

# Consumer Protection

The value of working together to  
raise standards for consumers



Consumers are at risk of harm from a number of directions – accidents and natural disasters are obvious ones – but certain business practices can also lead to consumer detriment, such as physical injury, financial loss, inconvenience or stress. Many organizations work to protect UK consumers, each performing their own role and offering different benefits. But communication and collaboration are vital to ensure maximum protection for consumers.



In an ideal world consumers should be able to make informed decisions about goods and services; rely on certain levels of quality and safety; and feel confident that there are effective systems in place to resolve any problems that occur. But in the real world mistakes can happen, and of course some rogue traders do exist.

Poor quality products, low levels of customer service and unfair treatment can all have a negative impact on consumers. For example, a child could be injured by a badly designed toy; a faulty domestic appliance could catch fire; an elderly customer could be extremely worried by an incorrect bill; or a young couple might lose money if they are mis-sold a pension.

It is virtually impossible for individuals to influence industry behaviour and many need help, not only with choosing and using products and services, but also with resolving problems with companies.

'Consumer protection – how it works and does it work?' was the main theme of BSI's Consumer & Public Interest Network (CPIN) Winter Meeting in December 2015.

Three hot topics – personal data, energy and food – were explored to illustrate how consumers are protected by legislation, regulators, standards, consumer organizations, dispute resolution schemes and enforcement agencies. These case studies are detailed on pages 12 – 14.

This leaflet is aimed at consumers, and all those working in consumer protection, to give a better understanding of the key agencies providing consumer protection, and show how the system is most powerful and effective when forces are combined.

Find out more about the CPIN at our webpage  
[bsigroup.com/Consumers](http://bsigroup.com/Consumers)



### Did you know?

A fifth of consumers experienced one or more problems with goods or services purchased between April 2013 and March 2014, losing an estimated £4.15 billion as a result, according to a government report.

# The Consumer Protection Landscape

The consumer protection landscape is complex, with many different actors performing a variety of roles. For simplicity this leaflet focuses on the following:

- ✓ Legislation
  - UK and European laws
- ✓ Regulators
  - watchdogs for specific industries
- ✓ Standards
  - voluntary guidance
- ✓ Trade associations
  - industry approval schemes and codes of conduct
- ✓ Consumer organizations
  - advice, campaigns, advocacy
- ✓ Dispute resolution schemes
  - Ombudsman
- ✓ Enforcement
  - consequences and penalties

Regardless of their different powers, functions and methods these actors have a common goal — to empower and protect UK consumers.

Together they try to meet the needs of consumers by promoting these key principles (see fig.1).

They achieve this by informing consumers, helping companies to understand their legal responsibilities, setting rules or guidance for businesses to follow, monitoring behaviour and making sure that there are consequences for companies that don't come up to scratch.



fig.1

## Legislation

### What is it ?

Legislation is the creation of statutory laws determined by Acts of Parliament which define citizen and industry rights and responsibilities. They are created by UK or European Parliament.

#### How can it help consumers?

New laws are created by democratically elected representatives (MPs) whose role is to have the best interests of their constituents at heart. Legislation is mandatory, giving it the power to deliver positive change for consumers. It helps to protect consumers by setting clear legal benchmarks for industry behaviour and consequences for failure to comply. The law is the ultimate backstop for consumers when all other routes fail.

## Regulators

### What are they ?

Regulators are watchdogs that oversee specific industries. They are usually created following Acts of Parliament, but operate independently to protect consumer interests. They set rules for companies within that industry, and actively monitor their compliance.

#### How can they help consumers?

Regulators protect consumers by keeping an eye on key industries and ensuring that they are working well. Eligible companies have to stick to their rules or face penalties, such as fines, which can raise quality and drive improvement in specific industries.

### Who ?

For example, Ofgem (energy), Ofcom (communications) and the Financial Conduct Authority (banks, insurers).



## Standards

### What are they ?

Standards are documents that offer detailed guidance to businesses about good practice. There are thousands of standards that address specific products and services. Standards are voluntary and can help organizations to fulfil their legal and ethical responsibilities. Standards are written and developed by committees of relevant experts, and are published by national, European or international standards bodies.

#### How can they help consumers?

Standards are unique because they are developed by groups of stakeholders, including consumer representatives, who have to agree on the content (known as 'consensus decision-making'). This consumer involvement ensures that standards tackle real problems faced by real people. Standards can be implemented and updated faster than legislation, so can respond more quickly to emerging trends and new technologies. They help to influence and improve industry a benchmark for good practice, to which all companies can aspire.

### Who ?

BSI is the national standards body in the UK, CEN and CENELEC the main European standards bodies and ISO and IEC are the International standards organizations.



## Trade associations

### What are they ?

A trade association is an organization created and funded by business that operates in a specific industry. The focus is usually on collaboration between companies. A trade association might have an approval scheme or trust mark, underpinned by a code of conduct. Membership is usually voluntary, but members must commit to follow the trade association's codes.

### How can they help consumers?

Trade association approval schemes or trust marks can help consumers to identify member companies, although conditions of membership and the quality of codes of conduct can vary. Trade association codes are usually developed by industry, without the input of consumers. Some trade associations operate dispute resolution schemes to help consumers who have been unsuccessful in resolving complaints directly with members.

### Who ?

For example, the Association of British Travel Agents (ABTA), The British Association of Removers (BAR) and the Federation of Master Builders (FMB).



## Dispute resolution schemes

### What are they ?

Dispute resolution schemes, such as an Ombudsman or mediation, can help to resolve disputes between consumers and companies. Ombudsman schemes are free and impartial and have the power to award compensation if they find the company to be at fault. Where possible, they try to restore consumers to the position that they were in before the problem occurred.

### How can they help consumers?

Ombudsman schemes have been made compulsory by government in industries where problems could lead to high consumer detriment – such as energy, financial services and legal services – to ensure that people get the help they need when dealing with problems in these areas. Ombudsman schemes have also been established across the consumer landscape – such as for furniture and retail – although it is not compulsory for all businesses to use an ombudsman. Ombudsman schemes provide a clear route of redress for consumers, giving them free advice and assistance in cases where they are unable to resolve disputes directly with a company. Dispute resolution schemes might be managed by private organizations, local government, trade associations or government bodies, but consumers should look out for schemes that are free and impartial.

### Who ?

All consumer sector UK Ombudsman schemes and many complaint handling bodies are members of the Ombudsman Association and more details can be found on its website: [ombudsmanassociation.org](http://ombudsmanassociation.org).



## Consumer organizations

### What are they ?

Consumer and public interest organizations work to promote consumer interests by:

- Providing information and advice
- Identifying key consumer issues
- Representing consumers
- Campaigning for change

### How can they help consumers?

Most are independent, non-profit organizations motivated by a desire to empower and protect consumers. Acting as the voice of consumers (or certain groups of consumers) they can hold companies to account and have the power to influence change. They help consumers by identifying issues of key importance (for example by conducting research, or analysing complaints data) and communicating them to those responsible for making legislation, regulations, codes of practice and standards.

### Who ?

For example, Citizens Advice, Which? and charities such as Age UK, Dementia UK, Royal National Institute for the Blind (RNIB).



## Enforcement

### What is it ?

The role of enforcement agencies is to identify, and deal with, individuals and companies that fail to comply with legislation.

### How can it help consumers?

Enforcement agencies carry out market surveillance and ensure that companies comply with the law. They can promote consumer trust by delivering real consequences for those that fail to do the right thing. By taking action against those that break the law they protect consumers by preventing the same thing happening again in the future.

### Who ?

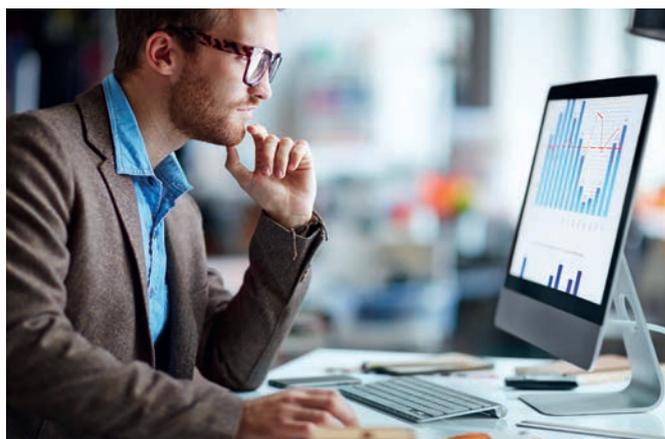
For example, Trading Standards, police and the courts.



### Did you know?

The Financial Ombudsman resolved a total of 448,387 consumer complaints between April 2014 and March 2015. More than half (55%) were upheld in the consumer's favour.





## The value of working with standards

Standards are all around us and affect the lives of consumers every day.

There are thousands of British Standards covering a huge range of products and services. Products such as mobile phones, washing machines, cars and toys are made to specific standards to ensure that they are easy to use, work properly and are as safe as possible. A product standard might cover: inclusive design; manufacture process; chemicals; flammability; installation; and instructions for use.

There are also standards for services such as healthcare, telecoms, energy, tourism and finance. A service standard might cover: company strategy and principles; the provision of information;

staff training; customer service; the accessibility of buildings, websites and telephone systems; complaints handling; and data management.

**Whichever industry you work in, it is highly likely that standards exist, which could benefit your organization.**

Please visit [shop.bsigroup.com](https://shop.bsigroup.com) and use our search tool to find relevant standards.

## How standards can benefit your organization

Standards are an essential part of the consumer protection toolkit. They can be useful and beneficial to many different consumer protection organizations.

### Standards to underpin legislation

Some standards underpin legislation – for example in the areas of building regulations and toy safety – which means that organizations must adhere to them if they are to meet legal requirements. Standards provide the detailed guidance needed by industry to help them comply with legislation, or rules set by regulators.

Legislation tells companies **WHAT** they need to achieve. But standards spell out **HOW** to achieve this.

### Standards as industry guidance

Standards can act as codes of practice, drawing together best practice from across an industry. In an area where a new code is needed the standards process can bring key experts together to decide on key principles that should be applied.

Where multiple codes exist within one industry, this can create confusion for both traders and consumers. A standard can take all the ‘best bits’ from the various codes and put them together in one place. One code is a more powerful tool for influencing change and can simplify life for both traders and consumers.

Regulators or trade associations can use standards to provide guidance to companies. For example, Ofgem wanted all energy companies to treat their customers fairly. To give them practical advice on how to achieve this it recommended that all energy companies adhere to the British Standard on Inclusive Service Provision (BS 18477).

### Standards in testing

Product standards can provide invaluable guidance to manufacturers regarding how to test their products to ensure they achieve required levels of quality and safety. Product standards can be used as a benchmark when comparing or testing products. For example, Which? uses standards when developing comparative test programmes for products such as televisions, cars and household appliances.

### Standards in enforcement

If a company is taken to court, standards can be used as a benchmark for good practice. If the company is deemed to have fallen below these standards it could indicate to the court that the company was negligent. On the other hand, if a company can prove that it adhered to the relevant standards, the court could decide that the company took all reasonable steps to ensure quality and safety. Trading Standards officers often rely on standards when enforcing consumer protection laws. They assess the safety of consumer products, and quality of services, against a range of standards.



### Did you know?

BSI has 37,384 published standards in its portfolio, plus 7,538 new standards in development. (Note: figures correct at end of 2015)

## Your contribution to standards

Standards are developed by groups of key stakeholders who come from one of six stakeholder categories — academia, consumers, government, industry, labour and others — and have the relevant knowledge and expertise in the topic area. The consumer voice is essential to standards development. Consumers are key stakeholders as they are the end users of many of the products and services covered by standards.

Consumer and public interest organizations, regulators, the Ombudsman and trade associations — who are experts in a specific topic and have evidence of consumer detriment — can provide valuable input into the development of standards to ensure that they address real issues faced by real people. They can also suggest new areas where a standard might be useful.

### The importance of working together

None of the seven consumer protection agencies can operate effectively in isolation.

**Only by working together can we ensure the strongest possible protection for consumers.**

Communication between the different consumer protection organizations is vital to:

- Ensure that information is shared
- Avoid repetition of work
- Identify complementary work streams
- Understand what consumers want and need
- Understand industry good practice
- Ensure that legislation, policy, regulation and codes of practice address key consumer issues and are feasible for industry to deliver.

### Getting involved

BSI's Consumer & Public Interest Network (CPIN) attracts members from across the consumer protection landscape. The CPIN meets twice a year — holding Summer and Winter meetings — so that members can discuss key consumer issues, share experiences, brainstorm ideas and discuss solutions.

Throughout the year, CPIN consumer representatives sit on technical committees to input to new standards in the UK, Europe and internationally.

The Consumer & Public Interest Strategic Advisory Committee (CPISAC) assists collaboration and communication between those organizations involved in consumer protection. CPISAC is made up of senior representatives from some of the most important consumer and public interest organizations in the UK, including:

- Age UK
- Child Accident Prevention Trust (CAPT)
- Citizens Advice for England & Wales, Scotland, Northern Ireland
- Electrical Safety First (ESF)
- National Consumer Federation (NCF)
- National Federation of Women's Institutes (NFWI)
- Ombudsman Association
- Royal Society for the Prevention of Accidents (RoSPA)
- Chartered Trading Standards Institute (CTSI)
- UK Government Department for Business Innovation & Skills (BIS)
- Which?

If you would like to find out more about the CPIN or CPISAC please visit [or](https://www.bsigroup.com/consumers) email [consumer@bsigroup.com](mailto:consumer@bsigroup.com)

## Case study: Personal Data



Personal data is the 'new oil' powering the economy. Billions of computers, mobiles and other appliances are connected wirelessly and computing technology has made it easier for companies to find, store, use and share information about existing or potential customers. Consumers are rightly concerned about the security of their financial information and the privacy of their personal details.

Consumers are protected by several key pieces of legislation, including the Data Protection Act 1998 and the Privacy and Electronic Communications Regulations 2003. These require companies to handle and store personal data in a certain way, and make it unlawful to send unsolicited marketing emails. The Information Commissioner's Office (ICO) educates consumers and organizations about their rights and responsibilities and deals with breaches of privacy and data protection law.

Several UK and international standards provide guidance to help organizations comply with legislation (e.g. BS 10012 Data Protection, ISO/IEC 27001 and ISO/IEC 27002). It is easier for standards, than laws, to keep up with emerging trends and new technologies in this area.

Ofcom is the communications regulator, working to promote competition and further the interests of consumers. It sets rules for communications companies, such as landline, broadband and mobile phone providers, and can take action against those that act unlawfully.

Consumer groups like Which? add an extra layer of protection. Which? carries out research into topics such as contactless cards, internet providers and online banking security so that it can identify problems and campaign for improvements.

## Case study: Energy



We all need energy to power and heat our homes, so it's vital that consumers are protected in this area. Ofgem is the energy regulator, an independent non-ministerial government department whose duties are established by UK law. It aims to protect electricity and gas consumers by ensuring that they have adequate choice, security of supply and value for money. Ofgem sets licence conditions for energy companies and has the power to take action, e.g. impose fines, on those that breach the rules.

Standards such as BS ISO 14452 Network Services Billing and BS 18477 Inclusive Service Provision can offer guidance to energy companies on the best way to deal with customers. Following standards could help energy companies to meet Ofgem rules. There are also industry initiatives, such as the Confidence Code that sets out good practice for energy switching sites.

Citizens Advice is the statutory consumer watchdog for energy. It offers advice in this area and campaigns for improvements. In autumn 2014 it launched the campaign 'Fair Play for Prepay' to get a fairer deal for the 11 million people using prepay energy. In October 2015 it ran 'Big Energy Saving Week', a national campaign to help people cut their fuel bills by raising awareness of energy efficiency, and the benefits of switching.

The consumer group Which? also offers advice to its members about energy rights and carries out research to identify key issues. Ombudsman Services: Energy is the official ombudsman to help domestic energy customers with disputes that can't be resolved directly with the service provider.



### Did you know?

The Consumer Rights Act came into force on 1st October 2015. It is the biggest shake up in consumer rights legislation for a generation and aims to simplify and strengthen UK consumer law.

## Case study: Food



We all need food to survive, but food that is not labelled, stored or prepared correctly can lead to serious illness or even loss of life. Consumer protection in this area is vital. People have a right to know what's in their food and where it's come from. Food should be produced, stored, and handled in the correct way to ensure that it is safe to eat.

Legislation and standards cover most safety aspects. The Food Safety Act 1990 provides a framework for all food legislation in the UK. It states that food sold for human consumption should be safe and described accurately. Various other laws deal with specific things like hygiene, traceability, advertising, labelling and recalls. The Food Standards Agency (FSA) is responsible for food safety and food hygiene across the UK. It works with local authorities to enforce food safety regulations and can prosecute those that fail to comply with the law.

British and international standards (e.g. BS EN ISO 22000 Food Safety Management Systems) provide detailed guidance that can help organizations to meet the requirements of the law. There are also industry approval schemes, run by organizations such as the BRC and SALSA, which set specific requirements for members.

Various consumer and public interest organizations work to empower and protect consumers in this area — such as Which?, the Advertising Standards Authority and the Food Commission — by highlighting problem areas and campaigning for change. In 2014 Which? ran a campaign on Food Fraud that resulted in the creation of a new Food Crime Unit.

## Frequently Asked Questions

### Q. What is BSI?

A. BSI is the UK's National Standards Body. It has been developing standards for more than 100 years to make products and services safer and better for consumers. Standards set out good practice and guidelines for organizations to follow. BSI is a member of the European standards bodies, CEN and CENELEC and the international standards bodies, ISO and IEC.

### Q. What is the CPIN?

A. The Consumer & Public Interest Network at BSI ensures that the consumer voice is heard when new standards are being written for products and services that we all use every day. It has more than 50 trained volunteers who work tirelessly to represent the views of UK consumers in the development of national, European and international standards.

### Q. Is it compulsory to comply with a standard?

A. No, standards are voluntary and organizations are not legally required to follow them. However, those that choose to comply with the standard are demonstrating a commitment to quality and safety.

### Q. How can standards benefit consumers?

A. For more details see the CPIN leaflet on 'Why standards matter to consumers'.

### Q. How can standards benefit industry?

A. Standards can help organizations to increase efficiency, quality, and safety, which in turn can lead to reduced complaints, improved customer satisfaction, trust and increased sales! They can also provide the detailed guidance needed to meet requirements set by legislation, regulators or trade associations.

### Q. How can I get involved in the development of standards?

- A.
  - Suggest an idea for a new standard at [standardsdevelopment.bsigroup.com](http://standardsdevelopment.bsigroup.com).
  - Comment on draft standards — anyone (individuals or businesses) can submit comments on draft standards at [drafts.bsigroup.com](http://drafts.bsigroup.com).
  - Become a consumer rep — the CPIN is made up of around 50 consumer representatives who speak up for consumers in the development of standards. We welcome new consumer representatives with relevant skills and experience. Contact [consumer@bsigroup.com](mailto:consumer@bsigroup.com) to find out more.
  - Join the CPISAC — we are keen to develop mutually beneficial relationships with other consumer and public interest organizations. Contact [consumer@bsigroup.com](mailto:consumer@bsigroup.com) to find out more.

### Q. Where can I get information about published standards?

- A. You can search all existing standards, and buy copies, at [shop.bsigroup.com](http://shop.bsigroup.com). Many libraries and universities can access reference copies of British Standards for you.



### Did you know?

CPIN consumer representatives attended more than 160 meetings in 2015 to represent the views of consumers in the priority areas of: inclusivity; privacy, security and identity; services; sustainability; and wellbeing.

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## Useful information

### BSI

For information about standards  
0845 086 9001

[bsigroup.com](http://bsigroup.com)

### BSI Consumer & Public Interest Unit

For information about how standards affect consumers  
[consumer@bsigroup.com](mailto:consumer@bsigroup.com)

[bsigroup.com/consumers](http://bsigroup.com/consumers)

### CEN (European Committee for Standardization)

For information about European standards

[cen.eu](http://cen.eu)

### CENELEC (European Committee for Electrotechnical Standardisation)

For information about European electrical standards

[cenelec.eu](http://cenelec.eu)

### ISO

For information about international standards

[iso.org](http://iso.org)

For information about consumers and international standards

[iso.org/iso/home/about/iso-and-the-consumer.htm](http://iso.org/iso/home/about/iso-and-the-consumer.htm)

### IEC (International Electrotechnical Commission)

For information about international electrical standards

[iec.ch](http://iec.ch)

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