

British Association of Removers Ltd (BAR) – Consumer Code of Practice

Desktop Audit May 2019

Background Information

The BAR Code of Practice is one of the most established CCAS Codes. It has consistently been a source of enhanced consumer protection within the removals sector. There are currently 407 members of the scheme across 561 locations, who carried out 531,140 moves in 2018 which represents a small decline on 2017. There continues to be a decline in the international moving market thought to be largely due to continued uncertainty in relation to Brexit.

BAR is bound under the Code to provide surety for advance payments (cash, BACS payments and/or debit card payments only) for private residential removal and storage contracts concluded in the United Kingdom. This is an excellent form of consumer protection in the case of a BAR member suffering financial failure whilst responsible for un-discharged removal contracts. Regrettably this process has been put into practice, more than once, this year but with great success in terms of lack of consumer detriment. These instances have triggered a review of how BAR checks the financial stability of its members.

Audit Process

A Trading Standards Practitioner from the Chartered Trading Standards Institute carried out a desk-top audit. The audit focused on the following areas:

- Member application process including checks carried out on prospective businesses
- Member auditing - content and process
- Terms and conditions and other pre-contractual Information
- Marketing and advertising by member businesses
- Sanctions for non-complaint member businesses
- Customer service provisions (including support for vulnerable consumers)
- Consumer complaints process (including ADR)
- Customer satisfaction
- Outstanding issues/matters arising from the last audit in June 2018.

Audit Summary

Across all CCAS criteria the BAR Code continues to work effectively.

BAR is currently undergoing a review of its Membership Criteria and Model Trading Terms and Conditions in order to update and align them with all current Consumer Legislation and Regulations. In January 2019, BAR introduced tighter measures to monitor the financial stability of its Members by carrying out continuous Credit Checks on all UK Member companies.

Code sponsors are required to produce a written report annually, on the date that the Code Approval occurred, on the operation of the code. At the time of the last audit BAR stated that an amalgamated report for 2015, 2016 & 2017 would be prepared and published in due course. The Annual Report for 2017 was published in July 2017. The Annual Report for 2018 is not yet published.

New Members

In 2018 there were 18 applications to join BAR. A total of seven new applicants were approved as members. It is common for applicants to meet initial application criteria but then fail to meet the full requirements of membership.

Since the launch of the Advanced Payment Guarantee Scheme, three Member companies have ceased trading due to financial failure, resulting in multiple claims against the scheme. This presented a real concern and financial pressures on BAR. Consequently, BAR recognised the need to introduce tighter measures to assess the financial stability of members in order to protect the interests of the Association, the wider-membership and the consumer. The *Membership Criteria Review* committee developed a new and additional financial check that is both practical and measurable.

At the BAR Board meeting in January 2019, a baseline credit score of 40 was set to which every member and new applicant company must achieve and sustain.

Best Practice:

Constant review of membership criteria and strengthening where necessary ensures that the Code continues to prevent consumer detriment.

Existing Member Inspections/Audit

In 2018 BAR carried out 559 site visits were carried out, this includes Annual Inspections for current members, New Application Inspections and Code Follow-Up Inspections.

Five existing member inspections were reviewed, none contained any non-compliance.

100% of members are inspected annually and this remains a key strength of the BAR Code. The inspections assess compliance against each element of the membership criteria and BAR Code of Practice. The Member Inspection process is managed by BAR but carried out by an external team of qualified auditors employed by Quality

Service Standards Ltd, which is a UKAS accredited wholly owned subsidiary of BAR and covers the whole of the United Kingdom. There are currently six auditors who have all been carrying out audits for BAR for some years.

In 2018 out of a total of 559 inspections (includes annual inspections, new applicant inspections, change of address and new member follow up visits) 44% of visits recorded non-conformities. The non-conformities were spread across a range of issues and did not highlight any worrying trends with BAR members or prospective members.

Best Practice:

Top non-conformities found during inspections are featured in an article in the BAR magazine. This highlights to businesses where typical issues lie and is intended to assist other members to avoid similar non-compliances.

Membership Withdrawal and Sanctions for Non-Compliant Member Businesses

In 2018, 16 businesses either resigned from BAR or had their membership terminated.

As requested, BAR provided details of three members who left in 2018, the websites for withdrawn members were checked and were all found to be no longer using the BAR logo.

BAR have a good system in place to deal with non-compliant member businesses. No members have been subject to the disciplinary process in the last year. The BAR disciplinary panel has not been required to meet in 2018.

Terms and Conditions and other Pre-Contractual Information

BAR has continued to provide its members with assistance in relation to legal updates.

Members have direct access to a dedicated Legal Advice helpline, plus, BAR publishes articles in its monthly magazine R&S (Hard copy and fortnightly Emails) plus give members access to CTSI's Business Companion website.

Marketing and Advertising by Member Businesses

The Inspection statistics provided by BAR show that the use of incorrect the CTSI logo or no logo displayed, remains the most common non-compliance. To maintain consumer protection this issue must continue to be monitored and tackled.

From April 2018 BAR changed its ADR provider from the Property Ombudsman to The Furniture Ombudsman (TFO). To ensure no consumer detriment the change of ADR provider was reflected in members advertising and marketing as quickly as possible.

To ensure this BAR raised a non-compliance at inspections where the Member was not displaying TFO on their website.

Customer Service Provisions

The Furniture Ombudsman offers a course in Consumer Law and Customer Service that leads to a City and Guilds recognised qualification. The course was attended by senior BAR staff and they are currently looking at ways to incorporate some/all of this course as part of the training offering to BAR Members.

Consumer Complaints Process

There were 159 complaints received in 2018 about BAR members to the Property Ombudsman. The year on year increase in the use of the ADR scheme from 129 to 159 is encouraging as it shows that awareness of the service is growing.

Customer Satisfaction and Feedback

In 2018 5630 customer satisfaction questionnaires were completed. This is a significant number of responses, meaning that BAR has a valid data set to draw from when measuring customer satisfaction. Overall customer satisfaction was very high, being recorded at 97%.

The partnership between BAR and Referenceline to provide an online customer feedback is increasingly popular with members. Currently 299 BAR members (of 407 total membership) are using Referenceline.

Not all members use Referenceline so BAR must remain vigilant that all members seek customer feedback. Some members use alternative online surveys or a simple form that they hand to the customer after every move. These are checked at their annual inspection.

Conclusions

BAR is continuing to fulfil its obligations as a Code Sponsor. The change of ADR provider to the Furniture Ombudsman and the plans in place to utilise all that the service offers are encouraging moves in terms of consumer protection.

BAR is currently undergoing a review of its Membership Criteria and Model Trading Terms and Conditions in order to update and align them with all current Consumer Legislation and Regulations. In Jan 2019, BAR introduced tighter measures to monitor the financial stability of its Members by carrying out continuous Credit Checks on all UK Member companies.

Overall, the BAR Code continues to provide significant protection for consumers in the removals sector.