address and why?**

Yes. However, the guidance is quite lengthy and legalistic and we wondered whether this could be shortened to make it more accessible, particularly for smaller businesses.

We noticed that the guidance is focussed on the consumer law in this area, but this is just one tool in the enforcement toolbox. Consumer Codes encourage robust, facilitated self-regulation to

promote consumer interests and raise standards through the principles of effective customer service and protection, setting common standards that go above and beyond consumer law obligations. They are an important part of the consumer protection landscape as they offer alternatives to enforcement, reducing reliance on costly and resource-intensive legal or judicial routes to achieving redress.

The Approved Code Scheme was originally set up by the Office of Fair Trading (OFT) and is supported by Government. The Scheme currently has 18 Code Sponsors with 21 different Codes covering more than 80,000 businesses in the UK in the Green energy, Motor vehicles, Housing and Homebuilding sectors, as well as Professional Willwriting Services. It is important that such schemes are overseen by impartial bodies to ensure independence from businesses and to protect consumers' interests. In the case of the Approved Code Scheme, it has been set up as a Community Interest Company (CIC) with a Consumer Code Approval Board (CCAB). The Chartered Trading Standards Institute (CTSI) delivers administrative services on behalf of the CCAB.

The key aims of the Scheme are to reduce consumer detriment in self-regulated sectors, drive up standards and act in the interests of the community. It engages with business to encourage them to have a positive impact on consumers in their sector. Another key objective is to grow the scope of the scheme so that it becomes a driver of consumer choice. The Scheme focuses on sectors which involve higher potential risks to consumers and larger consumer purchases.

Code approval is a robust and rigorous process for Code Sponsors. Code Sponsors will only be approved if they can clearly demonstrate that they are committed to the reduction of consumer detriment and improving service standards.

Approved Code Scheme businesses are on the front line of the ongoing fight against rogue traders and other bad practices, thereby helping the Trading Standards profession to protect consumers. While independent of CTSI, the Scheme's association with Trading Standards is a fundamental element of its credibility.

**3.3 Is the draft guidance clear and helpful on the relevant legal principles and the issues of concern the CMA has identified? If not, how could it provide guidance on those principles and issues more clearly and helpfully?**

Yes. But see comment above.

**3.4 The draft guidance sets out a number of 'do and don't' checklists for businesses to follow. Are these the right ones? If not, what others would help businesses comply with consumer protection law and why?**

Yes.

**3.5 In any event, are the 'do and don't' checklists clear and easy to follow? If not, how can they be improved?**

Yes.

### ***Case studies***

**3.6 To help businesses engage with the compliance guidance and with consumer protection law compliance more generally, we have included a range of case studies. Are the illustrative examples provided in the draft guidance helpful? If not, why not? How could they be improved?**

We understand that these case studies may not be representative of the complaints received by the IPW ADR scheme. We recommend working with Citizens Advice, IPW and CTSI on developing case studies that reflect the common issues that arise.

**3.7 Are there any additional or different illustrative examples that would help businesses to understand how to comply with their obligations under consumer protection law? If so, what would these cover and why? If possible, provide examples of when these issues would arise.**

We suggest including cases studies on the following areas:

- (a) payment has been made by the consumer, but the service has not been delivered within a specified timescale and/or to the satisfaction of the consumer.
- (b) cancellation rights are not provided to the consumer as required and the consequences of this.
- (c) precontractual information has not been provided to the consumer and so there is a dispute between the trader and the consumer about what work is being carried out, by whom and when and for what payment.

### ***General and additional issues***

**3.8 Are there any aspects of the draft guidance that you consider need further clarification or explanation, and why? In responding, please specify which section of the draft guidance (and, where appropriate, the issue) each of your comments relates to.**

However, the guidance is quite lengthy and legalistic and we wondered whether this could be shortened to make it more accessible, particularly for smaller businesses.

**3.9 Overall, is the draft guidance sufficiently clear and helpful for the intended audience? Is the language and terminology helpful? In particular, we are mindful that the majority of businesses in the unregulated legal services sector are small and medium enterprises (SMEs), many of which are micro-businesses.**

See above.

**3.10 Are there any other comments that you wish to make on the draft guidance?**

We welcome this advice. However, as mentioned above the guidance is quite lengthy and legalistic and we wondered whether this could be shortened to make it more accessible, particularly for smaller businesses. In addition, legislation and guidance documents are effective only when it can be enforced. Trading Standards resources have been halved over the last decade to critically low levels and need to be built back to previous levels so they can effectively monitor compliance, support law-abiding businesses and protect consumers from rogue traders.

**3.11 The CMA is also considering publishing a consumer advice document at the same time as the final compliance guidance. Do you think that a consumer advice document is required in this market, and do you think the CMA would be the best placed body to provide such advice? If so, what should the scope and content of such a document be: for example, is there a need to help consumers better understand their rights and the steps they can take to address problems?**

Consumer advice on this subject would very be welcome. We recommend that the CMA works with Citizens Advice and CTSI in developing such advice to ensure it is accessible and available to all consumers.

Enquiries relating to this response can be emailed to Suzanne Redding, Interim Codes and ADR Consultant – [suer@tsi.org.uk](mailto:suer@tsi.org.uk).