



## REGENERATION AND ENVIRONMENT SCRUTINY COMMITTEE – 1ST JULY 2014

**SUBJECT: ANNUAL REPORT ON THE CONSUMER ADVICE SERVICE PROVIDED  
BY TRADING STANDARDS**

**REPORT BY: ACTING DEPUTY CHIEF EXECUTIVE**

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### 1. PURPOSE OF REPORT

- 1.1 To provide information to Members on the number and nature of complaints dealt with by the Consumer Advice function of the Trading Standards Service for the financial year 2013/2014.

### 2. SUMMARY

- 2.1 The Consumer Advice function within the Trading Standards Service, dealt with 1,627 requests for in-depth consumer advice during 2013/14. Consumer complaints are categorised on the authority's database by trade sector with home improvements and second-hand cars continuing, by far, to be the main source of complaints. The total value of all goods and services complained about for the financial year was £2,353,532
- 2.2 First line basic consumer advice is dealt with by the Citizens Advice Consumer Services (CACS), whilst calls that require in-depth intervention due to their technically or legally complex nature are referred through to Consumer Advice officers within the Trading Standards service. Most calls are automatically referred at first contact if they relate to vulnerable consumers or criminal offences. During the last financial year CACS dealt with 3513 telephone calls, either from Caerphilly residents, or about businesses based within Caerphilly county borough.
- 2.3 The report includes some practical examples of assistance given to Caerphilly residents by the Trading Standards Consumer Advice service during the year.

### 3. LINKS TO STRATEGY

The assistance provided to Caerphilly residents with consumer problems contributes to the outcomes of several strategies including:

- Strategic Equality Plan - Objective 1: Individuals, families and groups in the communities of Caerphilly county borough feel safe living their own lives at home, at work and in the community at large.
- The Caerphilly Local Service Board single integrated plan, Caerphilly Delivers – contributing to the Healthier Caerphilly, Prosperous Caerphilly, and Safer Caerphilly priorities.

#### 4. THE REPORT

4.1 Consumer complaints are categorised on the authority's database by trade sector and by product or service. Categorisation of complaints follows the current national scheme and allows the data gathered to be used in planning services and, in particular, intervention against particular problem trade sectors.

4.2 The table below gives the top 10 products/services and the monetary value involved that were complained about during 2013/2014:

	<b>Product/Service</b>	<b>Number</b>	<b>% of Total</b>	<b>Value £</b>
1.	Home maintenance and Improvements	221	13.6	277,631
2.	Second-hand cars	157	9.6	393,372
3.	Telecommunications (including mobiles	77	4.7	5,831
4.	Other Professional Services	73	4.5	32,449
5.	Furniture	71	4.4	48,897
6.	Clothing	61	3.7	1,814
7.	Competitions, Prize Draws	60	3.7	N/A
8.	Vehicle Repairs and Servicing	50	3.1	48,775
9.	Personal computers	45	2.8	4,728
10.	Toiletries and Beauty articles	43	2.6	4,114

The analysis is comparable with national data, with home maintenance and second-hand cars being the highest sources of complaints.

4.3 Referrals to Caerphilly Trading Standards have remained constant over the past three years. The number of complaints to the National helpline from Caerphilly residents has slightly decreased this year but the numbers of complaints requiring intervention, which are of a more complex nature, have increased. In the current economic climate complaint resolution is significantly harder to achieve with many national companies less willing to offer consumers redress where it is due to them. As such the complexity of cases and the time taken to bring them to resolution has increased significantly.

4.4 The total value of all goods and services complained about for the financial year was £2,353,532. This figure excludes high value complaints regarding financial advice and prize draws and has increased dramatically over the past 12 months. This is due to an increase in high value complaints relating to energy efficiency work associated with various Government initiatives, such as The Green Deal and ECO Scheme.

4.5 Levels of criminal complaints requiring formal criminal investigation continue to rise.

#### 5. CUSTOMER SATISFACTION LEVELS

5.1 A monthly customer satisfaction survey is sent to all users of the service. This year's results show that all users are fairly (7.2%) or very satisfied (92.8%) with the service.

#### 6. EXAMPLES OF COMPLAINTS

6.1 Detailed below are examples of assistance given to Caerphilly residents by the Trading Standards Consumer Advice service during the year:

An elderly, retired school headteacher with limited sight received a cold call from a Swansea double-glazing company, and was persuaded to sign an order for new windows to her property at a cost of £3,300 a discounted price only valid on the day. She was given written cancellation rights and paid a deposit of £600. Trading Standards were contacted by

concerned bank staff regarding the unusual transaction and following a call to a local company were able to advise the resident that alternative companies could provide the same windows at approximately £1,500. Trading Standards helped her to cancel the contract and she received a refund of £600.

A local couple had problems with a suite purchased from a Swansea furnishing company. After only a month there were problems with collapsing of the arms and the filling in the back of a chair. The company sent an upholsterer who suggested the suite needed to be dressed after every usage and offered to insert extra filling. This was not acceptable to the consumers and when the company failed to offer any other remedy Trading Standards assisted with taking a civil claim against the company. The couple went to court and were successful with their claim and were awarded £2,695.

A local couple purchased a caravan advertised on the Internet by a company in North Wales. The company insisted on payment in full before they would deliver the caravan. When it was delivered and properly inspected, a number of serious defects were found. Due to the nature of the faults an independent inspection was obtained that showed major quality issues with the caravan. The company failed to offer any resolution to the matter until Trading Standards intervened with both the credit card company and the caravan company. They finally provided a replacement caravan worth £9,000 and the credit card company compensated the consumers for their inconvenience and disappointment to the value of £500.

An elderly consumer purchased 2 three seater leather sofas from a well-known furniture supplier at a cost of £3,400. After only 6 months and with very little use, sections of the leather lost their colour and there were structural problems with one of the sofas. A representative of the company examined them but was not prepared to accept that there was a manufacturing defect with the furniture. Trading Standards became involved and facilitated an independent report with costs being shared between the supplier and the consumer. The report confirmed that there was a manufacturing defect. The company agreed to totally recover the suite but were unable to do so due to the non-availability of the correct leather skins. Trading Standards subsequently negotiated with the suppliers and the consumer was able to select replacement furniture, which transpired to be cheaper than the original furniture purchased. A cheque was issued for the difference in value between both suites.

A local couple had problems with a leaking conservatory in a property purchased after the conservatory had been erected. The guarantee was transferred to the new owners but despite some attempts to resolve the leak the company were unsuccessful. The company alleged the problems stemmed from work done by others and denied any further liability. Following advice from Trading Standards the consumers obtained an independent opinion that indicated the problems stemmed from a leaking roof, however the company continued to deny liability. The consumers were assisted with the preparation of court papers and the company finally settled just prior to a hearing. The consumer recovered the cost of their report and repairs amounting to £730 in total.

A consumer contacted Trading Standards for assistance after receiving debt recovery letters from a well-known catalogue company. The consumer believed her daughter had fraudulently used her name to obtain credit and purchase items that subsequently were not paid for. Investigation showed that the consumer's name was used to open the account but the address given was that of the daughters. With assistance from the Council Tax Department, Trading Standards could show that the consumer had never lived at the address given to open the account and the catalogue company finally accepted that the consumer was not liable for the debt, which totalled £2,306.

## **7. EQUALITIES IMPLICATIONS**

- 7.1 Consumer advice is provided to members of the community in the language and format of their choice in line with the Council's Strategic Equality Objective 4: Communications Access.

7.2 This report is for information purposes only, so the Council's Equalities Impact Assessment process does not need to be applied.

## **8. FINANCIAL IMPLICATIONS**

8.1 Activity is managed within existing budgets.

## **9. PERSONNEL IMPLICATIONS**

9.1 There are no personnel implications.

## **10. CONSULTATIONS**

10.1 This report has been sent to the Consultees listed below and all comments received are reflected in this report.

## **11. RECOMMENDATIONS**

11.1 Members are requested to note the report.

## **12. REASONS FOR RECOMMENDATIONS**

12.1 To keep members informed of the type and level of complaint activity within the county borough and the assistance provided by the Consumer Advice service.

## **13. STATUTORY POWER**

13.1 Trading Standards enforce a wide range of legislation relating to consumer complaints that require mediation; intervention and can result in more formal actions in the Civil and Criminal courts.

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