
British Healthcare Trades Association Consumer Code of Practice Audit March 2016

Background Information

The British Healthcare Trades Association (BHTA) can trace its history to 1917 when it was established to support mobility aids for the war-wounded. It comprises several product service sections, which operate under a joint Association. All members are required to comply with the BHTA code for their consumer transactions, but many members also have direct contracts with local authorities and the National Health Service. BHTA market penetration varies depending upon the sector. BHTA members dealing in prosthetics, for instance, account for nearly all of the market, whereas those dealing with stair lifts probably for over half of the market.

Since the last audit BHTA has taken over the National Federation of Shopmobility. There are currently 491 members plus the National Federation of Shopmobility UK members (121 Shopmobility Schemes). Auditing of Shopmobility schemes will commence later in 2016.

Audit Process

The desktop audit was carried out by a trading standards practitioner from the Chartered Trading Standards Institute (CTSI).

The audit focused on the following areas:

1. Outstanding actions/observations from last audit.
2. Any planned changes to the code or to the operation of the code?
3. Member application process including checks carried out on prospective businesses
4. Member auditing - content and process (including general compliance with the code, staff training and dealing with consumer complaints)
5. Sanctions for non complaint member businesses
6. Any disciplinary cases in previous year
7. Consumer complaints process (including ADR)
8. Customer satisfaction, information/complaints from enforcement agencies, and how this information is used to develop and improve the code.

Audit Summary

The pre-audit questionnaire was comprehensively completed by BHTA and all evidence was supplied as requested. A number of questions were posed to the key contact during the desk-top audit and were answered promptly.

Recommendations from last audit

It was noted at audit that some issues had been identified by letter but not corrected. These issues do need to be followed up after a period of time. It was also unclear at times to the audit team what actions related to breaches of the code and which were best practice (and therefore not obligatory). The audit team felt that putting dates in place for compliance in these areas would also be helpful, not only for the BHTA but also for the member.

BHTA confirmed that they now give a timescale and follow up on all recommendations. Any issues identified are categorised as “necessary for compulsory aspect of Code compliance”, “necessary for compliance with legislation” or “best practice”. Further the BHTA clearly indicate to the member relevant code clauses and/or legislation that requires the action. The BHTA now provide an audit certificate to indicate to the member company that they have successfully completed the audit. This certificate is withheld until all outstanding actions are completed.

It is recommended that ADR be considered at an earlier stage in some complaint cases to avoid undue delays.

BHTA now consider referring complaints to ADR as recommended.

The online feedback should be included in the central database, particularly as there is a renewed focus on collecting member feedback at BHTA.

The online feedback is now included in the central database. BHTA is now receiving more feedback via that route since changing the feedback forms.

Member Application Process

The auditor was provided with examples of two new member applications as requested.

The member applications for both companies were examined. All applications are thoroughly considered, with an initial screening check and a more thorough check for those applicants that progress to formally submit their application. The applicant is required to complete a detailed assessment and audit. The membership application process is comprehensive and well structured.

The two applicants represented two very different types of business applying to become members of the BHTA. Dreamwell Limited who sell adjustable beds and chairs wholly direct to consumers and AMI Medical Limited who manufacture and supply hernia support devices, both direct to consumers (though this represents less than 5% of business) and to businesses.

The auditor noted the membership enquiry form and the application process. The application process specifically highlighted the deposit protection approach being adopted by the applicant (which varied depending upon the type of business and their operating method). Dreamwell indicated on their application form that they take deposits from their customers and were in the process of setting up a Protected Client Account. Dreamwell confirmed to BHTA that this had been set up and provided evidence of this within a month of joining.

The auditor carried out internet searches for both applicants.

The internet search results for AMI Medical Ltd highlighted no issues.

The internet search results for Dreamwell highlighted some issues (Advertising Standards Authority Ruling and customer complaints) from several years ago. These issues had also been picked up by BHTA during the application process and prior to being accepted as members of the BHTA the issues were considered and due to the fact that they were some time ago and no subsequent issues have arisen, the company now demonstrated no reason for concern.

Recommendation

BHTA carries out extensive checks on all companies that apply to become members of the BHTA. It is recommended that all these checks are recorded and preserved.

Existing Member Inspections/Audit

BHTA currently has 491 subscribing member companies plus the National Federation of Shopmobility UK which incorporates 121 shop mobility schemes.

BHTA aims to visit one third of its businesses which sell to consumers and this year will start audit visits to 10% of the Shopmobility schemes. The Shopmobility schemes are almost all charities relying on donations so they do not “sell” to consumers, but as the BHTA principles around behaviour etc apply they will be included in the audit programme.

An updated version of BHTA’s monitoring requirements was provided to the auditor. Since the previous CTSI audit BHTA have included companies with Quality Management Systems in their face-to-face audit schedule. The auditing programme has also been extended to include companies who rarely sell to consumers.

The auditing of Shopmobility schemes is to be trialled by BHTA this year and the 5 yearly paper check of manufacturers is also due in 2016.

BHTA supplied the five most recently completed audit sheets for members. The audit reports were reviewed and the audits were found to be comprehensive and well recorded. They follow a set procedure with additional comments by the auditor as appropriate. Since the last audit procedures have been introduced that records any recommendations made during member audits and by what date any required changes are to be made.

The auditing and monitoring of members was appropriate and the process for withdrawal of membership was effective.

Observation:

The expansion of the auditing programme to incorporate previously exempt members will continue to ensure the promotion of adherence with the Consumer Code and thus the protection of the end users.

Membership Termination/Withdrawal and Sanctions for Non Compliant Member Businesses

Non-compliant members face a range of sanctions including suspension of membership, closer scrutiny or expulsion.

There have been no members subject to disciplinary proceedings since the last audit.

Last year's audit team discussed two forthcoming disciplinary cases which were deferred to this year's audit. In due course it was established that the companies concerned had complied with previous instructions from the OFT and as such, BHTA would take no further action, this would be subject to immediate review if any evidence came to light of repeat of the activity since the period concerned.

In the last year 42 members have left the BHTA. The exit documents for three of those members have been examined and their websites checked. No use of the BHTA logo was noted.

Consumer Complaints Process

BHTA provides arbitration via Lord Martin Thomas of Gresford OBE QC, who is not currently a certified ADR provider.

BHTA has consulted with its members in relation to the formalising of its ADR process and currently intends to remain unchanged. However should the use of a registered ADR scheme become compulsory for Code Sponsors the current provider of ADR, Lord Thomas, has confirmed he is willing to continue to provide the arbitration.

Customer Satisfaction and Feedback

BHTA provides an online route for customer feedback at <http://www.bhta.net/consumers/your-opinion.html>

Additionally BHTA member companies provide feedback forms which can be returned to BHTA via a freepost address. The feedback forms also alert member's customers to the option of completion online.

Conclusions

BHTA continues to fulfil its obligations as a code sponsor. The expansion of its member monitoring programme ensures increasing levels of compliance with CCAS core criteria and the BHTA Consumer Code of Practice.