

## CONSUMER FOCUS AND CONSUMER FOCUS POST POLICY ADVOCACY

**Deputy Chief Executive: Philip Cullum**

**Interim Director of Policy: Sarah Brooks**

**Interim Director of Reputation and Impact: Adam Scorer**

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### 1 ACCOMPLISHMENTS SINCE LAST BOARD MEETING

- 1.1 We have an exceptionally large amount of research underway at present, covering a wide range of topics from payday lending and first-class mail performance between Northern Ireland to Great Britain to consumer experiences of the police and what people want from energy price comparisons. This has been a heroic effort by colleagues, which has taken place against the backdrop of existing projects and a continuing high level of stakeholder engagement, and will provide us with a very strong evidence base for the future.
- 1.2 Given the scale and nature of this research programme, it is pleasing to report that Justin Gutmann, our Principal Researcher, has been approached to join the Editorial Advisory Board of the International Journal of Market Research, probably the world's premier peer-reviewed publication for researchers. This reflects Justin's standing in the research community in the UK and beyond and is a significant accomplishment which has reputational benefits for Consumer Focus too.

**Key areas of achievement since the last Board meeting are as follows:**

#### 1.3 Energy

- 1.3.1 Following extended negotiations with the Office of Fair Trading and industry, we have now published interim statistics on energy supplier performance on our website. The big six companies are ranked on number of cases received by the Consumer Focus Extra Help Unit and the number of company referrals from Consumer Direct in relation to their market share. This performance information provides consumers with a proxy for customer service performance to aid comparison and choice. Publishing regular monthly rankings will also encourage companies to drive improvements in customer service performance.
- 1.3.2 We have held a number of meetings with the Energy Bill team, particularly on powers to introduce mandated price support and to amend Ofgem's remit. We are supportive of the Bill's broad proposals and have encouraged other organisations to also support it. We will advocate wider eligibility criteria for price support when the Government consults on its proposals in summer 2010. Jonathan Stearn gave oral evidence to the Energy Bill Committee; and we have become a member of DECC's new Household Energy Management Consumer Panel.

#### 1.4 Post

- 1.4.1 Building into the ongoing consultation on Post Office banking, we have presented the research findings to stakeholders including relevant Government departments (BIS, DWP, Treasury), senior Conservatives including the Shadow BIS spokesman Jonathan Djanogly and the Chair of the Business Select Committee Peter Luff, financial inclusion stakeholders such as Toynbee Hall, Resolution and the Association of British Credit Unions and think tanks including Philip Blonde's ResPublica.

- 1.4.2 We have also raise awareness of the research at numerous events, including the All-Party Parliamentary Group on Debt and Personal Finance. This was a well-attended session, at which Peter Luff commended Consumer Focus for developing a set of proposals which reflected consumers' needs and showed insight into the quality of service issues that Post Office Ltd will have to address if it is to realise the banking opportunities currently being proposed.
- 1.4.3 We hosted a forum for operators of post office services, to identify the major service and implementation issues to be addressed in the event that Post Office banking is extended. PayPoint, the Co-Op, the Association of Convenience Stores and the National Federation of Sub-postmasters all attended the meeting, which was chaired by Roger Darlington.
- 1.4.4 We have contracted a Project Manager (David Stubbs) and Project Assistant (Ben Gough) to develop our strategic plan on postal services and a framework for this work is being put in place.
- 1.4.5 We have begun work on our joint research project with Postcomm which will examine consumers' needs from a universal postal service. The outputs from this research will form an important part of next year's work programme.

## 1.5 Financial services

- 1.5.1 Our work on financial services continues to build momentum, with significantly increased staff resources being put in place and new research projects in the field. We held the fourth and final roundtable in our Focus on Finance series, *Financial services for all – combating the 'poverty premium'*. This debated issues around increasing financial inclusion and look at alternative models of financial provision for low income consumers. Brian Pomeroy, chair of the Financial Inclusion Task Force and now also a Financial Services Authority Board member, authored the main discussion paper for the seminar, which was chaired by Sukhvinder Kaur-Stubbs. The other panellists were Alan Cook, Managing Director of the Post Office network, and Antony Elliott, Founder of Fair Banking. We also joined Brian Pomeroy on an expert panel at an event on high-cost credit organised by the Friends Provident Foundation and presented on the 'poverty premium' for an OFT 'ideas day'.
- 1.5.2 We have lobbied on aspects of the Financial Services Bill, in particular urging the Government to hold firm on its commitment to collective action.

## 1.6 Communications/digital

- 1.6.1 Following our joint submission with the Communications Consumer Panel to the European Commission on the T-Mobile/Orange merger, we were pleased that the Office of Fair Trading adopted a similar position to our own and asked for the case to be referred to it. We remain active in this area and have met a number of stakeholders, including the T-Mobile Managing Director Richard Moat.
- 1.6.2 We continue to influence the Digital Economy Bill in the House of Lords. We have held meetings aimed at strengthening the consumer interest in the Bill with a range of organisations, including BT, Virgin Media and UK Music. Alison Hopkins gave oral evidence to the enquiry by the House of Lords Committee on Communications into the progress of digital television switchover.

## 1.7 Housing

- 1.7.1 As part of our work on consumer empowerment in public services, we have helped to set up National Tenant Voice (NTV). This is a new body that will empower social housing tenants by giving them the opportunity to represent themselves following the establishment of the Tenant Services Authority (TSA). The NTV will play a major role in ensuring that the TSA is held to account by tenants for the development and implementation of its standards, in particular its central tenant empowerment standard.
- 1.7.2 The NTV will give tenants influence by enabling and supporting tenants to input into national policy and practice; researching tenants' views and experiences; supporting a representative tenants structure at national and regional/sub regional level (this may include financial support); and communicating effectively with a wide range of tenants and tenants organisations.
- 1.7.3 We have commissioned work to ascertain whether a web-based, tenant-led feedback and rating site could be used to address the information asymmetry between tenants and landlords, empower tenants and improve standards in the private rented sector. This work will also look at the case for making voluntary landlord accreditation schemes more visible and less confusing to tenants. The Housing Minister John Healey has become interested in our project, as he is very keen on increasing consumer choice and empowerment within the sector. CLG civil servants appear positive about the benefits that a tenant feedback/review system could bring to the sector and await our final report with interest.

## 1.8 Sustainable consumption

- 1.8.1 Lucy Yates took part in the International Standards Organisation (ISO) meeting in Japan on the measurement of carbon footprints. While no final decisions have been made, we were very pleased to secure agreement at this stage on a number of our policy positions concerning communication to consumers.

## 2 CHALLENGES RUNNING UP TO NEXT BOARD MEETING

- 2.1 We have a number of launches, events and speeches planned for the period ahead, ranging from two reports on fuel poverty to a parliamentary event to launch our report on barriers to internet access.
- 2.2 Three of our most challenging pieces of work (due to research complexity, collaborative campaigning and political risk, respectively) are as follows:
  - 2.3 **Financial inclusion and debt**
    - 2.3.1 We have started the tender process for a large scale deliberative research event involving low income consumers and bringing them face-to-face with service providers and policy makers. The aim is to influence change amongst service providers by providing them with a unique opportunity to hear firsthand the real problems that real people face. This groundbreaking event should take place at the end of February/beginning of March.
  - 2.4 **Mobiles switching campaign**
    - 2.4.1 The Communications Consumer Panel has agreed to join the switching campaign we are undertaking with Ofcom at the end of February/start of March. The first draft of leaflet has now been circulated and we are currently putting together the

communications schedule. The objective is to encourage consumers to switch to better mobile phone deals and advise them how they can make informed and effective purchasing decisions.

## 2.5 **Research on cross-border mail service between Northern Ireland and the Republic**

- 2.5.1 We have prepared a summary report for publication which was approved, with amendments, by the Consumer Focus Post Board. We will be testing key findings and conclusions informally with major stakeholders before publication, i.e. Postcomm, ComReg, Royal Mail and An Post. Publication is planned for March 2010 and the Board should be aware that it carries some political risk.