

Usage and efficacy of the CD database for TSS

A case study analysis of the usage and efficacy
of the Consumer Direct database for Local
Authority Trading Standards Services

February 2007

OFT871

Authors of the report

Suzannah Kinsella

Jillian Cameron

Central Office of Information

Hercules House

Hercules Road

London SE1 7DU

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1 EXECUTIVE SUMMARY

Purpose of this report

This report has three functions:

- It describes how the Consumer Direct database is currently used by Local Authority Trading Standards Services (TSS) (see Glossary, Annex B, p83) and gives some examples of best practice. It does this in the first two sections (p10 onwards)
- Overview of database use by TSS
- Case studies.

It highlights practical and strategic issues preventing optimal use of the database. It suggests how these issues can be overcome. Both the above are covered in the latter sections (p50 onwards):

- Sharpening the tool
- Strategic issues: how TSS and the Office of Fair Trading (OFT) (see Glossary, Annex B, p81) operate post-Consumer Direct
- Summary of ideas for action.

The report is based on interviews with 11 TSS offices in England and Scotland during July and August 2006.

Consumer Direct

- 1.1 Consumer Direct is a consumer rights advice service that informs consumers, mainly by telephone, of their rights. Consumer direct also refers potentially illegal activity to the relevant TSS. The overall objective of Consumer Direct is to 'Empower consumers to drive productivity, by promoting access to quality information, advice, and redress'.
- 1.2 All contacts to Consumer Direct are recorded on a database that TSS have access to. One of the four secondary objectives of Consumer Direct is to 'Improve the quality and coverage of information for Trading Standards and strategic partners'.
- 1.3 This report presents an initial evaluation of how well Consumer Direct is meeting this objective.

TSS welcome database as source of national consumer issues

- 1.4 The TSS that we spoke to universally welcome the Consumer Direct database. They value it most for being a single, national source of data on consumer complaints against, and issues with, businesses. It is an important addition to the range of tools available to TSS for halting and preventing consumer detriment.

Database gives national visibility of trader complaints

- 1.5 Before the database was introduced, the number of complaints against a business could be significant in total, but atomised across the country and therefore not recognised as a concern in any local TSS.
- 1.6 Now, with the database, problem businesses that are based in a TSS area but do little or no trade there have become visible. TSS advice staff – no longer on the front line dealing with ad hoc, repetitive issues – can review complaint trends and use this to give direction to TSS enforcement staff. Enforcement now have

more robust evidence on which to investigate a business. TSS education teams have a national as well as a local view on consumer vulnerability to help prioritise campaigns.

TSS usage of database varies by office

- 1.7 This report shows that the way the database is used varies significantly across TSS. The greatest factor in determining use is not how long a TSS office has had access, but the degree to which it takes an intelligence-led (vs. complaint-led) approach. For the more intelligence-led offices, the database is often a starting point for investigations or projects and they tend to have a wider sense of its utility. For more complaint-led offices, it is a reference point and tends to be used to progress individual cases.
- 1.8 Across TSS the database helps in the following ways:
- Facilitating Enterprise Act 2002 (EA02) (see Glossary, Annex B, p80) Part 8 action
 - Information from the database showing volume of complaints and consistency of malpractice is being used as evidence to obtain written undertakings (see Glossary, Annex B, p83) and then court orders.
 - Isolating and 'fixing' problem business practices
 - Complaint data pinpoints specific problematic trading practices which TSS then compel businesses to remedy. TSS later use the database to monitor change.
 - Preventing unnecessary or ineffective action against businesses
 - Suspected issues are explored on the database: if no complaints are found, the issue can be de-prioritised with confidence.
 - Identifying and halting rogue traders

- The case entry detail on the database, its national scope and its searchability are helping TSS to identify rogue traders operating under multiple names or in several areas.
- Building positive relationships with businesses
 - When Consumer Direct data is analysed and presented in a compelling and clear fashion, some businesses welcome the opportunity to improve their trading practices and proactively seek ongoing guidance from TSS.
- Developing consumer education
 - Trends in consumer detriment demonstrated by database data are guiding some TSS' consumer education efforts.
- Planning and prioritising TSS activities
 - Investigations and inspections – and the resources required to undertake them – are now being planned around consumer complaint trends shown by the database.

Consumer Direct database originally built to capture advice line call data

- 1.9 The database's variety of applications is impressive. However, the database was originally built as a device for capturing calls to the advice line; it was not designed as a tool for search and analysis of trends in consumer detriment – and there are some significant problems associated with using it in this way.

Opportunities to improve the database

- 1.10 While improvements have been made over the past 12 months to the database's searchability, there are clear opportunities for the OFT to further increase the positive power of the database by:
- improving functionality

- data quality: there is an opportunity to increase the value of the database to TSS by seeking to address so far as possible issues of data accuracy, clarity and completeness
- usability: technical problems, such as poor printability, are minor in isolation but in aggregate are real frustrations and barriers to use for TSS: small fixes would have a significant positive impact
- providing support and guidance about database use
- some issues of objective setting and co-ordination (for example, Hampton imperatives vs. Comprehensive Performance Assessment targets) (see Glossary, Annex B, p79) are at odds with the onus on TSS to make full use of the intelligence tools at their disposal
- attending to shared OFT/TSS strategic issues.

1.11 TSS have an appetite for:

- further technical and user support
- help in developing user skills via hands-on rather than remote training
- positive encouragement to expand their use of the database.

Quantification of the value of improvements

- 1.12 TSS found it very difficult to quantify the cost of the issues with the database, either financially or in terms of time. Rather, they regard the issues as barriers to using the database. Where TSS have quantified issues, they are local, illustrative examples. We have ordered the issues contained in sections six and seven (p50 onwards) by their importance to TSS.

Communication between OFT and TSS

- 1.13 Our conversations with TSS revealed that they had different understandings about several aspects of how Consumer Direct and the database operate and are managed – for example, allocation of users licenses and the future use of Consumer Direct as a channel for reporting scams (see Glossary, Annex B, p82). Clear and comprehensive communication from OFT would reduce the likelihood that TSS will come to their own conclusions on key Consumer Direct issues.

Consumer Direct database as one of a number of tools for TSS

- 1.14 TSS are at pains to point out that the Consumer Direct database is just one of an array of tools that they use in their work, and others are equally valuable. However, they do appreciate both the positive impact the database has already had on their work and its potential future contribution – they are encouraged by the profile that OFT has given the database and are expectant of further developments.

Further investigation to support best use of the database

- 1.15 This study has provided some indication of the form that those developments might take. The OFT may wish to consider each suggested development in the context of a cost/benefit analysis, which is outside the scope of this project. Further opportunities and quantification could be revealed by wider and deeper investigation by OFT, such as:
- a database usability survey
 - an assessment of database user ability to guide training resources
 - a comparative study of contact centre management approaches and their impact on data quality.

2 BACKGROUND AND OBJECTIVES

Consumer Direct Objectives

The main objective in the high level business case for Consumer Direct is to:

- empower consumers to drive productivity, by promoting access to quality information, advice, and redress.

Within this, the specific objectives are to:

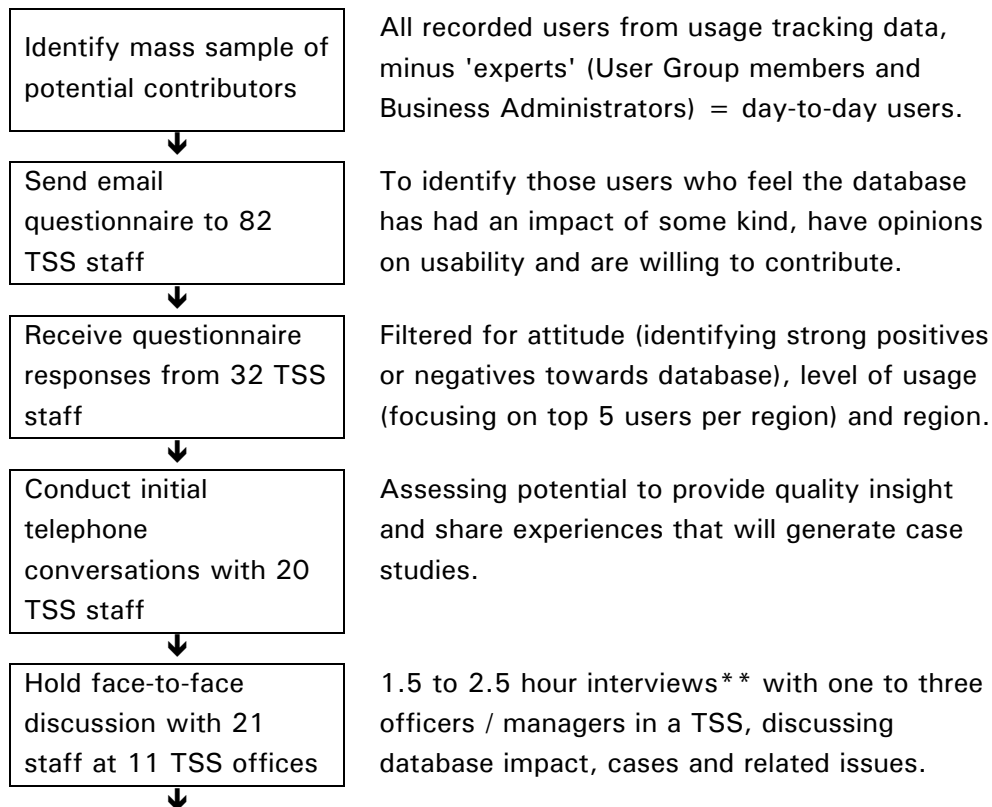
- increase consumers' access to quality assured advice and information
- give people the knowledge, tools, and confidence to be able to resolve matters themselves
- improve the quality and coverage of information for Trading Standards and other stakeholders, and
- act as a gateway to other complementary services where further help is required or specialist advice needed.

Implicit in the existence of Consumer Direct is that it will be able to fulfil these objectives more cost-effectively than the previous system of devolved trading standards departments in local councils.

- 2.1 In April 2006 the national roll-out of the Consumer Direct advice service was completed. At the same time, responsibility for the service transferred from the Department for Trade and Industry (DTI) (see Glossary, Annex B, p80) to the OFT.
- 2.2 The Consumer Direct database is the system that logs all contacts to Consumer Direct nationally and is the principal way in which Consumer Direct fulfils one of its specific objectives to 'improve the quality and coverage of information for Trading Standards and other stakeholders'.
- 2.3 OFT commissioned COI (see Glossary, Annex B, p79) to conduct an external and independent analysis of the efficacy of usage of the Consumer Direct database among TSS.
- 2.4 At this early stage in Consumer Direct's (and the database's) life, OFT wants to identify indicative examples of database use, common usage and issues and potential database improvements. Through these, OFT aims to gain an understanding of the current and potential impact of the database and of best practice in database use which, when shared, could increase the aggregate value of the database to TSS.

3 METHODOLOGY

- 3.1 This study adopts a qualitative methodology, due to the fairly early stage of Consumer Direct's working life. It is an exploration of how some TSS offices use the database and of its impact to date on their operations, offering OFT an insight into the main pros and cons of day-to-day use of the database, and its likely future potential impact.
- 3.2 The diagram below illustrates the process by which COI has sourced case studies for this report, aiming to gather input from a cross-section of TSS offices (in terms of positive or negative attitudes to the database and geography) with a sufficient level of familiarity with the tool (that is, relatively high usage over time).



24 potential case studies for inclusion in report



14 case studies from 9 TSS offices selected for inclusion

Illustrating typical and advanced uses of the database and its impact on TSS operations. Summarised and discussed with OFT.

Chosen for best practice, variety and illustrative power. Reviewed and signed off for accuracy by source TSS.

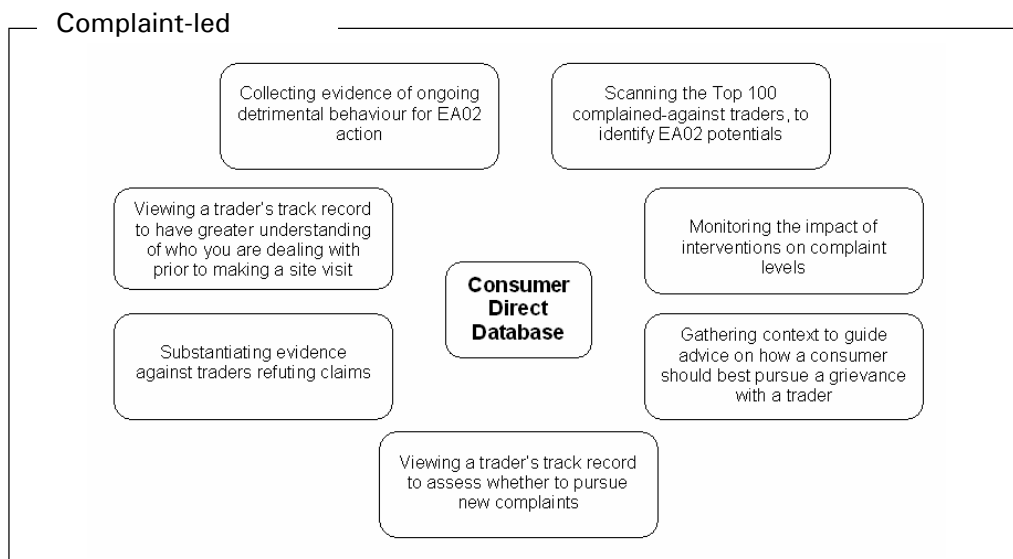
- 3.3 This report is based on TSS self-reports of database use and related problems, questions and beliefs. It did not involve independent observation of TSS use of the database and while OFT and other readers may therefore have some experience or information that is at odds with the contents of this report; it stands as an accurate description of TSS interactions with the database and how they think and feel about it.
- 3.4 It is likely – given that we started by asking TSS to 'opt in' to this exercise – that the TSS staff interviewed in the course of this project are among those that have most actively engaged with the database since its introduction. While readers should be aware of this, they should also note that among the interviewees were TSS staff with negative as well as positive experiences of the tool and we are confident that this report does not suffer from any bias that undermines the validity of its findings.
- 3.5 The case studies in this report have been anonymised. They do not identify traders or consumers for reasons of statutory confidentiality and because in some cases, investigations or legal action are still in progress at time of writing. Neither do they identify TSS offices – assured confidentiality enabled our TSS contacts to talk with us freely and frankly and enables us to report as fully and accurately as possible to OFT.

4 OVERVIEW OF DATABASE USE BY TSS

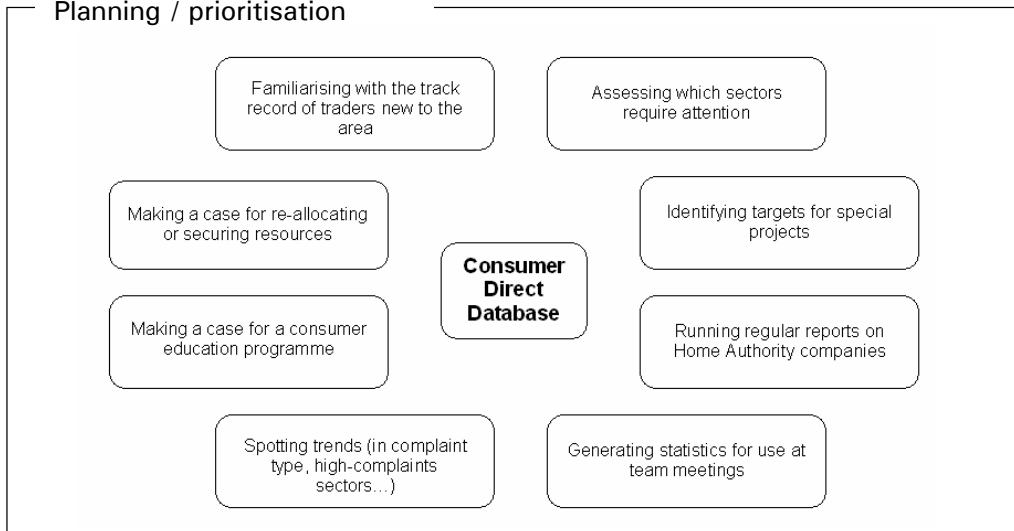
4.1 Across different authorities, the Consumer Direct database now plays a role in many different aspects of TSS work, in two broad categories:

- complaint-led activities
- work planning and prioritisation.

4.2 The case studies in the next section (p16 onwards) provide a detailed picture of key uses of the database and its impact. To provide some context for those case studies, the diagrams below illustrate the broad range of uses to which the database is put by TSS professionals.



Planning / prioritisation



5 CASE STUDIES

5.1 The case studies that follow describe the use of the database in TSS projects and investigations taking place over the past 18 months. They are written as chronological stories – from initial complaint to latest outcome – and highlight:

- best practice and learning that can be replicated
- contrasts between TSS work pre- and post-database
- a quantified estimate of impact (time or money), where available.

5.2 Practical and strategic issues arising from use of the database, and ways in which it might be improved, are held over to later sections (page 49 onwards).

5.3 From TSS interviews, COI has identified seven key ways in which the database contributes to TSS work. The case studies that follow have been selected according to their strength in illustrating each of these seven contributions. They are outlined in the table below and presented in detail on pages 20 to 49.

Key Contribution	Case Study Profile
Facilitating EA02 Part 8 action To compile evidence for an EA02 action, TSS requires evidence of a volume of complaints of a similar nature against a trader, over a period of time. The Consumer Direct database provides visibility of complaints on a national scale for all	Case study 1a Nationwide database complaints used to advise a company and then to force compliance.

Key Contribution	Case Study Profile
<p>traders and allows searching by date and nature of complaint. This visibility means that TSS offices can become more aware of cases that may merit action under EA02 and, for any particular EA02 case, able to more quickly compile the required evidence.</p>	<p>Case study 1b</p> <p>Database revealed a sudden, widespread case of malpractice by an otherwise reputable international company.</p>
<p>Isolating and 'fixing' businesses problem practices</p> <p>The geographical reach of the Consumer Direct database enables TSS to identify 'hotspots' of poor practice within the operations of a single business. TSS can highlight problem areas for traders, provide them with help to improve particular practices and reduce detriment to consumers.</p>	<p>Case study 2a</p> <p>A new Internet company's poor business practices acted on following nationwide complaints.</p> <hr/> <p>Case study 2b</p> <p>Data on nationwide complaints reveals the damaging impact of a salesman, and TSS supports the trader in making positive changes to business practice.</p>
<p>Building positive relationships with traders</p> <p>The volume of complaints held by the Consumer Direct database enables TSS to present traders with persuasive arguments for improving their business practices voluntarily, reducing detriment without the need for enforcement action.</p>	<p>Case study 3a</p> <p>Proposed change in trader's national selling strategy following findings from database complaints.</p>

Key Contribution	Case Study Profile
<p>Preventing unnecessary or ineffective action against traders</p> <p>The absence of complaints on the Consumer Direct database can help TSS make a decision to take no further action with a greater degree of confidence than previously.</p>	<p>Case study 4a</p> <p>Database search showing no other complaints supports a trader's claim of extenuating circumstances on a poorly-executed piece of work.</p>
	<p>Case study 4b</p> <p>Lack of complaints registered on database prevented a dead-end project.</p>
<p>Identifying and halting rogue traders</p> <p>The geographical reach of the Consumer Direct database allows TSS to profile and track the activities of rogue traders (who are typically elusive, with changing names, addresses, contact details). In many cases, TSS can contribute much-needed evidence to larger operations by Police and other enforcement bodies.</p>	<p>Case study 5a</p> <p>Rogue builder with multiple identities brought to justice by his mode of operation.</p>
	<p>Case study 5b</p> <p>Database search on an elusive trader's mobile phone number reveals the true extent of his criminal activity and helps bring him to court.</p>

Key Contribution	Case Study Profile
<p data-bbox="302 268 751 296">Developing consumer education</p> <p data-bbox="302 344 837 636">The Consumer Direct database is able to reveal a volume of poor practice by traders, which though not illegal, causes significant consumer detriment. This information motivates TSS to address these issues via consumer education efforts.</p>	<p data-bbox="862 268 1068 296">Case study 6a</p> <p data-bbox="862 344 1344 506">Local victim of a high interest credit agreement prompts national database search for similar victims.</p>
	<p data-bbox="862 577 1068 604">Case study 6b</p> <p data-bbox="862 653 1300 856">Database assists in identifying traders for an exposé TV programme aimed at educating consumers on the dangers of rogue traders.</p>
<p data-bbox="302 909 837 936">Planning and prioritising TSS activities</p> <p data-bbox="302 984 813 1318">The Consumer Direct database can serve as a 'diagnostic' tool to assist TSS' in understanding the broad picture of trading practices affecting businesses and consumers in their area. This can guide allocation of resources and help TSS assess the impact of their work over time.</p>	<p data-bbox="862 909 1198 936">Case studies 7a and 7b</p> <p data-bbox="862 984 1328 1104">Database provides input to TSS resource allocation decisions and impact evaluation efforts.</p>

5.4 Key points of TSS work pre- and post-database comparison, best practice or key learning are highlighted in summary boxes at the end of each case study.

Case study 1a

Nationwide database complaints used to advise a company and then to force compliance

A mail-order company selling across the UK. Advertised nationally, sold through brokers and a website

Best practices

- Reviews of the database's reports are built into this TSS' workplan rather than being ad hoc
- Database complaints are followed up with consumers to verify and add detail to further an investigation with a trader
- Database is used to monitor a business's complaint level following TSS intervention/guidance: have they heeded the advice?

Golden nugget learnings

- Complaints from the database used as evidence of continued malpractice for EA action
-

Full case study

October 2005, whilst conducting their bi-monthly review of the database's Top 100 Traders list for their region, this TSS discovered a national distance retailer business – Trader A. Complaints were found from across the country identifying a failure to send goods within a reasonable time, sending faulty goods and failing to deal with consumer complaints promptly. The complainants were contacted by TSS to verify and expand on their initial report to Consumer Direct.

When TSS investigated the company's website they also found that it did not comply with the E-commerce Regulations.

At the end of 2005, having contacted the complainants found in October and seen complaints continue to appear, TSS alerted Trader A that it was concerned about a high number of complaints for the size of the business. TSS informed the company of the types of complaint, requested an improvement and monitored the level of complaints through the database.

In the short term, no more complaints were received and TSS was advised that, as a result of the evidence gathered from the database and subsequent interviews with affected consumers, staff had been sacked and a demand management system set up.

TSS continued to monitor the database on a regular basis to see if any more complaints were reported. In May 2006, complaints began to appear again. Using the database information as a source of evidence of continued malpractice, TSS took the first steps towards an EA02 action.

In summer 2006, TSS received a written undertaking including the following stipulations that Trader A:

- would not supply defective goods to consumers
- would send refunds within 30 days of receiving returned goods
- would modify its website.

TSS is now monitoring the business's conduct using the database and no complaints have appeared following this letter of undertaking.

'It's proactive on our part – we can search for information to start. Without the database we wouldn't have the wherewithal to track these traders.'

Case study 1b

Database revealed a sudden, widespread case of malpractice by an otherwise reputable international company

International audio systems company

Best practices

Inclusion in a Top Trader list (see Glossary, Annex B, p83) does not automatically lead to investigation (national companies often appear due to volume of customers). This company had never previously appeared.

The volume and type of complaints from the database can be checked and used as evidence to pursue EA02 actions.

Golden nugget learnings

The database allows a TSS to carry out discrete investigations of companies, useful when the trading issue is exploitable.

Full case study

This company (Trader B), who the TSS is a home authority for, had previously had an excellent reputation; rarely, if ever, receiving complaints. Suddenly, in late 2005, they appeared in the Top Traders List for the region.

A number of complainants reported that they had been contacted by a debt collection agency demanding payment for orders that they believed they had cancelled. The problem was rooted in unenforceable credit agreements (UCAs) (see Glossary, Annex B, p83): Trader B had not informed the consumer of the seven day cooling off period after the purchase. Nor had it asked the consumer to sign and return a purchase

agreement. The company had sold debts to a debt collection agency, which then tried to re-enforce these credit agreements.

All of these complaints were outside the local area, so prior to the introduction of the database, this TSS would not have been aware of this issue. As there were only one or two complaints in each region, TSS believes it unlikely that other offices would have informed them due to this low number.

If this TSS had somehow learnt about the issue, it would have had to send an email to every TSS office across the country asking them about any complaints against Trader B. The TSS would also have had to explain the UCAs situation. This sensitive information could have become more widely known, enabling people to exploit the situation by not paying. The database allowed TSS to handle this investigation discreetly, which was appropriate given the company's previously good record.

By investigating the complaints on the database and interviewing consumers and the company, TSS discovered that Trader B had issued approximately 800 UCAs at an average value of £400.

Because of the volume and value of these UCAs, TSS requested that the company provide a written undertaking to the OFT not to operate UCAs in the future. TSS continues to monitor the company.

In early 2006 the company bought back the debts and resolved the issues individually. They understood that consumers were within their rights not to pay because of the incorrectly executed credit agreement.

'[The database] is most valuable for complaints from other areas – a fast track way to get a global picture of traders who are based in our area but do almost no business in our area. '

Case study 2a

A new internet company's poor business practices acted on following nationwide complaints

Animal equipment sold over the internet

Pre- and/or post-database comparisons

Before Consumer Direct's roll out to this TSS, they used it to check complaints against companies in their area from across the country.

Best practices

Telling businesses about the database can act as an encouragement to trade fairly, businesses know their poor practices are visible.

The knowledge that their poor practices are visible is an encouragement to businesses to trade fairly.

Golden nugget learnings

Complaints from the database give TSS evidence to help businesses identify and remedy their poor practices.

Full case study

This TSS were one of the last offices to go live with Consumer Direct, the call switch happening in June 2006. However, before this they had been searching the Consumer Direct database to get a national picture on complaints against businesses in their area.

In Spring 2006 a search revealed Trader C, with complaints of non-delivery of goods and failing to provide refunds of an average value of £100. This company was previously unknown to this TSS and one they

believe they were unlikely to have identified without the Consumer Direct database as all complaints were from outside the local area.

The business had been trading for a relatively short period of time and it had been more successful than anticipated. TSS identified that they had no consumer complaints systems in place, leading to people waiting long periods for refunds or to receive their goods due to equipment being out of stock. The company had been prioritising straightforward orders and ignoring problematic ones.

TSS sent an enforcement officer to investigate and has had several meetings since to help the company to resolve the issues and put a system in place to deal with consumer complaints.

TSS told the business about the database and the EA02 and warned them that if complaints were not resolved they would pursue an EA02 action.

Although Trader C maintains it now has systems in place to deal with complaints and complaints should lessen, they are still appearing in the database and the business has been given a deadline to resolve all complaints otherwise a formal undertaking will be sought.

'[The Consumer Direct database] helps us get a better understanding of the company involved, get a bigger picture and give better advice.'

Case study 2b

Data on nationwide complaints reveals the damaging impact of a particular salesman, and TSS supports the trader in making positive changes to business practice

Kitchen supply and fit company, with customers across the country

Pre- and/or post-database comparisons

The database has removed the need to ask other TSS offices to gather information, and the inevitable wait involved.

Best practices

Scanning incoming notifications (see Glossary, Annex B, p81), as well as attending to referrals (see Glossary, Annex B, p82), can reveal patterns of complaints that merit attention.

The volume and type of complaints from the database can be checked and used as evidence to pursue EA02 actions.

Golden nugget learnings

The national view provided by the database can reveal complaint 'hotspots' that later help traders pinpoint problems within their operations.

Offering traders information that assists them can help establish a productive relationship that helps prevent new problems arising.

Full case study

In August 2005 Trader D – previously unknown to this TSS – began to feature heavily in a regular scan of Consumer Direct notifications. Over four months, the TSS received 11 notifications about incomplete and delayed work by the trader.

A search of the Consumer Direct database revealed that the national complaint level against Trader D (all were notifications, rather than referrals) had recently increased markedly and also that 50 per cent were originating from consumers in the one English region.

In Spring 2006 an advice officer and an enforcement officer from TSS visited the trader's premises to introduce themselves, draw attention to the recent increase in complaints and offer help in rectifying the problems that were causing it.

On the basis of the information provided by TSS – a summary of the type of complaints received and the area they were coming from – Trader D traced the recurrent complaints in the problem region to the work of a particular salesman and retrained him.

The trader also took on board and applied the advice from TSS on satisfying complainants and future customers by following proper procedures on credit agreements, deposit refunds and keeping them informed of progress on disputes. Trader D now regularly approaches its local TSS for further guidance and advice on particular consumer issues – for example, on Corgi and NICEIC registrations and on best practice guidelines issued to banks after they escorted one elderly complainant to the bank to withdraw money for payment.

This TSS is confident that the Consumer Direct notifications system and the database search function enabled them to help Trader D 'nip in the bud' some problems that would otherwise have damaged their business and caused significant consumer detriment. They believe that on the basis of only the local notifications data available prior to the introduction of the database, they would not have been able to gauge the extent of the

problem, or provide a comprehensive summary of complaints, without extensive preparatory work and a reliance on other TSS.

TSS continue to use the Consumer Direct database to track the level and nature of complaints against this trader to support their practice and monitor the situation.

Case study 3a

Proposed change in a communications company's national selling strategy following findings from database complaints

Digital TV, broadband and mobile services

Pre- and/or post-database comparisons

Pre-database, a national view of complaints against a business was only available through contacting all TSS individually

Pre-database: **three months** to get a national view of complaints

Post-database: 15 minutes

Best practices

TSS analyse and summarise the complaint data ahead of presenting it to a business to demonstrate key areas of poor practice

Golden nugget learnings

Faced with strong evidence of consumer complaints, businesses can respond positively and act to improve their business practices

Full case study

In early 2005, before the introduction of the Consumer Direct database, TSS identified a potential problem with Trader E pursuing ex-customers for non-payment of debts they believed they did not owe (primarily because they had cancelled their contracts and had no further contact with the company). To establish if this was a national issue, TSS needed to contact all other TSS offices to find out if they had received similar complaints in 2004.

The TSS issued a TS Interlink message to all authorities asking for information. Out of approximately 200 authorities, TSS received less than

40 responses. A repeat message did not increase this. In order to present a national picture to Trader E, a TSS assistant spent approximately three days faxing every authority that had not responded to TS Interlink. It took approximately three months to obtain the necessary information.

In contrast, earlier this year TSS received an enquiry from another authority concerned about sales staff visiting premises in a designated 'no cold-calling zone' (see Glossary, Annex B, p81). As the local TSS was setting up its own first 'no cold-calling' zone, they wanted to encourage Trader E to cease cold calling in such zones. To assist, TSS used the database to look for complaints nationally.

The database identified numerous allegations of mis-selling, dubious sales tactics and lies told by the doorstep sales people. It took TSS five minutes to complete the initial search and 10 minutes to print the required complaints: a total of 15 minutes, as opposed to three months previously.

At a meeting with Trader E, TSS summarised these complaints and explained that they represented a national problem. Trader E's response was:

- an immediate reaction to how extremely useful the database was for identifying complaint trends; so much so, they asked if they could have restricted access to see sanitised data about their own company
- a proposal to their Board to cease cold calling completely.

Trader E has subsequently indicated that such a decision should be made in the near future.

'Trader E has admitted that cold calling is the most expensive way of obtaining sales and if they get nothing but negative publicity from it then it does not become feasible anymore. I am convinced they would not have formed that impression without the information sourced from the Consumer Direct database... I am convinced they would not have formed that

impression without the information sourced from the CD database.'

Case study 3b

Compelling statistical analysis of database trends convinced a car dealer to mend his ways

Car dealer

Pre- and/or post-database comparisons

The database's national view gives greater credibility to complaint trend data than local databases.

Best practices

Businesses who feel the database has helped them identify poor practices approach TSS voluntarily for ongoing advice.

Taking other factors, such as turnover, into account when considering the significance of complaint volumes.

Golden nugget learnings

Database can be used to compare complaint levels against similar businesses, to demonstrate 'higher than usual' complaint levels.

Full case study

Car dealerships are a particular focus for this (and many other) TSS, as the trade has a longstanding history of high complaint levels. Some, such as Trader E, were permanent fixtures on the Consumer Direct database Top 100 Traders list.

Car dealers are well accustomed to TSS visits and see complaints as 'coming with the territory', using this excuse to resist attempts to guide them to better business practices.

In Autumn 2006, to help pick out particularly poor dealerships, TSS ran a comparison of the number and type of complaints against car dealers in their region, grouped by turnover. This was possible with the previous local database, but the Consumer Direct database ensured the picture was far more accurate as car buyers were not always local.

This identified that Trader E's complaint level was over 200 per cent higher than other similar-sized car businesses in the area and that he was the most complained about car dealer in the authority, even though his turnover was a quarter of that of other dealers. TSS approached the dealer with this information. His first reaction was embarrassment; his second reaction was to do something about it and sign a written undertaking to comply with a list of good business practices.

Since then Consumer Direct has received no more complaints against Trader E and he now calls local TSS for advice.

TSS is continuing to monitor this trader to ensure his good business practices don't lapse.

TSS quote

'The CD database complaints data enables us to act equitably and make clear to the trader why we are targeting them.'

Case study 4a

Database search showing no other complaints supports a trader's claim of extenuating circumstances on a poorly-executed piece of work

Gardening and garden building services trader, in operation for over a decade

Pre- and/or post-database comparisons

The database's national view gives greater credibility to complaint trend data than local databases.

Best practices

The database is not used as a standalone prompt to action, but alongside other information, including direct contact with consumers and traders.

Golden nugget learnings

No database records does not confirm that no dissatisfied consumers exist, but it is a strong indicator that TSS can direct resources elsewhere and helps ensure that there is no TSS action without justification.

Full case study

In July 2006 TSS received a complaint about Trader G in business for a number of years, via a referral from Consumer Direct.

The complainants were vulnerable consumers – a frail elderly couple, who were unhappy with the quality of £3000 worth of paving work carried out by Trader G: one had taken a fall after tripping on uneven slabs. The work had originally been carried out some months previous.

After attending the consumers' home to view the work, TSS visited the trader's address to discuss the issue. The trader was absent, but an acquaintance recognised the complaint to the extent of being able to independently identify the consumers.

When Trader G made contact with TSS, he claimed that he had carried out subsequent repairs and since that at the time the consumers had not advised him of any further faults. He claimed that heavy rain during the work had caused the paving slabs to subsequently slip and become uneven.

Since the acquaintance had indicated to TSS that they **were** aware of recent problems, TSS conducted a Consumer Direct database search for any additional complaints against this trader.

None were recorded. This fact, along with the offer by the trader for the work to be rectified at his expense, suggested to TSS that Trader G was not acting in a manner detrimental to consumers in general and no further action was warranted.

To arrive at this conclusion in the absence of the Consumer Direct database, TSS would have needed to contact other neighbouring authorities with a request to search their databases for previous complaints against the trader, and to wait for their responses. The database saved this – and other – TSS time in collating information and enabled a quicker decision to not devote further resources to this case.

Case study 4b

Database's lack of complaints prevented a dead-end project

Consumer vitamin supply sector

Pre- and/or post-database comparisons

Before the database, a lack of complaints could have been just a local 'gap' and investigations could continue.

Golden nugget learnings

An absence of complaints on the database can help to prioritise projects.

Full case study

This TSS were considering running a project looking at the accuracy of vitamin tablets sold by number. Preliminary packaging investigations showed that many containers were only half full, raising a question of whether there was a deceptive packaging issue.

Previous experience with this sector indicated that unless there was proof of consumer complaints, the manufacturers would be unwilling to discuss the issue with TSS.

The officer searched the database for complaints about vitamin packaging and found none. Based on this lack of evidence of consumer detriment, TSS decided not to pursue the project. Prior to the introduction of the database, TSS would have had to use their existing local database of enquiries to make a decision as to whether to proceed with the project. Whilst TSS may have made the same decision, it would have been made without a clear understanding as to the level of consumer complaints nationally, not just locally.

Case study 5a

Rogue builder with multiple identities brought to justice by his mode of operation

Builder

Best practices

Solution before seeking prosecution. Prosecution when the trader refuses to mend their ways

Golden nugget learnings

Reviewing complaint information in 'high risk' sectors such as builders can reveal rogue methodologies that link multi-named traders

Full case study

In Summer 2005, this TSS' review of Consumer Direct database complaints against builders revealed complaints against a number of builders who would take full payment for a building job, such as a conservatory or extension, and not complete the work or disappear for several weeks.

TSS' interest was sparked by the fact that the details of the case story in each Consumer Direct database entry showed that all these householders had been approached and dealt with in the same way.

Trader H, a rogue builder had found the householder's details through the council's planning application process and had contacted householder's with persuasive offers on cost and time to start and complete the building work. Deposits of £10,000 to £15,000 were taken, but only approximately £2,000 of work was completed before the builder became unavailable for weeks at a time.

In one case a householder who had just employed the builder, based on his attractive cost and schedule, recommended him to a friend. He finished neither job and left them collectively £40,000 out of pocket.

As the number of similar complaints grew, TSS started to interview the householders involved, sourcing descriptions of the builder and statements on his behaviour.

This complaint investigation confirmed TSS' suspicions that in spite of the householders citing three or four different building company names, address and telephone numbers, this was the work of one man.

The database also allowed TSS to track his work beyond their area in more than three counties.

Having identified the builder, TSS invited him in to discuss the complaints against him. When he did not respond the TSS sought and obtained a temporary injunction followed by a permanent injunction under the EA02.

If Trader H exploits the public again he can face a prison sentence as a result of a contempt of court order. To date TSS have calculated the loss to consumers as in excess of £600,000.

Case study 5b

Database search on an elusive trader's mobile phone number reveals the true extent of his criminal activity and helps bring him to court

Sole trader carrying out driveway tarmac and block-paving

Pre- and/or post-database comparisons

The database now enables TSS to search for many and various parameters of a complaint – including details that can help track otherwise elusive traders.

Best practice

TSS conduct regular database searches during an investigation to maintain a 'real-time' view that could have an impact on its progress.

Full case study

Trader I was known to two neighbouring TSS prior to the introduction of the Consumer Direct Database, due to local complaints about the non-issue of cancellation notices (after cold-calling (see Glossary, Annex B, p79)) and the use of false contact details on paperwork. The complaints received represented work to a total value of around £80,000.

TSS 1 had been unable to prosecute Trader I due to difficulties in accurately identifying him, but had obtained a court order under EA02 12 months after complaints began to arrive. TSS 2 was assisting by looking out for any subsequent local complaints that would indicate a breach of that court order.

TSS and the local Police were also investigating potential criminal offences by the trader, but tracking and monitoring of his activity was

hampered for all parties by his use of multiple false company and individual names.

When the Consumer Direct database went live, TSS conducted a search using the trader's mobile phone number and vehicle registration number – both of which had seemed to be consistent across prior complaints.

This search revealed a number of recent complaints from across the country and enabled TSS, using information from Consumer Direct, to contact the complainants for permission to pass their details to the police.

While the police investigation was in progress, TSS ran a Consumer Direct database search on tarmac and paving traders every few days to check whether new complaints against this trader were occurring that could contribute to the investigation. Most weeks, these searches revealed a few additional complaints.

With the help of the information provided by TSS, the police have now arrested Trader I, who is awaiting trial on several charges, to the value of millions of pounds.

Case study 6a

Local victim of a high interest credit agreement prompts national database search for similar victims

Car finance specialists for those 'refused car credit'

Pre- and/or post-database

Since the database, TSS's can work independently to get the national information rather than drawing on other TSS's time.

Golden nugget learnings

Using the volume of complaints on the database to help determine subjects for consumer education.

Full case study

Before this TSS joined the Consumer Direct service in June 2006 they had received two complaints from local consumers against Trader J.

To find out if these were isolated complaints or more widespread, TSS searched the Consumer Direct database and found hundreds of similar complaints from around the UK.

Knowing the national scale of the problem, TSS wanted to ensure that people in their area were aware of Trader J's opaque finance offers, misleading promotions and hidden, high interest rates. TSS issued a press release to local media warning people to be vigilant with credit agreements and to check what they were signing.

With the permission of the complainant, TSS cited the case of a consumer who had bought a £7,000 car in a financing deal from Trader J. The terms of the credit agreement meant that the consumer would pay £17,000 over a four year period. The complainant had not realised the full

cost of the interest rate signed up to and had only got £1 part exchange for the old car, not the £1,000 expected.

Trader J was not based locally, but this TSS took action to protect their community from a national issue of credit agreement ignorance. Prior to the database, they could not have explored the national picture on this issue without securing time from TSS in other areas to provide information.

Trader J responded to the media publicity by releasing the consumer from the credit agreement and retrieving the car.

TSS are not aware of any action taken by the trader's local TSS, explaining that car finance complaints are very commonplace. As people have signed a credit agreement, the transaction is not illegal and the complaints would come through to the database as notifications, not referrals.

This TSS had identified a local case of consumer ignorance, found it was also a national issue through the database and decided to act on it by publicising the complainant's case.

Case study 6b

Database assists in identifying traders for an expose TV programme aimed at educating consumers on the dangers of rogue traders

TV programming

Pre- and/or post-database

Prior to the database, local TSS were not able to gather information on traders based elsewhere without relying on, and waiting for, the input of staff in other TSS offices.

Golden nugget learnings

The database can provide a picture of consumer complaints that differs from TSS perceptions of trader activity.

Full case study

In early summer 2006, a TV company approached TSS with a proposal to create an exposé programme on rogue home improvement traders. The TV company's proposal involved setting up a 'fake' consumer's house in the area, inviting known 'cowboy' traders to estimate for and carry out work on the property, and then exposing their poor workmanship and working practices in a television programme to be aired across the region.

TSS was supportive of the proposed programme, as a strand of consumer education activity.

The TV company asked TSS to identify traders with three or more complaints against them in the past 12 months, as case studies for the exposé.

TSS' initial database search for local traders in this sector returned none with the specified level of complaints (despite TSS officers being aware of several local problem traders). However, a search for traders serving the local area – but based beyond – supplied several trader names that met these criteria.

TSS has been further able to assist by contacting the complainants against these traders (via Consumer Direct) with a request for them to share their experiences with the programme makers.

The programme is due to be aired next year, and although the location of the 'fake' house has now moved to a different area, the database can be used to easily and quickly identify traders operating locally, as above.

Case study 7a

Database provides input to TSS resource allocation decisions and impact evaluation efforts

Full case study

This TSS took a decision five years ago to pursue an intelligence-led approach to their work. When any change occurs to the circumstances in which they operate – such as changes to legislation or available information sources – they actively consider how they can extract maximum value from that change to support their intelligence-led approach.

As in other authorities, this TSS considers the Consumer Direct database to be a valuable enforcement tool, particularly for EA02 actions. Rather than initiate activity in response to every individual complaint – an approach they have found wasteful in the past – they can look at the bigger picture to use resources effectively.

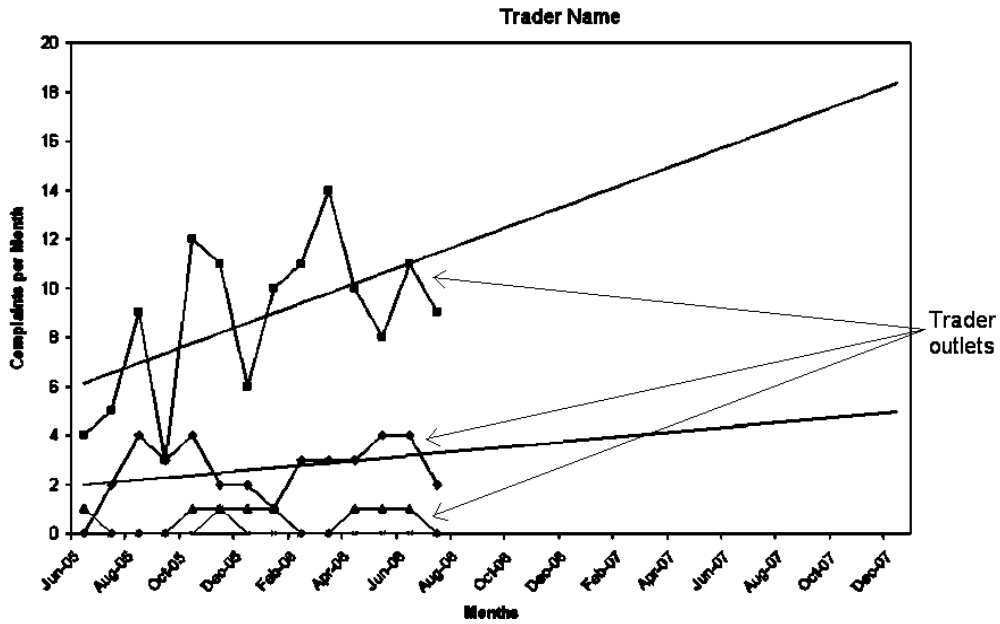
But they also aim to use the database to its full potential for work planning and prioritisation across the spectrum of their operations. Starting in April 2006, they committed 40 per cent of one advice officer's time to database work: approximately one third of this is spent retrieving specific information requested by members of the team; two-thirds is dedicated to running targeted reports looking at trends – exploring the data that the database holds and evolving reports that could be of value.

For example, this TSS uses the database to:

- monitor complaint levels to identify patterns of complaints for Home Authority companies, across the Top 50/100 traders and across the Top 10 traders in each sector, to appropriately allocate investigation resources

- use the Top Trader lists to identify which traders should be the targets of planned programmes of enforcement, advice or consumer law training, in order to maximise its positive impact
- assess sector-specific complaint reports to identify sectors that may require special attention – for example, cold-caller damp-proofers
- assess data on types of complaint to pinpoint issues that should be the subject of consumer education or publicity campaigns
- issue press releases based on striking trends revealed by the database
- monitor complaint levels for a particular trader after they have received advice, to assess its impact
- monitor complaint levels across a sector, or data on types of complaint, to gauge the impact of special projects.

This TSS now examines Consumer Direct database data at its team meetings, particularly to provide context for issues that are discussed. To make this data more accessible, they generate graphs to represent levels and trends on a one-page view.



The sample graph above shows the volume of complaints (on the 'y' axis) received by each local outlet (each colour represents a different outlet) of a retail business on a monthly basis (on the 'x' axis) and also as a trend line (the straight line of the same colour passing through the line showing monthly peaks and troughs).

This TSS is convinced that the time dedicated to 'probing' the Consumer Direct database has been well spent, and reaped substantial benefits in their advice and enforcement work to ensure a fair trading environment. They see great benefit in having a dedicated officer become expert with the many positive aspects of the database, and its weaknesses, to ensure accurate and useful data retrieval.

Case study 7b

Database provides input to TSS resource allocation decisions and impact evaluation efforts

Best practices

The results of projects such as this one can be usefully shared with other authorities for best practice learnings.

Full case study

This TSS sees the Consumer Direct database as one of a number of important tools they now have for developing their approach to intelligence-led investigations. To ensure that they use the database as effectively as possible, this financial year they are running two projects focused on how intelligence-led investigations and inspections can

'protect the public and businesses of [the local area] by ensuring compliance with legislation and adoption of best practice'.

As one of the project protocols explains:

'The project leader will interrogate various intelligence databases, in particular ITECS and the Consumer Direct central database, to identify individual traders, groups of traders, certain business sectors or trading practices warranting investigation. The project leader will be looking to identify trends of non-compliance with trading standards legislation or civil law. When deciding if an investigation is appropriate the project leader will take into account the seriousness of the alleged breach, the value involved and the previous history of the business or businesses concerned.'

Outcomes and indicators for this project include:

- number of businesses turned from non-compliant to compliant
- number of Home Authority referrals
- number of Enforcement Orders
- number of prosecutions'.

Fifty days of TS officers' time is being allocated to this project.

6 SHARPENING THE TOOL

- 6.1 As demonstrated by the case studies presented in the previous section, the Consumer Direct database currently has a significant impact on the way in which TSS conduct their work and the results they achieve with businesses.
- 6.2 Over time, this impact can be increased by wider adoption of the good practice described in the case studies (tactics for encouraging this are suggested in the 'Ideas' section (see Section 8, p73), and by creating an environment in which the full potential of the database can be realised (see the 'Strategic Issues' section (see Section 7, p63).
- 6.3 More immediate gains could be realised by making improvements to the tool that will increase its value to those already using it, in basic or more advanced ways. TSS highlight several problems they commonly encounter in using the database (from unclear Case Story text to 'disappearing' search results lists and unsortable exported data) and several opportunities for improvement: some related to database functionality, others to the resources that OFT provides to support its use. These are described on the following pages.
- 6.4 Some 'quick wins' are probably available to OFT at relatively low cost by addressing the issues raised on the following pages. Minor technical changes or support tactics such as producing a 'trouble-shooting' guide could reap rewards.
- 6.5 However, some of the problems listed here represent much trickier issues. For example, TSS report a lack of accuracy, clarity and completeness in the complaint data displayed in the database. These issues would require more complex – and therefore costly – solutions (perhaps renegotiating Service Level Agreements with contact centres). Even so, while data quality remains to be improved, the positive power of minor usability improvements will be limited.

- 6.6 Where possible, TSS have estimated the time cost that these database problems represent. However, they emphasise that the true cost of these issues is that they undermine enthusiasm for using the database. The fact that these 'bugs' exist is also a signal that the database may not be a priority for OFT, which is at odds with their encouragement to use it. To better understand and prioritise potential actions on database functionality and support, a usability study could be useful. This piece of work has provided a foundation for such a study.

Improving Consumer Direct database functionality

- 6.7 TSS appreciate the enhancements that have been made to the database since its introduction, and recognise that as more authorities have come online and as usage increases, issues that arise are being tackled.
- 6.8 However, they point to specific remaining problems – with data quality, data flow and usability – that impinge on their regular use of the database, as set out below.

Data quality

- 6.9 For many TSS users of the database, its value is reduced by a lack of data accuracy, consistency, clarity or completeness.

Accuracy/consistency of trader name data

- 6.10 The most-cited problem of data quality is variation in trader names. Accuracy in this information field is crucial for identifying complaints against the same trader but, since a single trader may appear in the database under multiple variations of their name, officers often need to:
- conduct multiple searches for different forms of a trader's name
 - manually scan the results of a search for name variations

- manually combine the data held under different names.
- 6.11 Since trader name is the key term for the majority of database searches, these extra tasks (which are needed to ensure that officers are working with an accurate data set), represent a significant time sink.
- 6.12 One TSS reports that each repeat search (for example, to cover the different ways in which 'B&Q' or 'CR Smith' can be recorded) requires 45 minutes of their time, rather than 15 to search a single name.
- 6.13 TSS are aware that name variations may be due either to the information supplied by consumers (which is not within OFT/Consumer Direct's control) or to a lack of rigour applied by call handlers when recording information. Accurate trader names is one of the 10 data accuracy targets in OFT's service level agreement with Consumer Direct contact centres. However, TSS believe that further improvements could be achieved, for example through some standardisation of how names are recorded (such as, the inclusion or not of 'www' at the start of an internet trader's name).
- 6.14 The fuzzy matching (see Glossary, Annex B, p80) facility (see below) does not fully address this name variation problem.
- 6.15 TSS raised the possibility of adopting unique trader reference numbers, as unique premises numbers are used in some local systems, rather than relying on trader names.

Accuracy/consistency of codes applied

- 6.16 TSS officers are concerned that, in some cases, Consumer Direct call handlers are not accurately applying the correct complaint or goods code either because they do not understand complaints in sufficient depth or because the consumer is not supplying full information. The risk here is that the results

returned by a database search for complaints under a particular code are inaccurate.

- 6.17 The proliferation of detailed codes now means that call handlers must use their discretion in codifying complaints: the result is that (while a single complaint may be codified more precisely) very similar complaints can be codified in multiple different ways. As a result, TSS must spend time conducting multiple searches to identify the full volume of a broad type of complaint.
- 6.18 It is also possible that the myriad codes being used are 'disguising' patterns of complaints of a similar nature.
- 6.19 These issues should be considered in OFT's planned Codes Review.

Clarity/fullness of call handler input

- 6.20 TSS draw attention to the importance of the text field used by Consumer Direct call handlers to record the substance of a consumer complaint. They are concerned that contact centre quotas are imposing limits on the time spent by call handlers on recording the details of a consumer's complaint clearly and in full. It may also be the case that consumers are not supplying sufficiently clear information. As a result, complaint information is not easily used by TSS later in the process.
- 6.21 The following (anonymised) extract from a 'Case Story' in a Consumer Direct case record illustrates how, although providing valuable information, they can – in some cases – be difficult to follow:

'T bought a car. T said that the goods were very good quality. T said that the car would be tested every year. DD/MM/YY the car was delivered. The next day the car broke down three times. T came out for repair and stated 12 things were wrong with the vehicle. £1500 worth of work to be done. T repaired all the work. The same problems occurred again. The

manufacturer looked into the problem and stated that there were 17 more faults and this would not have passed the test at all that is, it would not have MOT MOT Test were done three time dd/mm/yy dd/mm/yy dd/mm/yy However on dd/mm/yy the original owner took the vehicle and it passed. T has now taken the car and wants to take it. Manufacturer T wants to reject the car, but T is not allowing this. The seller has the car.'

6.22 Inaccessible records mean that TSS may need to:

- spend additional time understanding the Case Story
- return to Consumer Direct to ask for clarification
- check on details before confirming the right advice has been given
- repeat questions already asked of the complainant.

6.23 One TSS reports that unclear Case Stories mean that a TSS officer spends ten minutes rather than two interpreting the information, and that nine out of ten case records require them to re-contact the complainant for clarification of additional information.

6.24 Some further exploratory work would be needed to determine the true extent of this problem.

Data flow

Transfer of notifications data to Home Authority TSS

6.25 TSS also raise an issue of data flow between Consumer Direct and TSS. They are unsure whether contact centres are consistently sending complaint notifications to the trader's Home Authority TSS under the Home Authority Principle (see Glossary, Annex B, p80), as well as to the complainant's, TSS and the

TSS in which the particular trader was located. This feed of information can be important for Home Authorities to maintain an up-to-date, full picture of the activities of those traders with which they have a formal relationship – a picture that helps them fulfil their responsibilities to those traders.

Transfer of Consumer Direct data to local TSS systems

- 6.26 The hugely different levels of IT integration between Consumer Direct and local TSS case-handling systems is a factor in how the database is used and the value it represents.
- 6.27 In some Authorities, full integration to enable automatic import of referrals and notifications from Consumer Direct has been achieved. Others, however, have only partial integration, and some can only import this data by manual transfer. One TSS estimates that it spends around 90 minutes per week manually cutting and pasting information from referrals and notifications in the Secure Post Office (SPO) (see Glossary, Annex B, p82) into records in its local system.
- 6.28 In the TSS where fullest integration with Consumer Direct have been achieved, officers simply search their local system as a single source of all available complaint data. They therefore have little need to use the Consumer Direct database as a separate tool – though some do in order to take advantage of search facilities or because they prefer the way information is presented. Where TSS do not have this level of integration, they need to search both systems (each holding a distinct information set) in order to be thorough and up-to-date.
- 6.29 TSS are aware that the Consumer Direct database was originally designed only to record advice given to consumers rather than as an intelligence tool. However, they are intrigued by the question of whether, in the long term and with proper consideration of objectives and resources, one 'ultimate' database could be possible – combining the information held on

the Consumer Direct database, local case-handling systems and even the Consumer Rights Web site.

Usability

- 6.30 There are a variety of relatively small usability issues that cause irritation to Consumer Direct database users, use up their time and ultimately dissuade them from regular use of the tool. The most-cited of these problems are outlined below and – while this list is by no means exhaustive and the Consumer Direct central team may already be attending to some issues – they are a strong indication of the degree to which usability problems in aggregate can negatively impact on the value of the database to TSS.

Logging on to the database

- 6.31 Some TSS have experienced problems with logging on to the database, either because the system is not recognising passwords that are known to be correct, or because of delays in passwords being either provided or re-set by the support team.
- 6.32 These problems – with this most basic of needs – frustrate both new and existing users and damage their ability to use the database, their enthusiasm for trying to use it and their confidence in, and opinion of, OFT's support.
- 6.33 OFT is aware that these problems have occurred. It will be important in future to ensure that this simplest of user functions is problem-free, in order not to undermine TSS enthusiasm to make use of the database at the earliest instance.
- 6.34 A related issue is the number of licenses allocated to each authority; this is discussed in the 'Equipping TSS with database access and user skills' section (see p59 onwards).

Search capability

- 6.35 There are several search methods within local TSS case systems (for example, search by postcode or the use of a 'wildcard' facility) that are not possible in the database. Providing this kind of functionality would enable users to transfer more easily between the two systems, as well as enhancing the search process.
- 6.36 Other requests for enhanced search capability include search by business address, specifying a minimum number of complaints as a parameter and a drop-down menu of popular date parameters – for example, 'last 12 months'.
- 6.37 Although TSS recognise that the fuzzy-matching search facility is an improvement, they are very clear that it is not a solution to the search problems that they encounter: it has inherent weaknesses (for example, not recognising some characters, such as apostrophes) and is not universal (for example, it does not apply to Top Trader reports).

Navigation

- 6.38 The most significant problems with navigation occur when users are viewing the results of searches, moving between a list of search results and the detailed content of each result. For example:
- 6.39 When clicking through to the detail of an individual complaint from a search results list, a delay occurs as the database seems to 'search again' for that complaint before displaying it.
- 6.40 After (left-)clicking through to the detail of an individual complaint from a search results list, closing that complaint 'loses' the original search results list entirely.
- 6.41 After (right-)clicking through to view the detail of an individual complaint in a separate window, closing that window returns

you to the top of the original search results list, rather than to the complaint you just viewed.

- 6.42 Glitches of this type mean that searches have to be re-run and users spend significant time 'waiting' for the database or re-navigating to points they have already visited. One TSS estimates that each of their TSS Officers using the database loses a quarter-day per week to these problems – a total of 13 days per year per officer.
- 6.43 Potential improvements in this respect could be:
- enabling click-through from a Top Trader list to trader complaints
 - individual complaints open in a new window by default
 - adding a 'find on this page' function.
- 6.44 Finally, with regular enhancements being made to the database, users suggest that it could be valuable to use an 'auto-alert' function appearing at log on, which notifies users of changes and additions.

Organisation and presentation of information

- 6.45 Database users highlight weaknesses in how database information is presented on screen – and potential solutions.
- 6.46 In some instances, much more information is displayed than is needed; the option to choose what information fields are displayed when results are returned would be useful.
- 6.47 The list of standard reports is now extensive and it takes time to scroll through; links to the Public, Sensitive and Internal sections of the Reports list would be helpful.

- 6.48 Complaints are displayed in random order, not chronologically; displaying complaints in date order would make it easier and quicker to form a picture of trader behaviour and locate relevant complaints.

Printing

- 6.49 Printing information from the database causes problems – in terms of time spent and accessibility of information – for many TSS.
- 6.50 Information is not well-formatted for printing. As a result, multiple unnecessary (often blank) pages are printed, printing takes an unreasonable amount of time, and printed documents are difficult to read, particularly for those not familiar with the format (for example, Police partners).
- 6.51 It is not possible to print the details of all complaints in a search results list as a 'batch'; the user has to open, print, and close each individual item.
- 6.52 On-screen information fields are truncated in the print version, so that their full contents cannot be read on paper.

Exporting data

- 6.53 Users report that data does not export cleanly from the database to Excel. In some cases, headings or frames are 'cut off' in the exported version; in others, extra blank cells appear that disturb the alignment of data in rows (see Top Trader report example below), or database field headers interfere with the Excel 'Sort' function.

consumer direct		INT13 - Top Traders For Region - v4.0				
Report Executed At: 21/04/2006 09:44						
WARNING: This report should be used with care. Before relying on this information for any purpose please note that the following caveats apply.						
Without Fuzzy Matching: Traders are grouped exactly as they are spelled by advisors. Therefore multiple instances of large retailers are more than likely.						
With Fuzzy Matching: An algorithm is used to group similarly spelled trader names together. It should be noted that, where different traders have similarly spelled names, some incorrect groupings will be inevitable. In order to ensure that all cases grouped under a trader name do in fact relate to the identified trader, click on the plus-sign symbol and examine the exact spellings. Please report incorrectly grouped traders to the central team using kb@consumerdirect.gov.uk						
Cases created between		1/3/2006	and	31/3/2006	For explanation of terms referred to in this report, please click here	
Caller Region/TSID:		All TS Code				
Trader Region/TSID:		All TS Code				
Goods service category/Code:		All Product Services				
Trader Name Grouping:		Enable Fuzzy Matching				
		Case Region: All Regions				
Rank	Trader	Total Trader Complaints	% of consumer complaints	Trader Complaint - No breach. (03)	Trader Complaint - Civil breach. (04)	Trader Complaint Criminal breach. (05)
1	Trader X	981	1.59%	77	880	22
2	Trader X	974	1.58%	64	880	27
3	Trader X	555	0.90%	58	433	63
4	Trader X	428	0.70%	35	372	20
5	Trader X	390	0.63%	39	313	18
6	Trader X	332	0.54%	58	155	112

Equipping TSS with database access and user skills

Database user licences

- 6.54 Myths and misunderstandings about the number of Consumer Direct database licenses issued to each TSS are causing irritation and some degree of resentment towards OFT. For example, one TSS office believes that all offices have been allocated 15 licences, regardless of size.
- 6.55 Although TSS recognise OFT's anxiety about data security, they find the stance on limiting licences somewhat at odds with encouragement to use sources of intelligence to their full. In general, TSS are not clear on the 'decision rules' for issuing licences and would appreciate clarification.
- 6.56 There are some opposing views on licensing from different TSS – some would like to provide all officers with access to the database; others would prefer to concentrate access among just a few staff who are more adept at using the database efficiently.
- 6.57 One TSS emphasises that those who do not have direct access to the database do not appreciate the richness of the data it holds or breadth of searches that it allows. A lack of licences

may not have a time cost, but it has a high cost in terms of awareness, usage and therefore application of the tool.

- 6.58 There may be an opportunity for OFT to utilise database usage figures to guide a strategy and plan to reallocate use licenses. Any reallocation could also be tied into a new programme of user training – discussed below.

Database user training

- 6.59 TSS are aware that they have limited skills and experience in using the database and are therefore unlikely to be extracting full value from it – there is a huge appetite for more user training to enhance their skills.
- 6.60 One TSS estimates that they have 14 staff members who could benefit from using the database who have not yet been trained.
- 6.61 Whether it is 'refresher' training (for those authorities who only went live with the database several months after initial training) or 'next steps' training for those who have become familiar with the 'basics', but need help to evolve their skills, we cannot over-emphasise the need and want for hands-on database training in TSS. While they appreciate the recent database user guide; they are adamant that it is no substitute.
- 6.62 Action to address any of the other database issues raised in this report will not have full impact unless users are equipped with the skills to use it. The way to achieve this comprehensively is a renewed programme of training.

Technical support

- 6.63 TSS do not make a distinction between technical support and user support, and do not appreciate that each is available through different means. They report that they need better access to the database support team, by phone as well as by email, and quicker responses if they are to use the database fully

in their day-to-day activities. One gave a recent example of an almost-five week wait for a response to an enquiry about which database report could provide some particular information.

6.64 OFT is aware of this problem and has explored the cause of it.

Encouraging full use of the database

6.65 There is a sense that the OFT's ongoing concern with data security and integrity may be discouraging TSS from experimenting with the database and discovering its full value – there is a need for the OFT to provide some reassurance and positive encouragement for users. One important signal of this would be remedying the problems with access to the database, as outlined above.

7 STRATEGIC ISSUES

How TSS and OFT operate following the introduction of Consumer Direct

- 7.1 The introduction of Consumer Direct and the Consumer Direct database has prompted TSS to critically consider how they operate. OFT's recently-assumed responsibility for Consumer Direct has led it to think about the future direction of the Consumer Direct service and how to develop OFT's relationship with TSS.
- 7.2 In this section we explore strategic issues raised by the database in two areas:
- impact of Consumer Direct and the database on TSS operations
 - how the introduction of Consumer Direct and the database are impacting on TSS operations, particularly the current shift in focus from dealing with consumers to dealing with businesses.
 - the future strategic management of the database
 - the wider, strategic applications of the database relating to consumers, businesses and legislation.
- 7.3 We follow the description of each issue with a potential action for OFT to resolve the issue or to help move things forward. OFT will need to consider the feasibility of these potential actions – and any alternatives – in the context of its wider business and any resource considerations that apply.

Impact of Consumer Direct and the database on TSS operations

Intelligence-led investigation: Hampton, Local Better Regulation Office and the new role of Regional Intelligence Officers

- 7.4 The Hampton Report (see Glossary, Annex B, p80) of March 2005 recommended 'no investigation without justification'. Some TSS have been exploring this approach for several years.
- 7.5 However, TSS are still mandated under existing Comprehensive Performance Assessment (CPA) targets to make 'blanket' investigations of certain types of businesses.
- 7.6 Offices that actively champion intelligence-led investigations express their embarrassment at having to continue to visit and inspect businesses they know to be compliant. They are highly conscious that their time (and the business's) is needed elsewhere.
- 7.7 The Local Better Regulation Office (LBRO) (see Glossary, Annex B, p81) is seen to be offering hope of release from CPA targets to pursue intelligence-led investigations, with one TSS lobbying for this to take place as soon as possible.
- 7.8 In contrast, some TSS are aware of the emergence of Regional Intelligence Offices (see Glossary, Annex B, p82) and wonder if this suggests that 'ownership' of the intelligence-led approach rests at regional level, reducing expectations at TSS level.

Action for Consideration

- 7.9 Is there a role for OFT Plus (see Glossary, Annex B, p81) input to the LBRO? How can OFT clarify the balance between intelligence-led and 'routine' TSS activity, and comprehensively communicate relative responsibilities for the intelligence-led approach among different bodies?

An evolving approach to dealing with consumer complaints

- 7.10 Consumer Direct advice differs from that provided previously by TSS in a number of ways. Positively for consumers, they now have advice that is to a common, national standard and available more hours of the day, as well as at weekends. And positively for TSS, they have been able to re-focus their efforts on more serious or widespread complaints.
- 7.11 However, some TSS that previously provided consumer advice and are no longer the first line of response to consumer issues, believe that this shift has had an impact on the type of advice received by consumers: they do not have full confidence in Consumer Direct's advice provision.
- 7.12 Some TSS allocate 1.5 to two hours of each working day to reviewing Consumer Direct notifications and referrals to ensure that the advice given by call handlers is correct and to follow up with the contact centre if further advice or clarification is needed. One estimates that it spends approximately two hours per week feeding back (by agreement) to their regional Consumer Direct on incorrect referrals, quality of case information and quality of advice; a day per month to feed back to other regions and some additional time to re-advise consumers.
- 7.13 In reviewing Consumer Direct notifications and referrals, some TSS advice staff believe that:
- 7.14 Consumers no longer benefit, in the first instance, from the local knowledge held by TSS officers, for example, knowing the history of previous complaints about a business or the best person at a business to approach to get a resolution.
- 7.15 Consumers do not always receive full and considered advice, because call-handlers:

- are not always experienced enough to ask the questions that will get to the root of the consumer's problem
- are expected (and incentivised) to maximise the number of calls handled.

7.16 The TSS staff that liaise with Consumer Direct contact centres consider it part of their role to pass on their knowledge and experience to their colleagues in the contact centres, to help ensure advice to consumers is correct and comprehensive. As a result of this sharing of experience, TSS have seen a steady improvement in the quality of advice provided to consumers.

Action for Consideration

7.17 To help ensure consumer complaints are dealt with as effectively as possible, Consumer Direct call handlers and TSS could benefit from a clearer mutual understanding of the complaint handling process.

7.18 For example, it could be productive to improve awareness among call handlers of the process of dealing with a complaint beyond their completion of the database entry and of how that entry could later support evidence for a court case.

7.19 Could visits to each other's workplaces and shared examples of cases being pursued following database evidence (such as the case studies in this report) be shared to help develop this understanding?

The impact on TSS of first consumer contact moving away

7.20 TSS officers take professional exams that require them to have experience of first contact with consumers. However, now almost all of these initial contacts are re-routed to Consumer Direct, reducing the opportunity for TSS staff to gain this

experience. This raises the question of whether TSS professional exams are in step with the changing remit of TSS work.

- 7.21 The lack of first contact also means that Local Authorities have only small samples of customers in a position to provide feedback on the end-to-end Trading Standards Service; the results of these surveys feed into Key Performance Indicators and there is concern that results will be skewed.

Action for Consideration

- 7.22 How best can OFT maintain communication with the Trading Standards Institute (see Glossary, Annex B, p83) on the question of professional examinations? Is there scope for adjusting TSS Key Performance Indicators, or the way performance information is collected, in light of the evolving remit of TSS?

The future strategic management of the database: database and business issues

Whether to publicise the database to businesses

- 7.23 TSS officers present different arguments about the merits or otherwise of making traders aware of the existence of the database. In general:
- officers dealing with rogue traders do **not** make them aware of the tool and its ability to give TSS a view across geographical boundaries – they believe rogue traders would simply try harder to 'cover their tracks' or make false calls to Consumer Direct to incriminate their competitors
 - some officers dealing with legitimate businesses believe there is value in informing them that TSS has a one-stop source on national consumer complaints, as an encouragement to better practice. Others, however, prefer to keep their sources of information covert.

Action for Consideration

- 7.24 What is OFT's view on whether TSS should publicise the existence of the database (and in what circumstances)? 'Is there a further potential role in letting business at large know what intelligence tools TSS have at their disposal, to enhance the Service's reputation as an enforcement body?

Sharing data with partner organisations

- 7.25 There may be more value to be gained from the Consumer Direct database if TSS are empowered to share the data it contains more widely – or directly – with the other bodies.

Action for Consideration

- 7.26 Is it possible to establish sharing protocols such as exist with the Police and other bodies, and to enable TSS to make contact with consumers directly, rather than contact being 'brokered' by Consumer Direct?

Business support role of TSS

- 7.27 The database is universally recognised as an essential tool for identifying problem internet traders. These traders do not have a visible high street presence and many may not have local customers, so they were invisible to TSS' local complaints database.
- 7.28 Many of the problem internet traders that TSS identify through the database do not have the necessary systems or procedures in place to run their business properly for example, supply and demand management, customer relations policies. This is partly attributed to the ease of setting up internet businesses compared with those that required heavier investment in premises, staff etc.

- 7.29 At present it appears that TSS are giving advice to these problem traders to remedy the consumer issue.

Action for Consideration

- 7.30 Could TSS help businesses raise their standards permanently by referring them to other government services such as Business Link? (see Glossary, Annex B, p79)

The future strategic management of the database: database and consumer issues

Measurement of consumer detriment

- 7.31 Currently, the full value of Consumer Direct callers' detriment is not captured within the database. Some TSS raised the issue that consumers are not consistently asked the value of the goods or services that are the subject of their complaint, or routinely asked to put a value on the detriment to them.
- 7.32 Some TSS raised the point that if this type of information were captured in a consistent fashion, it would be possible to estimate the value of complaints addressed by Consumer Direct and TSS and potentially enable them to compare detriment across sectors of the economy and geographies.

Action for Consideration

- 7.33 Consider the opportunity to use the Consumer Direct database as an information source for measuring detriment on a broad scale, in the context of the other information that would be required in order to present an accurate picture.

Database as a guide to consumer education and legislation

- 7.34 There is an expectation among some TSS that the OFT will use the database to help guide and make a case for consumer

education programmes at the national level and to recommend further legislation to prevent consumer detriment.

- 7.35 For example, given the high number of calls received by Consumer Direct on long-term credit agreements for high price items such as cars and sofas, one TSS believes there is a strong case for applying a seven day 'cooling off period' to these types of transactions (as currently applies to distance selling transactions).

Action for Consideration

- 7.36 Could OFT link its Consumer Education section to Consumer Direct database consumer detriment trend analysis to inform future projects? (We understand this is currently happening to inform press releases giving consumer advice, for example, on buying a PC).

Consumer Direct potential as a scam reporting channel

- 7.37 The database is also seen by some TSS as having the potential to provide a useful overview of purchase habits in the 'scams sector'. Some TSS have heard that complaints about prize draw offers, for example, will no longer be recorded on the database, thus obscuring the view of this activity.
- 7.38 One TSS has noted a 25 per cent year-on-year decrease in the level of scams reported to Consumer Direct. This may be due to a public view of Consumer Direct as an advice line and not as a place to report fair trading issues.

Action for Consideration

- 7.39 If the OFT does wish to use the database as a source of intelligence on national trading trends it will need to ensure it covers all complaints and reports as well as advice provided. Could OFT improve coverage by positioning Consumer Direct

with the public as a reporting channel, and adapt the call-handling system to deal with reports as well as complaints?

Marketing Materials for Consumer Direct

- 7.40 Visiting TSS offices across the UK, we found that they often have on display numerous leaflets providing information on consumer rights and advice on handling consumer issues. Some are published under the Consumer Direct name; others under the auspices of OFT and DTI; one example was for the now defunct Consumer Gateway (see Glossary, Annex B, p79).



Action for Consideration

- 7.41 The Consumer Direct brand should be the identifier on all consumer education and advice materials. OFT should consider how they can take a more systematic approach to ensuring that each TSS office has the current material and removes material that is out of date.

The future strategic management of the database: database and OFT/Legislation issues

Forthcoming legislation - a role for the database?

7.42 There are a number of legislative changes anticipated by TSS that they believe will offer opportunities for them to put the database to use. These include:

- Unfair Commercial Practices Directive.
- Potential for class action suits against traders by groups of consumers.

Action for Consideration

7.43 How can OFT regularly provide TSS with information on how the database can be used in light of changes to the legislative environment?

8 IDEAS TO IMPROVE DATABASE USAGE AND EFFICACY

- 8.1 This final section provides a concise summary of ideas for action drawn from this study's findings. These reflect the key issues raised directly by TSS and COI's belief that wider and deeper investigation beyond this study is likely to reveal other opportunities for improvement for OFT to consider.

Technical/administration actions

- Fix the technical problems so far as is possible with data quality, flow and usability.
- Increase the number of user licenses based on individual TSS office needs.
- Ensure technical support is readily and reliably available.

Training and communications actions

- Provide hands-on introductory, refresher and advanced training, perhaps to groups of TSS staff convened from different offices to encourage shared learning.
- Better general communication of policy for example, allocation of user licences, guidance on informing businesses of the existence of the database.
- Communicate analysis on national complaint trends to TSS and beyond.
- Give clear information and milestones on the path from mandated, scheduled inspections to intelligence-led inspections.
- Regularly provide TSS with information on how the database can be used in light of changes to the legislative environment.

Continuous improvement actions

Take a structured approach to identifying and sharing best practice:

- Establish a wider TSS forum for sharing experience of using the database.
- Define responsibilities for OFT/LBRO for identifying the application of the database and other tools of TSS work in the face of changing legislation.

Encourage a clearer mutual understanding between Consumer Direct call handlers and TSS of the complaint handling process:

- Shared examples of case being pursued following database evidence.
- Visits to each other's workplace.
- Continue to explore the issue of compatibility between TSS professional qualifications and KPIs (see Glossary, Annex B, p81) and their evolving role.
- Use the database as one of a number of sources to inform OFT's consumer education programme.
- Explore co-ordinating with Business Link in the provision of advice to traders.

Further investigation actions

Carry out quantitative and technical investigations to develop the full potential of the database and its application in the marketplace:

- Usability survey by software experts with TSS database users.

- Segmentation of TSS database user abilities to identify instances of best practice and where support is needed most.
- Comparison of Consumer Direct contact centre management approaches to understand which lead to best performance (for example, what percentage of advice given led to the consumer resolving their problem).
- Explore the potential of expanding the database to include an option for reporting scams as well as seeking consumer advice.

ANNEXES

A INTERVIEW DISCUSSION GUIDES

A.1 The key questions guiding COI's discussions with TSS professionals about the Consumer Direct database are shown below.

Introductions

Tell me about your role at the TSS: what are your main responsibilities?

Database wish list

Tell me about the database as a tool – what are its good points, what points need improvement?

Background

How were you introduced to Consumer Direct?

How were you introduced to the CD database?

Who uses it?

How many licenses do you have?

How much time in a day/week is spent using the database?

How is the database used in this office?

- Who is responsible for its use?
- Who's your user group representative

Impact of CD Database

How has working life changed since the introduction of the database?

- Changed the type of work you do? (proactive vs reactive)

- Changed the amount of investigations you do? for example, %
- Led to more 'positive' outcomes for example, redress or reprimand?
- Who you employ?
- Your skill set?
- Technology you use?
- Relationship with other TSS offices?

Case Studies

Tell me about a case where you used information from the CD database, tell me what happened from the beginning.

What other cases can you think of?

Do you tell businesses about Consumer Direct and the database?

How do you see the database working for you in the future?

B GLOSSARY

Business Link

- B.1 Government funded service providing advice and information for new and small businesses at a local level.

COI

- B.2 Central Office of Information, the Government's centre of excellence for marketing and communications.

Cold-calling

- B.3 An uninvited sales approaching to a consumer.

Comprehensive Performance Assessment (CPA)

- B.4 Comprehensive Performance Assessment is part of the improvement agenda and aims to bring together evidence from a range of sources to assess the quality of local council performance.

Consumer Gateway

- B.5 No longer in existence (it has been replaced by Consumer Direct), a Government web site providing information and links to sources of further advice on issues of concern to general consumers.

Consumer Rights Website

- B.6 The internal OFT web site that lists all business against action has been taken (or is being prepared) under the Enterprise Act 2002.

DTI

- B.7 Department of Trade and Industry, the government department responsible for trade, business, employees, consumers, science and energy.

EA02

- B.8 Enterprise Act 2002, introducing legislative reforms designed to crack down on practices that harm consumers and fair-trading businesses alike and thus encourage productivity and enterprise. Part 8 gives the OFT and other bodies responsible for consumer law enforcement stronger powers to seek court orders against businesses who breach certain consumer protection laws.

Fuzzy matching

- B.9 Software search facility that searches for forms of words that have a similar pattern of consonants to the search term.

Hampton Report

- B.10 The final report of the Hampton Review on regulatory inspections and enforcement, published on 16 March 2005. The report found overlaps in regulators' responsibilities and enforcement activities and established the principles of 'no action without justification' and a focus on intelligence-led work by Trading Standards Services.

Home Authority principle

- B.11 Local TSS offices can establish formal relationships with businesses that are based in their area, some of which are major companies. This relationship establishes individual points of contact within TSS and the business for communication, allows TSS access to information about the business and provides the business with support on consumer and trading issues.

KPI

- B.12 Key Performance Indicator, an indicator that helps a business define and measure progress toward its goals. KPIs are quantifiable measurements of the improvement in performing an activity that is critical to the success of a business.

LBRO

- B.13 Local Better Regulation Office, intended to be a single body to support local authority regulation in trading standards and environmental health, set up in response to the Hampton Report demand for regulators to work more effectively and deliver a more co-ordinated local regulation service.

No cold-calling zone

- B.14 An area where, by agreement of the local authority, the local Police and other bodies, uninvited sales approaches are actively discouraged.

Notification

- B.15 An alert to a TSS from Consumer Direct about a complaint that is not defined as urgent or subject to monitoring.

OFT

- B.16 Office of Fair Trading, the Government body that enforces consumer protection law and competition law, reviews proposed mergers and conducts market studies. The OFT also publishes consumer guidance and encourages self regulation and promotes voluntary codes of conduct.

OFT Plus

- B.17 The team within OFT focused on OFT's working relationship with TSS.

Referral

- B.18 An alert to a TSS from Consumer Direct about a complaint that is defined as urgent (for example, rogue traders targeting the elderly) or subject to monitor (a trader subject to an Enterprise Act enforcement action).

Regional Intelligence Officers/Units

- B.19 Regional bodies set up to build and share information and intelligence about the region through partnership and collaboration amongst the existing intelligence community. This intelligence is intended to enable official bodies to monitor and evaluate the contribution that they make to the performance of their region and its assets.

Scam

- B.20 A deliberately misleading or opaque sales technique which is designed to part an individual from his cash.

SLA

- B.21 A service level agreement is a document that defines the relationship between two parties: a provider and a recipient of a service. It specifies terms on aspects such as: services to be delivered; performance, tracking and reporting; legal compliance and dispute resolution; customer duties and responsibilities; and termination.

SPO

- B.22 Secure Post Office, a secure email inbox through which Consumer Direct sends complaint information to local TSS.

Top Trader List

- B.23 A standard report available from the Consumer Direct database that lists the local traders receiving the highest number of complaints and enquiries over a period.

Trading Standards Institute

- B.24 The Trading Standards Institute is a professional association representing Trading Standards professionals in local authorities, the business and consumer sectors and in central government.

TSS

- B.25 Local Authority Trading Standards Service

UCA

- B.26 Unenforceable credit agreement, one which is not in accordance with statutory requirements specified under the Consumer Credit Act 1974.

Undertaking

- B.27 Written assurance from a trader to behave in a stipulated way in the future (acting otherwise can lead to an application for a court enforcement order against the trader which, if breached, could lead to a prosecution for contempt of court).