

ISLE OF MAN OFFICE OF FAIR TRADING

ANNUAL REPORT 2006

Progress against Office Plan 2005/08

Compliance Audits

- 96% of wholesale and retail 'high risk' premises were inspected, as opposed to the target of 100%. 'High risk' businesses are generally those supplying high value commodities or with high sales volumes of lower value commodities and those licensed by the OFT to store 'dangerous goods'.
- Each petrol filling station, petrol can store and retail premises storing fireworks in the Island was inspected. Pumps at all commercial petrol filling stations and meters on road tankers measuring central heating oil were tested for accuracy to protect consumers and suppliers from financial loss. Each weighbridge in use for trade was tested for accuracy. These tests underpin transactions which amount to millions of pounds and also reduce the risk of overloaded vehicles travelling on the roads.
- 21% of 'medium risk' wholesale and retail businesses were inspected, as opposed to the target figure of 30%. 'Medium risk' businesses are generally those supplying lower value commodities or commodities for which there are implications in terms of safety or age-restriction controls. Weighing equipment was tested for accuracy and price checks were carried out. The Office also licensed 21 non-resident traders during the year, who were inspected, to ensure compliance with the Non-Resident Traders Act.
- In its first year of introduction 11% of all premises rated as 'low risk' were inspected for compliance, against a target of 10%. Examples of 'low risk' rated premises include; those registered for the supply of videos or DVDs, those selling tobacco products and Island-based businesses advertising and/or selling on the internet who were monitored and to promote legitimate trading activity in the Island.

Promotional Activities

- The Office attended a total of six high profile events in 2005/06 and thereby exceeded our target of attending or organising four events. These were the Tynwald Day and Royal Manx Agricultural Shows, the Southern Befrienders' exhibition in Port St Mary, the WI exhibition at the Villa Marina, the Supporting Older People in Mann exhibition at the Villa Marina and the Isle of Man College Health Fair.

Consumer Enquiries and Complaints

- During the year, the Office handled an increased volume of consumer enquiries and complaints, up 5% on the preceding year. Of the 3,087 complaints and enquiries received during the year, 98% were concluded within in the target time of three months. The performance level of 98% also represents a 1% improvement on the previous year.
- During the year, 238 written enquiries were dealt with by the Consumer Advisers; these were received either by letter, fax or e-mail. 100% of the enquiries received by the Consumer Advice team were answered within three weeks of receipt. The vast majority of enquiries made to the Office during the year were by telephone and in this case the advice is given instantaneously over the phone.
- During the year the Office received 247 complaints under the remit of the Financial Services Ombudsman Scheme, whilst this represents a decrease on the number received in the previous year, the Scheme is increasingly seeing more complex cases being referred, as the simpler complaints tend now to be resolved by the Suppliers. These complex cases require a greater deal of a case officer's time in order to attempt to progress the complaint to a mediation settlement or refer to an adjudicator.
- During the year, the Office concluded 317 complaints, 75% of these complaints completed the mediation stage of the scheme within six months. This target has therefore been exceeded contributing towards the Government aims of Social Well-being and Economic Progress.

Key Milestones over the last five years

The Key milestones over the last five years were:-

- During the last five years the Office has seen phenomenal growth in demand for its Debt Counselling Service. During the previous year alone, demand for the service has increased by over 30%. There has also been a dramatic leap in the monetary value of debt being managed by the service. The total amount of debt under management during the year was £2.8 million.
- In January 2002 the Office launched the Island's Financial Services Ombudsman Scheme. It is the only such scheme operating in the Crown Dependencies. The Financial Services Ombudsman Scheme is a free, independent dispute resolution service for individuals with an unresolved complaint against an Isle of Man financial firm.
- In 2004 the Office introduced the 18+ Proof of Age Card as a means of providing retailers with an instant and reliable way of proving the age of persons to whom they are supplying age restricted products such as alcohol and tobacco. Since the card was launched over 400 cards have been issued to Island residents.
- In 2003 the Office successfully withstood and managed an unprecedented demand for its services due to the natural gas

conversion programme in Douglas and the surrounding areas. The problems experienced by householders who had appliances converted lead to over 1,000 gas conversion complaints being received in the last quarter of 2003.

- The final milestone for the Office during this administration will be the completion of two enquiries being conducted under the Fair Trading Act. The first enquiry was instigated by the Office in November 2005, to examine whether excessive prices were being charged for energy products on the Island. This investigation covered heating fuels, petrol, diesel, electricity, gas and solid fuel supplied on the Island.
- The second enquiry was requested by the Council of Ministers in March 2006 to look at the increase in fees requested by nursing homes on the Island, under Section 19 of the 1996 Fair Trading Act and also to examine, under Section 9 of the Act whether the activities of the Isle of Man Nursing Home Association has been or is pursuing a course of conduct which does amount to an anti-competitive practice.