Reforming Competition and Consumer Policy Consultation

Response from the National Federation of Roofing Contractors (NFRC)

I. About NFRC

II. NFRC is the largest trade association for the roofing industry in the UK. We have over 1070 roofing contractor members, from across the country, operating in all sectors of the construction industry including the improvement sector. NFRC expects high standards of professionalism from our members as set out in our Code of Practice[1]. We also undertake inspections of all members upon joining NFRC and then every three years thereafter.

III. However, we recognise that sometimes our members may breach our Code of Practice and so we therefore operate a Complaints Procedure. NFRC is able to help customers who have a dispute with a member company. We provide a free service for the customer where we endeavour to reconcile at them with the company in question. We encourage customers to initially contact the NFRC member to express their concerns and agree a resolution. All NFRC members are required to have their own Customer Complaints procedure in place.

IV. Between June 2020 and September 2021, we received 100 complaints against members. Of these 83 were resolved, and 17 remain unresolved.

V. A large proportion of NFRC members are also members of Trustmark and therefore have to abide by their Dispute Resolution Process[2]. We are therefore successful at resolving the vast majority of complaints we receive.

VI. We are also licensed by the Department for Levelling Up, Housing and Communities to operate a Competent Person Scheme for the roofing industry NFRC CPS. This allows roofing contractors who operate through the scheme to self-certify work as complying with Part L 1B of the *Building Regulations*. NFRC CPS operates its own complaints resolution process[3].

69. Do you agree that government should make business participation in ADR mandatory in the motor vehicles and home improvements sectors? If so, is the default position of requiring businesses to use ADR on a 'per case' basis rather than pay an ADR provider on a subscription basis the best way to manage the cost on business?

69.1. We agree that business participation in some form of Alternative Dispute Resolution (ADR) should be made mandatory in the home improvement market. The vast majority of our members do not have regular complaints made against them, and for those that do, we require them to go through our complaints process. Therefore, making ADR compulsory across the sector will help level the playing field, to ensure that compliant roofing contractors are not undercut by unscrupulous firms.

69.2. However, the government need to consider carefully how this would be rolled out across the sector and should work with structures that are already in place such as trade associations, Competent Person Schemes and Trustmark. There clearly isn't enough capacity for the current certified ADR providers to be able to provide this service for hundreds of thousands of companies. It would

[1] https://www.nfrc.co.uk/cop

[2] https://www.trustmark.org.uk/homeowners/if-things-go-wrong

[3] https://nfrccps.com/wp-content/uploads/EG09-V1-Complaints-Resolution-Guide.pdf

therefore make sense to work with bodies such as ourselves who already have complaint mechanisms in place.

69.3. We would be willing to work with BEIS to see how this approach could work and what trade associations would need to do to demonstrate compliance with any required framework.

69.4. With regards to payment, where a company is a member of a trade association is makes sense for this cost to be part of their membership subscription. However, for those companies who are not members of a trade association, it would make more sense to charge this on a 'per case' basis, and it would be disproportionate to expect an SME company to pay a subscription to an ADR provider just in case they have a dispute against them.

70. How would a 'nominal fee' to access ADR and a lower limit on the value of claims in these sectors affect consumer take-up of ADR and trader attitudes to the mandatory requirement?

70.1. We agree that a 'nominal fee' should be required to access to ADR to avoid spurious cases, which would waste both the company and the ADR provider's time. However, this should be set at a level which is not so excessive that it puts consumers off making a complaint. This fee could be refunded if the consumer wins their case.

71. How can government best encourage businesses to comply with these changes?

71.1. As the vast majority of companies in the home improvement sector are not currently members of an ADR provider there will need to be an extensive lead time before this is introduced and an effective and targeted communication campaign to ensure the most number of businesses are reached. The government should work with the relevant trade associations for each sector to also help get the message out.

71.2. Ultimately, however, the best way of ensuring compliance will be through effective enforcement. We are concerned that Trading Standards will not have the adequate resources to be able to enforce this effectively, and then companies may choose to ignore the policy as the likelihood of them being caught is slim.

VII. We would welcome the opportunity to engage with BEIS further on this as the policy develops. For further information please contact:

[redacted]
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