



# Annual Report 2018

In 2018 the UK European Consumer Centre (UK ECC) remained very busy. Against a backdrop of uncertainty created by Brexit, UK consumers still travelled to Europe – buying goods and services when they were there – and European consumers continued to buy from UK traders.

Throughout 2018 UK consumers sought our help for disputes with EU companies over problems such as air travel, car rental and accommodation.

Our advisers dealt with about the same volume of consumer cases in 2018 as the year before: 15,089 compared to 15,240.

Most UK consumers who used our service either found us via an internet search (36.8%) or they were directed to us from the Citizens' Advice Consumer Helpline (35.2%). A smaller number (10.3%) were directed to us from a third-party website. Other ways of finding us included a newspaper article, a direction from the local authority or recommendation from a previous UK ECC customer.

Our customer satisfaction survey shows that most respondents who asked the UK ECC for help were over the age of 50 (60.8%).

Sometimes consumers just requested general information about their type of complaint, sometimes they wanted to know where they stood on an aspect of consumer law concerning their specific purchase and sometimes, if they had already tried to resolve the situation with the trader, they needed a lot more help for their individual problem. In these cases, they needed our help in liaising with the trader, in drawing the trader's attention to the consumer's rights and in negotiating to find the best solution for the consumer.

Some of our cases took longer to deal with than others; these are the ones where we needed to delve deeper into the problem's specific details, look at the specific case paperwork and liaise (often frequently) with our counterparts in the trader's country.

**'Most of our cross-border complaints involved consumers from the UK about traders based in other European countries.'**

Whatever the reason for the consumer's call or email, we did our best to assist them, at the same time helping them to gain a better awareness of their rights and enabling them to take full advantage of the internal market.

The UK European Consumer Centre is part of the European Consumer Centre network – 30 centres covering the EU, Iceland and Norway. We are a practical manifestation of

the single market and our strength is in our numbers, working with colleagues in other European countries.

Rarely are two customer's stories exactly the same, which means that every consumer is unique to us. The UK ECC's service is FREE and consumers usually ask for our help when they've reached the end of the road in trying to resolve a dispute directly with the trader.

Essentially, we are an advisory service and there is a lot that we can do. We work towards the best result we can for consumers: a refund, replacement, repair or cancellation of their contract. However, because we have no enforcement powers, we cannot force traders into a particular course of action if they ignore our communication or disagree with what we say, so there are limits to what we can do. We do, however, resolve many disputes.

One big advantage for consumers who use our service is that English is not the only language spoken by the advisers on the ECC network. This, coupled with the fact that we are often able to contact the trader through our offices in other European countries, means that we can avoid the language and logistical difficulties that consumers often face.

Whereas most of our cross-border complaints involve consumers from the UK about traders based in other European countries, the collaborative nature of the ECC-Net means that we also get involved in complaints by European consumers who have problems with UK traders.

In 2018 we worked on 1,599 cases from European consumers about UK traders, an almost 10% increase on the previous year's figure of 1,459.

Our core purpose is to help consumers and our 2018 customer satisfaction survey showed that 85% of our customers were happy with the service they received from us, slightly up from the 2017 figure of 84%.

Our lost call rate continued to improve too: in 2018 it was just 2%, slightly better than the 3% rate of 2017 and a huge improvement on the 2016 rate of 7%.

We also retained our Customer Service Excellence Standard in 2018 for the 4th year. This is the UK Government's standard on customer service. Our customer handling processes, our online customer satisfaction surveys, website access and complaint recording process are all scrutinised as part of the CSE assessment.

We remain committed to helping UK consumers in the best way we can.



**Susan Tolman**  
Information and Communications Officer



## HELP TO CONSUMERS

**15,089**UK consumer cases  
(EU traders)**1,599**EU consumer cases  
(UK traders)**85%**customer  
satisfaction rate

## MAIN PROBLEMS ENCOUNTERED (UK CONSUMERS)

**43.7%**of 'assistance cases' related  
to transport**13.4%**of 'assistance cases' related  
to restaurants, hotels and  
accommodation**10.5%**of 'assistance cases' related  
to recreation and culture

\* 'Assistance cases' are cases where we sought the help of our ECC-Net counterparts in the trader's country

## OTHER STATISTICS

**19%**increase in  
Twitter followers**15%**increase in  
website visitors**9,473**phone calls  
received



## UK CONSUMER CASES

### BREAKDOWN

What type of problems do UK consumers experience? We analysed all of our cases where consumers did more than just ask for information. So, in this section we take a closer look at the two most time-consuming types of cases we deal with.

These are either cases where a consumer has lodged a complaint against a trader based in another European country and we provided tailored advice to help the consumer resolve their complaint, or they are cases where we sought the help of our ECC-Net counterparts with a view to contacting the trader in the country in question on behalf of the consumer.

The bar chart shows cases sorted by category. We have only drawn attention to the top four categories.

Miscellaneous goods and services included subjects such as electronic games consoles, cosmetics, jewellery and digital services.

Our analysis shows that transport is one of the categories which still causes UK consumers the biggest number of headaches. Included within this category are such subjects as passenger transport by air, car rental and luggage transport by air.

Another big cause for complaint is recreation and culture. Included within this category are package holidays; audio-visual, photographic and information processing equipment; and 'sold-out ticket' events.

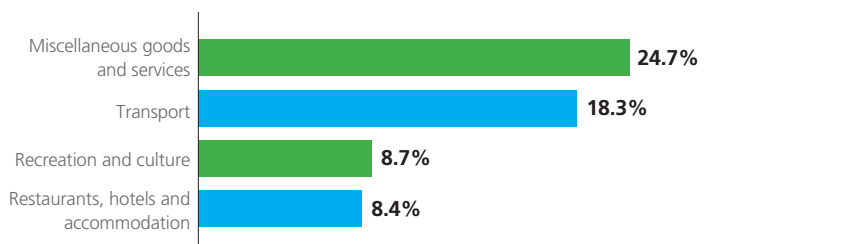
Another of the most grumbled about categories was restaurants, hotels and accommodation, amounting to 8.4% of complaints made by consumers where they needed tailored advice or the help of our counterparts in the country where the trader was based. Timeshares and discount holiday clubs (and the resale of both) come under this category.

### ANALYSIS

Of course, this is only part of the picture. In order to gain a better insight into the problems encountered by consumers, we took a closer look into some of the areas where our consumer advisers had noticed a particular problem or where we handled the biggest number of UK consumer complaints.

We therefore put some of our database's sub-categories under the microscope, delving down into more of the detail. This revealed that complaints about air travel specifically accounted for a substantial amount of our most

## Breakdown of 2018 cases where consumers needed tailored advice or more detailed assistance



time-consuming cases, about 22.6%, and that complaints about car hire were responsible for about 13.1% of that type of case, a not insignificant amount.

Other sub-categories which came to the particular attention of our consumer advisers in 2018 were accommodation (hotels and villas, not timeshares), which was responsible for 10% of cases; furniture and furnishings, responsible for 6.5% of cases; clothing and footwear, which accounted for 5% of complaints, and consumer electronics, the category responsible for 2.8% of cases.

The 'spotlight on key problems' part of this report expands on car rental and air travel problems.

## UK TRADER CASES

### BREAKDOWN AND ANALYSIS

Most UK traders respect consumers' basic rights, but where this isn't the case, European Consumer Centres (ECCs) are here to help all EU consumers. This means that EU consumers take their complaints about UK traders to the European Consumer Centre in the country where they live. These ECCs then share the cases with the ECC where the trader is based, in this case the UK.

So, as well as working on cases for UK consumers, the UK ECC was also contacted for help in 2018 by colleagues throughout the ECC network on cases where a complaint was lodged against a UK trader by a European consumer. Sometimes this meant contacting the trader on behalf of these consumers.

These were cases where the consumers' attempts to resolve their problems had failed; either the trader had not responded or hadn't agreed.

Situations in which UK and European consumers experience problems with traders are often very similar, but sometimes there is a greater emphasis on certain sectors than others.

So, what kind of problems are faced by EU consumers who complain about UK traders?

Transport was again responsible for the lion's share of complaints – 35.5% of all cases about UK traders. Clothing and footwear accounted for 15.5% of the cases, closely followed by complaints about recreation and culture at 13.9%.

Another category of note was miscellaneous goods and services (responsible for 11.4% of all complaints by EU consumers about UK traders).





With passenger transport by air representing 22.6% of the cases where consumers did more than just ask for information, it's clear that air passenger rights are very important to UK consumers and cause a lot of frustration.

Most flights are problem-free, but with air travel playing an integral part of many people's lives, that's no consolation if it's your flight which is delayed or cancelled or if it's your luggage which is lost.

Air passenger rights within the EU mean that firstly, you may not be charged a higher price for a ticket because of your nationality or where you are buying the ticket from.

Secondly, you also have rights in case things go wrong. This could be anything from delays and cancellations to overbooking that prevent you from boarding. It applies if you depart from any airport situated in the EU, or arrive in the EU with an EU carrier or one from Iceland, Norway or Switzerland.

### **'Passengers are entitled to compensation if they suffer a delay of more than three hours.'**

When we focus in on specific problems within the passenger transport by air category, we can see a broad range of complaints, spanning ticket problems (maybe arising from technical issues during the booking process or with online check-in), flight delays or denied boarding. Ticket problems could include, for example, mistakes, payment-related fees, extras and currency conversation charges. Complaints about luggage transport are coded separately.

Many consumers, complaining as a result of their flight being delayed or cancelled, can seek compensation from the airline, in accordance with Regulation 261/2004. Passengers are entitled to compensation if they suffer a delay of more than three hours arriving at the final destination.

An airline is exempt from having to pay compensation for flight delays caused by extraordinary circumstances, which could not have been avoided even if all reasonable measures were taken. When an airline claims extraordinary circumstances, a country's national enforcement body can make a decision as to whether it agrees that the cause is extraordinary, based on an investigation it can carry out.

Other cases could see passengers seeking reimbursement for expenses incurred. Under Regulation 261/2004, airlines are obliged to provide care and assistance to disrupted passengers regardless of the reason for the delay or cancellation. Passengers may seek reimbursement for receipted expenses such as food and refreshments incurred while their flight is disrupted.

Of course, there can also be difficulties caused for UK air travellers when airlines go out of business or a travel company becomes insolvent.

### **CASE STUDY**

A UK consumer was due to fly from Brussels to Dublin with his three children but at the flight gate they were told that the plane would be arriving too late at the airport so, as the airport closed at 11pm, their flight was cancelled.

The consumer said he was told that the next flight to Dublin would be in 10 days' time, was offered a refund and told to sort out new flights and accommodation himself.

The party of four booked into a hotel for the night and then paid Euro 1,500 to fly home the next day from Germany. No public transport was available so they had to get a taxi to the other airport at a cost of Euro 400.

The consumer placed a claim online when he returned home for the receipts to be repaid but this was refused, with the airline claiming that the flight was cancelled for safety reasons and that the consumer didn't allow re-routing. The consumer said that this wasn't feasible with three children as the next flight wasn't for 10 days.

After the consumer asked the UK ECC for help, the case was shared with ECC Ireland and the trader was contacted. As a result of the UK ECC's intervention, the consumer received Euro 1,896.18 back in addition to the Euro 245.13 he had already been refunded for the original flights.

**"My adviser was quick to understand my problem, dealt with it, and – with his colleague in Ireland – ultimately solved it." Mr L**

In 2018, the UK ECC was actively involved in a substantial number of complaints about car hire from UK consumers, a subject which continues to draw complaints about traders in many countries. Complaints covered a whole host of subjects including supplementary charges and other payment/price-related disputes.

There is no specific EU legislation relating to car hire, but as a consumer shopping in the European Union, UK consumers have certain rights which contain basic consumer principles such as: contracts should be fair to consumers and you should not be misled.

Early in 2018 the UK ECC welcomed the news from the UK's Competition & Markets Authority (CMA) that it was launching its first direct action against car hire companies across Europe. The enforcement action followed extensive complaints from people encountering hidden costs on collection of their car at an airport abroad. The businesses were based in EU countries but selling directly to UK customers online.

One of the most important things for consumers to bear in mind when hiring a car is that they need to check the terms and conditions for relevant extra charges, which may include: returning the car to a different place, child seat charges, second driver fee, airport charge, crossing a border into another country, fuel costs, road offences and travel limits. A contract may be breached if the car hire company does not do what its terms and conditions say.

### **‘Consumers should consider paying by credit card if their goods or services cost more than £100.’**

Some of the top causes for complaint from UK consumers hiring cars in the EU are (in no particular order): post-hire damage charges, especially after unsupervised drop-offs, disputes related to insurance (unrequested, overpriced or excess waiver), fuel policies, excessive mystery fees applied after the hire period (such as lost equipment or late-back charges). Hire cars booked through franchises can also be a particular source of consumer complaint.

It's also worth remembering that consumers should consider paying by credit card if their goods or services cost more than £100 but less than £30,000, as section 75 of the Consumer Credit Act 1974 may place equal liability with the seller on the credit card company in such circumstances.

The most frequently complained about countries (by UK consumers about EU traders) for car hire complaints include Spain, Italy, Iceland and Malta.

#### **CASE STUDY**

A UK consumer hired a car through a website for use in Spain. When he dropped the car off at the end of the hire period, he was shown what he described as a ‘barely visible smudge on the rear bumper area.’ However, other marks on the car when he picked it up were deemed too small to note.

He was subsequently charged Euro 320 for the scratch, including a charge for the period the car hire company said they hadn't been able to hire the car out whilst the scratch was repaired. The bill came as a shock as he hadn't been told he would be charged anything extra.

The consumer said that he didn't cause the damage but was unable to get his money back. After he asked the UK ECC for help, the case was shared with ECC Spain, the trader was contacted and the consumer received all Euro 320 back.

#### **CASE STUDY**

A Hungarian consumer hired a car whilst in the UK, got a puncture on his way to return the vehicle at the end of the hire period, so had no choice but to return to the rental premises on the spare wheel. He felt that the £400 charge to repair the puncture was excessive.

After having no luck in his communications with the trader, the consumer contacted ECC Hungary for help and the case was shared with the UK ECC.

We referred the case to the trader's Alternative Dispute Resolution body, which contacted the hire company who said that there was an oversight in the charge as the repair of the tyre had cost £121.81. An immediate refund of £273.19 was made to the consumer.



**“Found my whole experience with the UK ECC heartening compared with what I encountered from the hire car company.” Mr D**



During 2018, we continued the UK ECC's crucial work of reaching out to consumers to keep them abreast of their consumer rights and the work that we do. All of this work is aimed at increasing consumers' understanding of their rights, growing the profile of the UK ECC and the ECC network and raising awareness with consumers and other stakeholders of its work.

Underpinning these communications were a number of aims: to spread the word about the UK ECC's role in strengthening the consumer protection environment, relay how our consumer advisers help consumers, shine a light on the topics we cover and the types of cases our staff can advise on and elevate awareness of the consumer legislation relevant to these cross-border disputes.

Among the channels used for this was the media. We achieved a media presence (broadcast, print and online) by producing media statements and answering media enquiries on complaint trends and general consumer rights problems, as well as by issuing

press releases (10) on a variety of subjects and building up a good working relationship with key journalists.

Other communications channels used included six newsletters, five leaflets and one Annual Report. For our newsletters, consumers can request their own emailed notification by signing up to the distribution list via the UK ECC website. Our leaflets are also downloadable from the website.

We also invested a significant amount of time in our internet and social media presence via Twitter, Facebook and YouTube. On social media we now have more than 620 Twitter

followers, a 19% increase on the number of followers we had in 2017. In 2018, we saw a 15% increase in the number of visitors to the UK ECC website.

Consumer rights promotional events were also high on our agenda in 2018. We ran a series of advice desks on P & O Ferries' sailings from Dover to Calais, with our sister organisation the European Consumer Centre for Services (ECCS).

In order to maximise our engagement with consumers at these events, we gave out leaflets targeted at specific consumer problem areas, as well as consumer-friendly promotional items designed to remind consumers that the UK ECC is here to help them!

Attendance at the 2017 Chartered Trading Standards Institute Symposium ensured that we continued to spread the word about our services with enforcement agencies and other consumer advice providers. It helped maintain the UK ECC's positive relationship with the CTSI, the UK's national enforcement member-led organisation (made up of local authorities' trading standards officers). The Symposium was attended by enforcers who could then cascade information about the UK ECC through to the public.

We also worked 'behind the scenes' with stakeholders to promote the UK ECC service and to improve our signposting to other advice services such as the Citizen's Advice Consumer Helpline (for UK consumers complaining about UK traders).

Other activities included working with numerous trade bodies to ensure that they understand their consumer legislation obligations and liaising with enforcers and regulators over problem traders, in order to enhance the consumer protection environment, for consumers.

## Selected coverage – newspaper/magazine/online articles

- Online shopping subscription traps – On Your Behalf BBC Radio Ulster January 2018
- European Small Claims Procedure – BBC One Rip Off Britain January 2018
- How to complain – Which? Travel magazine February 2018
- Stay ahead of the game – Saga magazine February 2018
- Watchdog takes on foreign car hire cheats – Daily Mail March 2018
- Return to sender – Radio Times June 2018
- Know your new HOLIDAY travel rights: new rules usher in better deal for holidaymakers – Daily Express July 2018
- Car hire customers feel pain in Spain – Daily Express July 2018
- New rules give better protection for package holidaymakers who book online – Mature Times magazine August 2018
- The Goldcar files: rip-offs at rental desk exposed – The Sunday Times 28 October 2018
- No help home for airline's stranded UK passengers – iNewspaper October 2018
- Money transfer firm that still charges for cards – The Observer 30 December 2018
- The half term car hire mistake that could mean you pay 19 times too much – how to make sure you aren't ripped off – Daily Mirror online January 2018
- Car hire cost clean-up continues – BBC News website March 2018
- Shoddy trade work "causes knock-on costs" – BBC News website March 2018
- Three more firms pledge to end the car hire rip-off: Rental companies vow to include ALL fees in their upfront prices – This is Money Daily Mail website March 2018
- Know your new holiday travel rights: new rules usher in better deal for holidaymakers – Daily Express website July 2018
- Consumers warned of new breed of timeshare scam – Your Money website July 2018
- Britain's scam epidemic – Saga website July 2018
- Year-round discounts – The Sun Online – December 2018

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