

CONSUMER FOCUS BOARD

PAPER 15.4

Title:	Framework for policy
Purpose:	For decision
Date of meeting:	3 February 2009
Responsible officer:	Ed Mayo
Prepared by:	Philip Cullum, Sarah Daly, Liz Lainé and Ed Mayo
Attachments:	Paper 15.4A: Underpinning our consumer policy analysis Paper 15.4B: Supercomplaint approach and decision-making process Paper 15.4C: Board register of policy expertise

A Overview

1. This paper and the detailed attachments consider the way we decide our policy lines, take key decisions such as the use of our supercomplaint power, and assess our impact. It also examines the role of the Board collectively and individually on all of this.

B Action for the Board

2. The Board is asked to discuss and agree:

- The suggested approach to underpin our consumer policy analysis
- Our supercomplaint approach and decision-making process
- The proposed approach to Board review of policy areas.

3. The Board is asked to discuss:

- The update below on how we plan to assess our impact.

4. The Board is asked to note:

- The Board register of policy expertise.

C The key issues

5. This set of papers considers a range of issues which relate to how Consumer Focus undertakes policy advocacy and ensures that this work is done to the highest possible level of quality.

Underpinning our consumer policy analysis

6. It is important to have some kind of agreed framework underpinning the way we approach issues, so that we are consistent across subject areas, can extend our previous thinking to new topics and are not driven by individual preference. This should also help us identify what is or is not a consumer policy topic, as opposed to a wider policy or political matter. This issue is particularly timely because of the large number of new staff joining our organisation. Paper 15.4A proposes an approach on this, and sets out some wider concepts for Board discussion.

Use of our supercomplaint power

7. Paper 15.4B considers how we should use our power under the Enterprise Act to refer failing markets to the relevant regulator. This is an important tool in our armoury, and once which the processor bodies used with success. The paper also proposes a process for making decisions about individual supercomplaints.

Assessing our impact

8. The Forward Work Programme commits us to developing impact measures for use in our work for implementation by June 2009, including "impact indicators of the net number of people that are likely to benefit".

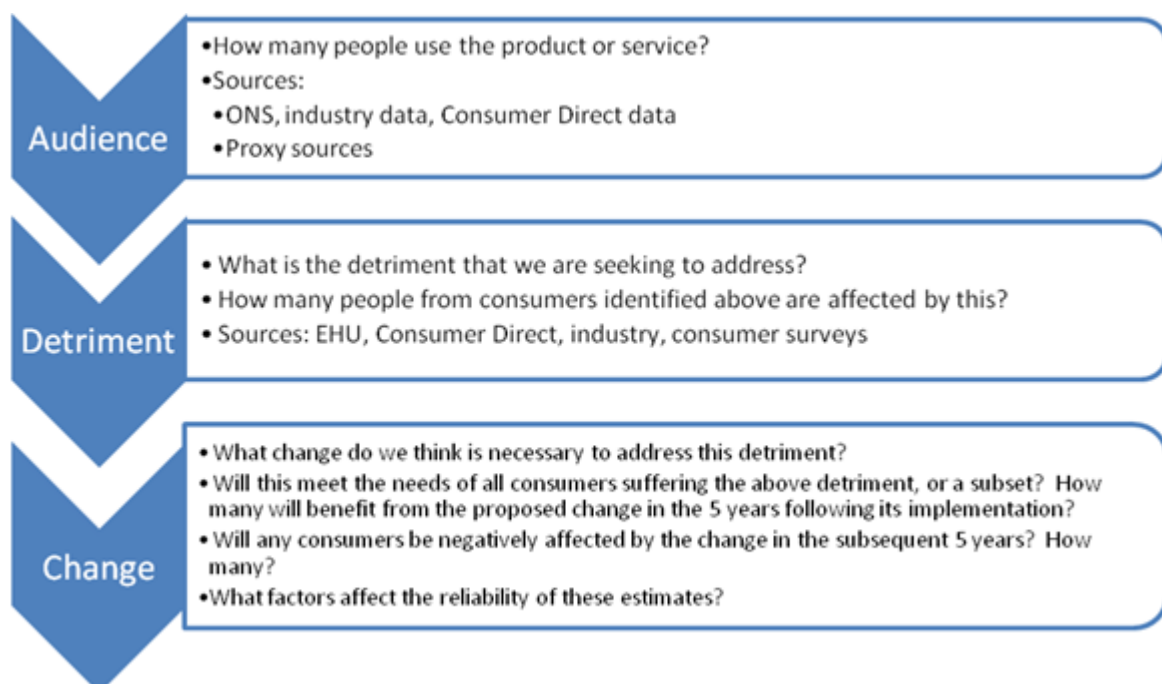
9. We are developing an approach to achieve this, focusing on practical ways through the very considerable methodological and conceptual issues involved – such as, but not limited to, the timeframes for impact, the complexity of causality and attribution of responsibility and sustainability benefits beyond today's consumers. Our aim is to develop a system that is consistent across the organization while allowing for the addition of contextual detail on a case by case basis. We would caution that the system has to start by proving itself of use internally (rather than being about public relations) and should be seen as prompting strategic questions as much as providing hard and fast answers.

10. Alongside this project and programme information on impact, at organizational level, the Board has agreed to conduct stakeholder surveys of perceived impact and reputation.

11. Our approach has started by identifying three primary types of projects in the Forward Work Programme. These include:

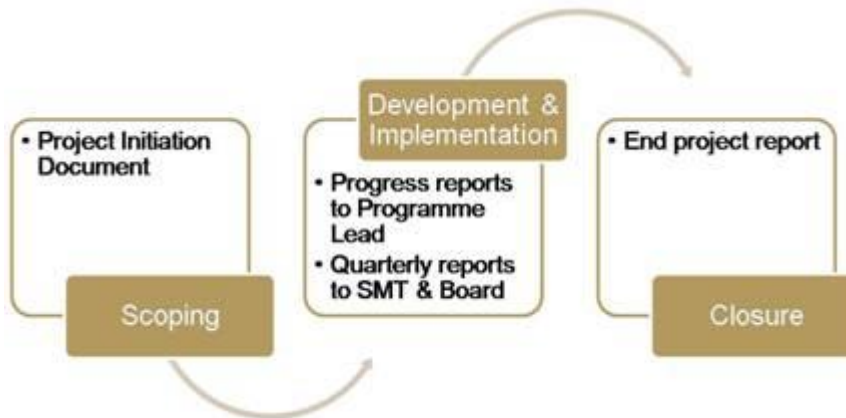
- **Advocacy projects** – these are intended to lead to policy change (policy being interpreted widely as decisions by institutions of influence on consumers, i.e. including business and not just government for example) and the policy change is expected to benefit some number of consumers. This includes reactive work.
- **Research and development projects** – these are intended to develop advocacy projects for future implementation, but which are not yet expected to have an external impact on policy or consumers (e.g. scoping and tracking projects).
- **Direct benefit projects** – these include projects or programmes, such as the Extra Help Unit, and possibly earned income projects on policy implementation/delivery (rather than policy change) that have a direct benefit for consumers.

12. For every advocacy project, we believe that we should say what policy impact we are aiming for and who will benefit, adding facts or estimates of the consumer impact that would result as appropriate. We will capture baseline metrics where they are freely available, but this will not always be possible. An example framework is set out below. This is 'pre hoc' – i.e. say what you want to do.



13. We will monitor projects over time, as below. When we achieve policy impact that is likely to benefit consumers within a reasonable time frame (we suggest five years), then

we fill out the details on what this might be, coupled with any evidence that may substantiate this. This is 'post hoc' – i.e. say what you have been able to do.



14. In order to develop a more systematic approach over time, we believe that a sample of projects and their impact ought to be subject to third party evaluation. We can also code projects in a variety of ways, such as their 'advocacy style', emphasis on the four strategic themes (access, service, value and sustainability), relevance to disadvantage or vulnerable groups and whether carried out in partnership or not. This kind of coding can assist subsequent analysis and reporting.

Board review of policy areas

15. The Board has previously noted that while it does not wish to decide every policy issue, it does wish to consider certain matters which are particularly significant. The criteria for this might be topics which:

- Involve unusually high degree of reputational risk
- Concern an exceptionally high profile or politically sensitive issue
- Set a significant precedent for other key areas of work
- Involve new high-level judgment about scope of our statutory powers and how they should be exercised
- Involve a major ethical dilemma e.g. where publishing research findings might drive a company out of business and so reduce consumer choice, or where our proposed approach would create substantial detriment for some consumers as well as benefits for others
- Involve a significant in-principle decision about whether this is a consumer issue.

16. We suggest that in order to keep this simple for the organisation, we style these criteria as being about 'high salience, high risk, high novelty' policy matters.

17. We would estimate that there might be in the region of half a dozen such discussions each year, although clearly this is something that will be driven by events. In the

immediate period ahead, they might for example include the Hooper review, the consumer law review and financial services regulation.

18. Alongside this specific policy engagement, the Board has a vital role in evaluating the overall impact, effectiveness and value for money of our policy advocacy, and considering the future direction of travel within the framework on the Forward Work Programme.

19. We propose that each programme set out in the Forward Work Programme should be discussed once a year, starting in March 2009. This will start with a brief presentation from the team concerned (giving the Board a chance to hear direct from our policy and public affairs experts), and will aim to focus on the recent impact, present and future opportunities and strategic direction of the programme. It will not be a review of productivity i.e. we will discourage teams from listing all the things they have done in the past year.

20. We are developing the timetable of such reviews, but tentatively suggest the following:

March 2009:	International
May 2009:	Disadvantage
June 2009:	Open markets, Sustainability
August 2009:	Community services, Public services
September 2009:	Extra Help Unit
October 2009:	Customer service
December 2009:	Energy market, Post
January/February 2010:	Complaints of general interest

21. Starting with the international programme will amongst other things allow us to update the Board on our strategy with regard to the European Parliament elections and, looking slightly further ahead, a new Commission. An early look at the disadvantage programme will allow the Board to review the early commitment Consumer Focus has given to campaigning on fuel poverty.

Individual Board member involvement in policy

22. The Board previously agreed that we should collate and circulate a register of Board policy expertise, to inform fellow Board members and enable staff to seek advice informally on particular policy issues. This is attached as paper 15.4C.

23. Consumer Focus staff may contact individual Board members on issues identified on the register of expertise. This might for example include advice on key contacts and project scoping, and commenting on drafts.

24. Board members may in turn draw issues to the attention of Consumer Focus staff – for example, suggestions about our future agenda, identification of opportunities, and connection with contacts. Where this relates to a specific programme, this should in the first instance be through the relevant programme lead; where it is wider than this, it should be through the Deputy Chief Executive or Senior Directors for Wales or Scotland.

25. Where a Board member has a particular ongoing interest in the work of one programme team, it would make sense for the Board member and programme lead to work out how best to manage the relationship to make sure it works well for both.

D Proposal

26. The Board is asked to consider the issues raised and proposals made in these papers, as set out in paragraphs 2-4 above.

E Resources

27. The matters covered in this paper will not require any additional resources.

F Next steps

28. If the Board agrees to the proposals made here, we will start to use the consumer rights and thinking on policy attitude in inductions and training, and advise all colleagues about the approach to supercomplaints. We will also finalise the schedule of discussions about individual advocacy programmes and identify policy issues to bring to the Board.

29. We are currently developing an organisation-wide approach to enable colleagues to translate our Forward Work Programme into detailed projects. This will also allow us to identify project-specific risks, and capture information to feed into our analysis of our impact. We will update the Board on this at a future meeting.

30. We are also developing a quality assurance process, building on the policy and practice of the predecessor organisations. This will cover issues such as when and how we should peer-review work in draft, and our standards on the use of research findings. We aim to present this to the Board at its next meeting. As part of this process, we will develop an approach to ensure we learn the lessons from all projects once they are finished, alongside a more detailed independent evaluation of a small number of projects every year.