



**Consumer
Focus**
Campaigning for a fair deal

Consumer Focus Annual Plan 2010/11





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Statement from the Chairs of Consumer Focus

Consumer Focus exists to make life better for consumers. Whether helping people achieve better levels of service or challenging the thinking and behaviour of companies, we will pursue the most effective ways of promoting consumer welfare.

We know that the consequences of the financial crisis affect every household. Public service reforms to alleviate the strain on the public purse may transform some essential services at a critical time and there will be a new focus on effective regulation and the rights of consumers across markets and sectors.

These difficult times present a stark challenge to Consumer Focus and all those committed to the protection of consumers. This work programme shows how we will respond to these issues across the United Kingdom.

A large part of that response will reflect our special responsibility to speak for consumers in the energy and post markets.

That means pushing for better customer service and better value, but it also means making sure that full account is taken of consumer interests and directly helping those consumers who are at risk of having their energy supply cut off.

Our broad remit and our deep expertise in certain areas mean we can apply the lessons of consumer experience and consumer power across nations, market sectors and public services. We can, and will, challenge and support providers across the economy to improve the way that they serve consumers.

We are a family of consumer advocates working across the United Kingdom and within the context of devolution. We make sure we are close to the experience of consumers wherever they live and whatever their circumstances. We are committed to achieving the sorts of change that will make that experience better for all consumers.

We have been able to make positive changes to our plans, thanks to the advice from partners and stakeholders during the consultation process.



Larry Whitty
**Chair, Consumer
Focus**



Douglas Sinclair
**Chair, Consumer
Focus Scotland**



Vivienne Sugar
**Chair, Consumer
Focus Wales**



Rick Hill
**Chair, Consumer
Focus Post
(Northern Ireland)**

Our statement of intent

Over the past 18 months Consumer Focus has built a strong organisation and achieved no small measure of direct success for consumers. In this difficult year for consumers we will use our strengths to promote better access, value and levels of service for all consumers.

From the civil justice review in Scotland, to food safety campaigns in Wales, helping Ofgem drive up energy company practices on debt and disconnection practices to showing the way forward for the Post Office network; Consumer Focus has made a major and positive contribution to the welfare of consumers.

This year, Consumer Focus will be led by a new Consumer Advocate. They will bring greater responsibility for consumer empowerment and education and a greater potential to intervene on behalf of consumers when markets and services fail them.

We will fulfil that potential by *empowering* consumers to determine the ways in which markets work, by being a *clear voice* for those consumers who are too often unheard or marginalised and by the force of our *argument and challenges* directed to where decision making neglects the interests of consumers.

When markets are fair, consumers can change markets and services through their own informed behaviour. Where we can, we will help consumers make informed choices, gain redress or recompense, challenge unfair treatment and use their economic power to punish or reward.

We will improve the information and advice we provide, the way we express the views and experiences of consumers, and the way we support consumers to challenge detriment where it arises.

This will be as important in helping people make choices about more sustainable consumption as about choosing the right mobile phone tariff. An accurate gauge of our own energy consumption, clearer bills that explain costs, fair advertising of green energy claims and better directed energy efficiency programmes will all empower energy consumers to engage with and transform the energy market and its carbon impact.

Consumer Focus will be a clear voice for consumers, especially those who are often marginalised or ignored because of their lack of market power. For those who struggle to pay their energy bills, or who become reliant on very high cost credit, Consumer Focus will only have value if we are ready, willing and able to speak up for them directly.

Our research programme provides evidence on whether markets and services work well or fail consumers. That evidence enables us to be powerful advocates for change across the UK, in the devolved governments in Scotland and Wales and the European Commission.

This Annual Plan benefits from the views of our stakeholders and partners. Whether we deliver on the aims within the plan will depend on how we balance our independent voice for consumers with effective and purposeful partnerships with Government, regulators, industry, service providers and those organisations which represent the interests of particular groups of consumers.

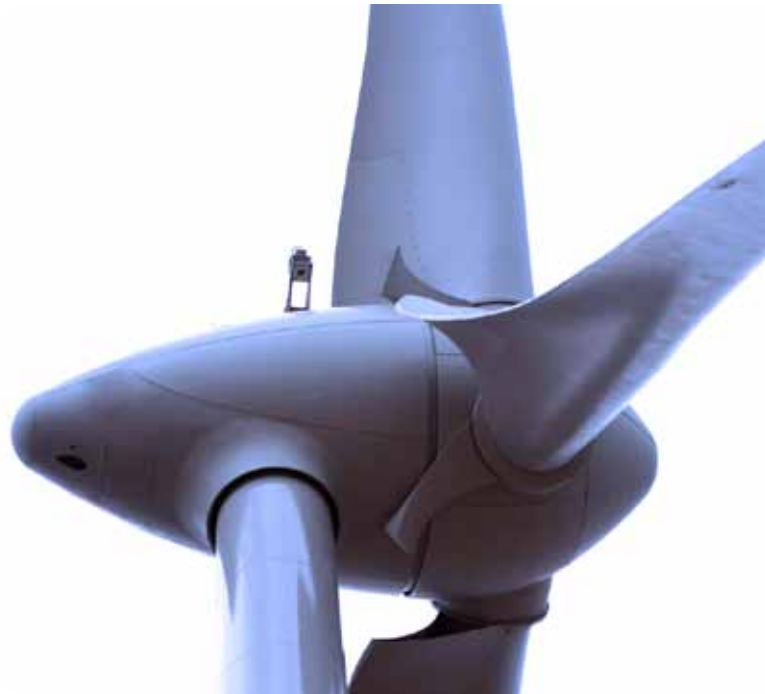
Mike O'Connor
Chief Executive

A fair deal for energy consumers

Our aims for 2010/11 are to:

make sure that consumer interests count, as energy policy changes and price pressures increase. We will:

- **make consumers more powerful in relation to energy suppliers through better information on tariffs, service quality, complaint handling and energy efficiency**
- **hold suppliers and Government to their obligations and commitments toward disadvantaged consumers**
- **try to limit the burden of low carbon programmes on low income consumers**



Few markets have to incorporate as broad a public policy agenda as the gas and electricity supply markets. Decarbonising the economy, progress on fuel poverty targets and maintaining security of supply will have a dramatic and cumulative impact on domestic energy bills. They will therefore impact on the ability of millions of household to keep warm in their own homes.

Increase consumer power

Gas and electricity suppliers score poorly on cross sector customer satisfaction surveys, including our Consumer Confidence Index. We will monitor and report on the quality of customer service, the effectiveness of complaint handling and redress arrangements and the provision of transparent pricing information. This intelligence will help consumers to choose the right supplier and suppliers to compete on value and customer service performance.

In particular, we will complete a review of our Confidence Code, which accredits price comparison websites, to ensure that online energy price comparison information is accurate and reliable for consumers looking to get the best deal.

Smart meters could tackle many stubborn problems including inaccurate energy consumption data and excessive costs for those on prepayment meters. We will continue to push for smart meters to be a vehicle for a better consumer experience and not just another imposition of increased costs.

Tackling debt and disconnection

The number of households struggling to pay their energy bills has grown considerably over the past five years. The continued rise in energy prices and the impact of the recession will mean that this situation will worsen.

Last year, we worked with Ofgem on a review of supplier debt and disconnection procedure. We will monitor closely the implementation of that review and take appropriate action to bring company performance up to the required level.

Keeping up the pressure on fuel poverty

Over the last year Consumer Focus has worked with a broad range of representative bodies from the voluntary, not-for-profit and consumer sectors to push for more effective policies for tackling fuel poverty. We will build on this work in England, Scotland and Wales to ensure that the needs and experiences of consumers are championed across Great Britain.

Energy efficiency programmes are the most effective method for reducing fuel poverty. However, we will also press for mandatory price support policies, including social tariffs, which provide meaningful support to all consumers struggling to pay their energy bills.

Personal testimony from consumers in fuel poverty will reinforce the urgency of action for millions of households who cannot afford to keep their homes warm and suffer the consequences of ill health. This is particularly true for those who are especially vulnerable to the cold – older people, children and those with medical conditions.

Effective and transparent wholesale markets

Energy prices are projected to rise significantly as aging generation plant is replaced and we de-carbonise the economy. Stubborn questions remain about the relationship between wholesale and retail energy markets and whether they inflate consumer bills.

The consumer voice must be heard in these complex areas. We will monitor wholesale and retail energy prices and market transparency. If the structure of the market distorts energy prices we will continue to call for urgent and structural market reform.

Given the relevance of European legislative and regulatory initiatives, we will work closely with European institutions and other stakeholders to ensure a UK consumer voice is heard during the drafting and implementation of new European policies. This will be particularly in relation to the third EU energy liberalisation package and the third EU Energy Security and Solidarity Action Plan.

Low carbon and energy efficiency

The low carbon agenda is critical to our work for energy consumers. To achieve carbon reduction targets will require much greater investment in energy efficiency solutions and potentially major reforms to our energy markets. The scale of the changes proposed for energy use in British homes means that, alongside the long-term benefits, there is scope for consumer detriment in terms of cost, time, privacy, and safety. We will gather evidence on consumer attitudes to, and public acceptability for, the changes.

A particular concern for Consumer Focus will be to ensure that low-carbon transition costs do not hit hardest on those on low incomes or in hard-to-heat homes. The work will involve assessing the size and incidence of increases in energy costs due to low carbon policies, the impact for different types of household and potential finance sources for low carbon transformation beyond levies on energy bills.

A fair deal for post and post office consumers

Our aims for 2010/11 are to:

respond to changes to postal services and the Post Office network and champion a future that is driven by the consumer interest. We will:

- introduce detailed consumer research into the review of regulated prices and the state of the postal market
- challenge the Post Office to raise its game on queues and other service issues
- promote the development of new Post Office products, including financial and government services, that are built around consumers' needs

This will be a decisive year for the Post Office network and Royal Mail. Both have undergone an extended and painful process of restructuring. Both will need to set a new direction if they are to provide good value and the services that consumers, including small and micro businesses, expect.

Universal Postal Service

The core of the relationship between consumers and the postal market is the provision of a one price letter and parcel service across the UK.

The service provides a clear benefit for consumers, especially for rural and remote consumers, but it is a service under some pressure. Consumer Focus will argue that the service must continue at a price which will provide a distinct benefit for all consumers, particularly those who are vulnerable or at a disadvantage.



The critical events in the coming year will be the Market Review and the Price Control process undertaken by Postcomm. These twin areas will determine the shape and value of the postal service for the foreseeable future. The price of postage, the quality of service the structure of the marketplace will impact directly on the experience of all consumers, including small businesses.

A major research programme will provide a clear voice for the views of postal consumers' so they are effectively considered and incorporated in the outcomes of the Postcomm reviews. We will bring a particular focus to price setting and to reviewing procedures with regard to delivery and collection exceptions. We will monitor Royal Mail to press for levels of service quality, mail integrity and complaint handling that match consumer expectations.

Future of the Post Office network

This is a crucial year for the Post Office network. Government thinking on new services that might be delivered through the network presents an opportunity to strike a new contract with consumers and in so doing secure a stronger future for the network.

We will move forward with our advocacy programme to influence Government and Post Office Ltd (POL) decision-making on the future of the network. We will continue to promote new products and services which consumers want and which the Post Office network is well placed to offer, in particular the development of new financial and government services through post offices.

Critical to this work will be to understand the consumer experience of using post offices. Our tracker research will enable us to continue a constructive dialogue with POL about how standards of customer service, including queuing times, will restrict the Post Office's scope to transform and modernise its service offer.

Post office changes

Consumer Focus has a statutory responsibility to monitor the number and location of post offices. We also have a responsibility to operate a code of practice with POL on how it communicates and consults on closures, relocations and conversion to outreach facilities.

As part of the Post Office network change programme (NCP) an initial 500 outreach services were established to maintain services, predominantly in smaller and remote rural locations that could no longer support full-time branches. We will continue to monitor outreach services and will work at a local level with local authorities and others who are establishing sustainable solutions within their local communities.

Tracker surveys and impact studies will help us to evaluate the impact of changes to the Post Office network, including the long-term impact of the NCP on quality of service at branches, changes in service provision and access to community services.

Future approaches to providing Post Office services must meet the needs of consumers, including the Post Office Essentials service currently being piloted.

A fair deal for consumers of financial services

Our aims for 2010/11 are to:

take a hard look at how the regulation of financial services markets engages with consumer interests and promotes their welfare. We will:

- **provide a fresh impetus for regulators in the sector to engage with consumers and consumer issues**
- **interrogate the real choices for consumers in the retail banking market**
- **focus attention on how mainstream services exclude the needs of disadvantaged consumers**

Last year our successful *Focus on Finance* seminar series brought together key players in financial services to connect consumer interests with the economic challenges facing the sector. It highlighted the consumer interest in a better market structure, the proper focus of regulation and the necessary level of protection for all consumers, but especially for the most vulnerable.

Our cross sector and regulatory experience means that Consumer Focus has a lot to contribute in this sector. We will only make a successful contribution if we work well with other organisations established in the field such as Financial Services Authority Consumer Panel, Which?, Age UK and Citizens Advice. Our focus will be to bring that expertise on consumer centred regulation and effective information, empowerment and engagement strategies to bear in the financial services markets.



Consumer centred regulation in financial services

For consumers the primary question is not who should regulate the financial services sector, but how. This year Consumer Focus will provide evidence and experience to help regulators and Government answer this question.

It is often assumed that consumers behave perfectly and have the time and skill to make 'optimal decisions'. The reality is that consumers are short of time, have unspecific and inconsistent preferences, and cannot always calculate the best product for them.

Financial services are also notoriously complex markets for consumers to navigate. Research on product information, financial capability, information overload and issues for vulnerable consumers needs to be transformed into an effective programme of consumer choice, protection and empowerment. We will bring our experience from other regulated sectors to inform and revitalise a consumer influenced strategy in the financial services market.

Over-indebtedness and high cost credit

The consequence of the financial crisis and economic recession on consumers has been profound. Access to affordable credit for many low-income consumers has dried up and levels of indebtedness have risen.

We propose a practical and focused programme of work to monitor the effectiveness of measures taken on secured and unsecured lending. Our work will examine the practices of lenders, landlords, debt collection agencies and debt management companies to ensure they are fair and do not cause undue harm and distress to vulnerable consumers.

We will also provide a clear focus on certain high cost credit products. Approximately 2.3 million people use home credit. Many of these are from the most disadvantaged groups. Provision of lower-cost options is piecemeal and there is insufficient capacity to meet the needs of the poorest group.

We will identify and evaluate viable alternatives of affordable lending in order for Consumer Focus to formulate a coherent and authoritative response to the growth and impact of high cost credit such as home credit and payday lending.

Competition in retail banking

A crucial issue for consumers is confidence in the structure of the retail banking market. Questions about sustainable banking and real choice speak directly to the level of confidence that consumers have in the safety and security of their own financial arrangements

A perceived lack of competition raises concerns about the ability of consumers to exercise real choice and thereby influence market behaviour. We will undertake work to consider the impact of consolidation in the personal banking sector and look at the barriers to new entrants.

This project will work closely with other groups in this field to develop improvements for both market structure and consumer behaviour. In particular it would draw upon our cross-cutting work on consumer behaviour, dynamics of switching and customer service to gain insights on how to improve market function for consumers.

A fair deal for consumers of public services

Our aims for 2010/11 are to:

make responding to consumer needs the core of any public service redesign and efficiency reforms. We will:

- **produce a new framework for assessing areas of consumer detriment within public services**
- **promote practical ways in which consumers can become engagement in the design and delivery of public services**
- **demonstrate that effective consumer engagement is key to securing effective and efficient services**

The fallout from economic recession and a huge budget deficit mean that there will be efficiency and rationalisation reforms of publicly funded services. More with less is the new mantra for those responsible for our most essential services. The reality is likely to be more people dependent on essential services, but with less resource to provide them. We will promote way in which limited resources are used most efficiently and effectively. We will call for the needs of disadvantaged consumers to be safeguarded at a time of major spending cuts.



Greater efficiency across Government and publicly funded services is a necessary and pressing objective, however to be successful any programme of reform must engage with the experience of service users and discover how more effective customer service can provide insights to more efficient public services.

Taking the measure of consumer detriment in public services

There is an information gap about consumer detriment in public services. Using desk research and stakeholder input we will identify and assess the current mechanisms for recording data, and explore what value they have in revealing consumer experiences. The findings will inform a project to develop more comprehensive, coherent and uniform ways of collecting data on consumer experiences of public services.

This work area will provide Consumer Focus with a coherent picture of consumer detriment based on complaints data, inspection records and redress processes. We will develop this into a model to provide access to public domain data on consumer perceptions and experiences that will empower consumers and inform service providers about priorities for service improvements.

Services that consumers can use – online and offline

Navigating public services and Government support can prove difficult for many consumers, often more so for groups which have the greatest reliance on them.

The latest Digital Britain plan promises to put all public services online. Our work on Directgov has already identified the need to begin by involving consumers in digital public service design and how consumers actually use the

internet rather than take a checklist approach to uploading public service information. Using research and workshops with consumers and stakeholders, we will evaluate how the inherent potential of digital technologies can give consumers – including those in marginalised communities – more voice and influence.

We will undertake detailed research into the experiences of a specific user group in accessing the key services they require. We will go on to identify what particular and general lessons can be drawn regarding the provision of information and advice regarding public services. We will use the research to establish a more flexible and responsive model for helping consumers get the information and services they need.

Essential community services

Policy makers and public service providers are embracing the notion of localism and the potential for people to have more of a say in the local provision of services. However, local does not always mean accessible, nor does it necessarily mean user-centred services. Leading on from work exploring the appetite of consumers to become engaged in the design of community services, we will develop a small number of distinct projects to explore the particular detriment caused by lack of access to essential community services. We will make recommendations that will increase access, and promote how better and more consumer-responsive approach can limit such detriment.

This work will enable Consumer Focus to work with service providers and others to understand and address the common challenges associated with local and community provision.

A fair deal in consumer rights, consumer redress and consumer focused regulation

Our aims for 2010/11 are to:

establish the interests of consumers at the centre of regulatory and legal reforms. We will:

- promote simple and accessible routes to redress
- ensure that the review of the consumer law framework and enforcement powers protects and promotes the interest of consumers
- help regulators to develop focused consumer engagement strategies and consumer empowerment outcomes
- build a consensus for an approach to consumer rights and copyright law that is appropriate to the digital age



Effective protection and easy access to redress are cornerstones of our consumer rights system. Consumers need a legal and regulatory environment that can provide confidence in markets and proper assurance that there are avenues available when things go wrong with goods and services.

Access to consumer rights and consumer law

Our consumer protection laws have developed in a piecemeal fashion. Consumer protection laws are scattered in various statutes and some have developed in common law. Government is committed to simplify, update and make more accessible this legal framework. We will work with BIS and the Law Commission to shape the consumer protection framework while continuing our European advocacy programme on the Consumer Rights Directive as it moves through the legislative process.

We will consider whether specific routes to consumer redress are effective, fair and adequately regulated and we will undertake a market study on Legal Expense Insurance. We will explore the feasibility of a bench marking exercise into complaint handling across sectors, looking particularly at why consumers abandon their complaints before they get a satisfactory resolution.

Regulation and market intervention

Where competition has not delivered effective choice and value or where consumer action has been unable to condition the behaviour of market players, proportionate regulation and effective redress are critical to maintaining a good level of consumer protection. However proposals for regulatory reform can focus unduly on the costs to industry rather than the benefit to consumers.

We will build on our 'Rating the Regulators' report to provide a positive and expert perspective on how well-formed regulation can enhance consumer welfare and provide broader economic benefits. With the advent of the Consumer Advocate's role and the scope of work from our Investigations team we will extend our working relationships with trading standards bodies at a local and national level to ensure we achieve more for consumers.

We will look at the less formal regulatory tools, producing a self-regulation checklist and reviewing the effectiveness of information provision as a regulatory tool highlighting areas of good practice and areas where it has been ineffective.

Digital rights and copyright

Government aims to enable all consumers to benefit from digital technology as part of their daily lives and to have access to online provision of services, including public services. Consumer Focus aims to ensure that universal provision in broadband will avoid creating a 'digital divide' through unfair differential access. Specific projects in Scotland and Wales will ensure the national characteristics and priorities are fully reflected in this area of work.

We will continue our work to create an awareness of a coherent concept of consumer digital rights, in the United Kingdom and across relevant European and international jurisdictions. At home this will involve working closely with Government and regulators but also establishing close partnerships with community and voluntary sector partners. At the international level we aim to influence the roll out of the European Commission digital action plan. We will also continue to work in partnership with BEUC and TransAtlantic Consumer Dialogue.

We will advocate a copyright system that is balanced between creators, investors and consumers. In particular we will continue our work on copyright exceptions and user rights, peer-to-peer file-sharing and copyright enforcement in the context of policy initiatives at the UK, EU and international level. This includes active engagement in the process of drawing up any code of practice to ensure a fair and precise process for identifying consumers suspected of persistent file-sharing offences.

Consumer Focus – organising to succeed

Our aims for 2010/11 are to:

intervene on behalf of consumers across a range of sectors and markets. We will:

- **deliver fast paced market investigations and improvements by our Investigations team**
- **increase our empowerment support for consumers across markets**
- **continue to deliver support for the most beleaguered energy consumers through our Extra Help Unit**

Intervening across sectors

This year we will increase our work to help consumers in order that they can transform markets and services. We intend to achieve a big change in our activity in relation information and advice, empowerment campaigns in key markets, work with advice providers, better use of online opportunities and using consumer experience to challenge anti-consumer behaviour.

Specifically, we will take on areas of the mobile phone sector that cause problems for consumers. We will work with the Communications Consumer Panel to make sure that our cross sector experience can be used effectively to press for improvements in the way the market works. We will focus on complex tariffs, consumer information, ease of switching provider, levels of customer service and complaint handling.

Another challenge for us is to speak up for the interests of rural consumers. Working closely with key stakeholders and connecting with ongoing work across markets, services and in the nations we will establish a policy structure through which Consumer Focus will deliver empowerment and advocacy that meets the needs of rural consumers.

Teams working across the Consumer Focus family

Extra Help Unit

The Extra Help Unit supports consumers whose complaints against energy suppliers, and in some cases postal providers, have reached crisis point and the consumer can do little more to resolve them. Consumer Focus has a duty to investigate cases where an energy consumer has been disconnected, is threatened with disconnection, or has experienced a failure in a prepayment meter system. The consequences of these cases can be catastrophic for households; cold homes and action to recover debts, not to mention the frustration and stress that comes with it.

In our first full year we supported people in over 7,600 complaints, obtaining almost £700,000 in compensation. But the real achievements of the Extra Help Unit are the homes that stayed warm, the anxiety lifted and the increased awareness of good practice among energy suppliers. Consumers are referred to the EHU through bodies including Consumer Direct, Ofgem and the statutory Redress Schemes. The team is based at Consumer Focus Scotland.

A typical story from the unit

With the mains gas disconnected due to a leak, an anxious mother was told supply would be reconnected the following day. A week later the energy company was still saying the job would be done soon. By this time the three young children in the house had become unwell, so the consumer started telephoning the company again. This went on for a month until she called Consumer Direct, who put her through to us.

Once our consumer adviser intervened the energy company arranged an emergency appointment and the gas supply was reconnected the same day. An apology and an explanation followed – a mix up on their systems meant they thought the job had gone ahead. The energy company awarded the consumer £1,000 in compensation.

Consumer Focus Investigations

Our Investigations team receives referrals from certain external and internal stakeholders who work directly on, or have knowledge about, the issues that are important to consumers. Previously called the Complaints of General Interest team, it has a UK-wide remit.

The team will ensure the new Consumer Advocate is able to identify emerging issues of detriment and to intervene directly to warn and advise consumers or to challenge unfair behaviour from suppliers and service providers.

The team will lead investigations, inquiring into and examining consumer issues, when appropriate using our statutory powers to obtain information from the public and private sectors. We will champion the rights of consumers based on the facts and evidence uncovered. The team extends the ability of Consumer Focus to make effective interventions across sectors and markets where there is a clear detriment to consumers. The team is based at Consumer Focus Wales.

Consumer Focus Labs

Our online innovation team, Consumer Focus Labs, will help us to develop targeted online empowerment resources and build effective empowerment alliances with partner organisation websites. Consumer Focus Labs was established to extend our consumer advocacy programme to the internet by developing innovative websites and tools to make peoples' dealings with companies fairer, save them money, or keep them informed about products or issues that are important to them. Consumer Focus Labs is based at Consumer Focus Wales.

National Social Marketing Centre

The Centre was set up in 2006 following a national review of health-related campaigns and social marketing in England. The purpose of the Centre's work is to connect organisations and service providers with the real people they want to help, achieving a particular 'social good' as opposed to commercial benefit. NSMC will continue to strengthen social marketing skills and capacity throughout the English health system, by continuing its research programme and completing an NHS training plan. Its expertise in this area will make a growing contribution to the research and empowerment agenda of Consumer Focus. The team is based at Consumer Focus in London.

More information on the work of the Centre can be found at www.nsmcentre.org.uk

Consumer Focus Post (Northern Ireland)

Our aim for 2010/11 is to ensure that Northern Ireland consumers:

- **have a mail service which fully connects them with Great Britain and the Republic of Ireland**
- **have easy access to a sustainable Post Office network which fits with the dispersed and disadvantaged profile of the population.**

A fair deal for Northern Ireland mail consumers

With a sea crossing to the other parts of the United Kingdom, Northern Ireland is a major beneficiary of the Universal Postal Service. But there is little evidence how well that 'cross-channel' service serves consumers.

With the rapid increase in economic and social ties between Northern Ireland and the Republic a sluggish and expensive cross-border mail service needs reinvigoration.

We will use our research to bring pressure on regulators and national postal operators to drive up performance and value for money of mail services between Northern Ireland on the one hand, and both Great Britain and the Irish Republic on the other.

A fair deal for Northern Ireland post office service consumers

Northern Ireland has higher proportions of population living in rural areas, and without bank accounts, than any other part of the United Kingdom. This means that post offices are vital for delivering their range of services, especially access to cash, to the elderly, the vulnerable and those without independent means of transport

Outreach services also play a bigger role in Northern Ireland than in Great Britain generally and this part of the network is fragile and patchy in performance.

We will work with devolved and local government to sustain and increase business going through the network. We will engage with Post Office Limited to improve performance and the customer experience in conventional post offices and to underpin the stability and convenience of the Outreach network.

Consumer Focus Scotland

A fair deal for energy consumers

Our priority for 2010/11 is to:

- **work towards ensuring that energy consumers in Scotland get a better deal so that are able to live in a warm and fuel efficient home**

Empowering consumers

The gas and electricity markets remain the worst performers in Consumer Focus' GB cross-sector Consumer Confidence index, and the situation is no better in Scotland.

Energy prices have risen consistently in recent years. This trend is expected to continue in coming years, increasing costs for all consumers, and with particular impact on the numbers of households experiencing fuel poverty, which show a similar rising trend.

In the short term, however, the easiest way for many consumers to reduce their energy bills is by switching either tariff or supplier, to ensure that they are on the tariff most appropriate to their circumstances.

Research by the Scottish Consumer Council in 2008 showed that consumers in Scotland were slightly less likely to switch energy suppliers than those elsewhere. The research also found that vulnerable and disadvantaged consumers were very much less likely to switch than others. Further research by Consumer Focus Scotland on attitudes to switching among disadvantaged consumers, for whom energy costs represent a higher proportion of their disposable income, found that they face a range of barriers to switching including:

- a lack of accessible information necessary to ensure informed switching
- poor perceptions of doorstep selling, and, of past experience of switching more generally
- an overall lack of trust in energy markets and suppliers

To improve the confidence of consumers in the energy market, and encourage them to seek out the best deals, we need to ensure that they have access to the information needed to allow them to make an informed choice as to their energy tariff and supplier. This year, we propose to carry out a major piece of work designed to build capacity among advice providers and raise consumer awareness of the potential benefits of switching.

Energy efficiency and fuel poverty

While switching tariffs should result in reduced energy costs for consumers in the short-term, energy efficiency measures will be the most effective means of addressing fuel poverty. This is particularly the case in Scotland, as the proportion of households in fuel poverty is significantly higher in Scotland than in England and Wales. Long-term rises in the cost of energy, together with the current recession, are expected to increase the numbers of households in fuel poverty. Rates of fuel poverty are higher in rural areas than in urban areas, because households without access to mains gas generally have higher heating costs. In addition, rural houses tend to be less easy to treat in terms of energy efficiency, and are often located in areas where weather conditions increase the need for heating.

Successful delivery of the Energy Assistance Package (EAP) is critical to reducing fuel poverty in Scotland, because households in rural, remote and island Scotland face particular issues. Consumer Focus Scotland intends to commission research into the effectiveness of the EAP for rural, remote and island consumers, with the aim, in line with our membership of the Fuel Poverty Forum, of improving the delivery of the EAP in those areas.

A fair deal for postal consumers

Our priority for 2010/11 is to:

- **promote high standards of postal services in Scotland, and ensure that consumers can access a range of good quality services through their local post office**

Post Office services

The Post Office provides a vital consumer service. It is a universal brand, which consumers recognise, value and support. A recent Consumer Focus Scotland survey found that 82 per cent of consumers in Scotland use a post office at least once a month. The survey also found that 80 per cent of consumers believe that the Post Office plays an important role in their local community. The rural dimension is particularly important in Scotland. Around two-thirds of all post offices in Scotland are in rural areas (according to figures supplied by Post Office Ltd), while only around a fifth of the Scottish population live rurally. The Post Office therefore has a vital role in providing services to consumers and businesses in Scotland's rural communities.

There is concern about the impact of temporary Business as Usual (BAU) closures on consumers in the short-term while their local post office is closed, particularly in remote rural areas where the Post Office fulfils a vital social function. There are also concerns about the impact that such closures might have on longer-term viability of the Post Office network in Scotland. This year, we plan to commission research into the effects of BAU closures on vulnerable consumers.

The size and reach of Scotland's post office network is unparalleled by any other network of shops or services across the country – it is our largest financial and retail chain. There are more than 1,400 post offices in operation in Scotland. Current policy discussion and debates at UK, Scottish and local level suggest that there are a range of opportunities likely to become available to the Post Office network to extend the range of products and services they offer to their customers – including for example more government services and an increased range of financial products. This year, we plan to commission a mapping exercise of the provision of Scottish and local government services through local post offices, which we hope will ultimately lead to increased access by consumers to a range of services.

A fair deal for consumers of public services

Our priority for 2010/11 is to:

- ensure an increased focus on the needs and expectations of users in the provision of public services

A focus on users

Consumer Focus Scotland believes that consumers should be at the heart of public services. Consumers in Scotland rely on public services to provide high-quality services across the board, from the services that we all use like street lighting and rubbish collection, to those that we rely on when we are at our most vulnerable, like social care, the emergency services and the health service.

In most cases, consumers do not have a choice about who provides the public services they use and need. In the absence of a market mechanism, public services need to find innovative ways to understand what consumers need and want, and to make sure that they are delivering on consumer priorities. We aim to ensure that the voice of those who use services – be they tenants, residents, parents, patients, or carers – is given a central place in policy making, service planning and monitoring.

We will continue to work with stakeholders and service providers to explore how well public services are meeting the needs of consumers and to develop solutions to improve their user focus. We will carry out research into the provision of food services for older people in the community, with consumers, local authorities and other providers. We will also look at the extent to which Scottish public services have moved towards outcome focused reporting of their performance to the public they serve and we will carry out research into the impact of the Freedom of Information (Scotland) Act after it's first five years. We will explore how consumers are making use of the Act and how public authorities are dealing with the requests for information from members of the public.

Health Rights Information Scotland

Health Rights Information Scotland (HRIS) aims to produce nationally relevant patient information products focusing on patients' rights, and to ensure that patients and members of the public, as well as NHS staff, are involved in this process. HRIS is funded by the Scottish Government, and managed by Consumer Focus Scotland. The Scottish Government is to introduce a Patient Rights Bill to the Scottish Parliament in early 2010. In the coming year, Health Rights Information Scotland's priority will be the development of information for the public and NHS staff that effectively communicates what the Bill means for them. Part of this process will be to explore public and staff attitudes to different ways of communicating key messages about patients' rights.

Key activities for 2010/11 will include:

- producing, maintaining and updating high quality and consistent information for patients throughout Scotland about their health rights
- ensuring accessibility of the information produced, in terms of format, language and style
- promoting appropriate patient and public involvement in information production
- advising and assisting others in producing good quality information for patients by acting as an effective and accessible resource for those involved in producing patient information throughout the NHS and voluntary sector

A fair deal in consumer rights, consumer redress and consumer focused regulation

Our priority for 2010/11 is to:

- **continue to work towards ensuring that the needs and rights of consumers, particularly the most disadvantaged, are clearly taken into account by providers of goods and services in Scotland, particularly at a time of decline in public expenditure**

Confident, demanding consumers have an important role to play in making markets work effectively. But if they are to be confident and demanding, consumers need to be assured that there is effective regulation in place, and that if things go wrong, there is appropriate and accessible redress available to them. They also need to be well informed about their rights and how to go about enforcing them.

Access to consumer rights

The law provides consumers with a wide range of rights to protect them when things go wrong. But these rights are meaningless unless consumers are aware of their rights, and know how to go about enforcing them. Our work on public legal education this year will involve research into consumers' knowledge of their rights, responsibilities and the available means of redress.

An important feature of a just and inclusive society is the ability of all its members to enforce their rights, meet their responsibilities and resolve their disputes. The costs of doing so should be affordable, while the processes available should be both appropriate and without undue delay. Our range of work on civil justice this year will consider, in the light of the recent civil courts review and the work of the Administrative Justice Steering Group, ways in which the current barriers to access to justice within the civil justice system might be removed.

We will also support a test case by a group of owners to test the provisions of the Title Conditions (Scotland) Act 2003 with regard to the dismissal of land-owning maintenance companies and appointing alternative providers, which we hope will clarify the position in relation to consumer rights in this area.

Promoting the consumer voice in markets

If markets are to work effectively for consumers, it is vital that consumer interests, particularly those of the most disadvantaged, are taken fully into account, alongside those of business, public authorities and organised labour. This year, we will hold a nutritional strategies seminar, aiming to ensure that nutritional strategies developed across the UK reflect the consumer voice. We will conduct research into the needs and preferences of the likely future consumers of care services, providing an evidence base to influence policy and service provision in the future. We will also build on our previous work in relation to sustainable development, by carrying out work to define and represent a consistent low-income consumer viewpoint in relation to the sustainable development, emphasising the social and economic aspects which impact on those consumers.

We will produce a policy paper on the consumer interest in relation to the communications market in Scotland, where consumers often face particular challenges and barriers to participating fully in the market. The paper will identify the key changes required and will identify how these might be achieved.

It will highlight the need for a cohesive, strategic approach to these issues, and consider what action policy makers and service providers should take to achieve the best possible outcomes for Scottish consumers.

We will produce a policy paper considering how clear routes and mechanisms might be identified to ensure that the specific interests and concerns of Scottish consumers in those markets where policy responsibility is reserved are identified, responded to and addressed. The paper will build on our previous work in this area, and will promote the need for the consumer voice to be given an equal platform, along with business, Trade Unions and others, in all debates on policy and markets in Scotland.

Scottish Accessible Information Forum (SAIF)

SAIF promotes and provides guidance on the provision of accessible information for disabled people and carers. Established in 1997, it is a Scotland-wide project funded by the Scottish Government with Section 10 funding on a three year cycle. The work of the project is directed by the SAIF advisory body which is made up of disabled people and information providers.

During 2010/11 the main areas of work for SAIF will be determined by feedback received over the past two to three years about the needs of service providers. This will include continuing to provide training on request, increasing the information on the website and revisiting the SAIF standards to develop a shorter and more targeted version. Key areas of work for SAIF during 2010/11 will be:

- delivering a training programme and responding to requests for in-house training
- promoting and meeting demand for the SAIF Standards for Disability Information and Advice Provision in Scotland and the wide range of other SAIF publications

- working with local authorities, health services and other public sector bodies to help them implement accessible information policies and strategies
- promoting and maximising use of the new SAIF website
- producing regular e-newsletters
- promoting an updated Scottish Directory of Alternative Formats Providers
- looking to promote and providing guidance for producing easy-read materials
- negotiating with quality assurance systems for the inclusion of SAIF Standards
- considering organisational and funding options for beyond March 2011 when the current Section 10 grant finishes

Community Food and Health (Scotland) (CFHS)

Community Food and Health (Scotland) promotes a national, strategic focus on low income communities facing barriers (availability, affordability, culture, skills) to accessing a healthy diet. The project also has a complementary operational dimension, adding value to the activities of low income communities, and those supporting them, in tackling these barriers. The project was established in 1996 and is funded by the Scottish Government.

In the coming year the focus will continue to be on enhancing the impact and sustainability of community-led activity around food within Scotland's disadvantaged and vulnerable communities, while encouraging and enabling this activity to influence policy development. The specific challenge this year will be to ensure work at community level around food has the reach and robustness to deliver in a policy rich but financially weak environment.

In addition to the team's well-established and popular quarterly newsletter, website, small grant scheme and annual conference, key areas of work will include:

- encouraging and enabling the unique ability of the community and voluntary sector to reach excluded, disadvantaged and vulnerable communities. It is likely this will involve building on work with homeless people, disabled people, older people, and black and minority ethnic communities
- improving the resilience of the community and voluntary sector, taking forward current activity building the capacity of individuals and organisations around social enterprise, evaluation and applied nutrition
- promoting the relevance of the sector to the delivery of identified national food and health priorities within existing and currently evolving Government policies (Healthy Eating, Active Living; National Food and Drink Policy; Maternal and Infant Nutrition Strategy) and the associated outcomes-focused national performance management and planning systems

healthyliving award (HLA)

With increased funding, 2010/11 sees the healthyliving award team grow in size, allowing the award to explore new areas of work. In addition to maintaining exposure across the food service sector, the award will focus on catering in local authorities, the community sector and further and higher education, increasing the provision and promotion of healthier food options for consumers. The healthyliving award aims to make it easier for people to know where to go for healthier food when eating out. Funded by the Scottish Government, the award makes it easier for people to recognise and select healthier food.

The healthyliving award recognises an organisation-wide commitment to provide and support healthier eating, as expressed through the menu; the way in which food is prepared; the marketing and promotional activities used and the way in which food is presented and sold.

Key activities for 2010/11 will include:

- Engaging with the catering industry to encourage participation in the award
- Actively engaging with and promoting the award to companies providing food on the high street and to family eateries
- Addressing health inequalities by actively engaging with food outlets in low-income communities to make it easier for people to access healthier food choices
- Increasing exposure of the award brand and increasing brand awareness and recognition among both caterers and consumers
- Strengthening and developing links with existing and new stakeholders, including other award schemes, catering initiatives etc, to ensure synergy and a consistency in approach where appropriate

Consumer Focus Wales

A fair deal for energy consumers

In 2010/11 we will be:

- **getting a better deal for energy consumers in Wales so that everyone can afford to live in a warm home**

We will continue our work on fuel poverty in Wales, using our cross party group and support to ensure that the subject remains on the national political agenda.

Our Fuel Poverty Charter has already demonstrated a heavy influence on the Welsh Assembly Government's thinking and policy proposals, so we will continue to pursue its aims, alongside our coalition partners.

Consumers in Wales are notoriously averse to switching in all its forms across markets. We will work to understand this attitude and to increase the confidence and capacity of people in Wales, so that they become active consumers in the energy market

Wales can also be categorised by the geographic spread of its population. With this in mind we will be looking to develop new solutions to meet the needs of energy consumers who are off the gas network, from deep rural communities to modern suburban developments.

Wales also has a disproportionately high number of consumers using prepayment meters, so we will be continuing our joint work with colleagues at a GB level to tackle the problem of self-disconnection that is so prevalent amongst these consumers.

A fair deal for post consumers

In 2010/11 we will be:

- **ensuring high standards of postal services in Wales so that consumers can access a range of good quality services**

Following on from our recent work on the effects of the closure programme on communities we will monitor issues of performance and satisfaction with Post Office services. Recent survey work suggested that consumers in Wales were generally satisfied with the service provided by post offices so we will be looking to see if there are any disparities in performance between rural and urban locations.

We will continue to support the intention of the Welsh Assembly Government's Post Office Diversification Fund by investigating and disseminating best practice, both from within Wales and across the rest of the UK.

A fair deal for consumers of financial services

In 2010/11 we will be:

- **ensuring that all consumers in Wales have access to financial services and advice that are appropriate to their needs so that they are able to be active and informed consumers**

In our role as part of the Welsh Assembly Government's Financial Inclusion Steering Group we will continue to help oversee the implementation of the Government strategy.

To aid us in this work we will undertake further research on the levels of indebtedness, as a way of monitoring the 'financial health' of consumers, particularly older people and care leavers.

As literacy rates in Wales are lower than many other areas of the UK, we will work with the financial services industry to address issues of 'financial jargon' and look to increase the capacity of young people to make informed decisions about money matters.

We will also continue the work begun by our 'Cost of Cash' report, looking at the ability of alternative financial service providers to play a role in providing services that are appropriate to the needs and circumstances of people living on a low income.

Consumers and public services

In 2010/11 we will be:

- **influencing public service providers so that delivery in Wales is built around the needs of consumers**

We know that public service providers in Wales are going to have to make some difficult budgetary decisions in the next few years. We have commissioned research which will enable us to help providers make decisions over service changes that are based on a thorough understanding of the citizen viewpoint and their long-term view of likely impacts.

Furthermore, we will be looking at some of the practices of Local Authorities in respect of debt collection policies and procedures to make sure that these don't further exasperate the situation that vulnerable and disadvantaged consumers find themselves in and do no place undue stress on consumers.

A fair deal in consumer rights, consumer redress and consumer focused regulation

In 2010/11 we will be:

- **ensuring market regulation in Wales is effective so that it protects consumers' health and wellbeing**

In September 2005 a major outbreak of *E.coli* O157 occurred in South Wales. A total of 157 people were diagnosed with *E.coli* O157, most of these were children. Consumer Focus Wales has taken on the task of reviewing the implementation of the recommendations made by Professor Hugh Pennington in his investigation of the outbreak. We have done this independently, with input from key organisations. Our primary purpose, is to inform the public and influence full implementation of the recommendations. This work will continue during 2010/11.

Consumers can form an effective and active part in regulation by acting on the information produced by those regimes. We will continue to push for consumers to have easy access to food hygiene information on the businesses they buy from so that they can be empowered by the results.

We will continue our work with the Food Standards Agency at a UK level, looking at consumer knowledge and education in relation to GM foods.

More and more services are delivered online, but our research shows that only 67 per cent of households in Wales have an internet connection. As a result we will continue our work on broadband take up and roll out, looking to empower those who want to embrace new technologies and to ensure that the needs of those who choose not to go online are not ignored.

We will improve people's knowledge of some of their basic consumer rights via a targeted communications campaign in the form of 'shopper's rights' cards and undertake specific work looking at young people and how they can be empowered to be responsible and active consumers.

One of the new powers that has been transferred to the National Assembly for Wales is the power to legislate in relation to the Welsh Language. As new legislation is brought forward we will use our research to influence the developing agenda around access to goods and services through the medium of Welsh. Based on evidence, we will seek to influence the Welsh Language Measure, highlighting the views of consumers within the debate and arguing that they must be at the heart of any new developments in this area.

Resources and performance

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